



REQUEST FOR INFORMATION

Posting Date: November 9, 2022

Response Submission Deadline: January 27, 2023

INTRODUCTION

The Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is considering issuance of a Request for Proposals (“RFP”) from qualified applicants to provide funding for an economic empowerment program, similar to HUD’s Financial Self-Sufficiency (“FSS”) Program.

Through this Request for Information (“RFI”) RIHousing seeks external responses and information on program design, interest, and general feedback from a range of respondents, including community-based organizations, consultants, developers, property management corporations, and multi-family property owners both within Rhode Island and across the country that have experience with researching, creating, or administering an economic self-sufficiency program for residents of subsidized housing.

INSTRUCTIONS

Responses are to be submitted via email to: **Stacy Wasserman, Innovation Program Manager** at swasserman@rihousing.com no later than the submission deadline set forth above.

All questions regarding this RFI must be made in writing and submitted via email to Stacy Wasserman at swasserman@rihousing.com prior to the submission deadline.

NOTE TO RESPONDENTS:

Please be advised that **all** responses may be made available to the public on request pursuant to the Rhode Island Access to Public Records Act, Chapter 2 of Title 38 of the Rhode Island General Laws (the “APRA”) upon award of a contract(s). Respondents are advised not to include information that they deem proprietary or confidential or that constitutes a trade secret.

With your response, please provide a description of the organization you represent and your connection, if any, to economic empowerment programs. Please also include the name, business telephone number and email of a representative of your organization authorized to discuss your response.



RFI Title: _____
Respondent Name: _____

Background:

The U.S. Department of Housing and Urban Development (“HUD”) administers the Family Self-Sufficiency (“FSS”) Program, which allows HUD assisted families to increase their earned income, reduce their dependency on public assistance, including rental subsidies, and reduce asset poverty. Public Housing Authorities (“PHAs”) and owners of multi-family housing developments with HUD rental assistance are now eligible to apply for FSS Program funding to administer the program for their residents, including residents that receive Housing Choice Vouchers.

HUD’s FSS Program helps participants identify a financial goal, then provides the financial education and connection to resources to achieve those goals. When a participant’s income increases, deposits are made into an escrow account to help participants reach their goals and become financially self-sufficient. The participant signs an agreement, generally for five years, with an overview of the financials goals and plan for the family. Participating families are provided with an interest-bearing escrow account made up of the difference of the rent the family pays when entering the program and the increased rent that would be charged as the family’s earned income increased. On completion of the FSS program, the family receives the disbursement from their escrow account if the person who signs the agreement is employed, no family member is receiving welfare assistance, and the family has met their other individual goals. This [video](#) from Compass Working Capital provides a quick overview from the participant’s perspective.

By way of an annual competitive funding round, HUD funds FSS program coordinators, training and administration. Escrow is funded via Housing Assistance Payments. PHAs and owners also rely on their own resources and other local resources to operate the program.

RIHousing recognizes there are affordable housing developments that are ineligible to apply to HUD for FSS Funding, but whose residents would benefit from access to an economic empowerment program. This could include developments funded through Low Income Housing Tax Credits that do not have a Section 8 project based rental assistance contract. Through this RFI, RIHousing is looking for feedback, guidance and knowledge from external organizations, housing developers, and residents regarding considerations for the development of an FSS-like economic empowerment program.

RIHousing would not use state or federal dollars to fund the aforementioned program which offers the flexibility to be innovative and creative in designing a program that will best serve both residents and the agencies or owners administering the program.

Request for Information

Below are prompted questions that RIHousing seeks specific feedback on; however, feedback on topics or ideas not covered is welcome.



RFI Title: _____
Respondent Name: _____

1. For organizations currently operating an economic empowerment program that is not HUD funded, but has similar financial incentives, how is your program structured? How do you support the costs associated with the program? What are some of your lessons learned and what are things that you would do differently? If you could start over, how would you structure it now?
2. For those not currently operating an economic empowerment program, do you have suggestions on ways it could be structured?
3. In the traditional FSS Program, escrow payments are put into an account for residents. The amount of these payments is based on how much a tenant's rent goes up when their income goes up, based on tenants only paying 30% of their income towards rent. In LIHTC developments where how much a tenant pays in rent is set regardless of income, that structure cannot be used to determine escrow payments. What recommendations would you make for determining the amount of an escrow payment, and when it should be increased?
4. How much money would be needed to pilot an economic empowerment program for around 15-20 people at one site? How much, ideally, would be needed per participant? How should funds be allocated?
5. For local respondents in Rhode Island, do you have interest in this type of program? Outside of financial program support, is there other support you would want, such as technical assistance or administrative funding?
6. If your organization is eligible for HUD's FSS Program and you haven't applied, why not? Are there barriers or concerns preventing you from applying? Would receiving funds from RI Housing provide the motivation to pilot this program and then apply to HUD for future years?