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MEMORANDUM

To: The Honorable Ryan W. Pearson
Chairman, Senate Committee on Finance

To: The Honorable Frank Lombardo, III
Chairman, Senate Committee on Housing and Municipal Government

From: Jeremy Licht
Director, Pandemic Recovery Office, Office of Management & Budget 

Date: February 23, 2021

Subject: Senate Hearing Follow-Up

Thank you for the opportunity to appear before and offer testimony to the joint meeting of the Senate Committee on Finance and Senate Committee on Housing and Municipal Government on February 4, 2021. As a follow-up to the information we provided at this hearing, this memo addresses open questions from the hearing. As always, if you require more information or need any clarification on what has been presented below, please feel free to reach out to me and my team.

Homeless/Rental Assistance

Generally, what non-CRF federal funds did Rhode Island receive that are targeted at homelessness, affordable housing, and rental assistance (CARES Act and other federal pandemic relief acts - HUD funding, FEMA, etc.)? And specifically, housing relief for those with a developmental disability?

The chart below shows all of the CARES Act - Department of Housing and Urban Development (HUD) allocations for Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and Housing for People with AIDS (HOPWA) programs. "Rhode Island Non-entitlement" means the State's allocations.

CPD FY2020 CARES Act Formula Grants							
NAME	04/02/2020 CDBG-CV1	05/22/2020 CDBG-CV2	09/11/2020 CDBG-CV3 Part A	05/22/2020 CDBG-CV3 Part B	04/02/2020 ESG-CV1	06/09/2020 ESG-CV2	04/02/2020 HOPWA-CV
Cranston	\$646,417	\$0	\$517,089	\$0	\$0	\$0	\$0
East Providence	\$448,348	\$0	\$329,978	\$0	\$0	\$0	\$0
Pawtucket	\$1,085,926	\$0	\$576,448	\$0	\$548,676	\$624,909	\$0
Providence	\$3,109,568	\$0	\$1,639,004	\$0	\$1,521,038	\$1,846,439	\$177,466
Warwick	\$575,033	\$0	\$586,269	\$0	\$0	\$0	\$0
Woonsocket	\$785,912	\$0	\$349,813	\$0	\$399,231	\$499,750	\$0
Rhode Island Non-entitlement	\$3,227,111	\$4,693,487	\$3,586,534	\$0	\$2,478,855	\$3,275,621	\$0

There are housing authorities that have received direct supplemental assistance from the federal government (that did not pass through the State).

Non-congregate Quarantine & Isolation (Q&I) programs, which have been approved for FEMA reimbursement, were targeted at housing insecure populations. These programs include those at the Wyndham Hotel and Putnam Place, where the State implemented a Q&I plan for COVID-19 positive adults. The Shelter Reduction Program and the Temporary Hotel Shelter Program were implemented to reduce crowding in homeless shelters throughout 2020 and 2021.

Over 500 individuals were served through sheltering programs that Rhode Island has administered during the pandemic. The projects totaled \$1,693,458 to date, for which we expect FEMA reimbursement.

Finally, FEMA has pre-approved funding for two more Q&I, non-congregate sheltering programs. These initiatives are at Zambarano Hospital (DCYF Youth and Families Q&I facility) and for the developmentally disabled.

\$200 Million in Rental Assistance

While Rhode Island waits for further guidance from the Biden Administration, is the State already building prototypes on how we can spend the \$200 million? If so, please share the parameters of these prototypes.

The State is in the process of finalizing a sub-award with RIHousing to administer the new rental assistance program. This program will build on the lessons learned from the implementation of the first round of rental assistance. These include:

- Having a single program with one public-facing portal for Rhode Islanders to access;
- Ensuring that an appropriate technology system and sufficient staffing support to handle an influx of applications is in place prior to launching the program; and
- Providing as much flexibility as possible to applicants within the constraints of the federal requirements.

RIHousing has already received proposals through an expedited request for proposals (RFP) for a technology platform to support the program that will be user-friendly for customers and program administrators, while minimizing opportunities for fraud and abuse. A second RFP solicits partners to assist in program implementation, including functions like outreach to vulnerable populations and helping people in need apply for assistance. The first priority is to stand up as quickly as possible a program that tenants can access for assistance with rent and utility payments. As further guidance is provided by the Treasury Department on the full scope of assistance that can be provided through the program, RIHousing will be working with state and community partners to identify unmet needs and appropriate activities that the funding can support to meet those needs.

