

# DRAFT PY 2021 ANNUAL ACTION PLAN

## Executive Summary

### AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

As a statutory requirement by HUD, the Commonwealth of the Northern Marianas Islands is hereby submitting its Third Year Annual Action Plan (Program Year 2021) which covers October 1, 2021 – September 30, 2022. The Plan outlines the planned uses and goals for CDBG, HOME, ESG, and also outlines the goals for Section 8 HCV and the Multifamily Programs. The programs address priority needs and goals for housing, services, and public facilities that serve low and moderate income populations. The CNMI Government continues to be the designated recipient of the U.S. Dept. of Housing and Urban Development (HUD) Community Planning and Development grant funds for the islands of Saipan, Tinian, and Rota, all three inhabited islands comprising the CNMI. Governor Ralph DLG. Torres, the Responsible Entity of the CNMI, has designated the Northern Marianas Housing Corporation, an autonomous agency of the Government, to administer all HUD-funded programs. Consultations with various agencies were conducted and other state plans were reviewed and referenced in this document. Similar goals and priorities were identified, all of which we share the same vision and that is to improve the quality of life for the citizens of the CNMI through economic development projects which will provide economic opportunities for the low and moderate income population, public facilities which will enhance the community, energy efficient projects which will address the significant utility costs currently facing the CNMI, and recreational facilities, most especially for the elderly and youth to utilize. **See Appendix A:** House Joint Resolution \_\_\_\_ (pending), authorizing the CNMI to submit its Annual Action Plan for PY 2021.

#### 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

These goals and objectives were identified based on the needs assessment of the community, prior year performance, housing market analysis, and various agency State plans and were indicated in the Program Year 2020-2024 Five Year Consolidated Plan. The goals are:

The CNMI outlined its goals and objectives for the next five years in a table found in SP-45. These goals and objectives were identified based on the needs assessment of the community and various agency State plans. The goals are:

- Job Creation/Retention – Promote employment opportunities for persons with disabilities ; Support micro businesses through loans or grants
- Emergency Shelter/Transitional Housing: Typhoon shelters; homeless shelters; Transitional Housing; domestic violence shelters; youth shelters
- Infrastructure Improvements- Streets and sidewalks, water and sewer improvements, utility lines, flood drainage systems
- Public Services – Healthcare; Recreational Programs; Services for senior citizens, Public safety services; Substance abuse programs
- Community Enhancement- Operational support of facilities providing services to special needs populations, support the work of organizations that aim to reduce homelessness
- Public Facilities- Recreational facilities, sports facilities, fire stations (fire trucks, ambulances, emergency response equipment), youth centers, community centers
- Sustain Affordable Housing Stock
- Promote Fair housing
- Provide Services to the Homeless Population

- Disaster Recovery

### **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The CNMI has invested CPD funds which have benefited homeless persons, special needs populations, Section 8 housing residents, and low-and moderate-income individuals and families. The CNMI has injected about \$10M in CDBG funds to support the various CDBG community projects that have benefited the island's various populations. Over the past 5 years, through the CPD programs, the CNMI has contributed to the rehabilitation of public facilities which encourages community involvement and enhancement, purchase of fire protection and life-saving equipment, increased the fleet of Fire pumper trucks in the CNMI, and provided funding for debris removal on all three islands shortly after Super Typhoon Yutu, which was absolutely critical for CNMI residents, in order to prevent health and safety hazards. In addition to its public facilities and improvement projects, the CNMI has supported organizations providing various community enrichment services that aim to improve the living conditions of families living in impoverished neighborhoods and to provide rapid rehousing and homelessness prevention assistance to families who are literally homeless and at the verge of homelessness. In addition to the island's public facilities and improvement projects, the CNMI has injected about \$5M of HOME funds to construct affordable housing for eligible homebuyers, acquire and rehabilitate units and placed them back into service as affordable housing for eligible homebuyers, and provide low-interest deferred loans to assist low-and very-low income homeowners to rehabilitate their homes and bring their primary residence to local building code standards. Lastly, the CNMI has utilized its Emergency Solutions Grant to provide rapid re-housing and homelessness prevention for literally homeless or at-risk of homelessness households. For the past four years (2011 transition from the emergency shelter grant to the emergency solutions grant), the CNMI has injected about \$600K of ESG monies to homelessness and rapid re-housing services, in addition to implementing the Homeless Management Information System in the CNMI to better track and monitor HESG-assisted families .

### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The CNMI is required by the U.S. Department of Housing and Urban Development (HUD) to have a detailed Citizen Participation Plan which incorporates the island's policies and procedures for public involvement in the Consolidated Plan process and the use of Community Development Block Grant (CDBG), HOME Investment Partnerships Grant (HOME), and Emergency Solutions Grant (ESG) funds. The CNMI's Citizen Participation Plan is made available to the public. Additionally, regulation requires that this plan both provide for and encourage public participation, emphasizing involvement by low-and moderate-income people, especially those living in low-and moderate-income neighborhoods. According to the CNMI's Citizen Participation Plan, Annual Action and Consolidated Plans must be made available for a total of 30 days for the public to provide comment. In addition, the CNMI provides the general public a fifteen-day notice before informing them of the public hearing to be held on the islands of Saipan, Tinian, and Rota to discuss the Five Year Consolidated Plan and Annual Action Plan. However, the CNMI availed of the waiver flexibilities granted with regards to the Consolidated Plan requirements, as a result of the COVID-19 pandemic. Please see **Appendix B**: Amended Citizen Participation Plan. Consultations, in preparation for the Consolidated Plan were conducted, to solicit for comments, input, and recommendations on the priorities, goals, and objectives for the next five years. NMHC conducted several, physical meetings with various agencies, individuals, Legislators, the Mayors of all CNMI jurisdictions, and its Board of Directors to accomplish such. In addition, The ConPlan/AAP was made available from July 19, 2021 to July 26, 2021 . See public notices- **Appendix C** . The notices for public hearings was published on July 19, 2021, and the virtual hearings were held on July 23, 2021 . The CNMI also published an advertisement on the Saipan Tribune and on their website, the island's newspaper of general circulation and also published the Plans on NMHC's website, the Office of the Governor's website, and was made available, upon request.

### **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See Appendix D for CPP

6. Summary of comments or views not accepted and the reasons for not accepting them

7. Summary

**PR-05 Lead & Responsible Agencies – 91.200(b)**

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency		
CDBG Administrator	Northern Marianas Housing Corporation	Community Planning and Development Division
HOME Administrator	Northern Marianas Housing Corporation	Community Planning and Development Division
HESG Administrator	Northern Marianas Housing Corporation	Community Planning and Development Division
Section 8/ Multi-Family Program Administrator	Northern Marianas Housing Corporation	Program and Housing Division

**Table 1 – Responsible Agencies**

**Narrative (optional)**

The Northern Marianas Housing Corporation is the lead agency responsible for preparing the NMHC PY 2021 Annual Action Plan. The following individuals are responsible for HUD-funded programs:

- Jesse S. Palacios, Corporate Director (Oversees all HUD-funded programs)
- Zenie P. Mafnas, Deputy Corporate Director; Tricia B. Tenorio, Planner ; Jacob Muna, Office Manager/Procurement Officer (CDBG and HESG Programs)
- Christopher Pangelinan, Mortgage and Credit Manager (HOME Program)
- David Chargualaf- Program and Housing Division Manager (Section 8 HCV and Multifamily Programs)

The CNMI Government continues to be the designated recipient of the U.S. Department of Housing and Urban Development's (HUD) Community Planning and Development (CPD) grant funds for the CNMI Government. As the Responsible Entity for the CNMI, the Governor has delegated the Northern Marianas Housing Corporation (NMHC), an autonomous agency of the Government, to administer HUD CPD and Section 8/Multifamily Program funds to ensure compliance with program regulations.

**Consolidated Plan Public Contact Information**

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## **AP-10 Consultation – 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

The CNMI works closely with various public and private agencies to address the needs of low-mod income persons and the special needs populations. Although the CNMI currently does not have a Continuum of Care Program in place, NMHC coordinates the delivery of services with agencies such as the Northern Marianas Protection and Advocacy Systems (NMPASI), Karidat Social Services, Department of Community and Cultural Affairs- Division of Youth Services, Council on Developmental Disabilities, Office of Vocational Rehabilitation, Center for Living Independently, Community Guidance Center, and the Department of Public Health. These agencies respond to the needs of youth, families, and adults. Needs may vary from employment, independent life skills, health and mental health, and financial needs. During the March 2019 CPD Briefing, government and non-profit organizations were invited to attend and were encouraged to provide input verbally, through a comprehensive survey, and an activity, so that NMHC could gather information, as to the type of needs that NMHC could potentially address within the next five years.

