



**Substantial Amendment to the  
FY2024 & FY2025  
CDBG-RHP Action Plan**

**Delaware State Housing Authority**

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## Summary

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Delaware State Housing Authority (DSHA) is proposing the following substantial amendment to reallocate the funds of DSHA’s 2024 and 2025 Community Development Block Grant – Recovery Housing Program (RHP) authorized under Section 8071 of the SUPPORT for Patients and Communities Act.

A substantial amendment is required:

- If a PJ changes the method of distributing funds;
- To carry out an activity not previously described in the plan;
- To change the purpose, scope, location, or beneficiaries of an activity; and
- To add new preferences or method of prioritization not previously described in the plan.”

DSHA’s original RHP Allocation Plan details the funding strategy for the allocation in the amount of \$1,430,099 for the 2024 allocation and \$1,430,099 for the 2025 allocation. Due to the significant and ongoing shortage of non-congregate shelter and temporary housing options for individuals experiencing homelessness with Substance Use Disorder (SUD), this substantial amendment is designed to explain how DSHA plans to include additional eligible activities to the RHP Program to better serve this population.

## Proposed Substantial Amendment

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DSHA’s original plan details the following funding activities, as listed in the table below.

Category
Administration
Acquisition
Relocation, if applicable
Rehabilitation/Renovation costs
Pre-development and Soft Costs

DSHA has identified a significant and ongoing shortage of non-congregate shelter and temporary housing options for individuals experiencing homelessness with Substance Use Disorder (SUD) through stakeholder engagement, data analysis, and ongoing coordination with state and local partners.

## Methods of Distribution

After evaluating the existing Substance Use Disorder (SUD) treatment and recovery housing landscapes in the State of Delaware, RHP funds may be used for the following eligible activities.

The table below lists the updated eligible funding activities.

Category
Administration
Payment of lease, rent, and utilities
Acquisition
Relocation, if applicable
Rehabilitation/Renovation costs
Pre-development and Soft Costs

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Due to the urgent need for individuals and families experiencing homelessness and in recovery from SUD, DSHA has determined that direct selection is the most effective and compliant method to distribute RHP funds.

DSHA has included the Payment of lease, rent, and utilities as an eligible RHP activity to benefit an individual in recovery from a substance use disorder for the purpose of providing stable, temporary housing. Payment must be made directly to the landlord or utility provider. Payment will not be made directly to the individual.

All activities listed will be available in order to assist individuals in recovery from a substance use disorder in accordance with Section 8071. The method of distribution will be a direct, project-specific application process to identify and evaluate eligible RHP activities. Under this process, DSHA may invite one or more qualified owners, developers, or subrecipients to submit a project proposal when a specific opportunity is identified that aligns with the RHP eligible activities listed. Invitations will be based on demonstrated experience, capacity, site availability, or the unique suitability of a proposed property or project.

A proposed project funded under this amendment will be evaluated based on the following criteria:

- Direct benefit to RHP populations;
- Suitability of a property for conversion to a non-congregate shelter or suitable temporary housing;

- Readiness to proceed, including site control and ability to complete environmental review;
- Financial feasibility and cost reasonableness; and
- Experience and administrative capacity of the owner, developer, or subrecipient to meet RHP expenditure deadlines, use restrictions, and long-term operational requirements.

RHP funds will be designated through a written agreement with an eligible owner, developer, or state recipient. The agreement will specify:

- Approved RHP activities;
- Performance milestones and timelines;
- Compliance, reporting, and monitoring requirements; and
- Applicable RHP use restrictions.