

Manage Action Plan

Grant Number:	RHP-IL
LOCCS Authorized Amount:	\$0.00
Grantee Name:	Illinois
Grant Award Amount:	\$1,558,088.00
Appropriation Code:	Support Act 8071
Total Estimated PI/RL Funds:	\$0.00
Action Plan Status:	 Submitted - Await for Review

Narratives Summary

Program Summary

The purpose of the Recovery Housing Program (RHP) is to provide stable, temporary housing (up to 24 months) to low to moderate income persons in recovery from a substance use disorder. The State of Illinois has been allocated a total of \$1,558,088 in RHP funding from the US Department of Housing and Urban Development (HUD). Allocations have been awarded as follows:

2021: \$757,549

2022: \$800,539

The RHP is authorized under Section 8071 of the SUPPORT for Patients and Communities Act and is a pilot program. Section 8071 requires RHP funds be treated as Community Development Block Grants (CDBG) funds, with certain waivers and alternative requirements.

The State has identified a need for additional housing for individuals recovering from substance use disorders. RHP funds will be awarded by the State of Illinois to one or more entities to produce, preserve and/or rehabilitate such housing. Funds will be made available through an application process to ensure all HUD requirements are met. Applicants must demonstrate an ability to operate the housing and directly or indirectly provide recovery related services for participants. Operating and service funds are not provided with RHP funding.

Resources

The State of Illinois will make no less than \$1,433,442 of RHP funding available.

2021 RHP Funding: \$ 757,549

2022 RHP Funding: \$ 800,539

Total RHP Funding: \$1,558,088

5% Administrative Cap: \$ 77,904

3% Technical Assistance Cap: \$ 46,172

Minimum Funding Available: \$1,433,442

The State of Illinois will attempt to leverage as many federal, state, and local resources as possible in order to maximize RHP investment.

Administration Summary

The Illinois Department of Commerce and Economic Opportunity will serve the role of RHP Administrator. Agency contact information is listed below.

Agency: Illinois Department of Commerce and Economic Opportunity

Division: Office of Community Development

Mailing Address: 607 East Adams, 3rd Floor

City State Zip: Springfield IL 62701

City/State/Zip: Springfield, IL 62761
Phone number: 217/785-6174
Website: <https://dceo.illinois.gov/>

The following three requirements have been e-mailed to our HUD CPD Representative, as the DRGR system will not allow us to add them to the Plan: SF424, SF424D, Certifications for RHP Action Plan. An updated SF424 with 2021 indicated in box 15 (as advised in the Disapproval Letter) has been e-mailed to our HUD CPD Representative.

Use of Funds - Method of Distribution

2021 RHP Funding: \$ 757,549
2022 RHP Funding: \$ 800,539
Total RHP Funding: \$1,558,088
5% Administrative Cap: \$ 77,904
3% Technical Assistance Cap: \$ 46,172
Minimum Funding Available: \$1,433,442

The State of Illinois will distribute RHP funds through a competitive process by selecting applications that are submitted by eligible recipients. Scoring criteria will be based upon a combination of the required selection criteria located in FR-6225-N-01 and selection criteria adopted by the Illinois Department of Commerce and Economic Opportunity.

RHP funds will be awarded directly to subrecipients. Eligible Subrecipients include public and private not-for-profit organizations. Applicants will need to demonstrate experience in assisting individuals in recovery to attain self-sufficiency and individual recovery goals. Additionally, eligible applicants must demonstrate capacity to comply with RHP program requirements.

All HUD funds are required to meet a National Objective. Per the Federal Register that established the Recovery Housing Program, the Low- to Moderate-Income (LMI) National Objective is the only one that may be utilized under the RHP program. Within the LMI National Objective, all eligible non-administrative activities will comply with the LMI Limited Clientele. This includes several presumptive categories, meaning that HUD assumes individuals within these categories are automatically LMI; these include:

- Abused children
- Elderly persons
- Battered spouses
- Homeless persons
- Adults meeting Bureau of Census' definition of severely disabled adults
- Illiterate adults
- Persons living with AIDS, and
- Migrant farmworkers.

The FR 6225 N-01 also expanded this presumptive list to include persons who meet the federal poverty limits or are insured by Medicaid. If a participant does not qualify under one of these categorical presumptions, the RHP will require documentation that one of the following conditions are met:

1. Require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the LMI limit. Reference: 24 CFR 570.483(b)(2)(ii)(B) and (C)
2. Services be of such nature and in such location that it may reasonably be concluded that the activity's clientele will primarily be LMI persons. Reference: 24 CFR 570.483(b)(2)(ii)(D)

For activities qualifying under Condition 1 above, the LMI limit shall be 80% of the AMI established by HUD for that place at the time in which assistance was provided. Case files for each assisted person or household must include documentation required under the LMI Limited Clientele, listed at 3.6.4 of Chapter 3 of the State Community

Use of Funds - Activities Carried Out Directly

Sub-recipients of RHP funding may utilize the funds for the following eligible activities:

