

# Rhode Island Consolidated Annual Performance and Evaluation Report

For Program Year 2016  
(March 1, 2016 thru June 30, 2017)

Final Draft

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## **CR-05 - Goals and Outcomes**

**Progress the jurisdiction has made in carrying out its strategic plan and its action plan.**

### **91.520(a)**

*This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.*

Of the twenty-one goal outcomes described in the program year 2016 action plan (which was included in the 2015-2019 Consolidated Plan), twelve (57% of goal outcomes) were either met or exceeded by the actual program output. Actual program output ranged between 50% and 99% of that expected for another five of the goal outcomes, meaning that Rhode Island Housing achieved at least 50% of the stated goal outcomes for 76% (17 of 21) of its annual goals. Only five goal outcomes were not met by high rates of actual output. Inability to meet certain goal outcomes occurred because of the relative strength of funding proposals that generated other outcomes. Major accomplishments in 2016 included the preservation or production of over 1,000 affordable rental homes by the State's community of developer, funders and program managers, as well as the assistance of thousands of renters and owners with assistance to purchase new homes, remain in their homes, or pay rents commensurate with their incomes. While homelessness is an unfortunate reality in Rhode Island, it is one that the State works diligently to prevent or alleviate, with countless work hours spent by passionate service providers in the delivery of services, housing, shelter and advocacy.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

*Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.*

Ten goal estimates were exceeded by actual output, including the addition of 36 housing units dedicated to households experiencing homelessness (8 more than expected), adding 13 affordable homeownership opportunities (5 more than estimated), the rehabilitation of 930 rental units (391 more than estimated), the assistance of 941 households with rapid re-housing (740 more than expected), serving 3,204 persons in emergency shelters (275 more than expected), serving 1,700 households with tenant-based vouchers through the Housing Choice Voucher Program (100 more than expected), assisting 837 homeowners with foreclosure prevention assistance (652 more than expected), assisting 94,068 persons with public facility and infrastructure improvements through the State CDBG program (48,818 more than expected) and assisting 44,921 persons with public services funded through the State CDBG program (6,171 more than expected).

<b>Program Year 2016 (Year Two of 2015-2019 Planning Period)</b>				
<b>Outcomes by Goal- Actual to Estimated</b>				
Goal 1 - Develop and Preserve Affordable Housing	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Rental units constructed	68	50	74%
	Rental units rehabilitated	539	930	173%
	Homeowner Housing Added	8	13	163%
	Homeowner Housing Rehabilitated	4	0	0%
	Housing for Homeless added	27	36	133%
	Rental Housing Rehabilitated - DR	60	0	0%
Goal 2 - End Homelessness	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Other - PSH Households Assisted	1,309	1,188	91%
	Rapid Re-Housing - Households	201	941	468%
	Shelter - Persons	2,929	3,204	109%
	Shelter Beds Added	32	35	109%
	Homelessness Prevented - Persons	6	0	0%
	HIV AIDS Housing Ops	48	48	100%
VLI Household Rent Support (NOP)	182	182	100%	
Goal 3 - Healthy Homes	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Home Health Hazards Remediated	95	67	71%
	Rental units rehabilitated	99	12	12%
	HO Housing Rehabilitated	163	97	59%
Goal 4 - TBRA to Low Income	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Tenant-Based Rental Assistance	1,600	1,700	106%
Goal 5 - Address Foreclosure Crisis	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Homeowners Assisted	185	837	452%
Goal 6 - Non-Housing Community Development	<b>Outcome</b>	PY16 Est	PY 16 Act	% of Outcome
	Public Facility/Imprvmnt - Persons	45,250	94,068	208%
	Public Services - Persons	38,750	44,921	116%
	Public Facility/Imprvmnt DR - Persons	70,000	38,382	55%

**Table 1 - Accomplishments – Program Year 2016**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

State programs helped add 123 new affordable homes to the state’s inventory in PY16, which included 58 rental homes rehabilitated and 50 rental units constructed new with 13 homeownership units built new. The state also preserved the affordability of 870 homes through re-financing and substantial rehabilitation work. Total development cost in developing or preserving these 993 homes was over \$156 million. Subsidy programs described in the Consolidated Plan and subsequent action plans (State HOME, State CDBG, Building Homes Rhode Island, Lead Safe Homes Program, Thresholds Program and Low Income Housing Tax Credit Equity) combined to represent over \$53 million, or 34% of the total development cost. Utilizing the Federal Financing Bank funds through a risk-share program with the US Treasury expanded RIHousing’s ability to provide first mortgages for the purpose of preservation. It

should be noted that 75% of the total public funding comes through the Low Income Housing Tax Credit equity; smaller grant programs analyzed alone have much higher rates of leverage, especially when used as a source in the Low Income Housing Tax Credit project. All Goal 1 funds will directly address priority needs 1, 2 and 3 and described in Table 74 of the 2015-2019 Consolidated Plan, section SP-25 of the Strategic Plan, while various funds will simultaneously address priority needs 4, 5, 6, 7, 8, 11 and 12 depending on the proposals funded. These funds are distributed to qualified developers with eligible project proposals to develop affordable housing.

The Consolidated Homeless Fund combines five different program sources associated with Goal 2, as described in Table 89 of the 2015-2019 Consolidated Plan, to fund rapid re-housing, emergency shelter operations and homelessness prevention. The Continuum of Care, RoadHome and State Rental Assistance programs go to fund the state's permanent supportive housing opportunities, although they function as separate programs. The Thresholds Program develops housing for disabled and homeless persons in need of health services and those funds help add shelter beds and permanent housing opportunities. HOPWA funds housing assistance for homeless persons with AIDS while NOP funds the operations of rental units that offer reduced rents and supportive services for households that qualify as homeless. All of these programs combine to prevent and end homelessness, which is Goal 2 of the 2015-2019 Consolidated Plan, and shares the goals outlined in Opening Doors Rhode Island, the state's plan to end homelessness. Priority needs 4, 5 and 6 (Table 74) are directly addressed by the distribution of these funds. In Program Year 16, \$13.9 million was awarded to qualified service providers located in Rhode Island that offer eligible programming for homeless persons and households.

The LeadSafe Homes Program (LSHP) of Rhode Island Housing combines funding from HUD and from the state to remediate lead-paint and other healthy homes hazards (mold, lack of insulation, contamination, pest problems, unsafe conditions), providing \$551,024 to help remediate lead and other health hazards in 67 homes in Program Year 16 (combining both homeowners and rental housing). Rhode Island Housing's LSHP staff takes in applications, completes the inspection and analysis of need of a home, schedules a contractor walkthrough advertised to all state-licensed lead hazard work contractors, coordinates scope of work review and work plan between lowest bidder and owner, relocates tenants temporarily if needed, clears the final work with owner and contractor, then pays the contractor directly based on invoices once the work is cleared. The CDBG Home Repair Program provides funding to units of general local government (UGLGs), sometimes individual municipalities or groups of municipalities, to operate funding programs to homeowners in need of rehabilitation assistance. Priority needs 7 and 8 (Table 74) are directly addressed by the distribution of funds to LSHP and municipal home repair programs (CDBG).

The Housing Choice Voucher Program, the state's main program for providing tenant-based rental assistance, is administered by Rhode Island Housing, and distributes monthly housing assistance payments directly to landlords, whose tenants pay 30% of their gross monthly incomes with the housing payment assistance covering the balance of what that tenant can pay and what the landlord can reasonably expect for the apartment. Priority needs 1, 2, 6 and 12 (Table 74 of the 2015-2019 Consolidated Plan) are directly addressed by the distribution of these funds. An average of 1,700 households per month were assisted with this rental housing in Program Year 2016.

The State's housing finance agency, Rhode Island Housing, applied for and received \$252,461 in funding from the National Foreclosure Mitigation Council's grants, administered by NeighborWorks America, for the purpose of operating a HelpCenter on site to provide housing counseling. Priority needs 6 and 12

are addressed through this funding source, which was essential to serving 837 households in 2016. The number of households served exceeded the expected output by more than 652 households because of the high level of demand. Rhode Island Housing provided operating support to complement the grant funds.

The CDBG Home Repair Program provides funding to units of general local government (UGLGs), sometimes individual municipalities or groups of municipalities, to operate funding programs to homeowners in need of rehabilitation assistance. An estimated \$1,436,684 was awarded to rehabilitate 97 homes in Program Year 2016.

CDBG funds for non-housing community development are distributed to units of general local government (UGLGs) to use to develop much-needed public facilities and infrastructure. CDBG-DR funds are distributed to UGLGs that show need based on damage to facilities and infrastructure in their community. Both CDBG and CDBG-DR funds go to meet the proposed objectives by completing work or providing services with staff or by distributing funds to qualified providers of contracting work and service delivery, awarding over \$3.6 million and assisting a total of 177,371 persons with public facility or infrastructure improvement or with public services. Priority needs 8 and 9 (Table 74 of the 2015-2019 Consolidated Plan) are directly addressed by the distribution of these funds.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME	ESG
White	35,110	55	238
Black or African American	6,597	8	217
Asian	313	0	4
American Indian or American Native	1,370	0	4
Native Hawaiian or Other Pacific Islander	369	1	0
<b>Total</b>	<b>49,954</b>	<b>75</b>	<b>548</b>
Hispanic	5,365	18	362
Not Hispanic	44,589	57	186

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

CDBG race and ethnicity assistance statistics come from IDIS report PR23 Summary of Accomplishments, specifically page 5 of that report. The total include both housing and non-housing activities and measure both persons and families assisted. Racial categories not provided account for the difference between the TOTAL row input and the sum of the present calculations for race.

HOME race and ethnicity data is related to projects in which the HUD Completion Date of the Activity ID was during the program year. For HOME, please note that 75 HOME-assisted units were completed. In addition to the 64 units referenced under the race category above, 11 households identified as either 'other multi-racial'. The true total is 75 HOME units, which is occluded by the inability to enter information into an Other category for Race.

For ESG, please note that 548 families were assisted. In addition to the 463 families referenced under the race category above, 83 families identified 'other multi-racial'.

### Homeownership and Mortgage Services

Rhode Island Housing was very successful in delivering financial assistance to eligible low- and moderate-income buyers this past year. During PY 2016, Rhode Island Housing and its partners originated mortgages for 1,625 low- and moderate-income Rhode Island households totaling \$291,000,000 to purchase homes. An additional \$9,300,000 helped 1,465 of these households achieve their dream of homeownership with second mortgages. The 35% increase in loan volume from 2015 to 2016 occurred while Rhode Island Housing maintained its percentage of new loans to minority borrowers, with 25% of first time homebuyers being either Black, Hispanic, Asian or mixed race.

## CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

<i>Program Year 2016 (Year Two of 2015-2019 Planning Period)</i> <i>Summary of Funding by Goal</i>		
<b>Goal 1 - Develop and Preserve Affordable Housing</b>	PY16 Est	PY 16 Act
HOME Investment Partnership Program	3,023,400	2,579,428
9% Housing Tax Credit	2,730,000	1,172,810
Community Development Block Grant - Affordable Housing	1,243,646	469,247
Building Homes Rhode Island	0	5,685,373
Housing Trust Fund - HERA 2008	3,000,000	0
4% Housing Tax Credit	1,200,000	3,289,562
Thresholds	1,000,000	1,063,519
CDBG -DR Housing Stabilization Program	926,527	2,189,361
<b>TOTAL</b>	<b>13,123,573</b>	<b>16,449,300</b>
<b>Goal 2 - End Homelessness</b>	PY16 Est	PY 16 Act
State Rental Assistance	750,000	982,010
Emergency Solutions Grants Program - Entitlement communities	707,210	718,236
Emergency Solutions Grants Program - Statewide	671,713	668,699
Social Service Block Grant, Title XX	1,272,598	1,272,385
RI Homelessness Funding	1,640,013	2,871,368
CDBG Homeless Setaside	500,000	84,142
Supportive Housing Program - Continuum of Care	5,262,197	5,093,517
HUD Section 811 Project-Based Rental Assistance	646,666	208,713
RoadHome Service Enriched Rental Assistance Program	2,325,000	2,000,000
HOPWA	685,495	685,495
Neighborhood Opportunities Program	1,300,000	800,000
<b>TOTAL</b>	<b>15,760,892</b>	<b>15,384,565</b>
<b>Goal 3 - Healthy Homes</b>	PY16 Est	PY 16 Act
State Lead Program	400,000	178,927
HUD Lead Hazard Reduction Program	766,667	306,353
HUD Healthy Homes funding	66,667	65,744
CDBG Home Repair Program	994,917	1,436,864
<b>TOTAL</b>	<b>2,228,250</b>	<b>1,987,888</b>
<b>Goal 4 - TBRA to Low Income Hseholds</b>	PY16 Est	PY 16 Act
Housing Choice Voucher Program (Section 8)	<b>14,125,665</b>	<b>15,756,917</b>
<b>Goal 5 - Address Foreclosure Crisis</b>	PY16 Est	PY 16 Act
NFMC Round 7 NeighborWorks Grant	<b>252,461</b>	<b>252,461</b>
<b>Goal 6 - Non-Housing Community Development</b>	PY16 Est	PY 16 Act
CDBG - Balance of funds (not affordable housing or home repair)	2,736,022	2,361,491
CDBG-DR - Balance of Funds (not housing stabilization)	3,673,473	1,263,943
<b>TOTAL</b>	<b>6,409,495</b>	<b>3,625,434</b>
<b>TOTALS</b>	<b>51,900,336</b>	<b>53,456,565</b>

