

Rhode Island Consolidated Annual Performance and Evaluation Report

For Program Year 2018
(July 1, 2018 thru June 30, 2019)

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 goal outcomes described in the program year 2018 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 RIHousing achieved at least 50% of the stated goal outcomes for 81% (17 of 20) of its annual goals. Only three 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 2018 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 exceed by actual output, including the construction of 154 rental units (112 more than expected), serving 2,503 persons in emergency shelters (470 less than expected), rehabilitation of 345 homes (247 more than expected), assisting 1,385 homeowners with foreclosure prevention assistance (1,262 more than expected), assisting 50,986 persons with public facility and infrastructure improvements through the State CDBG program (35,986 more than expected), and assisting 14,889 person with public services funded through the State CDBG program (14,739 more than expected).

Program Year 2018 (Year Four of 2015-2019 Planning Period)				
Outcomes by Goal- Actual to Estimated				
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 1 - Develop and Preserve Affordable Housing	Rental units constructed	42	154	367%
	Rental units rehabilitated	463	727	157%
	Homeowner Housing Added	7	4	57%
	Homeowner Housing Rehabilitated	3	0	0%
	Housing for Homeless added	21	24	114%
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 2 - End Homelessness	Other - PSH Households Assisted	1,354	1,121	83%
	Rapid Re-Housing - Households	215	253	118%
	Shelter - Persons	3,000	2,530	84%
	Shelter Beds Added	26	0	0%
	Homelessness Prevented - Persons	6	0	0%
	HIV AIDS Housing Ops	48	48	100%
	VLI Household Rent Support (NOP)	182	599	329%
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 3 - Healthy Homes	Home Health Hazards Remediated	115	58	50%
	Rental units rehabilitated	98	345	352%
	HO Housing Rehabilitated	161	125	78%
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 4 - TBRA to Low Income	Tenant-Based Rental Assistance	1,700	1,700	100%
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 5 - Address Foreclosure Crisis	Homeowners Assisted	62	1,318	2126%
	Outcome	PY18 Est	PY 18 Act	% of Outcome
Goal 6 - Non-Housing Community Development	Public Facility/Improvement - Persons	15,000	50,986	340%
	Public Services - Persons	150	14,889	9926%
	Public Facility/Improvement DR - Persons	10	5,260	52600%

Table 1 - Accomplishments – Program Year 2018

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 158 new affordable homes to the state’s inventory in PY18, which included 154 rental units constructed new with 4 homeownership units built new. The state also preserved the affordability of 727 homes through re-financing and substantial rehabilitation work. Total development

cost in developing or preserving these 885 homes was over \$142 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 \$57 million, or 30% 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 approximately 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 six 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 street outreach. 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 18, \$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 RIHousing 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 \$664,857 to help remediate lead and other health hazards in 58 homes in Program Year 18 (combining both homeowners and rental housing). RIHousing'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 RIHousing, 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 2018.

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 \$723,000 was awarded to rehabilitate 20 homes in Program Year 2018.

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. 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 (Persons, non- Housing)	CDBG (Households, Housing)	HOME (Households)	ESG (Persons)
White	15,842	719	2	217
Black or African American	3,558	67	0	72
Asian	106	6	0	1
American Indian or Alaskan Native	472	6	0	3
Native Hawaiian or Other Pacific Islander	10	0	0	0
Other multi-racial	2,030	64	0	21
Total	22,018	862	2	314
Hispanic	2150	37	0	114
Not Hispanic	19,868	825	2	200

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

Narrative

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

For ESG, please note that 314 individuals were assisted, 21 of whom were identified as multi-racial.

Homeownership and Mortgage Services

RIHousing was very successful in delivering financial assistance to eligible low- and moderate-income buyers this past year. During PY 2018, RIHousing and its partners originated mortgages for 1,935 low- and moderate-income Rhode Island households totaling \$402,555,389 to purchase homes. An additional \$16,818,390 helped 1,887 of these households achieve their dream of homeownership with second mortgages. RIHousing maintained its percentage of new loans to minority borrowers, with 39.6% 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