- **Public Facilities and Improvements.** RHP funds may be used for activities under 24 CFR 570.201(c) or section 105(a)(2) of the HCD Act (42 USC 5305(a)(2)) only for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
 - **Acquisition of Real Property.** RHP funds may be used for acquisition under 24 CFR 570.201(a) or section 105(a)(1) of the HCD Act (42 USC 5305(a)(1)) for the purpose of providing stable, temporary housing to persons in recovery from a substance use disorder. For example, a nonprofit could purchase a residential property for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
 - **Rehabilitation and Reconstruction of Single-Unit Residential.** RHP funds may be used for rehabilitation or reconstruction of publicly- or privately-owned single-unit residential buildings and improvements eligible under 24 CFR 570.202(a)(1) or section 105(a)(4) of the HCD Act (42 USC 5305(a)(4)) for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
 - **Rehabilitation and Reconstruction of Multi-Unit Residential.** RHP funds may be used for rehabilitation or reconstruction of publicly- or privately-owned buildings and improvements with two or more permanent residential units that otherwise comply with 24 CFR 570.202(a) and section 105(a)(4) of the HCD Act (42 USC 5305(a)(4)) for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
 - **Rehabilitation and Reconstruction of Public Housing.** RHP funds may be used for rehabilitation or reconstruction of buildings and improvements owned and operated by a public housing authority to the extent eligible under 24 CFR 570.202(a)(2) and section 105(a)(4) of the HCD Act (42 USC 5305(a)(4)), for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice.
 - **Expansion of existing eligible activities to include new construction.** RHP funds can be used for new construction of housing, to the extent the newly constructed housing shall be used for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071 and this notice. HUD is waiving 42 USC 5305(a) and 24 CFR 570.207(b)(3) and adopting alternative requirements to the extent necessary to permit new construction of housing, subject to the same requirements that apply to rehabilitation activities under the provisions at section 105(a)(4) of the HCD Act (42 USC 5305(a)(4)) and 24 CFR 570.202(b).
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Use of Funds - Eligible Subrecipients

Eligible Subrecipients will be those agencies/entities that have demonstrated sufficient capacity to administer Recovery Housing Program funds whether they be located in an Entitlement or Non-Entitlement area throughout the State of Illinois.

Public and private nonprofit organizations must be exempt from taxation under subtitle C of section 501(c), have an accounting system, a Board of Directors, actively engaged in recovery housing efforts in Illinois, and practice nondiscrimination in the provision of assistance. Assistance may be provided to primarily religious organizations that agree to provide all eligible activities in a manner that is free from religious influence.

Use of Funds - Criteria for Evaluation

The Criteria for Evaluation will be established based on the statutory requirements, assuring that funding is prioritized to entities with the greatest need and ability to deliver effective assistance in a timely manner. This will include:

- **Project Need.** The project must substantiate and address a need that is significant to the needs of the community, including the degree of need for the population served, and appropriateness of plans for providing services. Must address extent to which the applicant will provide housing and services to vulnerable populations. Applicants will receive points for projects that serve the specific needs of vulnerable populations.
 - **Necessary and Reasonable Expenditure of RHP Funds.** The project must substantiate that RHP funding is necessary to meet the identified need(s); the impact of RHP dollars is maximized and the use of RHP funds is reasonable when compared with other funding sources. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on RHP funding.
 - **Project Effectiveness.** The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.
 - **Project Leveraging.** Extent to which the application makes use of additional funding sources. Applicants will be evaluated on the quantity, quality and timeliness of leveraged funding that will be committed to the proposed project. Additional points may be awarded to projects that leverage a greater amount of non-federal funding.
 - **Project Timeliness.** Applicants' ability to obligate RHP funds in a timely manner. Applicants will be evaluated on project readiness, including items like local approvals, architectural plans, and site control. Additionally, the State will consider their track-record for developing projects successfully within a reasonable timeframe, and evaluated on their development capacity and experience with public sector housing development programs.
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Definitions - Individual in Recovery

An individual going through a process of change to improve their health and wellness, live a self-directed life, and strive to reach their full potential.

Definitions - Substance Use Disorder

Substance use disorders occur when the recurrent use of alcohol and/or drugs causes clinically significant impairment, including health problems, disability, and failure to meet responsibilities at work, school, or home.

Anticipated Outcomes

It is anticipated that these funds will fund a minimum of one project and no more than three projects, and the minimum number of persons served match the number of projects completed.

A Performance Measurement Outcome System has been established by HUD as a standardized framework to gather information, measure program results and quantify the benefit of these programs to low and moderate income families and communities. The programs that are covered by this framework include CDBG.

HUD has implemented Performance Measures through the Integrated Disbursement and Information System (IDIS) and DRGR.. Recipients must acknowledge that they will be required to submit performance measure information in order to meet this reporting requirement. Submittal of information will be solicited by the State at regular intervals and at closeout.