**Table 3 - Resources Made Available and Amount Expended During Program Year**

## Narrative

Actual disbursement of HUD Community Planning and Development state formula allocation programs (State HOME, State CDBG, State ESG) totaled \$7,599,871 in Program Year 2016. Other funding expended in 2016 included \$9,950,552 in HUD CPD funds that are not state formula allocations (Continuum of Care, HOPWA, CDBG-DR, and non-State ESG funds). Funding through non-CPD HUD programs totaled \$16,337,727 (Section 811 PRA – Office of Multifamily Housing Programs, Lead Hazard Reduction and Healthy Homes grant programs – Office of Lead Hazard Control and Healthy Homes, Housing Choice Voucher Program – Office of Public and Indian Housing). Other non-HUD Federal funding comes from the US Treasury (\$4,462,372 in Low Income Housing Tax Credit allocations, worth roughly ten-times the allocation in terms of equity-generated), as well as \$1,524,846 in other non-HUD Federal grants (Social Service Block Grant, National Foreclosure Mitigation Council program). Total Federal funding actually expended in program year 2016 totaled \$39,875,368, which accounted for 75% of total funds expended on activities intended to meet the goals outlined in the 2015-2019 Consolidated Plan. State funding through general appropriations and capital bonds totaled \$9,538,751, which accounted for 18% of total funds expended. Private funds provided by the state’s housing finance agency to support state housing goals totaled \$3,863,519, which accounted for the remaining 7% of total funds expended. In total, \$53,660,054 in grants and tax credits was expended on housing and community development activities through the funding sources outlined in the 2015-2019 Consolidated Plan, which is equal to 103% of the funds made available for such activities in the program year as described in the 2016 Annual Action Plan.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Statewide Effort	100	100	Housing and Community Development

Table 4 – Identify the geographic distribution and location of investments

### Discuss the geographic distribution and location of investments

There are no target areas defined in the state’s Consolidated Plan besides overall statewide efforts. The geographic allocation of investments are reflections of the various program regulations, as defined in the state’s Strategic Plan, specifically section SP-10. In general, HOME, CDBG and ESG funds prioritize investments that will assist those geographic regions that do not have access to entitlement funding for the same program, respectively. However, state CPD formula allocation funds may be used in entitlement communities if there is funding left over after non-entitlement awards are made and if a particular project addresses a high need priority or geographic area. LIHTC funds are awarded based on the dual geographic goals of developing affordable housing in parts of the state with few opportunities for low-income households and addressing concentrated vacancy and blight in urban areas that was caused by the housing crisis. State ESG funding assisted organizations to address homelessness based

out of Providence, Warwick and Pawtucket, which are urban areas that contain many neighborhoods that have yet to recover from the housing crisis and face high unemployment rates than the rest of the state. State CDBG program regulations make CDBG funds available to all municipalities except for the CDBG entitlements of Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket. CDBG funds were awarded to the highest need areas of the state that are not part of these urban areas.

## **Leveraging**

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

### State HOME Program

HOME applications receive extra points in scoring when proposed projects have other sources of public and private funds committed. No federal funds are counted as match, only state and private funds are considered. Sources contributing to the development of HOME-assisted projects include: market rate bank financing, private foundation grants, private donations, Building Homes RI, Lead Hazard Reduction funds allocated from the state, Thresholds Program funds, Community Development Block Grant funds, Affordable Housing Program funds (Federal Home Loan Bank of Boston) and sales proceeds (Homeownership projects). For every HOME dollar, there was \$54 other dollars spent on HOME-invested projects in 2016.

### ESG Match

Due to the unique collaboration of the Consolidated Homeless Fund, the CHF Partnership is able to provide 100% matching funds without transferring match responsibility to the ESG sub-recipients. Non-CPD funds that are leveraged through ESG funding of the CHF include the state's homelessness funding through the HRC, and Social Service Block Grant funds (passed through to the HRC from the state's Dept. of Human Services).

In PY16, the state's ESG formula allocation made up 11% of the funding for the Consolidated Homeless Fund, the remaining funding coming from a portion of the state's Title XX Social Services Block Grant, entitlement community formula allocations of ESG funds, as well as state investments through a restricted receipt account (the real estate conveyance tax). As shown in CR-75, ESG Expenditures, Consolidated Homeless Fund activities paid for with the State ESG funds leveraged a total of \$676,882 in state funding in FY16, which represents an increase of 12% in the amount leveraged compared to the previous government fiscal year.

### Private financing in the development of affordable housing (meeting Goal 1)

State programs helped add 123 new affordable homes to the state's inventory in PY16, which included 58 rental homes rehabilitated and 50 rental units constructed new with 13 homeownership units built new. The state also preserved the affordability of 870 homes through re-financing and substantial

rehabilitation work. Total development cost in developing or preserving these 993 homes was over \$156 million. Subsidy programs described in the Consolidated Plan and subsequent action plans (State HOME, State CDBG, Building Homes Rhode Island, Lead Safe Homes Program, Thresholds Program and Low Income Housing Tax Credit Equity) combined to represent over \$53 million, or 34% of the total development cost. Utilizing the Federal Financing Bank funds through a risk-share program with the US Treasury expanded RI Housing's ability to provide first mortgages for the purpose of preservation. It should be noted that 75% of the total public funding comes through the Low Income Housing Tax Credit equity; smaller grant programs analyzed alone have much higher rates of leverage, especially when used as a source in the Low Income Housing Tax Credit project.

**Publicly Owned Property**

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	\$69,892,058.67
2. Match contributed during current Federal fiscal year	\$8,005,193.99
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$77,897,252.66
4. Match liability for current Federal fiscal year	\$645,138.00
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$77,252,114.66

**Table 5 – Fiscal Year Summary - HOME Match Report**

<b>Match Contribution for the Federal Fiscal Year</b>								
<b>Project No. or Other ID</b>	<b>Date of Contribution</b>	<b>Cash (non-Federal sources)</b>	<b>Foregone Taxes, Fees, Charges</b>	<b>Appraised Land/Real Property</b>	<b>Required Infrastructure</b>	<b>Site Preparation, Construction Materials, Donated labor</b>	<b>Bond Financing</b>	<b>Total Match</b>
5242	10-19-16	\$0						\$0
5023	10-26-16	\$0						\$0
5364	10-26-16	\$2,427,826						\$2,427,826
5133	5-24-16	\$1,614,233						\$1,614,233
5369	1-23-17	\$641,981						\$641,981
3963	10-14-16	\$1,535,999.99						\$1,535,999.99
5366	7-7-16	\$117,280						\$117,280
5372	6-30-17	\$1,667,874						\$1,667,874

**Table 6 – Match Contribution for the Federal Fiscal Year**

<b>Program Income</b> – Enter the program amounts for the reporting period				
<b>Balance on hand at begin-ning of reporting period</b>	<b>Amount received during reporting period</b>	<b>Total amount expended during reporting period</b>	<b>Amount expended for TBRA</b>	<b>Balance on hand at end of reporting period</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
\$0	\$536,577.36	\$0	\$0	\$536,577.36

Table 7 – Program Income

**HOME MBE/WBE report**

<b>Minority Business Enterprises and Women Business Enterprises</b> – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	<b>Total</b>	<b>Minority Business Enterprises</b>				<b>White Non-Hispanic</b>
		<b>Alaskan Native or American Indian</b>	<b>Asian or Pacific Islander</b>	<b>Black Non-Hispanic</b>	<b>Hispanic</b>	
<b>Contracts</b>						
Number	6	0	0	1	0	5
Dollar Amount	\$3,912,391	\$0	\$0	\$15,617	\$0	\$3,896,774
<b>Sub-Contracts</b>						
Number	102	0	1	6	12	83
Dollar Amount	\$4,131,797	\$0	\$225	\$167,850	\$278,846	\$3,684,876
	<b>Total</b>	<b>Women Business Enterprises</b>	<b>Male</b>			
<b>Contracts</b>						
Number	6	0	6			
Dollar Amount	\$3,912,391	\$0	\$3,912,391			
<b>Sub-Contracts</b>						
Number	102	5	97			
Dollar Amount	\$4,131,797	\$379,028	\$3,752,769			

Table 8 – Minority Business and Women Business Enterprises

<b>Minority Owners of Rental Property</b> – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	<b>Total</b>	<b>Minority Property Owners</b>				<b>White Non-Hispanic</b>
		<b>Alaskan Native or American Indian</b>	<b>Asian or Pacific Islander</b>	<b>Black Non-Hispanic</b>	<b>Hispanic</b>	
Number	6	0	0	0	0	6
Dollar Amount	\$2,520,795	\$0	\$0	\$0	\$0	\$2,520,795

Table 9 – Minority Owners of Rental Property

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired				0	0	
Businesses Displaced				0	0	
Nonprofit Organizations Displaced				0	0	
Households Temporarily Relocated, not Displaced				0	0	
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	N/A	N/A	N/A	N/A	N/A	N/A
Cost	N/A	N/A	N/A	N/A	N/A	N/A

**Table 10 – Relocation and Real Property Acquisition**

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	1,566	1,454
Number of non-homeless households to be provided affordable housing units	2,979	2,693
Number of special-needs households to be provided affordable housing units	0	0
<b>Total</b>	4,545	4,147

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	3,166	3,118
Number of households supported through the production of new units	76	63
Number of households supported through the rehab of existing units	1,303	930
Number of households supported through the acquisition of existing units	0	0
<b>Total</b>	4,545	4,111

Table 12 – Number of Households Supported

### Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The difference between goals and outcomes reflect timing issues. In some instances, the production of new housing took longer than expected due to delays, and smaller output resulted in the given year. Further, funding for projects with higher subsidy costs per project, based on other scoring factors, likely led to lower output compared to previous years. Lastly, the lack of additional subsidies to leverage CPD funds resulted in less overall support. Even with these factors, actual affordable housing provision reached 91% of its target in PY16.

### Discuss how these outcomes will impact future annual action plans.

The occasionally prolonged process of placing housing units in service after they've been awarded funding accounts for year-to-year underperformance, if a large enough group of projects end up delayed past one year. For the most part, the production of new units and the rehabilitation of existing housing units that will be placed into the inventory of Low to Moderate Income Housing will be able to achieve the five-year goal as defined in the 2015-2019 Consolidated Plan, but may miss or exceed annual goals

due to inconsistency with funding-to-occupied timelines. Attempts have been made to incorporate these different lag times into performance expectations, for instance, projects that add housing to the Low-Mod Inventory are likely to be occupied in the calendar year after the year of closing, while a preservation of affordable housing project is likely to be occupied/placed in service in the same year in which the deal is closed. However, these predictions do not capture the actual timeline to completion for each project funded. These outcomes, therefore, will not affect future annual action plans. The lack of increased permanent supportive housing in the program year may necessitate the scaling back of expectations in future annual action plans in terms of PSH opportunities growing year-to-year; however, these outcomes are still dependent on the quality of the applications received by the Consolidated Homeless Fund program administrators. Other factors, such as the funding of new programs to achieve the goals set in the 2015-2019 Consolidated Plan, are more likely to impact future annual action plans than the outcomes measured in the 2016 Program Year. The participation in the HFA-Risk Share program that allows the state to offer lower interest rates to property owners through financing issued through the Federal Financing Bank will likely increase annual expected outcomes, especially for the amount of rental units rehabilitated in future program years.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Persons Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	17	21
Low-income	15	54
Moderate-income	13	0
<b>Total</b>	<b>45</b>	<b>75</b>

**Table 13 – Number of Persons Served**

### **Narrative Information**

Of the 75 units that were completed in the HOME Program in PY16, 21 (28%) served extremely low-income households (earning at or less than 30% of AMI), while the remaining 54 (72%) served low income households (earning between <80% AMI excluding extremely low income). Disaggregating the low-income household group, 35 (47%) earned incomes between 30% and 50% of AMI while an additional 9 earned between 50% and 60% AMI. Only 10 of the 75 units will serve households earning above 60% of AMI.

For CDBG, PY16 income data was available for 45 housing units, with 17 extremely-low income homeowners, 15 low-income homeowners, and 13 moderate-income homeowners served.

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Rhode Island Continuum of Care has a strong outreach system. The State Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH) has used Projects for Assistance in Transition from Homelessness (PATH) funds to ensure that outreach teams exist throughout the state to connect homeless individuals and families with housing and services that they require. The continuum has adopted the Vulnerability Index-Service Prioritization and Data Analysis Tool (VI-SPDAT) to identify needed housing and services. This tool is used when a person is first entered into the Homeless Management Information System (HMIS). Once assessed, those needing permanent supportive housing are referred to the coordinated entry system to match the person with available units. If a match is not found the person is referred to a housing placement committee to better understand the housing needs and services of the person and to facilitate an appropriate housing referral. The placement committees follow-up with three sub-populations: family & youth, chronic homeless, and veterans to identify and coordinate the housing for the persons assessed.

When the emergency 2-1-1 system receives (operated by United Way Rhode Island) calls from those experiencing homelessness, they refer them to agencies that can perform the VI-SPDAT. Persons are prioritized for housing based on their severity of need and length of time homeless. CAP agencies and service agencies also are aware of the assessment processes. All vacancies (CoC, RIHousing-funded, State-funded) are reported to the Coordinated Entry committee of the RI CoC and participants case conference on the appropriate placement and make referrals to available housing resources. RI CoC policies requires providers of permanent supportive housing to implement a low barrier approach to entering programs and receiving assistance. In 2016, 2-1-1 received 112,563 calls for housing/shelter help requests, and 3,644 calls about foreclosure prevention information.