Program Year 2018 (Year Four of 2015-2019 Planning Period)		
Summary of Funding by Goal		
Goal 1 - Develop and Preserve Affordable Housing	PY18 Est	PY 18 Act
HOME Investment Partnership Program	3,723,228	2,999,369
9% Housing Tax Credit	2,830,000	4,441,057
Community Development Block Grant - Affordable Housing	1,631,139	1,812,801
Building Homes Rhode Island	13,400,000	11,916,959
Housing Trust Fund - HERA 2008	3,000,000	156,200
4% Housing Tax Credit	1,200,000	1,221,023
CDBG -DR Housing Stabilization Program	0	821,061
TOTAL	25,784,367	23,368,470
Goal 2 - End Homelessness	PY18 Est	PY 18 Act
State Rental Assistance	1,000,000	590,058
Emergency Solutions Grants Program - Entitlement communities	688,765	689,238
Emergency Solutions Grants Program - Statewide	680,116	680,116
Social Service Block Grant, Title XX	1,081,704	1,035,519
RI Homelessness Funding	3,232,752	4,099,613
Supportive Housing Program - Continuum of Care	5,262,197	5,093,517
HUD Section 811 Project-Based Rental Assistance	783,996	47,967
RoadHome Service Enriched Rental Assistance Program	2,200,000	1,509,469
HOPWA	660,654	660,654
Neighborhood Opportunities Program	825,000	1,381,260
Thresholds	1,000,000	1,170,763
TOTAL	17,415,184	16,958,174
Goal 3 - Healthy Homes	PY18 Est	PY 18 Act
State Lead Program	0	155,164
HUD Lead Hazard Reduction Program	1,000,000	427,626
HUD Healthy Homes funding	133,333	82,067
CDBG Home Repair Program	1,359,283	864,502
TOTAL	2,492,616	1,529,359
Goal 4 - TBRA to Low Income Hseholds	PY18 Est	PY 18 Act
Housing Choice Voucher Program (Section 8)	15,756,917	14,942,379
Goal 5 - Address Foreclosure Crisis	PY18 Est	PY 18 Act
Hardest Hit Fund - Down Payment Assistance Grants	3,000,000	6,675,000
Hardest Hit Fund Rhode Island Round 5	14,788,000	4,700,613
NFMC Round 7 NeighborWorks Grant	168,307	0
TOTAL	17,956,307	11,375,613
Goal 6 - Non-Housing Community Development	PY18 Est	PY 18 Act
CDBG - Balance of funds (not affordable housing or home repair)	2,446,709	2,007,569
CDBG-DR - Balance of Funds (not housing stabilization)	0	3,995,610
TOTAL	2,446,709	6,003,179
TOTALS	81,852,100	74,177,174

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 \$8,364,357 in Program Year 2018. Other funding expended in 2018 included \$11,260,080 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 \$15,500,039 (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). RI Housing on behalf of the US Treasury closed on \$4,441,057 in 9% Low Income Housing Tax Credits (“LIHTC”) and \$1,221,023 in 4% LIHTC in this twelve month period. The LIHTC are worth roughly eight to ten-times the allocation in terms of equity-generated. The amount of allocations fluctuate year to year depending upon when projects are completed. The amount of \$1,035,519 in other non-HUD Federal grants (Social Service Block Grant) was also awarded. Total Federal funding actually closed in program year 2018 totaled \$53,353,888, which accounted for 72% 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 \$17,932,557, which accounted for 24% of total funds expended. Private funds provided by the state’s housing finance agency to support state housing goals totaled \$2,890,729, which accounted for the remaining 4% of total funds expended. In total, \$74,177,174 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 91% of the funds made available for such activities in the program year as described in the 2018 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 statewide, as well as in the targeted communities of Providence, Woonsocket 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. PY18 was a bit of an aberration in terms of HOME units completed with only 2; nonfederal funds used to finance the project accounted for \$6,500 out of a total development cost \$555,970. However, PY19 will offset this low PY production and leveraging number with an unusually high number of HOME units scheduled to come online in several multifamily projects.

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.

In PY18, the state's ESG formula allocation made up 10.9% 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 \$580,116 in state funding in FY18, which represents an increase of 13% 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 154 new affordable homes to the state's inventory in PY18, which included 154 rental units constructed new with 4 homeownership units built new. The state also preserved the affordability of 727 homes through re-financing and substantial rehabilitation work. Total development cost in developing or preserving these 885 homes was over \$142 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 \$57 million, or 30% of the total development cost. Utilizing the Federal Financing Bank (“FFB”) funds from the U.S. Treasury along with the risk-share program with the US Treasury expanded RIHousing’s ability to provide first mortgages for the purpose of preservation. Through this approach RIHousing was able to preserve 366 units in 8 properties. It should be noted that approximately 75% of the total public funding for multifamily housing 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

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	\$85,393,719.24
2. Match contributed during current Federal fiscal year	\$6,500.00
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$85,400,219.24
4. Match liability for current Federal fiscal year	\$353,286.12
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$85,046,933.12

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
5326	3-29-19	\$6,500						\$6,500

Table 6 – Match Contribution for the Federal Fiscal Year

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
\$758,876.98	\$136,232.16	\$0	\$0	\$895,109.14