### **Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))**

The CNMI coordinated with the Mayors of all CNMI jurisdictions, the 21<sup>st</sup> CNMI Legislature, the 21<sup>st</sup> Senate, various government agencies, non-profit organizations, by discussing the various community needs in the community to include those of homeless the persons, non-homeless special needs persons, and public housing residents. Relevant State plans were reviewed to gather information to substantiate the priorities and goals of this Consolidated Plan. Efforts were made to identify the needs of the island’s varying population. Information obtained in this Plan was derived from various State Plans, consultation with various groups and agencies, and the U.S. Census Bureau. This Plan will be made available for public review and comment from July 19, 2021 to July 26, 2021, 2021. The public is encouraged to submit oral or written comments which must be received the Northern Marianas Housing Corporation no later than 4:30 p.m., July 26, 2021. A virtual hearing will be held on July 23, 2021, to inform the public about this Plan. NMHC will also solicit for comments at this virtual hearing.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The CNMI currently does not have a Continuum of Care Program in place. However, In March of 2016, NMHC collaborated with government, private, and non-profit organization to form what is now called “the CNMI Homeless Prevention Coalition”. The NMHC in collaboration with the members of the newly formed Coalition started planning the first ever Point-In-Time (PIT) count for the CNMI. The logistics and planning of the PIT count was successful. The goal of the coalition is to obtain funding from HUD through the CoC program for the following: outreach services; case management services; job search services; rapid rehousing rental assistance; Homeless Management Information System (HMIS) software program; and referrals to mainstream resources (e.g. health services; Medicaid, etc.). More importantly, the Coalition would like to focus on providing rapid re-housing services to the homeless families and individuals. We anticipate to have the program participants obtain employment and maintain their housing at before exiting the program. In addition, NMHC participates in quarterly membership meetings with the Mental Health Planning Council, which includes members from a variety of social service providers such as the Northern Marianas Protection and Advocacy Systems, Inc., Karidat Social Services with Guma Esperansa (domestic violence shelter), Department of Community and Cultural Affairs with the Division of Youth Services Shelter (shelter for youth and children), and the Salvation Army. Since 2019, NMHC has directly administered the HESG Program and provides housing relocation and stabilization services for individuals in need of rapid re-housing and homelessness prevention assistance. NMHC also performs evaluations to ensure the assisted families are able to sustain their housing status after their 10-month assistance. Moreover, the Guma Esperansa Domestic Violence

Shelter serves women and children who are victims of domestic violence, and the Division of Youth Services Shelter serves children and youth who are victims of child abuse and neglect (both populations are categorized as homeless due to their situations). Although there were veterans who availed of the ESG Program, there is no program available in the CNMI specifically for homeless veterans.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The CNMI does not have a CoC in place. When NMHC published the ESG Substantial Amendment in 2011, the agency consulted with the Karidat Social Services (Guma Esperansa Shelter), Northern Marianas Protection and Advocacy Systems Inc. (NMPASI), and the Department of Community and Cultural Affairs (Division of youth Services). It was a unanimous decision to allocate the entire ESG funding to Karidat Social Services for rapid re-housing and homelessness prevention activities, therefore, transitioning ESG funding from shelter operations to financial assistance. Policies and procedures were also reviewed and were not amended since 2011. In December of every year, for the past five years, NMHC published a notice of public hearings for the funding availability of CPD funding. Public hearings are usually held in the month of February. In those discussions, NMHC provides a brief presentation on each program, including the Emergency Solutions Grant. Social service providers are encouraged to join the discussions and provide input as to where ESG funds should be allocated to and if current policies and procedures must be amended. The activities from the inception of the HESG Program remain the same, since there is a greater, positive impact in allocating to rapid re-housing and homelessness prevention activities. Although HESG funding is not used for the operations of shelters, the shelters continue to receive funds from other Grantor agencies to manage their programs efficiently and effectively. Appendix\_: Attendance Sheets of the various briefings conducted.

**Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

**I**

1	<b>Agency/Group/Organization</b>	Karidat Social Services
	<b>Agency/Group/Organization Type</b>	Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>How was the Agency/Group/Organization consulted and what are the outcomes of the consultation or areas for improved coordination?</b>	Although the NMHC currently administers the HESG Program, the NMHC consults with Karidat Social Services on a frequent basis. Karidat Social Services is also engaged in discussing the effective use of Emergency Solutions Grant funds and what particular areas of the program can be improved to ensure that housing stability is achieved by the ESG-assisted household. Karidat Social Services also administers short-term rental assistance, through a DHHS grant, for homeless families who need a temporary place to stay, as they seek for permanent residence. They also provide food vouchers and donated clothing for those in need. In addition, the
2	<b>Agency/Group/Organization</b>	Department of Labor
	<b>Agency/Group/Organization Type</b>	Other government-local
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs Anti-Poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	NMHC consults with DOL, through the Workforce Investment Agency Division, on the type of programs available for low-mod income individuals, most of whom are participants in the HUD-assisted program. DOL is the only entity in the CNMI that provides training services such as the Individual Training Program, Program of Training Services (client may obtain a certification of completion in a particular field of study, a
3	<b>Agency/Group/Organization</b>	Mayors' Offices of Saipan, Tinian, and Rota
	<b>Agency/Group/Organization Type</b>	Other Government-Local
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs  Anti-Poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Mayors of all (3) jurisdictions were consulted and they have demonstrated the need for mainly for public facilities, mainly recreational facilities, and infrastructure upgrades (to become more resilient) on the islands of Saipan, Tinian, and Rota, and just in the recent months, have expressed their thoughts on the need for typhoon shelters, in the times of disasters, and transitional housing for those in need of emergency shelter, as they seek for a permanent place to stay. These types of projects are being sought after to promote the local economy, health and wellness, youth activities, and public safety.
4	<b>Agency/Group/Organization</b>	American Red Cross

	<b>Agency/Group/Organization Type</b>	Services- Homeless – ADD MORE in IDIS
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	As the ARC was very instrumental in providing NMHC critical disaster data shortly after Super Typhoon Yutu, there was frequent discussions with the organization throughout the recovery process to date, on the types of assistance (both at the time of the disaster and for future mitigation) necessary to meet the unmet needs of the community. ARC expressed the need for typhoon shelters, transitional/emergency housing, and most especially, to increase the rental housing stock, as a majority of the population affected by the most recent disasters were renters. Over 50% major or destroyed homes were rental properties.
5	<b>Agency/Group/Organization</b>	Department of Public Health- Community Guidance Center
	<b>Agency/Group/Organization Type</b>	Other Government-Local
	<b>What section of the Plan was addressed by Consultation?</b>	Non-homeless special needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	NMHC consulted with the Community Guidance Center (CGC), a Division of the Department of Public Health, and have discussed about potential collaboration with NMHC and about funding assistance for the Systems of Care Program administered by CGC. Systems of Care is a coordinated network of community-based services and supports that is organized to meet the challenges of children and youth with serious mental health needs and their families. The consultation and coordination will help NMHC identify various needs amongst its system of care network and help us prepare for a Continuum of Care implementation, if approved by HUD.

**Identify any Agency Types not consulted and provide rationale for not consulting**

The CNMI did not prohibit any agency types from participating in the development of this Plan.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

**Table 3 – Other local / regional / federal planning efforts**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Community Services Block Grant 2019 State Plan	Department of Community and Cultural Affairs	The goals of the State Plan include the continued support of activities designed to assist low income families and individuals, homeless families and individuals, and elderly low income individuals and families.
Workforce Innovation and Opportunity Act (FY 2020-2023)	Department of Labor- Workforce Investment Agency	The goals of the State Plan is the continuous improvement of job, education and training services through collaborative partnerships with government agencies, private businesses, and CNMI workers to fully recognize the importance of education, training, and economic development, and in turn, help the low income family and individual become self-sufficient.
CNMI Four Year State Plan on Aging 2015-2019	CNMI Office on Aging	The goals of the State Plan address the needs of island's elderly population to include public facilities and improvements, housing, and services to such populations.
Northern Marianas Office of Vocational Rehabilitation State Plan for FY 2018 (most recent Plan)	Office of Vocational Rehabilitation	The goals of the State Plan address the special needs of persons with disabilities who are seeking employment to achieve independence and self-sufficiency.
CNMI Council on Developmental Disabilities State Plan Amendment for FY 2017-2021	CNMI Council on Developmental Disabilities	The goals of the Strategic Plan address the housing and supportive service needs of persons with disabilities.
Smart, Safe, Growth Guidance for the CNMI – November 2018	CNMI Office of Planning and Development	Smart, Safe Growth (SSG) is a set of development strategies focused on improving the resiliency of the built environment. Through SSG, Pacific Islands governments work to develop communities that maximize public health and safety, provide economic opportunity and life-style choices, and that can withstand changes in climate and extreme weather events to reduce societal and economic burdens of recovery.