The Consolidated Homeless Fund awards funding to eligible projects for street outreach, which provides essential services to unsheltered homeless persons connecting them with emergency shelter, housing or critical services. The eligible costs and requirements for essential services consist of engagement, case management, emergency health and mental health services, transportation and services for special populations.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

In PY16, the State's homelessness programming, as measured through the State Homeless Management Information Systems database, served 3,204 persons with emergency shelter and 513 persons with transitional housing.

The Consolidated Homeless Fund and the Continuum of Care combine to fund 450 transitional housing units per year, with 64% of these homes being available to households with children. Transitional housing is intended to be a stepping stone for a household while they are securing their own homes. A case manager works with the household in transition to develop a case plan that has realistic outcomes recognizes the strengths of the household and address barriers to independent living and develops action steps to make that transition. Case managers work with members of the household to attend financial, literacy and other life-skills workshops that are available in the immediate area. Services available include referrals to community healthcare resources and assistance with obtaining health insurance. Some units of transitional housing include nurses and psychiatrists to address client needs for psychotropic medications and to monitor their health status. Applicants for funding to operate transitional housing include measurements of outcomes related to successfully transitioning clients to permanent housing, usually as percentages of clients that achieve increased income, secure permanent housing or achieve goals as part of their individual service plans.

The State and entitlement city ESG funds awards are coordinated to ensure all parts of the state can meet the emergency shelter and transitional housing needs of all persons. Domestic Violence Shelter placements are available throughout the state. Rhode Island is committed to decreasing the length of stay in these facilities by expanding its rapid re-housing programs through CoC and State Rental Assistance dollars. No new transitional housing programs are currently being developed, with rapid re-housing replacing that program model. There is also a decreased use of hotel/motel vouchers, which are utilized predominantly during extreme weather situations.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

#### Foster Care

The Rhode Island Department of Children, Youth and Families (DCYF) has a policy not to discharge clients into homelessness, and has committed to this policy through a Memorandum of Agreement with OHCD. Children in foster care are not reunited with their families unless stable housing is secured. Families receive short term financial assistance and support services when housing is the primary barrier to reunification. Youth unable to go home are given the option of voluntarily participating in the DCYF-funded YESS (Young Adults Establishing Self Sufficiency) Aftercare Services which provides a stipend for housing and other wrap-around supports until the youth is 21.

YESS provides individualized, youth-driven services and supports to young adults, ages 18-21, who have been closed to the state's Family Court and DCYF.

#### Health Care

A Memorandum of Agreement between the Dept. of Health (DOH) and OHCD dictates that hospital patients not be discharged into homelessness. Patients remain hospitalized until they are healthy enough to move on to housing and receive case management support in developing a discharge plan. Discharge planners in assisted living facilities are trained to identify mainstream housing opportunities and to pair placements with Money Follows the Person (MFP) Program long-term care services.

Governor Raimondo's Reinventing Medicaid Initiative has illuminated the need to invest in the social determinants of health to achieve the goals of improving quality and patient satisfaction while controlling spending. Through initiatives such as the expansion of the Community Health Team model to the Accountable Entity and the launch of the Housing Stabilization service there is a commitment to aligning healthcare resources with housing success.

### Mental Health

An MOA between BHDDH and OHCD dictates that patients of mental health institutions are not to be discharged into homelessness. BHDDH supports the Housing First model with PATH and SAMSHA grants for client-centered permanent housing and funds new supportive housing for people with serious mental illness and developmental disabilities through the Thresholds program (administered by Rhode Island Housing).

The Prevention and Planning Unit of BHDDH provides planning assistance and services for the development and implementation of behavioral health prevention, treatment, and recovery support policies, programs and services. The Unit also administers federal block and formula grants from the Substance Abuse and Mental Health Services Administration, the Office of Juvenile Justice and Delinquency Prevention, and the Department of Education.

The Division of Behavioral Health's primary effort in provision of services to the homeless is through its grant for Projects for Assistance in Transition from Homelessness (PATH). The grant, for \$300,000, targets people who are suffering from serious mental illness and substance abuse and who are homeless or at risk of becoming homeless.

PATH funded services consist primarily of outreach, engagement, screening and diagnosis. The fact that PATH services are provided through House of Hope CDC, a statewide community development corporation gives PATH clients access to a wide range of other services, including mental health and substance use treatment, case management, supportive and supervisory services in residential settings and referrals to health services, job training, and education while providing priority access to permanent supported housing services for its PATH clients.

### Corrections

Developing coordinated reentry strategies, including social services and life skills training, in addition to the traditional supervision of probation and parole, helps ex-inmates break the cycle of incarceration. Evidence suggests that providing services beyond post release supervision, such as substance abuse treatment, mental health services, job placement and educational services lowers the recidivism rate.

The community benefits from reentry programs that work. Public safety improves and correctional and criminal justice costs are reduced in the long run when ex-inmates are directed away from re-offending to more productive work.

RI has initiated a comprehensive approach to offender reentry (established through Executive Order 04-02). This approach, facilitated with technical assistance from the National Institute of Corrections, represents the combined efforts of the Department of Corrections, the state legislature, numerous other state agencies, local governments, law enforcement and countless community agencies. The committee includes key state agencies and is divided into three tiers. The first tier, comprised mainly of cabinet-level appointees, focuses on larger policy issues. The second tier, consisting of departmental appointees and directors of community based organizations, examines management issues. The third tier, comprised of front-line worker and managers, addresses programmatic issues.

Additionally, community reentry councils, a group of community leaders and service providers, have been established in Providence, Pawtucket, Newport and Warwick to help assist offenders returning to their community.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Chronically homeless individuals and families have been a priority for placement into permanent supportive housing in Rhode Island for the past 3 years. This commitment has been supported by the institutionalization of the VI-SPDAT, which prioritizes housing for the homeless. The coordinated entry system is being implemented with this tool, a referral in the HMIS and with placement committees which are part of the RI Continuum of Care structure. Rhode Island received technical assistance to increase placements of homeless veterans and the chronically homeless through its Zero:2016 campaign, which is a focus on the Opening Doors RI goal of ending chronic homelessness and Veteran homelessness. Rhode Island also received a HUD Section 811 rental assistance award for 150 units. These units serve chronically homeless and homeless in institutions. Rhode Island Housing, the Money Follows the Person (EOHHS) office and BHDDH have entered into memorandums of understanding to ensure services are available and that those who are high utilizers of Medicaid are served first. (See goals in AP-60 of the Consolidated Plan).

The CoC provides technical assistance to the TSH providers to help transition their projects or help find other resources to maintain that housing, while also re-allocating other resources to tenant-based rental assistance to further increase the opportunities for persons to avoid homelessness.

RI CoC placement committees are provided a list from HMIS on families and individuals ranked by longest to shortest length of stay. Referrals from the coordinated entry system prioritize those with the longest time homeless.

## CR-30 - Public Housing 91.220(h); 91.320(j)

### Actions taken to address the needs of public housing

RIHousing, as a public housing agency (PHA) servicing the communities without local PHAs, administered funding for approximately 1,700 tenant-based vouchers. Recent changes to HCVP include the preference for homeless households among new lessees, systematic changes in program management that improves the success rate of lease up, and the development of a centralized waitlist for the State's PHAs. Other PHAs are looking to State support to preserve and revitalize the current stock of project-based public housing, in particular the ongoing Park Holm project in Newport and the Prospect Heights redevelopment project in Pawtucket.

The public housing authorities in these entitlement communities, as well as the city of Newport, contributed to state CoC management, working to place members of their waitlists into housing opportunities based on the same vulnerability index used for state homelessness programs. The City of Pawtucket's housing authority, for instance, now has a homeless priority for its project-based and tenant-based housing placement.

#### 2016 ACTION:

- Rhode Island Housing executed four new Project Based Voucher contracts. **These new contracts added an additional twenty-five (25) new Project Based units to our portfolio in Providence, Cumberland and South Kingstown.** Rhode Island Housing also renewed three Project Based Voucher contracts which ensured the continued affordability of 65 units.
- **Used the Housing Choice Voucher Program (HCVP) to further HUD's Opening Doors initiative to end homelessness.** Rhode Island Housing adopted two new local preferences: 1) families "moving up" from Permanent Supportive Housing to independent tenancy, and 2) families at risk of increased rent burden and/or homelessness due to expiring rental subsidies. Rhode Island Housing initially allocated up to 50 Housing Choice Vouchers towards the initiative. An increment of 20 additional vouchers were allocated at PHA's discretion if additional referrals reached 20 depending on funding availability.
- Rhode Island Housing adopted the Housing Opportunity and Modernization Act (HOTMA) which specifies that if payment standards are reduced as result of a reduction in HUD Fair Market Rents, RIH will not apply this reduction to families currently assisted in the HCV program. RIH utilized the flexibility provided under HOTMA to project-base up to an additional 10 percent of its authorized units in order to create additional housing supply for vulnerable populations.
- **Worked with other Public Housing Authorities to more effectively meet the housing needs of all families.** Rhode Island Housing is a participant in a statewide Centralized Wait List Portal where families have the option of applying for assistance throughout the state through a one-time application process. The Centralized Wait List Portal is planned to be

operational by the end of 2017. Rhode Island Housing has been selected to serve as the Centralized Wait List Portal Administrator for all participating PHAs.

- **Better utilized state and federal funds to provide residents with additional supports.** Rhode Island Housing used a per-voucher fee that is assessed to participating agencies to implement a new Rhode Island Housing staff position to provide administrative support functions related to the Centralized Wait List Portal.

### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

Rhode Island Housing has served as Family Self Sufficiency (FSS) program coordinator for more than 20 years and currently has 153 participants actively enrolled in the program, of which 73% have established savings accounts. Family Self Sufficiency (FSS) enables individuals and families who receive assistance through the Housing Choice Voucher Program (HCVP) to learn the fundamentals of money management and achieve economic independence. Since 2009, 85 families have graduated from the program and have collectively received more than \$611,544 in savings. In 2016, RIH had 11 families graduate from the program and disbursed over \$77,313 in Family Self Sufficiency (FSS) escrow funds. There are currently 18 families participating in the Housing Choice Homeownership Program; four of those families purchased their homes in 2016.

### **Actions taken to provide assistance to troubled PHAs**

Not Applicable

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

Rhode Island municipalities have a great deal of autonomy in setting zoning and land use policies as well as permit fees. However, there has been progress in recent years to standardize some of these practices to reduce uncertainty for developers and ensure that fees are appropriate and proportionate.

### 2016 Actions

Rhode Island is last in the US in new units permitted for development, overall and per capita. State agencies continued to work with municipalities and private developers to reduce the cost of construction. The Rhode Island Builders Association convened a permitting think tank each quarter in 2016 to work with state and local officials to solve permitting and inspection issues in the state.

Rhode Island Housing participated in research and outreach associated with improving policies to remove barriers to affordable housing, including the development of multifamily by-right zones in every town, implementing a statewide accessory dwelling unit policy for elderly or disabled family members, protecting the tax policy.

### **Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

The state identifies the following as underserved populations that will be the subject of targeted interventions to provide more housing opportunities and services that prevent homelessness. Successes regarding the actions outlined here will be described in each program year's CAPER.

Medicaid is increasingly becoming an important funding source for assisted housing services, and changes to Medicaid are encouraging better coordination among stakeholders. New five-year contracts were signed in April 2017 for three health plans to serve Rhode Island's 250,000 Medicaid members (representing close to one-quarter of the state's population). The three health plans – Tufts Health Plan, Neighborhood Health Plan of RI and UnitedHealthcare Community Plan – along with state agencies working with Medicaid members, continue to work on initiatives that support the goal of reducing healthcare costs through offering stable and secure housing.

Home Stabilization Initiative: Rhode Island's Dept. of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH) has conducted several pilot programs since 2008 for vulnerable populations that have proven the cost effectiveness of providing permanent supportive housing to individuals who are cycling through emergency systems or have been unable to leave expensive institutions due to the lack of affordable housing and community-based support services that focus on housing retention. The Home Stabilization amendment was accepted in 2015, and continued in PY16, EOHHHS (The Executive Office of Health and Human Services) and BHDDH worked together to create certification standards in

partnership with the Centers for Medicare and Medicaid Services (CMS). These standards intend to allow for organizations to become providers of home stabilization services that can be billed to Medicaid.

### Youth aging out of foster care

Per Foster Forward, Rhode Island's leading advocacy and programming organization for youth aging out of foster care, "on or shortly after their 18th birthday, young people in the Rhode Island foster care system lose their foster care benefits. It's called "aging out," and it affects over one hundred young adults each year."

The R.I. Department of Children, Youth & Families (DCYF) is the principal agency charged with ensuring that youth aging out of foster care do not become homeless and that families are sustainably housed prior to reunification. A DCYF representative co-chairs the Family & Youth subcommittee of the Continuum of Care along with the Foster Forward and R.I. Kids Count. The subcommittee is responsible for carrying out the state objective to end homelessness among families, children and youth within 10 years. The Rhode Island Council of Resource Providers (RICORP), the Ocean State Network and its multiple provider partners, Child and Family Services of Newport and its multiple partners, Rhode Island Housing, the RI Coalition for the Homeless, PICA, and the House of Hope are all represented on the committee and take an active role in ensuring homeless youth are housed in sustainable settings and families have supports necessary to remain stably housed.