Table 7 – Program Income

HOME MBE/WBE report

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Number	1	0	0	0	0	1
Dollar Amount	\$292,090	\$0	\$0	\$0	\$0	\$292,090
Sub-Contracts						
Number	10	0	0	0	0	10
Dollar Amount	\$55,375	\$0	\$0	\$1	\$0	\$55,375
	Total	Women Business Enterprises	Male			
Contracts						
Number	1	0	1			
Dollar Amount	\$292,090	\$0	\$292,090			
Sub-Contracts						
Number	10	1	9			
Dollar Amount	\$55,375	\$5,650	\$49,725			

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	1	0	0	0	0	1
Dollar Amount	\$49,470	\$0	\$0	\$0	\$0	\$49,470

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – 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	1,605	1,792
Number of non-homeless households to be provided affordable housing units	2,215	2,585
Number of special-needs households to be provided affordable housing units	0	0
Total	3,820	4,377

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	3,284	3,468
Number of households supported through the production of new units	70	182
Number of households supported through the rehab of existing units	466	727
Number of households supported through the acquisition of existing units	0	0
Total	3,820	4,377

Table 12 – Number of Households Supported

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

One of the reasons for this program year's exceeding of the one-year goals was due to the fact that the one-year goals set for PY18 were lower than previous years' one year goals. Further, the greater allocation of additional subsidies to leverage CPD funds resulted in more overall support.

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 2018 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 has assisted in exceeding annual expected outcomes, was sunset on September 30, 2018.

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.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	226	0
Low-income	95	2
Moderate-income	15	0
Total	336	2

Table 13 – Number of Persons Served

Narrative Information

Of the 2 units that were completed in the HOME Program in PY18, none served extremely low-income households (earning at or less than 30% of AMI), 2 served low income households (earning between 50% - 60% AMI) and there were no moderate income households served.

For CDBG, table 13 includes only persons served by improvements to affordable housing.

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 2018, 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 PY18, the State's homelessness programming, as measured through the State Homeless Management Information Systems database, served 2,530 persons with emergency shelter and 365 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, Rapid Rehousing and Street outreach 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 RIHousing).

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 4 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. RIHousing, 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.

2018 ACTION:

- **Used the Housing Choice Voucher Program (HCVP) to further HUD's Opening Doors initiative to end homelessness.** In program year 2018, 100% of new admissions to the HCV Program were homeless households. This preference continues to carry the highest weight and RIHousing expects to continue to serve homeless households with the majority of its HCVP resources. RIHousing has adopted a new local preference for families "moving up" from Permanent Supportive Housing to the HCV Program. The "move-up" preference was part of a larger effort among RIHousing and community services providers to increase housing opportunities for homeless families and individuals. By moving families from supportive housing into the HCV Program, additional supportive housing opportunities will be created for currently homeless households.
- **Worked with other Public Housing Authorities to more effectively meet the housing needs of all families.** RIHousing successfully opened the Centralized Waitlist Portal on December 17, 2017, with 17 agencies participating throughout the state. With the Centralized Waitlist Portal families will have the option of applying for assistance throughout the state through a one-time application process. RIHousing plans to make efforts to encourage the remaining Rhode Island housing authorities to join the system.
- **Better utilized state and federal funds to provide residents with additional supports.** Since the inception of the Housing Stabilization Specialist (HSS) program in Summer 2016 RIHousing's HSS has assisted 90 tenants in locating units and prevented 120 potential terminations through a combination of mediation and referral services. The HSS staff has conducted informational presentations to owner groups throughout the state about the advantages of participating in the HCV Program and the steps RIHousing has taken to

streamline operations in the hopes of attracting new landlords to participate in the program in the upcoming program year.

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

RIHousing 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 69% 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. In 2018, RIHousing had 24 families graduate from the program and disbursed over \$163,954 in Family Self Sufficiency (FSS) escrow funds. There are currently 22 families participating in the Housing Choice Homeownership Program; four of those families purchased their homes in 2018.

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.

2018 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.

RIHousing 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 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 PY18, EOHS (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, RI 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 2018, 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 2018, 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: RIHousing 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 2019, RIHousing has approved 85 units under this program, and is in the process of executing rental assistance contracts with additional developers in PY19. 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 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.

2018 Action

The Continuum of Care’s standing committees met regularly in 2018 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 2018 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.

2018 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 2018.

RI has served approximately 250 persons through December of 2018, 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.

2018 Action

In 2018, 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

2018 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 13 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 PY18 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.

RIHousing 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 58 households in the fourth 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. RIHousing 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; 66% of participating families have escrow account balances and several families are participating in educational programs with the intent of becoming homeowners.. In 2018, we had 24 families graduate from the program and disbursed over \$163,954 in Family Self Sufficiency (FSS) escrow funds. There are currently 22 families participating in the Housing Choice Homeownership Program; four of those families purchased their homes in 2018. RIHousing conducts outreach to all HCVP participants to participate in the Homeownership program by holding quarterly presentations in which all tenants are invited to attend; RIHousing 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 RIHousing 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. RIHousing'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.