**Narrative (optional)**

**AP-12 Participation – 91.105, 91.200(c)**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

The CNMI coordinated with the Mayors of all CNMI jurisdictions, the 21<sup>st</sup> CNMI Legislature, the 21<sup>st</sup> Senate, various government agencies, non-profit organizations, by discussing the various community needs in the community to include those of homeless the persons, non- homeless special needs persons, and public housing residents. Relevant State plans were reviewed to gather information to substantiate the priorities and goals of this Consolidated Plan. Efforts were made to identify the needs of the island’s varying population. Information obtained in this Plan was derived from various State Plans, consultation with various groups and agencies, and the U.S. Census Bureau. The Plan was made available from July 29, 2021 to July 26, 2021. The public is encouraged to submit oral or written comments which must be received the Northern Marianas Housing Corporation no later than 4:30 p.m., July 26, 2021. A virtual hearing will be held on July 23, 2021, to inform the public about this Plan. NMHC will also solicit for comments at this virtual hearing.

**Citizen Participation Outreach**

<b>Sort Order</b>	<b>Mode of Outreach</b>	<b>Target of Outreach</b>	<b>Summary of response/attendance</b>	<b>Summary of comments received</b>	<b>Summary of comments not accepted and reasons</b>	<b>URL (If applicable)</b>
1	Public Hearing	Non-targeted/broad community	Pending			
2	Internet Outreach	Persons with disabilities				
3	Newspaper Ad	Non-targeted/broad community				

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

This Action Plan year, the CNMI received \$970,416, in CDBG funds, \$463,940 in HOME funds, and \$79,644 in ESG funds. In the next program year, the CNMI prioritizes on planning and administrative activities, public facilities, and recreational facilities. HOME funds will be utilized for homeowner rehabilitation, while PY residual funds will be used for new construction and acquisition. And ESG funds will focus on the continuation of providing homeless prevention and rapid re-housing, housing relocation and stabilization services, and administration.

In response to the Covid pandemic, additional formula grant funds are allocated to CNMI through the CARES Act to CDBG and ESG specifically to prepare, prevent, and respond to the public health emergency. A total of \$823,905 in CDBG funds and \$1,096,639 in ESG funds were allocated in PY 2020. For the upcoming program year, the CNMI also expects the HOME-American Rescue Plan allocation of \$1,692,522 and the Housing Trust Fund allocation of \$187,243.

Program Income (anticipated) CDBG of \$23,000 and HOME of \$252,234 and (prior year) HOME \$1.97M.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public-federal	Admin and Planning Public Facilities Economic Development Public Services Public Improvements Acquisition	\$970,416	\$23,000	\$0	\$993,416		For the PY20 Action Plan year, CDBG funds will be used for public facilities and program administration and planning.
ESG	Public-federal	Rapid Rehousing (rental assistance) Homelessness Prevention (rental assistance) Housing Relocation and Stabilization Services Shelter Operations	\$79,644	\$0	\$0	\$79,644		At least 60% of ESG funding will be allocated to rapid rehousing activities, while 40% of ESG funding will be used for homelessness prevention activities (calculated after percentages have been set aside for program administration (7.5%) and HMIS (10%). NMHC will focus on assisting the literally homeless households, since it's a rapidly growing problem in the CNMI.
HOME	Public-federal	Acquisition Homebuyer assistance Homeowner Rehab	\$463,940	\$252,234	\$1,970,000	\$2,686,174		PY 2021 HOME funds will be for homeowner rehab. PY resources will be used for homeowner rehab, new construction, and acquisition. PY resources are funds that have not been expended due to slow moving activities