YESS (Youth Establishing Self-Sufficiency Aftercare Program) provides individualized, youth-driven services and supports to young adults, ages 18-21, who are no longer eligible for the state's Family Court and DCYF. RI Foster Parents Association, PCDC and Ferland Property Management all work to ensure that this housing answers the need for the target population.

Participants receive one-on-one advice and support from a self-sufficiency specialist, assistance locating safe and affordable housing, identifying employment, and/or enrolling in an educational program. They also receive guidance creating a tailored budget, and limited funds that help pay for housing and other living expenses (participants become increasingly responsible for their own housing expenses over time).

In 2016, YESS Aftercare served approximately 300 participants. YESS participants lived in a variety of settings, the majority (53%) lived with a supportive adult. This person is typically a former foster parent, extended family member, or other positive connection that has been identified by the participant. A quarter of the participants lived in their own apartments, roughly 11% lived in an apartment with a roommate, and the remaining 11% lived in a dormitory or some other temporary living arrangement.

ASPIRE is a resource funded in part through the CYS contract that is available to any young person who experienced foster care on or after their 14th birthday, regardless of whether they aged out, were adopted, reunified with a biological parent, or moved to guardianship. ASPIRE helps young people impacted by foster care get on the path to financial independence. Through financial education and

support in saving toward a purchase goal, the ASPIRE Initiative empowers youth-ages 14-26 to manage and save their money and become successful adults. ASPIRE participants receive:

- Nine hours of classroom-based, comprehensive financial education, tailored to the unique needs of young people in foster care
- \$100 toward the opening of an Individual Development Account (IDA), and a dollar-for-dollar match, up to \$1,000 per year, toward the purchase of such items as cars, education expenses, housing expenses, health expenses, and investments
- Additional financial education specific to transportation, housing, saving and investing, and education and training
- Access to financial coaching

In 2016, ASPIRE participants made several housing matches, the average dollar amount for this type of match was close to \$500 each. These matches helped former foster youth obtain apartments, and can help youth to purchase their own homes.

#### *De-institutionalized elderly and disabled*

The State continued to coordinate across agencies to permanently and adequately house de-institutionalized elderly and disabled.

Section 811 Project Rental Assistance: RI housing was awarded \$5.6 million in 2015 to administer the Section 811 Project Rental Assistance Program for RI, a project that provides renewable project based rental assistance for five years to affordable housing projects that serve extremely low income persons with disabilities, and targets de-institutionalized elderly and disabled populations. BHDDH will – through facilitation with owners of units, award rental assistance contracts – provide case management services, transportation and employment services, support for independent living skills training, mental health services and making connections to Medicaid via these services to the eligible populations. Through June of 2017, RI Housing has approved 70 units under this program, and is in the process of executing rental assistance contracts with additional developers in PY17. In total, the Section 811 program will serve 150 households, 50 of which will be dedicated to high users of Medicaid, 50 for those in institutions ready for discharge with no housing and 50 for those who cannot sustain their housing.

Accessory dwelling units: The State has successfully advocated for the statewide accommodation for the development of accessory dwelling units (in-law apartments), on the site of single family owner-occupied dwellings, for disabled and elderly family members. Such a law prohibits municipalities from restricting in-law apartment development for this use. While the passage of these laws is an important step in allowing families to move their elderly or disabled family members to leave institutions into an affordable care setting, it is up to municipal officials (zoning boards of review, primarily) to recognize these laws.

2016 Action

The Continuum of Care's standing committees met regularly in 2016 to assist the Continuum in carrying out routine operations. The System Performance Committee convened to review quarterly results HUD mandated performance measures using Homeless Management Information System data. The System Performance Measures (SysPM) include statewide data on 1) Average length of time homeless, 2) Returns to homelessness, 3) Total number of homeless individuals and families, 4) Income increases, 5) Number of newly homeless, 6) Successful housing placements from Street Outreach, Emergency Shelter and Transitional Housing, and 7) Retention in Permanent Housing. The State still struggles with a high number of homeless persons compared to before the housing bubble and credit crisis. The SysPM Committee evaluated data to prepare plans to address the characteristics of those that return to homelessness. This analysis included the specific needs of high need individuals. The Chronically Homeless/High Need Individuals Committee advised the Housing Resources Commission, the Interagency Council on Homelessness and the Continuum of Care Board with recommendations on reducing barriers to successful placement. Work in 2016 to affect these outcomes included considering the role of Medicaid, specifically the Global Waiver, in helping the chronically homeless and high needs individuals in the State.

#### 2016 Action – MFP.

Money Follows the Person (MFP) Demonstration Program: In 2011, RI received a federal grant for MFP, designed to increase options for elderly and persons with disabilities to receive care in the community. MFP is part of the "rebalancing" efforts of the American Care Act to shift full-time institutional care to community-based settings. National and local findings of MFP efforts since 2011 emphasize how the lack of affordable, accessible housing is the biggest barrier to these rebalancing efforts, keeping too many persons in expensive, full-time institutional settings instead of at home receiving similar care. In response to this barrier, MFP created a housing working group that works to understand what organization and community services already exist for the elderly and disabled population. The working group includes long-term care representatives, home care nurses, Residential Service Coordinators (RSC), assisted living professionals and housing professionals. This housing group met several times in 2016 and a forum, funded through MFP, will convene in September, 2017 to bring together housing developers and senior population healthcare providers and administrators to strengthen collaboration in meeting senior housing needs.

RI has served approximately to 250 persons through December of 2016, since the program began.

#### *The re-entry of discharged prisoners into community settings*

Facilitating the re-entry for persons leaving prison is a goal of Opening Doors Rhode Island, and is thus a shared goal of this Consolidated Plan. Each subsequent year of this planning period, the state will provide updates on achievements relating to the provision of housing opportunities and the prevention or ending of homelessness for this population.

#### 2016 Action

In 2016, The Rhode Island Department of Corrections continued its work of transitioning offenders, near

their releases from prison, with necessary services. Discharge Planners created transition plans, and also managed the service of a new Transition Center, a one-stop resource center where released offenders can access community-based and state service providers, receive clarification about probation and gain assistance with applications for public benefits.

### Preventing homelessness

#### 2016 Action

Recidivism Reduction from an Intensive Reentry Program with an Experimental Design – 9 Yards Program.

Most of the work for re-entry is conducted through the local re-entry councils of which probation and parole staff takes the lead in creating. Homeless provider agencies and homelessness advocates participate to create the linkage between the discharge plans and the support systems in the community. They also report on-going housing issues of the re-entry population to the Chronically Homeless/High Need Individuals Committee of the Continuum of Care. Most persons are discharged to their families in temporary situations, so DOC discharge planners ensure that the person has access to all the local information related to housing, community programs and networking activities related to housing. They work with housing outreach workers to locate affordable housing and the SOAR program to access SSI and SSDI. Targeting this population within DOC facilities helps divert many at-risk prisoners from homelessness upon release or shortly thereafter.

BHDDH operates the Transition from Prison to Community Program (TPCP), in conjunction with the Department of Corrections (DOC), the Rhode Island Parole Board. The program's substance abuse treatment providers have been working closely to assist in the transition of inmates back into their communities by providing/coordinating substance abuse services to those individuals who are eligible for parole and in need of services upon their release from the ACI. The Rhode Island Adult Drug Court has been in existence for about 11 years. Its purpose is to improve the quality of participant's lives in a timely and effective manner through substance abuse treatment, social services, and justice interventions, to help reduce the incidence of substance abuse among participants and decrease their involvement in the criminal justice system.

The Rhode Island Department of Corrections continued its work of transitioning offenders, near their releases from prison, with necessary services. Discharge Planners created transition plans, and also managed the service of a new Transition Center, a one-stop resource center where released offenders can access community-based and state service providers, receive clarification about probation and gain assistance with applications for public benefits.

OpenDoors, a private, Providence-based social service organization that helps inmates adjust to life after their release, continued to sponsor in PY16 a program called the "9 Yards Program" that provides subsidized housing, educational training and workforce services for six months following prison release. The program is paid for with money from the Corrections Department, the Governor's Workforce Board and the Damiano Fund. 9 Yards participants recidivated back to prison less than those that did not

participate in the program. The State funding of this program contributes to its goal of preventing homelessness of recently released prisoners.

### **Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

Rhode Island also continued to support the much needed work in continuing to reduce lead-based paint hazards. Rhode Island has the 4th oldest housing stock in the nation and this stock requires proper maintenance and rehabilitation to mitigate the hazards posed by the wide spread use of lead based paint prior to 1978.

Rhode Island Housing's LeadSafe Homes Program (LSHP) is a Green and Healthy Homes model program that is able to produce comprehensive interventions that reduce lead hazards, address healthy homes hazards, and reduce energy consumption in a cost effective and efficient manner for families in the Program's at risk target communities. As stated in the Strategic Plan, Goal 3 of the 2015-2019 Consolidated Plan is to improve the health, safety and energy efficiency of all Rhode Island homes. LHSP achieves this goal by remediating lead-based paint hazards, and completed remediation work in 67 households in the second program year. While no set-asides exist within the regulations of the program, historical program data suggests that, in a given calendar year, 60% of funds go to multi-family projects, either owner-occupied or not, and 40% go to single family homeowners.

### **Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

#### *Family Self Sufficiency program*

The Family Self-Sufficiency program, as the name suggests, does more than just provide rental assistance, but works with renters to develop escrow accounts in order to save to become homeowners. Rhode Island Housing runs a voluntary FSS program through its authority as a PHA, and receives approximately \$180,000 per year to support three full-time FSS coordinators. The program is currently at 100% capacity in terms of actual enrollment and maximum enrollment allowed; 73% of participating families have escrow account balances and several families are participating in educational programs with the intent of becoming homeowners. Since 2009, 85 families have graduated from the program and have collectively received more than \$611,544 in savings. In 2016, we had 11 families graduate from the program and disbursed over \$77,313 in Family Self Sufficiency (FSS) escrow funds. There are currently 18 families participating in the Housing Choice Homeownership Program; four of those families purchased their homes in 2016. RIH conducts outreach to all HCVP participants to participate in the Homeownership program by holding quarterly presentations in which all tenants are invited to attend; RIH also provides support to other PHAs in increasing participation in Homeownership programs throughout the state. OHCD and RIHousing employ a multifaceted approach to reducing the number of families living in poverty. The first is providing affordable, stable housing to low-income families. For families leaving the shelter system with a rental housing placement, stabilization and self-sufficiency programs are offered and promoted. RIHousing and many PHAs throughout the state administer successful family self-sufficiency (FSS) programs that help families transition from public assistance in rental housing to independent homeownership. Continuum of Care-funded projects work to increase cash income from employment, providing employment and training opportunities through their

agencies, i.e. CNA training at CrossroadsRI, carpentry training and a culinary arts program at Amos House, recovery coach and clinician training at the Providence Center, retail training at Foster Forward, and retail training at House of Hope. Many of these job training initiatives were funded by the Governor's Workforce Board – Workforce Innovation Grants program. Projects also assist their participants in accessing training and job openings through a partnership with the RI Department of Labor and Training.

#### *Address Negative Effects of Foreclosure Crisis*

The Rhode Island Housing Help Center continued to field requests for counseling services, with many of these householders receiving in-person counseling, which is funded by national foreclosure mediation grant funding, state funds provided through the mortgage crisis settlement and Rhode Island Housing's own funds. RIH's Help Center also continued its foreclosure mediation role, which brings together the homeowner, their counselor and the servicer to participate in a good faith effort to work out the challenges facing the borrower. These services will help the state achieve Goal 5 of the 2015-2019 Strategic Plan and served nearly 200 households with in-person counseling and mediation services, while fielding close to 1,000 calls to the HelpCenter.

#### 2016 Action

Two additional programs were funded in 2016 to help address the foreclosure crisis. The first is a program administered by Rhode Island Housing and called 'First Down'. The program provides \$7,500 in down payment assistance to qualified first-time homebuyers purchasing previously foreclosed homes and other eligible properties in 6 Rhode Island communities. The initiative is funded by the U.S. Department of the Treasury's Hardest Hit Fund program.

Rhode Island Housing estimates that more than 530 homeowners will be served through First Down. If the buyer sells, refinances, or transfers the home within five years of closing the loan, a portion of First Down loan would need to be repaid. Through the end of PY16 (June of 2017), 198 registrations for First Down funding had been received possibly providing \$1.49 million in assistance.

RI Refi is a new home-loan program for borrowers who owe to a mortgage holder more than 110 percent of their home's current value. Many of these current "underwater" borrowers were targeted by subprime lenders during the recent housing bubble. The program offers up to \$75,000 in principal forgiveness to owner-occupied of 1-4 unit homes or condominiums. Through PY16, 31 registrations had been filed for \$1.5 million in assistance through RI Refi.

#### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The coordination of State, Federal, and private resources improved access to housing and community development resources and focused these resources to high priority areas and initiatives. Recommendations continue to be made on how to improve the administration of programs by State agencies. Closer communication ties among agencies with housing programs are also being pursued to improve program coordination. Periodic meetings of the State agencies improve the coordination of

current funding programs as well as implementation of new housing policies and programs.

#### Systems Development and Capacity Building – Consolidated Homeless Fund

In PY16, the Housing Resources Commission awarded \$675,000 (source: state real estate conveyance tax) to projects that address key components of a systems development and capacity building program to meet the objectives of Opening Doors Rhode Island. Key components include:

- A coordinated entry system for the State
- The Homeless Management Information System
- Innovate projects to meet one or more goals of Opening Doors RI

The goal of these actions is to sharply decrease the number of homeless people in Rhode Island. The Coordinated Entry system, especially the diversion processes therein, will serve to not only reduce the number of persons homeless but also reduce time homeless. This institutional development program seeks to connect organizations across the state that can improve the information and outreach that makes clear where people who are homeless can go for help. The intention is also to fund projects that reduce barriers to entering homeless shelters for people who are truly in crisis and have no place else to go. Four organizations received funding from the System Development award category in June of 2017 and the implementation of these projects will begin in PY17.