2018 Action

First Down, a program administered by RIHousing 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. If a buyer sells, refinances, or transfers the home within five years of closing the loan, a portion of the First Down loan would need to be repaid. The initiative is funded by the U.S. Department of the Treasury's Hardest Hit Fund program. Through the end of PY18 (June of 2019), 1,318 loans for First Down funding had been closed providing \$6.7 million in assistance.

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 PY18, the Housing Resources Commission awarded \$677,000 (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
- Innovative 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 continued to improve and formalize its institutional structure in PY18. Three CoC Program Representatives are employed to assist the CoC Planner / Program Manager better coordinate the various functions of the CoC Committees and to better manage 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, RIHousing 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

RIHousing, 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 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 RIHousing; 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

RIHousing, 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. RIHousing, 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. 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. Funding for the program was increased to \$500,000 in the state's FY19 budget. 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

Legislation was passed in 2018 that would create a municipal infrastructure grant program to issue grants and assistance for infrastructure projects that support job creation, housing, and community development. While funding for the program was not included in the FY19 budget, supporters of the bill are working on identifying an appropriate funding source. 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. An update to the 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, provided all other laws are followed. Prior to this legislation, municipalities could restrict the development of in-law apartments only to disabled or elderly family members. Supporters of the legislation are working 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. RIHousing 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 PY18, RIHousing was part of a coalition of organizations that 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. In particular, the bill would protect tenants that receive Section 8 Housing Choice Vouchers from housing discrimination. 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 2019 – it is expected to be reintroduced in 2020. RIHousing has also joined the State's Attorney General in successfully advocating to extend the sunset provision of the state's 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 was scheduled to sunset in 2018. Legislation passed this year extends that sunset to 2023.

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.

Improving Access to Homeownership

In addition to the online homebuyer education program RIHousing offers in English and Spanish, in 2018 the Corporation began offering free, in-person homebuyer education classes in Spanish. The goal is to improve accessibility to homeownership for Spanish speaking buyers.

RIHousing is also working to reduce barriers to homeownership by offering forgivable down payment assistance grants to first time homebuyers in all Rhode Island municipalities. For many homebuyers, particularly low-income households, the down payment can be the biggest barrier to purchasing their first home.

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

Introduction

Rhode Island Housing (RIHousing) is the designated recipient of HOME Program funds from HUD on behalf of the State of Rhode Island. RIHousing receives and administers funds provided by the HOME Investment Partnerships Act (the HOME Act, Title II of the Cranston-Gonzalez National Affordable Housing Act), which was created to provide funds to expand the supply of affordable housing for low income persons.

As administrator of funding, RIHousing is responsible for the monitoring compliance with HOME program regulations of all HOME-funded units. RIHousing conducts all monitoring related to the State HOME Program. The purpose of this monitoring is to determine if HOME funding recipients are implementing activities in compliance with HOME regulations and their contractual agreements with RIHousing. While regulatory compliance is the primary emphasis, the monitoring also looks for sound management practices and effective record keeping.

This report covers July 1, 2018 through June 30, 2019, which correlates to Rhode Island's HUD Program Year 2018.

Monitoring Procedures

To insure compliance with the requirements of HUD and Corporation Regulations, Rhode Island Housing conducts on-site inspections and financial oversight in accordance with 92.504. Asset Management and Compliance team members conduct annual file reviews and property inspections. The Compliance Specialists send HOME unit sponsors a request letter to arrange an appointment to conduct these on-site inspections.

The 2013 HOME Final Rule requires that 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 present HUD has not yet provided additional guidance on these standards. In the interim, RIHousing has adopted policies from its Housing Trust Fund program that cross-reference Housing Quality Standards (HQS), Uniform Property Code Standards (UPCS), and Rhode Island Property Maintenance Code into one tool. Inspection reports are compiled based on either no findings or the type of finding (Health and Safety versus a Negative finding) within InspectCheck, a mobile inspection application adopted from our HOME program monitoring by the RIHousing compliance team during the PY16. InspectCheck 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

If a property has findings during an inspection, a notice is issued to the owner to address repairs necessary to bring the unit up to the standard. Health and Safety findings must be repaired within twenty-four to forty-eight hours while negative findings may be addressed within thirty days. Owners are expected to evidence repairs and report back to the Compliance Specialist and when necessary, additional follow up inspections are scheduled.

While on-site at the property, file reviews are also taking place. 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. Compliance Specialists also review for income documentation, prohibited lease terms, wait lists, etc. Again, notice is provided to owners regarding findings and owners are given a reasonable timeframe to bring units into compliance.