Expenditure Plan

The State will comply with all RHP guidelines and expend at least 30% of the funds within year one as required. We anticipate spending 100% percent of the RHP funds before the end of the performance period. Administrative costs will not exceed the 5% allotment and Technical Assistance will not exceed 3%. There is no program income anticipated to be received.

Applications will be solicited from sub-recipients with the ability to deliver effective assistance in a timely manner. Scoring will consider an applicant's prior performance related to administering prior federal awards, including HUD, to insure that least 30 percent of its RHP funds within one year from the date the funds are available to the grantee, and of how the grantee intends to expend 100 percent of the RHP funds before the end of the period of performance.

Citizen Participation Summary

- **Public Hearing**

As instructed by HUD, the State will hold a public hearing to solicit residents' views on actions, activities, and programs to be funded with federal program funds. During the public hearing, the State will address housing and community development needs, development of proposed activities, the amount of assistance the State expects to receive, the range of activities that may be undertaken, including the estimated amount that will benefit low- and moderate-income residents, a review of program performance, the dates of the public display and comment period; the locations where copies of the draft RHP Plan can be examined; and, how comments will be accepted. The State plans to hold a Public Hearing in July, 2023.

- **Public Display and Comment Period**

The draft RHP Plan will be placed on display for a period of no less than 30 days, or no less than a time period specified by HUD in writing, to encourage public review and comment. The public notice shall include a brief summary of the RHP Plan, the anticipated amounts of funding, the dates of the public display and comment period, the locations where copies of the draft RHP Plan can be examined, how comments will be accepted, when the document will be approved by the State, and the anticipated

be accepted, when the document will be approved by the State, and the anticipated submission date to HUD.

- **Comments Received on the Draft RHP Action Plan**

Written comments will be accepted by the Contact Person, or a designee, during the 30-day public display and comment period. The State will consider any comments or views of State residents received in writing, or orally at the public hearing, in preparing the final RHP Plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons why, will be attached to the final RHP Plan for submission to HUD.

- **Submission to HUD**

The RHP Plan will be submitted to HUD via DRGR.

Partner Coordination

The Illinois Department of Commerce and Economic Opportunity has historically received and administered all Community Development Block Grant funding, however the Department does not have any Recovery Housing programs.

The Illinois' Department of Human Services is the singular state agency with a focus on Substance Abuse and is charged with designing, coordinating and funding a comprehensive and coordinated community-based and culturally and gender-appropriate array of services throughout the state for the prevention, intervention, treatment and rehabilitation of alcohol and other related disorders. This system addresses the needs of at-risk or individuals with Substance Use Disorder and their families. As the single state authority for Substance Use Disorder (SUD) in Illinois, the Department delegates these responsibilities to the Division of Substance Use Prevention and Recovery (SUPR).

DCEO, representatives of HUD and their technical assistance provider met multiple times with DHS to explore the opportunity of DHS receiving the Recovery Housing Program funds. DHS has decided not to accept and administer the RHP funds. As an alternative, DCEO and HUD requested a meeting with the Illinois Housing Development Authority (IHDA). We received the following (excerpted) e-mail from their Director: "IHDA would be unable to accept and administer these funds. We are currently administering a number of new, additional programs. Consequently, the Department, with assistance from HUD, contacted and met with the Illinois Department of Public Health (IDPH), to provide the opportunity. IDPH also declined to administer the RHP funds.

Although challenging, the meetings with partner State Agencies, provided valuable information on the needs of those in recovery and subsequently helped to shape the program.

The Council of State Community Development Agencies held their annual Program Manager's Conference in March, 2023 in Washington, D.C. This event provided a specific session on the Recovery Housing Program which included examples of successful programs and access to HUD officials. After the meeting and a subsequent discussion, the State felt the best option was for DCEO to administer the program with activities most similar to those they are familiar with, including construction and rehabilitation.

HUD has graciously provided for Technical Assistance to the State. An initial meeting was held September 30th with the Provider and HUD representatives. Subsequent meetings have been held with the Provider, HUD, and personnel from various areas in the Department of Human Services to discuss the possibility of DHS administering the Recovery Housing Program funds.

Subrecipient Management and Monitoring

The Office of Community Development conducts monitoring of every grant project receiving HUD funds. Two basic types of monitoring are used: off-site, "desk" monitoring and on-site monitoring. Desk monitoring is conducted by staff in conjunction with quarterly performance and financial reports. Desk monitoring confirms compliance with national objectives, eligible activities

reports. Desk monitoring confirms compliance with national objectives, eligible activities, procurement, and financial management. On-site monitoring is a structured review conducted by staff at the locations where project activities are being carried out or project records are being maintained. One on-site monitoring visit is normally conducted during a project unless determined otherwise by staff.

Pre-Award/Pre-Agreement Costs

RHP funds may be used for pre-award/pre-agreement technical assistance and administrative costs of the State of Illinois including application and technical assistance to potential subrecipients, development of the RHP Action Plan, conducting the citizen participation process and related administrative costs.