The Rhode Island Continuum of Care will continued to improve and formalize its institutional structure in PY16. A full time CoC Planner / Program Manager was hired to better coordinate the various functions of the CoC Committees and better coordinate the programs serving homeless persons in the State across various governmental and nongovernmental agencies through planning and monitoring.

The Continuum of Care is organized into several standing committees to carry out the day to day work of the Continuum and to support the operation and evaluation needs of the ESG-funded programs (administered through the Consolidated Homeless Fund). Three standing committees focus on targeted populations: the Veterans Committee; the Families and Youth Committee; and Chronically Homeless/High Need Individuals Committee. These committees use a case conferencing approach and a service priority assessment to house these targeted populations in the most appropriate housing and to inform policy makers about policies which create barriers to successful placement. The Continuum of Care board approves and ratifies the recommendations of these CoC committees; the Board is represented by program staff that also directs the state's ESG, CDBG, HOME and HTF funds.

The state uses a housing first model to place families and individuals quickly into housing, and requires treatment and services as a prerequisite to maintaining that housing. The CoC uses HMIS to identify previously homeless families seeking further homeless services and applies rapid re-housing services to these households. The CoC is committed to maximize funding for CoC and ESG rapid re-housing through reallocations. RIHousing staffs the Continuum of Care and both RIHousing and OHCD are members of the CoC Board.

Rhode Island's Consolidated Homeless Fund (CHF) combines all ESG funds (state and entitlements), state funding for homelessness, and Title XX block grant funds into one program. A committee representing the state, ESG entitlement communities, the chair of the Housing Resources Commission, RI Housing and other relevant policy makers in homelessness set parameters for the CHF program's funding and make awards. This committee recently merged with the Continuum of Care Recipient Approval and Evaluation Committee, which now oversees the development of performance standards and monitors outcomes for both CoC and ESG-funded projects. This committee relies on information provided by the RI CoC including: point-in-time statistics, HMIS performance reports, and subrecipient capacity reports. The CoC also aids in the development of performance standards and provides outcome evaluations of all Consolidated Homeless Fund providers via the System Performance Committee.

The Chief of the Office of Housing and Committee Development is a member of the Continuum of Care Board. As a member of the Board, he consults with the CoC in determining the allocation of ESG Funds and funding priorities. Once the allocation of funds and funding priorities are determined, the Consolidated Homeless Fund issues a Request for Proposal. Eligible entities including not for profits and units of local government apply for funding in accordance with the RFP guidelines. The Consolidated Homeless Fund then convenes a review committee consisting of representatives from the Entitlement Cities (Cities of Providence, Pawtucket, and Woonsocket), the State of Rhode Island Departments of Human Services and the Office of Housing and Community Development and members of the CoC Fund Review Committee to review and evaluate proposals and to make funding decisions.

State staff that administers the ESG program and ESG entitlement representatives sit on several of the CoC standing committees, including the HMIS Committee. This committee develops and annually reviews HMIS privacy plans, security plans, data quality plans and all other policies and procedures required by regulation. The Rhode Island Coalition for the Homeless is the HMIS Lead Agency and has a memorandum of agreement with the RI CoC. The determination for assistance via ESG and CoC transitional or permanent supportive housing programs are based on HMIS data, which includes each individual's or household's vulnerability assessment score and priority designation.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

HUD Section 811 Project Rental Assistance Program

Rhode Island Housing (RIH), the Executive Office of Health and Human Services (EOHHS), and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH) will build on their strong history of collaboration and the Rhode Island's strong infrastructure and supportive service system to administer the HUD Section 811 PRA Program in Rhode Island.

Systems change associated with implementation of the PRA will result in seamless communications between EOHHS, BHDDH and RIH; increased placement of disabled individuals in integrated community-based settings; and greater oversight of the provision and expansion of quality housing and services.

The effects of this system change will be measured by:

- The decreased number of disabled individuals on waitlists
- The increased number of disabled individuals who are placed in integrated community-based settings
- Improved housing retention (fewer evictions and abandoned apartments)
- Increased housing stability (fewer hospitalizations/emergency room visits, less interfacing with law enforcement, fewer tenant landlord disputes)
- Shorter length of stays in institutions
- Fewer re-admissions to institutions

RIH, EOHHS and BHDDH intend for the proposed PRA program to result in improved health outcomes, reduced service costs per beneficiary (particularly amongst homeless high Medicaid users), reduced chronic homelessness statewide and increased tenant income. RIH, EOHHS and BHDDH believe that pairing the PRA program with the interdepartmental data matching of homelessness (HMIS) and Medicaid information is a particularly innovative, replicable model that could become a best practice for reducing homelessness and lowering Medicaid expenditures.

### **Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

The most recent analysis of impediments to fair housing choice, entitled “Rhode Island Regional Analysis of Impediments to Fair Housing” (RAI) was completed in August 2015. The document is available for download at [http://www.rhodeislandhousing.org/filelibrary/Final\\_RAI\\_August\\_2015.pdf](http://www.rhodeislandhousing.org/filelibrary/Final_RAI_August_2015.pdf). The document outlines the impediments to fair housing in the state, which outline the impediments by the following categories: Market Conditions; Housing Needs and Resources; People with Disabilities; Land Use Regulation and Infrastructure; and Discrimination. Each category of impediments includes a review of the current and past actions taken to alleviate the impediments associated with that category. The RAI included several recommendations for further action, including:

- Elevate the importance of fair housing statewide
- Reduce segregation and concentrated poverty and increase access to quality affordable homes throughout the state
- A Fair Housing Information and Assistance Center
- Provide and promote information on statewide housing opportunities
- Improve access to homeownership
- Inform and improve mortgage lending practices
- Address the ongoing foreclosure crisis
- Address housing needs of people with disabilities

- Infrastructure, Zoning and Land Use reform
- Ending source of income discrimination
- Increase access to healthy housing
- Improve Fair Housing Enforcement
- Remove barriers to housing for ex-offenders

Some of the actions taken to address to pursue these recommendations include:

#### Advocate for federal and state funding for the development of affordable housing

With the passage of the \$50 million Housing Bond in 2016, housing advocacy organizations are likely to turn their attention to increasing the State's long-term investment in housing and homelessness programs. One new investment approved in 2017 is a \$250,000 state appropriation to offset costs to build or retrofit existing homes to accommodate elderly or disabled residents. Improvements could include the installation of wheelchair ramps, grab bars for bathroom showers, widening doorways or any other renovations that would make it easier and safer for elderly or disabled individuals to stay in their homes. Governor Gina Raimondo has included level funding (\$1 million) for Thresholds in her FY18 budget. Thresholds is administered by Rhode Island Housing and provides funding to be used to develop housing for people with serious and persistent mental illness and developmental disabilities. Many organizations in the State are also advocating for federal legislation that has been introduced in Congress to improve and expand the extremely successful Low-Income Housing Tax Credit program (S548/HR1661). If enacted, this legislation would significantly increase production and preservation of housing in Rhode Island.

#### Work with municipalities to improve incentives to develop affordable housing

Proposed legislation would create a municipal infrastructure grant program to issue grants and assistance for infrastructure projects that support job creation, housing, and community development. In 2017, legislation was passed that requires that city and town building permit fees recover no more than the cost of permitting activities during the period of normal building activity. The RI house of Representatives has also established a Low and Moderate Income Housing Commission that is assessing the status of municipal implementation of the Low and Moderate Income Housing Act and recommending changes. The Commission may generate recommendations for legislative changes to that Act in the next session. Rhode Island is actively working on accessory dwelling unit policy to serve as a source of housing development that assists disabled and elderly persons to remain close to family and community supports. A new law that took effect January 1, 2017 allows owner-occupied single family homes to construct accessory dwelling units (also known as in-law apartments) as a reasonable accommodation for family members who are 62 years old, or older, provided all other laws are followed. Prior to this legislation, municipalities could restrict the development of in-law apartments only to disabled family members. While the state considers this legislation a removal of a barrier to affordable housing, the advocacy community in PY17 will work with its members and other partners to educate Rhode Islanders about their right to develop in-law apartments for elderly family members, and to ensure compliance on the part of municipalities.

## Reduce property tax burdens on protected classes

Rhode Island municipalities continue to provide a variety of property tax exemptions for protected classes, such as for Veterans, the elderly, the visually impaired and blind as well as tax relief for low-income elderly and disabled households that qualify. Rhode Island Housing also administers the Madeline Walker program, which gives the Agency the right of first refusal to purchase liens on 1-4 unit owner-occupied properties at tax sale and work with those homeowners to get on a payment plan so that they can remain in their homes.

## Advocate for Housing Policies

In PY16, Rhode Island Housing advocated for the Source of Income Fair Housing Legislation. This legislation would prohibit discrimination in housing based on a person's receipt of a lawful source of income. It is specifically targeted to protect tenants that receive Section 8 Housing Choice Vouchers. Under this legislation, prospective tenants could not be denied an opportunity to rent an apartment solely because they have a section 8 voucher. While the bill did not pass in 2017 – it is expected to be reintroduced in 2018. Rhode Island Housing has also joined the State's Attorney General in advocating to eliminate the sunset provision of the successful Foreclosure Mitigation Law. The law requires that homeowners be offered the opportunity for foreclosure mitigation before their lender proceeds to foreclosure. Rhode Island Housing provides foreclosure mitigation services. The law is scheduled to sunset in 2018.

## Support Housing Development

In recent years, a number of bills have been enacted that reduce barriers to housing development including standardizing wetland requirements, the calculation of building permit fees and changing how properties under development are taxed. In PY16, legislation was passed that reduced the time frames for municipalities to review and post decisions on proposed subdivisions.

## **CR-40 - Monitoring 91.230; 91.330**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

### **HOME**

#### Monitoring Procedures

To insure compliance with the requirements of HUD and RIHousing Policies and Procedures, Rhode Island Housing conducted on-site inspections and financial oversight in accordance with 92.504. HOME Compliance Team Members conduct annual file reviews and property inspections. The Support Specialist sends each HOME unit sponsor a request letter for copies of files for the file review and to arrange an appointment to conduct the inspection. HOME Support Specialists currently use the standards outlined in HUD Form 52580-A, completing a full review of the site, rating 74 home quality standards as either Pass, Fail or Inconclusive.

If one of the 74 standards measures a Fail, then the unit fails the minimum housing quality standards inspection and a discussion with the owner takes place to address repairs noted that would be necessary to bring the unit up to the standard. HUD Form 52580-A includes all required standards in §92.251(c), specifically regarding compliance with state and local building codes, accessibility, disaster mitigation, health and safety, lead-based paint, and all other standards listed under 24 CFR 982.401.

It should be further noted that per the 2013 HOME Final Rule, all HOME units committed funding after 1/24/15 will be required to be reviewed under the new Uniform Physical Condition Standards (UPCS) on an ongoing basis; however, as of October 2015, guidance from HUD has not yet provided additional guidance on these standards. After the review and the inspection take place, and the Support Specialist then sends the sponsor a follow up letter regarding findings of the reviews and necessary actions that must be taken. Tenants agree in their leases to provide information to the landlord on rents to complete occupancy reports. Each unit is assessed for compliance using information in the file reviews, such as the occupancy information, utility allowances and the level of rent being charged.

#### Site Visits Conducted

RIHousing maintains a monitoring schedule of HOME units based on required inspection dates. 92.251(f) requires the State to have ongoing property standards to ensure that owners of assisted rental housing maintain the housing as decent, safe, and sanitary housing in good repair. The 2013 rule changes established the following standards:

- For all units to which HOME funds were committed after 1/24/15, the ongoing unit inspection standard is all applicable state/local occupancy codes, or, in the absences of state/local codes, UPCS can be applied (§92.251(f)(1)(i)); and

- For projects committed prior to 1/24/15 (now deferred), the standard is applicable state/local codes, or HQS in the absence of state/local codes (§92.251(f)(2)).

The State of Rhode Island Housing Maintenance and Occupancy Code (Chapter 45-24.3) is the standard that must be applied, and it applies to all HOME projects, regardless of the timing of the project commitment.

To implement the new property standards and the policy outlined herein, RIHousing should have:

- An inspection form based on the RIHousing Maintenance and Occupancy Code filled out for each inspected unit; and
- A list of life-threatening health & safety items that must be corrected immediately if found (§92.251(f)(1)(ii)).

Inspections must be based on a statistically valid sample of units appropriate for the size of the HOME-assisted project, as set forth by HUD through notice. For projects with one to four HOME-assisted units, 100 percent of the HOME-assisted units must be inspected. The HOME rule does not require inspections and file reviews to be from identical unit.

#### Timing of Inspections

HOME Final Rule now requires every rental project be monitored during its first year of occupancy (§92.504(d)(1)(ii)(A).) While file reviews and inspections are required during this visit, it is important to focus on rent-up activities and correct application of occupancy requirements.

Monitoring is required to occur every three years, or more frequently if there is significant non-compliance or other risk factors. These onsite monitoring visits include sample unit inspections and review of occupancy files to determine compliance report accuracy and adequate documentation as discussed in Section 5.4.1.3 of RIHousing HOME Policies and Procedures. Standard procedures of Asset Management & Compliance will be used, with attention to the HOME requirements summarized in this Section and in Sections 2.6.2 thru 2.6.5, plus Section 2.4.3.4 for inspections.