For properties not receiving a physical visit to the site, tenant data is being reported and reviewed via an online software application called Web Tenant Compliance (WTC) that allows Compliance Specialists to review tenant data, income, rents and utility allowances. This system was added to RIHousing tools in PY16. For sites that are not in compliance with applicable regulations, a notice is sent with a timeframe for compliance outlined.

Once an acceptable response to findings has been received, the file is deemed closed until the next inspection. Owners are encouraged to contact the Compliance Specialists or HOME Program Coordinator throughout the year with any questions and technical assistance is provided on an on-going, as-needed basis.

Site Visits Conducted

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)).

The InspectCheck application used by Compliance Specialists in the field complies with both of these items.

Inspections are 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 are inspected. The HOME rule does not require inspections and file reviews to be from identical units.

Timing of Inspections

HOME Final Rule 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, RIHousing also focuses on correct application of occupancy requirements and standard rent-up activities such as adherence to Tenant Selection and Affirmative Marketing Plans (as applicable).

Monitoring is required to occur every three years, or more frequently if there is significant non-compliance or other risk factors. Dates of recent inspections can be viewed in Appendix A. 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 3.8 “Monitoring” of RIHousing HOME Policies and Procedures Manual. Standard procedures of Asset Management & Compliance will be used, with attention to the HOME requirements summarized in this Section and in Section 5 “Ongoing Project Monitoring”.

In PY16, RIHousing adopted a new “Risk Rating” system, which is maintained and accessible to RIHousing staff members within SmartSheets, an online platform that is utilized as an information sharing system. Ratings are updated annually and on an as needed basis. Risk ratings were updated in PY18 as compliance monitoring required.

Criteria to assess risk include program knowledge and experience, physical conditions of properties, response time to program and compliance staff, timing of annual tenant certifications, vacancy rates, and previous noncompliance findings (from HOME program file and physical inspections conducted by Rhode Island Housing and/or by third party audit firms conducting property/developer specific financial audits). Assessment tends to be informal and conducted in part between the HOME Compliance Specialist, with oversight by the HOME Program Coordinator and the Multifamily Compliance Supervisor.

There are four rating levels: Green, Yellow and Red, each representing a varying level of compliance and capacity to manage and maintain HOME-assisted units in compliance with program requirements.

- Green: Least amount of risk with on-site monitoring of HOME every three years. This level reflects knowledge, experience, and compliance with the HOME program, as well as a stable and financially sound developer and management team. Developer receives preference for future funding.
- Yellow: Some risk present with on-site monitoring of HOME to occur every two years. This level reflects some prior findings, responsiveness to program and compliance staff, a basic knowledge and experience with the program, and a willingness to learn and engage to improve performance. Developer would be considered for funding and may receive conditional preliminary reservation based on improved performance.
- Red: Highest risk with on-site monitoring of HOME to occur every year. This level reflects multiple current and prior physical and/or file review findings, a lack of responsiveness or slow response to program and/or compliance staff, little to no knowledge and experience with the HOME program and/or housing in general, and poor financial performance for the owner and/or property. Developer would not pass threshold requirements in application process.

With the implementation of the Risk Rating system, inspections are currently being scheduled more frequently. RIHousing has seen better performance among its sponsors as their familiarity with the 2013 Rule changes has improved over PY16.

It is also worth noting that if a property is not complete or has not undergone its first inspection at the date of reporting, it is rating as “blue”. Risk ratings are incorporated into Attachment A.

Analysis of Monitoring Results

Inspection information at the project and unit level is maintained in project files at Rhode Island Housing and is available for physical inspection in the office.

Physical Findings:

Of the 311 units inspected in PY18, there were 605 individual findings within the 41 HOME-assisted properties inspected. Of the findings, approximately 27% were Health and Safety violations that required immediate action on the part of the owner. These properties had twenty-four to forty-eight hours to bring units back into compliance. Most common Health and Safety violations included: inoperable smoke detectors, blocked egress, and the improper storage of flammables/combustibles such as cooking grease. All of these violations have been addressed and closed. 73% of findings were general to violations of UPCS/HQS and Rhode Island Property Maintenance Code. Typical violations include stained/damaged flooring, overgrown vegetation, cracked electrical faceplates with no exposed wires, and torn refrigerator gaskets/seals. Most of these findings have been satisfactorily addressed and closed shortly after monitoring was conducted.

File Findings:

In addition to physical inspections, file reviews (both on-site and desk monitoring) occurred for 67 HOME-assisted rental projects. As shown in the table to the right, there are several key findings that were addressed throughout the Program Year. Income/Asset Documentation was an area where RIHousing Compliance staff documented the most files with missing or incomplete information. Proper verification of student status came in second in terms of file issues, with 20% of file findings involving student status. Finally, 17% of file findings related to a missing or outdated HOME Lease Addendum. While we have seen significant improvement in the number of file findings year over year, in PY19 we have management training for HOME to ensure continued improvement across the portfolio.