How are median incomes determined in Rhode Island? How many areas are there? What is the range of incomes?

The U.S. Department of Housing and Urban Development (“HUD”) sets income limits that determine eligibility for assisted housing programs including public housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs.

HUD develops income limits based on Median Family Income estimates and Fair Market Rent (FMR) area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. Please note that “FMR area definitions” is separate from FMR, as FMR is calculated for each metropolitan area but is not used in the calculation of income limits.

Statewide Income Limits for Rhode Island FY 2020								
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
30%	\$18,850	\$21,550	\$24,250	\$26,950	\$29,100	\$31,250	\$33,400	\$35,550
50%	\$31,450	\$35,900	\$40,400	\$44,900	\$48,500	\$52,100	\$55,700	\$59,250
60%	\$37,750	\$43,100	\$48,500	\$53,900	\$58,200	\$62,500	\$66,850	\$71,150
80%	\$50,300	\$57,450	\$64,650	\$71,850	\$77,600	\$83,350	\$89,100	\$94,850
100%	\$62,850	\$71,850	\$80,800	\$89,800	\$97,000	\$104,150	\$111,350	\$118,550
115%	\$72,300	\$82,600	\$92,950	\$103,250	\$111,500	\$119,750	\$128,050	\$136,300
120%	\$75,450	\$86,200	\$97,000	\$107,750	\$116,350	\$125,000	\$133,600	\$142,250
140%	\$88,000	\$100,550	\$113,150	\$125,700	\$135,750	\$145,800	\$155,850	\$165,900

More information on HUD and their actions on income eligibility limits, specifically Rhode Island limits for low- and moderate-income households, can be found in the appendix and at this link: https://www.huduser.gov/portal/datasets/il.html#2020_query.

Rental Assistance/Unemployment

What eligibility questions are asked of the renter, and what is the area median income level requirement for Rhode Islanders?

The HousingHelp and Safe Harbor rental assistance programs were targeted to renters earning no more than 80 percent of area median income. Applicants for rental assistance programs were asked for their income, household size, and details on rent arrearages. Applicants were required to provide documentation of 1) their identity (such as a government-issued ID card); 2) residency in the apartment (such as a lease or utility bill); and 3) the rent arrearages (such as a demand letter, eviction notice or rent ledger – this documentation could also be provided by the landlord). In addition, applicants were required to sign a certification, under penalty of law, to the details provided in the application including their income and need for assistance. Landlords were also required to provide documentation of property ownership and certify to the accuracy of the information on rent arrearages. Both tenants and landlords were required to certify that assistance received through the program was not duplicative of other rent assistance received.

Plan and Cost to Meet Affordable Housing Demands

What is the demand for affordable housing? How many units per year are needed to meet this demand? How much funding is required to meet this demand?

In 2016, HousingWorksRI, in partnership with RIHousing, released a report on the state's housing needs. That report can be accessed here: <https://www.rihousing.com/wp-content/uploads/Projecting-Future-Housing-Needs-Report.pdf> [rihousing.com]

More recently, the Office of Housing and Community Development, in collaboration with RIHousing, completed an update to the State's Consolidated Plan. This plan lays out current housing market conditions and housing needs as well as state goals and strategies to address those needs. That plan can be accessed here: https://www.rihousing.com/wp-content/uploads/FINAL-2020-2024-Rhode-Island-Consolidated-Plan_PUBLICATION_7.9.pdf [rihousing.com]

The market analysis element of that plan notes that, "More than 38% of Rhode Island's 35,256 assisted housing units face expiring periods of affordability within the next five years."

These are the most current documents available capturing the state's housing needs and resources required to address them.

cc: Members of the Senate Committee on Finance
Members of the Senate Committee on Housing and Municipal Government
Stephen Whitney, Senate Fiscal Advisor
Brett Smiley, Director of Administration
Jonathan Womer, Director of the Office of Management & Budget