#### MBE / WBE

Minority Business Enterprise / Women's Business Enterprise: RIHousing continued its efforts to utilize minority and women's business enterprise (MBE/WBE) including hosting a "Meet and Greet" for contractors on June 13, 2017 to extend our reach into this community. Outreach efforts are implemented by Development Division staff with the oversight of the Deputy Director and the Executive Director. All contracts for the procurement of property and services awarded under the HOME Program and all such contracts awarded by state recipients and other entities, funded under the HOME Program shall to the maximum extent possible be awarded to businesses owned by minorities and women.

The State of Rhode Island maintains a listing, published annually, of minority and women's business enterprises including identification of services and products. In 2011 Rhode Island Housing notified the

state's office of minority contractors that awards are posted on the Rhode Island Housing website. In order to implement an outreach program, all solicitations by Rhode Island Housing for the procurement of services are published on the State website. In recent years, the State has seen numbers of MBE/WBE contractors diminish and RIHousing staff members serve on several advisory committees and commissions hoping to address these changes.

Rhode Island Housing maintains a listing of all minority media outlets who are notified of HOME competitive funding rounds.

HOME recipients with projects under construction are required to report annually on all awarded contracts. Information that includes the dollar value of the contract, contractor name, gender, ethnicity and race, is compiled into a Corporation-wide database and is used to encourage increased utilization of minority and women-owned enterprises. The database became completely functional in December of 2006, though again Rhode Island has seen an increased need for minority and women-owned contractors to participate in it programs.

#### **CDBG**

The State of Rhode Island has developed and implemented a recipient review system. The purpose of this system is to determine whether recipients have carried out CDBG activities in a timely manner and in accordance with the primary objectives, applicable laws, regulations and executive orders.

In designing the review system, special attention was given to Rhode Island's rather unique situation. As a state in which no community is more than 45 minutes away and there are only 33 communities eligible for the Small Cities Community Development program, Rhode Island affords the State community development staff the opportunity to be familiar with each eligible recipient, as well as the impact of each project on the local area.

The State has developed a CDBG Management Handbook that instructs communities on the various regulations of the program and requires program recipients to submit written progress reports, the primary of which are the Quarterly Progress and Close-Out Reports.

The Quarterly Progress report includes data relative to the extent to which persons or households have benefited from CDBG activities as well as status narratives. The program Close-Out report requires recipients to provide all accomplishment information at the completion of funded activities.

Tracking and review of these reports constitutes a major portion of the off-site recipient review. This system permits state staff to remain current relative to recipient progress and to identify problem areas that require special attention.

The State Community Development staff makes every effort to visit each recipient several times during the grant period. The staff reviews all reports and requests for technical assistance, and gives weight to each of the following criteria (risk-based approach) when scheduling on-site monitoring in an effort to ensure that visits take place at the most optimum time.

#### CRITERIA:

1. Towns with identified management concerns which may impact the local administration of the CDBG program
2. Close-Out requests reviewed
3. New CDBG administrative staff
4. Stalled programs
5. Complexity of the projects
6. Projects with no prior review
7. Town with audit findings
8. Requests for assistance
9. Standing of grants, percentages of funds drawn
10. Community's past performance

On-site monitoring visits are documented in a monitoring report. This report is submitted with a cover letter summarizing any finding and indicating actions necessary to resolve them.

The Rhode Island Office of Housing & Community Development (OHCD) will carry out the statutorily mandated responsibility to review Recipient performance as cited in CDBG regulations:

“Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.” 24 CFR 85.40(a)

“The state shall make reviews and audits including on-site reviews, of units of general local government as may be necessary or appropriate to meet the requirements of section 104(e)(2) of the Act... In the case of noncompliance with these requirements, the State shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences and prevent a recurrence. The state shall establish remedies for units of general local government noncompliance.” 24 CFR 570.492(a)(b)

“The recipient is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the recipient of this responsibility. The recipient is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts, and for taking appropriate action when performance problems arise...” 24 CFR 570.501(b)

The Monitoring Plan facilitates OHCD to make informed judgments about Recipients’ program effectiveness, efficiency, and their ability to prevent fraud, waste, and abuse of public funds.

#### Levels of Monitoring

OHCD monitors CDBG Recipients in two ways: in-house review and on-site review.

In-House Review. Also described as a Desk Review, the in-house review will be conducted a minimum of once a year for each open grant. OHCD staff reviews material on file at OHCD, and/or may request specific files from Recipients. Material reviewed may include:

- The Application for CDBG funding
- Environmental Review Record
- Quarterly and semi-annual performance reports;
- Budget or program amendment requests;
- Drawdown requests;
- Documentation of previous monitoring; and
- Copies of audits whether by an Independent Public Accountant or the General Accounting Office

Review of this information allows staff to understand changes in the Recipients' activities, and to identify potential problem areas to examine during a site visit. An in-house monitoring checklist is used to provide a record of each review.

Risk Analysis. Risk Analysis enables OHCD to identify the Recipients to be monitored on-site and remotely, the program areas to be covered, and the depth of the review. Risk Analysis consists of two steps:

1. Rating: Assessing and recording risk for each grantee. This task will be performed annually in January.
2. Ranking: Ranking Recipients in three categories of risk: high, medium, and low.

The results of this two-step process provide the basis for developing an office work plan and individual Recipient monitoring strategies. This includes: identifying which Recipients will be monitored; method of monitoring (on-site or remote); programs and areas to be monitored; areas of technical assistance and training needed; resources needed; and projected timeframes.

OHCD will use the risk-assessment criteria, in addition to in-house review, to prioritize Recipients for monitoring on-site. Quantitative risk values will be assigned to each criteria to facilitate calculation of an overall risk score and ranking order. A Recipient determined to have high risk levels will require on-site monitoring. High-risk Recipients might include:

- Recipients new to the CDBG program;
- Recipients that have experienced turnover in key staff positions or a change in goals or direction;
- Recipients with previous compliance or performance problems including failure to meet schedules, submit timely reports or clear monitoring or audit findings;
- Recipients showing a pattern of errors or inaccuracies in submitted reports and draws;
- Recipients with higher funding allocation;
- Recipients with more complex programs and/or activities;
- Recipients carrying out high-risk activities such as economic development; and
- Recipients undertaking multiple CDBG activities for the first time.

Interim Review. This monitoring may be conducted in office or on-site, depending upon the selected activities or operating procedures to be examined. Recipients are selected for Interim Review based upon risk assessment as described above. An interim review might examine:

- Area(s) of the Recipient’s operation where the regulations have changed or been clarified;
- New activities the Recipient is undertaking
- Activities administered by a sub-recipient
- Aspects of a Recipient’s operations that led to monitoring recommendations in the past
- Other issue areas as identified during in-house review and/or risk assessment

On-Site Review. It is OHCD policy to conduct a minimum of one on-site monitoring for each active CDBG contract prior to closeout. Monitoring visits throughout program implementation may be scheduled based on project and Recipient performance and risk. On-site technical assistance visits are performed as needed/requested. Prior to closing out a grant, on-site review will examine Recipients’ performance in the following CDBG compliance areas, as applicable:

- National Objective Compliance
- Eligibility
- Record-Keeping Systems
- Financial Management
- Non-Discriminations and Actions to Further Fair Housing
- Environment
- Labor Standards
- Citizen Participation
- Procurement
- EEO/Section 3
- Rehabilitation
- Economic Development
- Public Services
- Public Facilities and Improvements
- Acquisition, Disposition, Relocation
- Planning & Administration

The entirety of the CDBG Monitoring requirements is available at the Rhode Island CDBG Monitoring Handbook, which is Appendix E of the CDBG Policies and Procedures Manual, which is accessible to the public at <http://ohcd.ri.gov/community-development/cdbg-dr/general-resources/cdbg-procedure-manual-201510.pdf>

## ESG

### **DOCUMENTATION, REPORTING & ADMINISTRATION**

All providers funded under the CHFP will follow the documentation standards developed by HUD and the Homeless Management Information System for all clients served with CHFP shelter and/or services. Agencies are encouraged to scan documentation into HMIS to ensure safe record keeping and reduce duplication of records across agencies. All providers are encouraged to enter case notes and household records that are not in violation of HIPPA or agency privacy policies into HMIS, to ensure safe record keeping and reduce duplication of records across staff and agencies.

All agencies that receive awards under the CHFP will be required to:

- Enter all program beneficiaries in an accurate and timely manner into the Homeless Management Information System (HMIS) or a comparable database (Domestic Violence Agencies).
- Agree to participate in periodic onsite monitoring visits (Programmatic and Fiscal).
- Send applicable staff to periodic workshops and training provided by and/or supported by the CHF Partnership.
- Routinely request payment and provide appropriate backup documentation showing expenditures.
- Submit required monitoring and evaluation reports as required by the CHF.
- Adhere to all regulations and policies set forth by the federal government and the CHF Partnership General Service Standards including requirements applicable to their ultimate funding source, as described below:

Successful Contractors are required to adhere to the following program requirements:

- a. Area-wide Systems Coordination Requirements (CFR 576.400)
  1. Coordination with other targeted homeless services. The Contractor must coordinate and integrate, to the maximum extent practicable, CHF funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area.
  2. Coordination with mainstream resources. The Contractor must coordinate and integrate, to the maximum extent practicable, CHF-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals may be eligible.
  3. Centralized and coordinated assessment. The Contractor is required to participate in RI's Coordinated Intake and Assessment Process in accordance with the CoC Interim Rule, Section a 578.3. Participation shall include the following:
    - The Contractor will utilize assessment tools selected by and/or developed by RI's Coordinated Intake and Assessment System.
    - The Contractor shall cooperate with the principles and requirements of this system, as approved by the CoC by agreeing to and supporting efforts to:
      - Move people in transitioning through the system;
      - Reduce duplication of effort;
      - Serve clients effectively;
      - Assist with ending chronic homelessness and homelessness among veterans; and
      - Improve matches of services to clients' needs and reducing returns to homelessness through:
        - Diversion & Prevention of Homelessness ;
        - Placement in Interim/Transitional Housing;

- Placement in Rapid Rehousing; and
- Placement in Permanent Supportive Housing.

b. Evaluation of Program Participant Eligibility and Needs (CFR 576.401)

The Contractor must conduct an initial evaluation to determine the eligibility of each individual or family's eligibility for CHF assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. These evaluations must be conducted in accordance with the centralized assessment requirements set forth under 576.400 and the written standards established by the CHF and the Continuum of Care.

c. Terminating Assistance (CFR 576.402)

If a program participant violates program requirements, the Contractor may terminate the assistance in accordance with a formal process established by the Contractor that recognizes the rights of individuals affected. The Contractor must exercise judgement and examine all extenuating circumstances in determining when violations warrant termination so that program participant's assistance is terminated only in the most severe case.

d. Shelter and Housing Standards (CFR 576.403)

The Contractor agrees that any Emergency Shelter, Transitional Housing Facility, and/or Permanent Supportive Housing Program that receives assistance for operations and/or social services under this agreement must meet the following minimum safety, sanitation, and privacy standards:

1. Structure and materials. The building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents.
2. Access. The building must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35; where applicable.
3. Space and security. Except where the building is intended for day use only, the building must provide each program participant in the building with an acceptable place to sleep and adequate space and security for themselves and their belongings.
4. Interior air quality. Each room or space within the building must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
5. Water supply. The building's water supply must be free of contamination.
6. Sanitary facilities. Each program participant in the building must have access to sanitary

facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

7. Thermal environment. The building must have any necessary heating/cooling facilities in proper operating condition.
8. Illumination and electricity. The building must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the building.
9. Food preparation. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
10. Sanitary conditions. The building must be maintained in a sanitary condition.
11. Fire safety. There must be at least one working smoke detector in each occupied unit of the building. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

The Contractor agrees that any permanent housing that a program participant receives financial assistance to remain or move will meet the following minimum habitability standards:

1. Structure and materials. The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
2. Space and security. Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
3. Interior air quality. Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
4. Water supply. The water supply must be free from contamination.
5. Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
6. Thermal environment. The housing must have any necessary heating/cooling facilities in proper operating condition.
7. Illumination and electricity. The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
8. Food preparation. All food preparation areas must contain suitable space and

equipment to store, prepare, and serve food in a safe and sanitary manner.

9. Sanitary conditions. The housing must be maintained in a sanitary condition.
10. Fire safety. (i) There must be a second means of exiting the building in the event of fire or other emergency.
  - (1) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing impaired persons in each bedroom occupied by a hearing-impaired person.
  - (2) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

The Contractor agrees to comply with the provisions set forth in the State of Rhode Island Building Codes.

- e. Street Outreach- Street outreach providers must coordinate their services with emergency shelters and utilize the centralized intake system whenever possible (i.e. contact centralized intake to see if the client has already used services within the system, work with emergency shelters to meet the immediate need for shelter, etc.)
- f. Homeless Participation (CFR 576.405). The Contractor must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the recipient, to the extent that the entity considers and make policies and decisions regarding any facilities, services, or other assistance that receive funding under the CHF.
- g. Faith-Based Activities (576.406). Organizations that are directly funded under the CHF program may not engage in inherently religious activities, such as worship, religious institutions, or proselytization as part of the programs or services funded under CHF.
- h. Recordkeeping and Reporting Requirements (CFR 576.500). The Contractor will be required to show compliance with the program's regulations through the appropriate records, including documentation of homeless status and the program participant's income. The Contractor must have policies and procedures to ensure the requirements outlined in 24 CFR 576.500 are met. In addition, sufficient records must be established and maintained for a minimum of five years to enable the CFP to determine whether requirements have been met.