Distribution of File Findings	Count	Percentage
Late Annual Certifications	6	6.8
Income/Asset Documentation	45	51.1
Excess Rents (Over HOME limit)	1	1.1
Not Verifying Student Status	18	20.4
Missing/Outdated HOME Lease Addendum	15	17.0

Annual Rent Approval

On April 10, 2017, RIHousing issued Program Bulletin 2017-02 establishing new policies relating to the review and approval/disapproval of rents and utility allowances for HOME-assisted units. This change has implemented and rent approvals are now reviewed and granted on an individual project basis.

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

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.

A. Program Monitoring Overview

The CHF uses monitoring to help CHF/ESG sub-recipients who receive funding through the Consolidated Homeless Fund to identify problems or potential problems, and to help sub-recipients correct them.

The objectives of CHFP monitoring are to determine if Sub-recipients are:

- Carrying out activities as described in their contracts (as modified or amended).
- Carrying out the program in a timely manner, in accordance with the CHFP contract.
- Charging only eligible costs to the program or project.
- Complying with other applicable laws, regulations and terms of the CHFP contract.
- Conducting the program in a manner that minimizes the opportunity for fraud, waste and mismanagement.

B. Management of Monitoring Activities

CHF staff (*OHCD for State Contracts and the respective entitlement staff for their local contracts*) monitors Sub-recipients' performance utilizing a combination of desktop and on-site monitoring.

1. Desktop Review Monitoring - Desktop review monitoring is an on-going process of reviewing grantee performance that uses all available data in making judgements about grantee performance and is conducted by the CHF or the respective ESG entitlement community. Among the sources of information to be reviewed during a desktop review are:

- Request for Reimbursement and back-up documentation provided
- Audit Reports
- Approved Applications
- Quarterly/Progress Reports
- Citizen and Client Complaints

Analysis of the data may indicate the need for a special monitoring visit to resolve or prevent a problem.

2. On-Site Monitoring- In addition to desktop monitoring, CHF staff may conduct an on-site monitoring visit. These visits shall be conducted as necessary. Areas to be monitored may include, but are not limited to:

- Project Progress
- Overall Program Management
- Shelter/Facility
- Policies and Procedures (especially those relating to the ESG Program)
- Contract Management
- Financial Management
- HMIS and Data Tracking
- Client File Review
- Record Keeping

Sub-recipients are contacted at least one month prior to the planned date of an on-site monitoring to schedule. Once a date has been set, a formal written letter is sent to confirm:

- The date and time of the visit;
- The names and titles of the staff conducting the monitoring;
- The elements of the program to be monitored; and
- The files and records to be reviewed.

3. During the On-Site Monitoring- CHF staff complete the following steps when conducting an on-site monitoring:

- Conduct an entrance conference with the executive director, director of programs, or other sub recipient official to explain the purpose and schedule for the review.
- Interview members of the sub recipient staff to gather information about sub recipient's activities and performance.
- Review additional materials provided by the sub recipient that provide more detailed information about the program/project.
- Examine a sample of expenditures for required documentation and to verify the accuracy of information provided on invoices.

- Perform a fiscal review of the program to assure compliance with applicable OMB circulars.
 - Review a sample of client files for required documentation that program participants meet eligibility requirements and that they are provided access to supportive services.
 - Hold an exit interview with appropriate subfreezing staff to discuss the preliminary conclusion of the review and identify any follow-up actions the sub recipient will need to take.
4. Monitoring Results - Within 60 days after completion of monitoring, CHFP will send written correspondence to the sub recipient describing the results – in sufficient detail to clearly describe the areas that were covered and the basis for the conclusions. Each monitoring letter will include:
- Date(s) of the monitoring.
 - Name(s) and title(s) of the CHFP staff person who performed the monitoring review.
 - A listing of the program activity areas reviewed (which, in most cases, will repeat the areas outlined in the notification letter to the participant).
 - A brief explanation of the reasons why an area specified in the notification letter was not monitored (e.g., time constraints, unanticipated problems arising in another area).
 - Monitoring conclusions (both positive and negative), supported by facts considered in reaching the conclusions.
 - Clearly labeled findings and concerns.
 - If there are findings, an opportunity for the sub recipient to demonstrate, within a time prescribed by HUD, that the participant has, in fact, complied with the requirements.
 - Due date of required action.
 - An offer of technical assistance, if needed, or a description of technical assistance provided during the monitoring.