<b>HOME-ARP</b>	Public-federal	Tenant-based rental assistance Supportive Services	<b>\$1,692,522</b>	<b>\$0</b>	<b>\$0</b>			HOME-ARP funds will be used for tenant based rental assistance and/or supportive services.
<b>HTF</b>	Public-federal	Reconstruction and/or rehabilitation of housing	<b>\$187,243</b>	<b>\$0</b>	<b>\$0</b>	<b>\$187,243</b>		HTF funds will be used for the reconstruction and/or rehabilitation of housing

**Table 52 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

There is no matching requirement for the HUD-funded programs above for the CNMI.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

**Discussion**

Specifically referring to the community development needs that will be addressed through the CDBG program, NMHC has only funded projects on publicly owned land or property, since more than 90% of CDBG projects, since the inception of the grant, has been public facilities. In all cases, before the submission of CDBG proposals, NMHC requests for a land designation from the Department of Public Lands to the proponent of the project. It is most likely that HUD-funded projects are located in the Village Homestead areas (HOME) and in the Public Facilities and Other areas (CDBG). As with other housing needs, section-8 assisted units are owned by private landlords, LIHTC projects' properties are owned by private companies, and HOME-assisted units are owned by private owners. Please see tables below which provides information on public land use and other land uses (Date extracted from the CNMI Department of Public Lands' Land Use Plan updated in 2019): In addition to the tables below, the Northern Islands is 13, 307, hectares, and 100% of the island is public land.

SAIPAN	Hectares	% of total Land	Public Land (Hectares)	% of Public Land
Total Land Area	11,913			
Private Land	5,822	49%		
Public Land	6,090	51%		
Grant of Public Domain Land			1,604	26%
Designated/ In Use Public Land			1,057	17%
Undesignated/ Not in Use Public Land			2,819	46%
Leased Public Land			558	9%
COVENANT Leased Public Land			52	Less than 1%
<b>TINIAN</b>				
Total Land Area	10,177			
Private Land	985	10%		
Public Land	9,179	90%		
Grant of Public Domain Land			649	7%
Designated/ In Use Public Land			517	6%
Undesignated/ Not in Use Public Land			1,163	13%
Leased Public Land			590	6%
Military Leased Public Land			6,260	68%
<b>ROTA</b>				
Total Land Area	8,693			
Private Land	2,412	28%		
Public Land	6,282	72%		
Grant of Public Domain Land			473	8%

Designated/ In Use Public Land	3,042	48%
Undesignated/ Not in Use Public Land	2,618	42%
Leased Public Land	149	2%

**Annual Goals and Objectives**

**AP-20 Annual Goals and Objectives**

**Goals Summary Information**

**See next page**

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Infrastructure Improvement	2021	2024	Low-mod income populations	CNMI-wide	Non-housing community development	CDBG	To fund 1 infrastructure improvement project a year
2	Job creation/retention	2021	2024	Special needs and low-mod income population	CNMI-wide	Non-housing community development	CDBG	To allocate CDBG funding to up to 3 projects within five years
3	Public services	2021	2024	Special needs and low-mod income populations	CNMI-wide	Non-housing community development	CDBG	To allocate CDBG funding to up to 3 projects within five years
4	Sustain Affordable Housing Stock	2020	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Affordable Housing	HOME/HTF	To allocate HOME funding to 3 projects (rehabilitated units) a year
5	Expand housing stock	2021	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Affordable Housing	HOME	To allocate HOME funding to 3 projects a year. 2 new construction; 1 acquisition
6	Emergency Shelter/Transitional Housing	2022	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Affordable Housing/Homelessness	CDBG	To allocated CDBG funding to the construction to up to 2 projects starting in PY 2022 to PY 2024

7	Public Facilities and Improvements	2020	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Non-housing Community Development	CDBG	To allocate funding to 2 projects a year
8	Promote Fair Housing	2020	2019	Special needs populations Low-and moderate-income populations	CNMI-wide	Non-housing Community Development	CDBG/ HOME/ ESG/HOME- ARPA/HTF	To conduct 1 fair housing working a year
9	Community Enhancement	2020	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Non-housing Community Development	CDBG	To allocate CDBG funding to up to 2 projects a year
10	Provide Services to the Homeless	2020	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Homelessness	ESG/HOME (ARPA)	To assist an estimated 6 families per year who are homeless or at-risk of homelessness