## **PERFORMANCE MEASUREMENT & EXPECTATIONS**

The resources available in the CHFP are designed to help prevent and reduce homelessness through supportive services, emergency assistance, and housing. In order to assess progress towards these goals, agencies who are awarded funds under this grant will be held to strict performance standards and

outcomes, including specific program targets grantees will be expected to meet, including, but not limited to the following:

- High number of clients exited to permanent housing;
- Low number of clients exiting to emergency shelter;
- High number of clients exiting shelters with an increase in income;
- Increases in income from time of entry into program to exit from program;
- High number of chronically homeless clients exiting to permanent housing; or
- High numbers of clients with a reduced length of shelter stay, prior to permanent housing.

The Homeless Management Information System (HMIS) will be used to track these outcomes, so the capacity to collect and enter data into HMIS is very important for any prospective applicant. If an agency repeatedly fails to meet their performance objectives current and/or future funding may be jeopardized.

Applicants awarded funds through the CHFP that: 1) do not comply with the program assurances; and 2) do not meet performance measures and outcomes through periodic monitoring and reporting mechanisms may be subject to termination of contract.

#### **HOPWA**

Rhode Island Housing, its agents and designees shall have the right, from time to time, to inspect each unit for purposes of ensuring compliance with the terms and conditions of this Agreement and the Rules and Regulations.

The Sponsor agrees to permit Rhode Island Housing, its agents and designees 1) to gain reasonable access to the HOPWA assisted housing, and 2) to examine its books and records, including all financial statements and records, from time to time, insofar as the same may apply to the Sponsor's use of the HOPWA proceeds. The Sponsor further agrees to furnish such other information to Rhode Island Housing, as and when reasonably requested, for the purpose of determining the Sponsor's compliance with this Agreement and the Rules and Regulations.

All records specified in the Rules and Regulations must be maintained by the Recipient and ACOS agrees to provide access to Rhode Island Housing or its designees to the following documents as needed:

#### Client Files

- Medical documentation confirming client's HIV/AIDS status if applicable
- Homeless Verification
- Verification of client's sources of income or employment
- Verification of disability if applicable
- Annual income re-certifications and resident rent payment determination
- Case management plans stating long and short term goals
- Documentation of the services and referrals provided to clients

#### Procedural Documents

- Written procedures for the termination of participation, which outline the minimum due process requirements for termination
- Written Policy for procurements
- If an additional client contribution is charged, a written policy approved by Rhode Island Housing detailing how the fee is set and implemented is required. The letter from Rhode Island Housing approving the program fee must be in the file.

#### Financial Documents

- Written procedures covering the recording of transactions, an accounting manual and a chart of accounts or other documentation of a proper accounting system
- Policy manual or other written procedures covering the authority for approving financial transactions, ensuring that internal controls are in place.
- General Ledger
- Chart of accounts
- Board approved agency budget
- Audits and resolutions of Audit findings
- Supporting documentation for invoices, contracts and purchase orders
- Annual line item budgets for use of HOPWA funds and match
- Time Sheets and schedules of all employees

#### Administrative Documents

- Written procedures and staff training efforts regarding confidentiality and physical security;
- A board approved Code of Conduct governing employees, officers or agents engaged in the award and administration of contracts supported by grant funds.
- Written procedures of the method used for tracking client's eligibility and determining the resident rent payment
- Agreements with qualified service providers for the provision of services to residents at the community residence.
- Organizational staffing chart that sets forth the lines of responsibility
- Job Descriptions
- Copy of Fidelity Bond coverage for responsible officials
- Minutes of Board Meetings, reflecting the actions of the Board; maintain and distributed to and approved by Board Members.

#### **Continuum of Care**

Responsibility for oversight of monitoring is delegated by the RI CoC Board to the Recipient Approval and Evaluation Committee. The conduct of the monitoring and evaluation will be the responsibility of the Collaborative Applicant, or if designated by HUD, by the Unified Funding Agency (CA/UFA).

In order to assure that CoC grantees are abiding by HUD CoC regulations and RCoC policies, the RCoC will conduct monitoring of grantees. Rhode Island Housing will monitor all subrecipients and projects at least annually.

Grantees selected for monitoring will be provided advance notice of monitoring, the checklist that monitors will be using, an entry interview to discuss the monitoring prior to the start, an exit interview to identify and discuss key items that will be included in the monitoring report, and a written report containing a summary of the monitoring and listing any findings or concerns resulting from the monitoring.

Grantees will be chosen for on-site monitoring through a risk assessment process to identify those with the greatest likelihood to have issues that may need to be addressed through monitoring. The factors that will be considered as part of the risk assessment include:

1. The results of the performance evaluation process. Projects selected for monitoring will be those that are in the bottom twenty percent (20%) of grantees according to the performance evaluation process.
2. Review of grantee audits. Grantees with audit findings will be a high risk of monitoring.
3. Prior HUD monitoring and findings. Grantees that have been monitored by HUD and that have findings will be at higher risk of RCoC monitoring. Additionally, grantees that have not been monitored by HUD in the prior 5 years will be at higher risk of RCoC monitoring.
4. Size of CoC grant. Grants of \$400,000 and above will be weighed the highest for monitoring, grants of between \$200,000 and \$399,999 will be weighted second highest; and grants below \$200,000 will have the lowest weighting for monitoring.
5. Expenditure of prior grant. CoC grantees with 15% or more of funds not expended in the prior grant year will be weighted highest for monitoring; those with 5-15% unexpended will be weighted second highest; and those with less than 5% unexpended will have the lowest weighting for monitoring.
6. Project Size: CoC projects with 25 or more units of housing will be weighted highest followed by those with 12-24 units. Those CoC funded projects with 11 or fewer housing units will have the lowest weighting for monitoring.
7. Management and Staff Turnover. Organizations that have seen turnover in the chief executive officer, chief fiscal officer and/or chief operating officer or where the program staff responsible for the CoC funded program has experienced significant turnover (project director or key program staff) will be more likely to be monitored.

The Guidelines and risk assessment factors will be reviewed on an annual basis by the Recipient Approval and Evaluation Committee. Recommendations for any changes in the risk assessment or monitoring procedures will be proposed to the Board for adoption.

The monitoring will be conducted according to procedures approved by the Recipient Approval and Evaluation Committee. These procedures will include at a minimum:

1. Methodology for risk assessment for monitoring
2. A process for conducting the monitoring including notification to grantees being monitored and procedures for the monitoring, and
3. A process for providing the results of the monitoring and grantee response.
4. The Recipient Approval and Evaluation Committee shall also approve a CoC Monitoring Checklist which will monitor compliance with HUD and OMB requirements including without limitation: 24 CFR Part 576; 24 CFR Part 578; 24 CFR Parts 84 and 85; and 2 CFR Part 200

### **Citizen Participation Plan 91.105(d); 91.115(d)**

After the end of each program year, the State of Rhode Island will develop an “Annual Performance Report” in accordance with HUD regulations. This report will describe the State’s progress in carrying out its strategic and action plan, including a description of the resources made available, the investment of available resources, the geographic distribution and location of investments, the families and persons assisted (including the racial and ethnic status of persons assisted), actions taken to affirmatively further fair housing, and other actions indicated in the strategic plan and the action plan.

### **Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

A posting was published in the Providence Journal on August 8, 2017, which announced a public hearing for comments, which took place Tuesday, August 22 at an accessible location at the Rhode Island Department of Administration Building. The public notice included details on what the Consolidated Annual Performance and Evaluation Report (CAPER) would contain, which it is drafted and submitted, and the dates for which the report covers. The public notice also included information on how to access a draft of the CAPER, which was made available online at Rhode Island Housing’s website on August 22, 2017, with the public notice also clarifying that printed copies of the CAPER were available at Rhode Island Housing’s offices at 44 Washington Street, Providence RI, upon request. The public was informed through the public notice that the comment period for the draft CAPER would be open until September 21, 2017. The one hour public hearing included a time for participants to provide comments and ask questions relating to the report and programs described in the report. Comments made by a representative of a homeless provider did not directly related to the CAPER but were instead general inquiries regarding the programs covered. The commenter did highlight the need to support public services, particularly with regard to homeless populations. In response, staff of the Rhode Island Office of Housing and Community Development (OHCD) and Rhode Island Housing provided the attendee(s) with general information regarding the Community Development Block Grant (CDBG), CDBG/Disaster Recovery (CDBG/DR), Consolidated Homeless Fund (CHF, including Emergency Solution Grant), HOME and Housing Trust Fund programs. General program accomplishments, priorities and program operations were referenced. OHCD staff noted the CDBG program has a regulatory limit (15% cap) on

the amount of funds that may be used to support essential services. The CHF, which is a combination of funds that may be used to support essential services. The CHF, which is a combination of federal and State funding, primarily support service and operating costs of homeless providers.

## CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

*Following are the required CDBG performance report responses*

### Resources Made Available and Relationship of the Use of Funds to the State's Objectives

Within the context of National Objective and the State Community Development plan (Consolidated Plan), and recognizing the commitment for 70% benefit to low and moderate income families and individuals, the State established benefit to low and moderate income families and individuals as the primary objective for the CDBG program. Consequently, priority was given to the following activities and funds were allocated as indicated below:

Housing Rehabilitation	\$1,109,266	22.30%
Housing Projects	\$2,192,206	44.07%
Public Facilities Improvements	\$1,021,374	20.53%
Economic Development	\$0	0.00%
Public Services	\$252,500	5.08%
Administration	\$399,239	8.03%
Total	\$4,974,585	100%

The State is finalizing a reconciliation of open grant years. Any remaining funds unobligated will be awarded for PY16 mini-entitlement applications, or applied to the PY17 rolling application pool.

The State has a commitment to assist low/moderate income families/individuals, thereby reducing the number of families/individuals living in Poverty. Although those in Poverty are not specifically targeted through the State's CDBG program design, its requirement that activities predominately benefit low/moderate income families and its emphasis on distressed areas (revitalization), lead to this objective. It should be noted that the State funds many activities, such as assistance to homeless service/housing providers, which by their nature assist exclusively those living at or below the poverty level.

### Geographic Distribution and Location of Investments

Funding for the CDBG program is not targeted based upon geography. However, projects that promote a more equitable distribution of affordable housing and economic opportunity are given a higher consideration. This may include communities that have less than the required 10% minimum of affordable housing, revitalization areas, growth centers, enterprise zones, and smart growth strategies.

The State awarded CDBG funds to 18 of the 33 non-entitlement communities. Three communities opted not to apply this year. The State continued its efforts to regionalize smaller grants into one town to reduce duplication of administration expenses. The regionalization of these smaller grants ensures continuity of service to the communities served. The Small City/Mini CDBG Entitlement communities (Central Falls, Newport, West Warwick) combined typically receive about 25% to 30% of total CDBG funds awarded, based upon their documented higher need. Aside from the establishment of Mini-Entitlement communities, which are guaranteed a minimum CDBG award each year, geographic preference is not a factor in awarding funds.

#### Activities to Address Homelessness, Chronic Homelessness, and Persons with Special Needs

Rhode Island has a single Continuum of Care which guides the state's homelessness programs and policies and administers federal and state homeless funds. The Continuum of Care is led by the Rhode Island Housing Resources Commission (HRC). Another key partner is the Interagency Council on Homelessness (ICH). The ICH is responsible for coordinating services for the homeless among state agencies, community-based organizations, faith-based organizations, volunteer organizations, advocacy groups and businesses, and for identifying and addressing gaps in services to the homeless.

In spring 2012 The Rhode Island Housing Resources Commission and Interagency Council on the Homeless adopted a new 10-year plan to end homelessness: "Opening Doors Rhode Island." This strategic plan outlines a program to significantly transform the provision of services to homeless people in Rhode Island. Consistent with new federal direction and policy, the plan seeks to sharply decrease the numbers of people experiencing homelessness and the length of time people spend homeless. It proposes to finish the job of ending chronic homelessness in five years and to prevent and end all homelessness among Veterans in the state in the same time period. It also outlines strategies to substantially decrease the numbers of homeless families and young people and to end this homelessness in ten years. Finally, the plan will reduce all other homelessness in the state and establish the framework for system transformation that will reduce the numbers of people who experience homelessness for the first time. The Plan in its entirety may be found at:

<http://www.planning.ri.gov/documents/hmis/openingdoors.pdf>

Although other funding sources play the primary role in addressing homelessness in Rhode Island, CDBG funding has been awarded on an annual basis for career readiness and job training programs run by shelter providers. CDBG is also available, and expended, for renovations and expansion of shelter facilities.

On an annual basis CDBG assists other special needs populations, the developmentally disabled, by providing funding for programs, facilities improvements, and residential rehabilitation of group homes.

#### Actions Taken to Remove Barriers to Affordable Housing

The barriers to affordable housing are identified as land cost/availability; zoning and land use regulations; impact fees; building codes; and return on investment. Although the State has little to no control over some of these barriers, OHCD is committed through its relationships with municipalities and CDBG funding priorities to remove or ameliorate the negative effects of the above-cited barriers. As a part of this commitment OHCD was a key player in the development of a new Regional Analysis of Impediments for the State of Rhode Island approved during PY'15.