HOPWA

OHCD, 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 OHCD, 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 OHCD, 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 OHCD 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 RICoC policies, the RICoC 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 RICoC monitoring. Additionally, grantees that have not been monitored by HUD in the prior 5 years will be at higher risk of RICoC 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 23, 2019, which announced a public hearing for comments, which took place Tuesday, September 10 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 and the State Office of Housing and Community Development’s website on August 23, 2019. The public was informed through the public notice that the comment period for the draft CAPER would be open until September 23, 2019. No members of the general public attended the public hearing and no comments were submitted during the comment period.

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.

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:

	PY18 Funds	PY18 %	Pre-PY18 Funds
Allocation	\$5,437,131		
Housing Rehabilitation (HR)	\$250,000	4.60%	\$723,085
Affordable Housing (AH)	\$0	0.00%	
Public Facilities and Infrastructure	\$3,798,410	69.86%	\$854,251
Economic Development (ED)	\$0	0.00%	
Public Services	\$745,034	13.70%	
Administration	\$643,687	11.84%	
Total Awarded	\$5,437,131	100.00%	\$1,577,336

The State has completed a reconciliation of open grant years. As shown above, some pre-PY18 funds have been awarded to the PY18 competitive proposals. During the program year, over \$723,000 was awarded to nine communities for housing rehabilitation activities, using pre-PY18 funds. The remaining unobligated pre-PY18 funds will be awarded to either rolling or PY19 competitive applications determined likely to complete in advance of program deadlines. The rolling application cycle reopened in August 2019, covering housing rehabilitation, affordable housing, and economic development.

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, higher numbers and/or concentrations of low/moderate income persons is a primary ranking criterion for public facility and infrastructure activities. Therefore, geographies with higher numbers/concentrations of low/moderate income persons are more likely to receive CDBG funding for such activities. Projects that promote a more equitable distribution of affordable housing and economic opportunity are given 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 14 of the 33 non-entitlement communities. The State maintained a program design that regionalizes 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 State funded fewer activities in an effort to simplify the program and reduce administrative burden.

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, and for identifying and addressing gaps in services to the homeless.

In spring 2012, the Housing Resources Commission 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://ohcd.ri.gov/freq-requested/documents/openingdoorsri.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 the new Regional Analysis of Impediments for the State of Rhode Island approved during PY'15. OHCD and RIHousing have partnered to develop a new *Fair Housing Plan* to be completed in 2020.

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. OHCD has an affordable housing set aside for development and preservation of affordable units. CDBG set aside funds also support residential rehabilitation loan and grant programs administered at the local level for the state's residents. Housing rehabilitation demand remains strong, and awards are expected to gradually return to past levels as new local staff are trained and additional program guidance is provided by OHCD.

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. PY19 CDBG funding will be awarded to rehabilitate low and moderate-income housing. During PY18, nine communities were awarded pre-PY18 funds through 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: Lead Paint Training, presented jointly by HUD and R.I. Dept. of Health in May 2019; 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. In addition, state CDBG and ESG staff attended a Grants Management Body of Knowledge Training, presented by the National Grant Management Association in July 2019.

- 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. Activities benefiting larger numbers of low/moderate income persons are prioritized. 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 are still in effect through the PY18 funding process, with a continued emphasis on serving low/moderate income persons and neighborhoods. Applications were accepted on a first come, first serve basis for housing rehabilitation, affordable housing, and economic development. Competitive applications were scored based upon low/moderate income persons to be served, and the cost per LMI person served.

Changes in Program Based on Experience

In PY18 the application process continued to be split, with rolling applications accepted for housing rehabilitation, affordable housing, and economic development, and a competitive application cycle for public facility, infrastructure, and service activities. High need areas continued to be prioritized. As a result, the overall percentage of awards to the three former mini-entitlements, Central Falls, Newport, and West Warwick (43%), continues to be substantial.

The State's application and scoring process were not significantly changed from the prior program year. Application documents continue to request standardized information specific to activity type. The Handbook included detailed information on the State's application and scoring process. The scoring and qualitative criteria considered by the Steering Committee were detailed in the Handbook. 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 results of on-site monitoring visits are detailed in a written monitoring report. Any findings are tracked until closed.

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. In January, the State used the risk-based approach to update its risk assessment of recipients, and established a tentative monitoring schedule.

Evaluation and Extent of Program Benefiting Low/Moderate Income Persons

Eighteen of the 33 eligible municipalities in Rhode Island received awards via the PY18 rolling and/or competitive application process. 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 \$5,437,131 awarded in PY18, nearly all was 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 PY18 funds.

Section 108 Loan Guarantee

No PY2018 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 2018"

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 PY18, as the organization continues to work

to rectify a discrepancy between what is indicated as PI in the local account versus what is shown in IDIS. RIHousing will work closely with the field office in the coming program year to resolve the discrepancy once and for all..

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 158 new affordable homes to the state's inventory in PY18, which included 154 rental units constructed new with 4 homeownership units built new. The state also preserved the affordability of 727 homes through re-financing and substantial rehabilitation work. Total development cost in developing or preserving these 885 homes was over \$142 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 \$57 million, or 40% of the total development cost. Utilizing the Federal Financing Bank ("FFB") funds from the U.S. Treasury along with the risk-share program with the US Treasury expanded RIHousing's ability to provide first mortgages for the purpose of preservation. Through this approach RIHousing was able to preserve 366 units in 8 properties. It should be noted that approximately 75% of the total funding for multifamily housing 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.

There was only one completed HOME project in 2018, a two unit rental project. Total HOME funds in this project amounted to \$349,470. PY18 was a bit of an aberration in terms of HOME units completed; however, PY19 will offset this low PY production number with an unusually high number of HOME units scheduled to come online in several multifamily LIHTC and "standalone" HOME-financed 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
Field Office BOSTON
ESG Contact

Office of Housing and Community Development
One Capitol Hill, 3rd Floor
Providence, RI 02908

Michael Tondra 401-222-6490 Michael.Tondra@doa.ri.gov
Pheamo Witcher 401-222-4494 Pheamo.Witcher@doa.ri.gov

2. Reporting Period—All Recipients Complete

Program Year Start Date 07/01/2018

Program Year End Date 06/30/2019

3. Subrecipients

Amos House, Providence, RI 02907

Crossroads RI, Providence, RI 02903

Community Care Alliance, Woonsocket, RI 02895

CR-65 – ESG 91.520(g) – Persons Assisted

4. Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	224
Children	90
Don't Know/Refused/Other	
Missing Information	
Total	314

5. Gender

	Total
Male	90
Female	222
Transgender	2
Don't Know/Refused/Other	
Missing Information	
Total	314

6. Age

Number of Persons in Households	Total
Under 18	90
18-24	23
25 and over	130
Don't Know/Refused/Other	
Missing Information	
Total	243

7. Special Populations Served

	Total	Total Persons Served - RRH	Total Persons Served in Emergency Shelters
Veterans	6	2	4
Victims of Domestic Violence	30	7	23
Elderly	5	1	4
HIV/AIDS	3	1	32
Chronically Homeless	109	39	70
Persons with Disabilities:			
Severely Mentally Ill	121	29	92
Chronic Substance Abuse	81	9	72
Other Disability	119	44	75
Total (Unduplicated if possible)	321	82	239

8. Shelter Utilization

	Number of units
Number of Beds - Rehabbed	0
Number of Beds - Conversion	0
Total Number of bed-nights available	60,953
Total Number of bed-nights provided	40,702
Capacity Utilization	67%

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

9. 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 228 clients exited, from State ESG programs, 206 clients of these clients exited to positive destinations or roughly 90%. Outcome Measure 2 pertained to the number of exits to Emergency Shelter. There were a total of 16 clients who exited to Shelter programs or 3% of clients. Finally, our last measure was changes in income from entry to exit. Income increased from \$343.00 per month at entry to \$523.00 per month at exit or by an average of \$180.00 per month or by 52%.

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
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
Subtotal Homelessness Prevention	0	0	0

Table 11 – ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Expenditures for Rental Assistance	\$0	\$0	\$0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	\$165,445	\$235,911	\$154,299
Expenditures for Housing Relocation & Stabilization Services - Services	\$122,026	\$182,535	\$230,190
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	0
Subtotal Rapid Re-Housing	\$287,472	\$418,446	\$403,142

Table 12 – ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Essential Services	0	0	0
Operations	\$256,017	\$135,000	\$176,115
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
Subtotal	\$256,017	\$135,000	\$176,115

Table 13 – ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Street Outreach	\$68,112	\$71,112	\$0
HMIS	\$14,901	\$9	\$0
Administration	\$50,396	\$50,396	\$0

Table 14 - Other Grant Expenditures

11e. Total ESG Grant Funds

Total ESG Funds Expended	2016	2017	2018
	\$676,897	\$674,954	\$630,265

Table 15 - Total ESG Funds Expended

11f. Match Source

	2016	2017	2018
Other Non-ESG HUD Funds	0	0	0
Other Federal Funds	0	0	0
State Government	\$727,263	\$571,954	\$580,116
Local Government	0	0	0
Private Funds	0	0	0
Other	0	0	0
Fees	0	0	0
Program Income	0	0	0
Total Match Amount	\$727,263	\$571,954	\$580,116

Table 16 - Other Funds Expended on Eligible ESG Activities

11g. Total

Total Amount of Funds Expended on ESG Activities	2016	2017	2018
	\$1,404,160	\$1,246,908	\$1,260,232

Table 17 - Total Amount of Funds Expended on ESG Activities