CDBG activities that assist in the creation of additional affordable housing units are a top funding priority in Rhode Island's Small Cities CDBG program. CDBG-funded downpayment assistance programs assist low and moderate income families to purchase a home. CDBG provides operating assistance to regional housing consortia (Church Community Housing Corporation – Newport County) that administer housing rehabilitation programs as well as developing affordable rental and homeownership housing units. Finally, CDBG funds residential rehabilitation loan and grant programs administered at the local level for the state's residents.

#### Other Actions

- Actions to address obstacles to meeting underserved needs: The State CDBG application is designed to collect information on municipalities' underserved community development and housing needs, and to prioritize funding accordingly.
- Foster and maintain affordable housing: CDBG funding is used to help develop and maintain affordable housing. PY16 CDBG funding was awarded to rehabilitate low and moderate income housing in nine communities. This includes communities who received a base allocation of housing rehabilitation funds and those that were approved to apply directly to the housing rehabilitation set aside.
- Evaluate and reduce lead-based paint hazards: If CDBG funds are used for acquisition or rehabilitation of housing units built prior to 1977, compliance with 24 CFR Part 35 is required. CDBG municipal recipients attended a RI CDBG residential rehabilitation training offered in the summer of 2012. Lead safe practices and procedures were included in the training.
- The following recent in-state trainings were offered to CDBG municipal recipients: Fair Housing Training, sponsored by HUD and Roger Williams University in April 2016; Davis Bacon Training, presented by HUD labor standards officer in June 2016; and Sub-recipient Management Training, presented by HUD TA provider in November 2016.
- Reduce the number of poverty level families. CDBG funding has been awarded for many years and continues to provide operating support for programs offering employment training, job readiness, ESL, and GED to expand economic opportunities for Rhode Island's neediest individuals.
- Develop institutional structure: The State continues efforts to maximize the positive outcomes of CDBG investments through encouraging applicants to dovetail CDBG assistance with other private, state and federal funding sources. The Interagency Council on Homelessness is responsible for coordinating services for the homeless among state agencies, community-based

organizations, faith-based organizations, volunteer organizations, advocacy groups and businesses, and for identifying and addressing gaps in services to the homeless.

- Enhance coordination between public housing and social service agencies. Address the needs of public housing (including providing financial or other assistance to troubled public housing agencies). Encourage public housing residents to become more involved in management and participate in homeownership. Although Public Housing is primarily assisted through other federal programs, State CDBG funds provide gap funding to assist with housing rehabilitation, facilities improvements, and job training. The State has an ongoing collaboration with the Public Housing Association of Rhode Island (PHARI) to increase the opportunities for Section 3 residents and businesses in CDBG-funded activities.

### Consolidated Plan Outcomes

The CDBG program's desired outcome as identified in the Action Plan is "Promoting livable or viable communities." Although the Consolidated Plan does not identify numeric targets, the State CDBG program is designed to maximize attainment in the identified outcome measures of leverage, numbers assisted, and communities assisted. All things being equal, a proposed project in which CDBG is used to leverage other funding sources will rank more competitively in application review. Likewise, cost effectiveness, measured based upon the cost per benefit, is taken into consideration in the activity-scoring process during application review. Rhode Island contains 33 non-entitlement communities. In each grant year, the majority of communities submitting an application receive a CDBG award.

### Changes in Program Objectives

The primary objectives as stated previously have not changed and are still in effect through the PY16 funding process. In accordance with the Low/Moderate Income Housing Act, communities with State-approved affordable housing plans will receive priority funding for housing and community development funds.

### Changes in Program Based on Experience

In PY16 there were no significant changes in the application process. In PY15, Public Facilities and Public Services were split into their own application forms where they had previously shared a form. Application forms were revised to incorporate short abstract descriptions of each locally-requested activity. In PY14, the State began accepting rolling applications for housing and economic development activities. In PY11 the State updated/revised application forms to alter application caps due to reductions in federal allocations. The State "Entitlement" distribution system was revised and clarified in the application (PY09). New application documents (PY07) request information specific to activity type (formerly one "common" form was used for all requests). Information requested is more standardized and less narrative based. The Handbook was revised to include detailed information on the State's application and scoring process. The scoring was simplified; the qualitative criteria considered by the Steering Committee are now spelt out. Although Neighborhood Revitalization continues to be priority of the State program, multi-year commitment of funds would only be granted in

exceptional situations. Extra considerations (points) are available to activities which are consistent with revitalization efforts.

Questions or complaints concerning local programs are routinely referred to the local agency which administers the Community Development Program. Request for information on the Community Development Block Grant program are frequently answered by the State staff or referred to local staff, as appropriate.

Comments received relative to the State's Consolidated Plan (and CDBG Action Plan) have been detailed in separate documents.

### Monitoring

The State monitors its recipients using both in-house and on-site methods. In-house review is accomplished through required documents such as periodic Progress/Close-Out Reports, Financial Drawdowns and Audit documents. The State employs a risk-based approach to identify those communities which require on-site monitoring. Factors used in this risk based approach include: Amount of Annual Allocation, Complexity of Awarded Program, Local Staff Experience, Identified Deficiencies (if any), among other items. The results of this on-site monitoring are detailed in a written risk assessment report.

### Evaluation and Extent of Program Benefiting Low/Moderate Income Persons

Eighteen of the 33 eligible municipalities in Rhode Island received awards in PY16. Three communities opted not to apply for PY16 funds. Many of the communities that did not receive direct awards are covered by regional awards that were centralized in one community to lessen the duplication of administrative costs.

Of the \$4,974,585 awarded in PY16, nearly all were awarded to activities which will meet the national objective of predominate benefit to low/moderate income persons (administration is presumed to meet LMI). Some costs associated with the removal of lead water lines in North Providence will meet the LMI Housing national objective, and the remaining costs are required to meet the Elimination of Slums/Blight national objective.

### Technical Assistance Activities

The State did not fund any technical assistance projects with PY16 funds.

To operate more effective CDBG programs the State has supported a number of planning initiatives designed to assess local community development needs and design the best response to meet those needs. The State considered such documents as providing necessary information and technical assistance to municipalities in the design/implementation of their programs. While HUD has taken an expansive use of the One-Percent Technical Assistance set aside provision, the Field Office feels these

projects are more accurately defined as solely “Planning”, supported by general grant funds. Therefore, these efforts have been converted and removed from the list of activities supported with State technical assistance resources.

Section 108 Loan Guarantee

No PY2016 funds were used to repay Section 108 loan guarantees.

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

Not Applicable

## **CR-50 - HOME 91.520(d)**

### **Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**

*Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.*

NOTE: See attached File title "HOME Inspection Reports Program Year 2016"

### **Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)**

Rhode Island Housing adopted the affirmative marketing requirements of 24 CFR 92.351 in the Rules and Regulations approved for the HOME Program. Affirmative marketing requirements are specified in the agreement between Rhode Island Housing and all recipients of HOME funds. Every year the HOME Program staff work to ensure that HOME recipients are familiar with the requirements of the Fair Housing Act. Recipients with five or more HOME-assisted affordable homes are provided with information on affirmative marketing and minority outreach programs. Rhode Island Housing maintains an extensive list of local and regional minority community media resources for their marketing and outreach efforts.

Rhode Island Housing continues to increase its own outreach efforts by expanding the number of minority organizations to which it sends its notice of available funding. Rhode Island Housing's Department of Communications works closely with all minority communities to promote fair housing and affirmative action.

Rhode Island Housing's HOME application includes the Affirmative Fair Housing Marketing (AFHM) Plan #2529-0013. Affirmative marketing documentation is also compiled at the completion of a project and is reviewed on an annual basis during monitoring visits by HOME Program staff. HOME staff assesses the effectiveness of a sponsor's outreach and marketing efforts and ensures compliance with affirmative marketing requirements. Depending on the type of project being funded, sponsors may utilize different methods to affirmatively market their affordable homes. In addition, all newly financed affordable housing units must be listed on the new HomeLocatorRI.net website.

Rhode Island Housing actively markets homeownership opportunities to minorities and other underserved populations by conducting workshops, pre-qualifying people for mortgages and counseling those with credit or other financial problems.

### **Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

Program income was not used to fund projects in PY16, as the organization made the transition

in Grant Based Accounting.

**Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing).**

**91.320(j)**

State programs helped add 123 new affordable homes to the state's inventory in PY16, which included 58 rental homes rehabilitated and 50 rental units constructed new with 13 homeownership units built new. The state also preserved the affordability of 870 homes through re-financing and substantial rehabilitation work. Total development cost in developing or preserving these 993 homes was over \$156 million. Subsidy programs described in the Consolidated Plan and subsequent action plans (State HOME, State CDBG, Building Homes Rhode Island, Lead Safe Homes Program, Thresholds Program and Low Income Housing Tax Credit Equity) combined to represent over \$53 million, or 34% of the total development cost. Utilizing the Federal Financing Bank funds through a risk-share program with the US Treasury expanded RIHousing's ability to provide first mortgages for the purpose of preservation. It should be noted that 75% of the total public funding comes through the Low Income Housing Tax Credit equity; smaller grant programs analyzed alone have much higher rates of leverage, especially when used as a source in the Low Income Housing Tax Credit project. All Goal 1 funds will directly address priority needs 1, 2 and 3 and described in Table 74 of the 2015-2019 Consolidated Plan, section SP-25 of the Strategic Plan, while various funds will simultaneously address priority needs 4, 5, 6, 7, 8, 11 and 12 depending on the proposals funded. These funds are distributed to qualified developers with eligible project proposals to develop affordable housing.

Completed HOME projects in 2016 included two LIHTC developments. In these two sites are 16 HOME units and 91 LIHTC units. Total HOME funds in these projects amounted to \$1 million, which is consistent with previous HOME rounds, that one-third of HOME funds go to LIHTC projects.

## CR-60 - ESG 91.520(g) (ESG Recipients only)

### ESG Supplement to the CAPER in *e-snaps*

#### For Paperwork Reduction Act

#### 1. Recipient Information—All Recipients Complete

##### Basic Grant Information

Recipient Name	RHODE ISLAND
Organizational DUNS Number	113928944
EIN/TIN Number	050354769
Identify the Field Office	BOSTON
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	

##### ESG Contact Name

Prefix	Mr
First Name	MICHAEL
Middle Name	J
Last Name	TONDRA
Suffix	0
Title	CHIEF, OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

##### ESG Contact Address

Street Address 1	One Capitol Hill, 3rd Floor
Street Address 2	0
City	Providence
State	RI
ZIP Code	-
Phone Number	4012226490
Extension	0
Fax Number	4012222083
Email Address	Michael.Tondra@doa.ri.gov

##### ESG Secondary Contact

Prefix	Ms
First Name	PHEAMO
Last Name	WITCHER
Suffix	0
Title	Principal Planner
Phone Number	4012224494
Extension	0

**Email Address**

PHEAMO.WITCHER@DOA.RI.GOV

**2. Reporting Period—All Recipients Complete**

**Program Year Start Date**

03/01/2016

**Program Year End Date**

06/30/2017

## **CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes**

### **11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)**

The State of Rhode Island utilized three outcome measures to document the successes and challenges of the ESG Program. Outcome Measure 1 pertained to the number of exits to positive destinations. A total of 303 clients exited to positive destinations or roughly 55% of those served by programs receiving ESG funds. Outcome Measure 2 pertained to the number of exits to Emergency Shelter. There were a total of 29 clients who exited to Shelter Programs or .005% of those served. Finally, our last measure was changes in income from entry to exit. Income increased by an average of \$393.75 dollars for clients who exited, shelter programs funded by the State's ESG program.

## CR-75 – Expenditures

### 11. Expenditures

#### 11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Expenditures for Rental Assistance	0	0	0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	0
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	0	0	0
<b>Subtotal Homelessness Prevention</b>	0	0	0

Table 11 – ESG Expenditures for Homelessness Prevention

#### 11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Expenditures for Rental Assistance	\$139,014	\$152,129	\$165,445
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	\$67,440	\$65,198	\$122,026
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	0
<b>Subtotal Rapid Re-Housing</b>	\$206,454	\$217,327	\$287,472

Table 12 – ESG Expenditures for Rapid Re-Housing

#### 11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Essential Services	0	0	0
Operations	\$369,038	\$167,719	\$256,017
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
<b>Subtotal</b>	\$369,038	\$167,719	\$256,017

Table 13 – ESG Expenditures for Emergency Shelter

**11d. Other Grant Expenditures**

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Street Outreach	\$0	\$50,000	\$68,112
HMIS	\$0	\$183,500	\$14,901
Administration	\$46,004	\$50,152	N/A

**Table 14 - Other Grant Expenditures**

**11e. Total ESG Grant Funds**

Total ESG Funds Expended	2014	2015	2016
	\$621,496	\$668,698	\$676,882

**Table 15 - Total ESG Funds Expended**

**11f. Match Source**

	2014	2015	2016
Other Non-ESG HUD Funds	0	0	0
Other Federal Funds	0	0	0
State Government	\$416,787	\$467,392	\$727,263
Local Government	0	0	0
Private Funds	0	0	0
Other	0	0	0
Fees	0	0	0
Program Income	0	0	0
<b>Total Match Amount</b>	<b>\$416,787</b>	<b>\$467,392</b>	<b>\$727,263</b>

**Table 16 - Other Funds Expended on Eligible ESG Activities**

**11g. Total**

Total Amount of Funds Expended on ESG Activities	2013	2014	2015
	\$1,038,283	\$1,136,090	\$1,353,764

**Table 17 - Total Amount of Funds Expended on ESG Activities**