11	Disaster Recovery	2020	2024	Special needs populations Low-and moderate-income populations	CNMI-wide	Affordable Housing, Homelessness, Non-Housing Community Development	CDBG-DR	By Year 2 of the ConPlan 1 unit rehab and reconstruction; 8 new housing added; 13 new rental housing added; 10 rental and rehabilitated units; 7 units homeownership assistance; 7 units residential rehab and construction; 2 public facilities
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Table 53 – Goals Summary

**Goal Descriptions**

1	Goal Name	Infrastructure improvements
	Goal Description	<ul style="list-style-type: none"> <li>• Construct infrastructure to support housing</li> <li>• Improve infrastructure to support housing</li> <li>• To improve infrastructure to strengthened resilience to mitigate potential disaster damage</li> </ul>
2	Goal Name	Job creation/retention
	Goal Description	<ul style="list-style-type: none"> <li>• Promote employment opportunities for persons with disabilities</li> <li>• Support micro-businesses with loans or grants</li> </ul>
3	Goal Name	Public Services
	Goal Description	<ul style="list-style-type: none"> <li>• To support projects particularly related to healthcare, recreational programs, service for senior citizens, substance abuse programs, and fire and emergency medical services</li> </ul>
4	Goal Name	Sustain Affordable Housing Stock
	Goal Description	<ul style="list-style-type: none"> <li>• Support any HUD financing program that expands the stock of affordable housing in the CNMI.</li> <li>• Assist very low and low income first time home-owners to construct or acquire a safe, affordable home</li> </ul>

5	Goal Name	Expand Affordable Housing Stock
	Goal Description	<ul style="list-style-type: none"> <li>• Support any HUD financing program that sustains the stock of affordable housing in the CNMI.</li> <li>• Assist very low and low income homebuyers to sustain the physical and economic life to their homes, to meet current building code standards, and/or to modify to meet ADA standard</li> </ul>
6	Goal Name	Emergency Shelter/Transitional Housing
	Goal Description	<ul style="list-style-type: none"> <li>• Support financing of transitional housing to provide temporary housing for homeless individuals, including those who are transitioning from drug rehabilitation centers and prison</li> <li>• Support financing the construction of an emergency shelter to provide temporary housing for those who are seeking shelter from a disaster or who find themselves temporary homeless</li> </ul>
7	Goal Name	Public Facilities and Improvements
	Goal Description	<ul style="list-style-type: none"> <li>• To acquire, construct, or rehabilitate facilities for low-moderate income communities and special needs populations <ul style="list-style-type: none"> <li>○ Sports and Recreational Facilities</li> <li>○ Community Centers</li> <li>○ Facilities that improve services to the general public</li> <li>○ Youth Centers</li> <li>○ Community Centers</li> </ul> </li> </ul>
8	Goal Name	Promote Fair Housing
	Goal Description	<ul style="list-style-type: none"> <li>• Identify and address barriers to fair housing</li> </ul>
9	Goal Name	Community Enhancement
	Goal Description	<ul style="list-style-type: none"> <li>• Operational support of facilities providing services to special needs population</li> <li>• Support the work of organizations that aim to reduce homelessness</li> </ul>
10	Goal Name	Expand Services to the Homeless

	Goal Description	<ul style="list-style-type: none"> <li>• Provide Operations Support for programs serving homeless persons, disabled persons, and those with special needs.</li> <li>• Support programs addressing poverty for income-eligible individuals, specifically those who are homeless or at-risk of homelessness</li> </ul>
11	Goal Name	Disaster Recovery
	Goal Description	<ul style="list-style-type: none"> <li>• Support disaster recovery programs that ensure resiliency and mitigate future disaster damages to housing, infrastructure and economic development</li> </ul>

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

In the table below, you will find the selected projects for Program Year 2021, based on an evaluation conducted by the Planner, Planning Assistant, and Office Manager/Procurement Officer in June 2021. Based on a set criterion (CDBG Program), the projects were evaluated and selected based on a point system (20% is automatically set-aside for planning and administrative costs): In addition to the CDBG Program, information on the HOME Program and ESG Program activities are listed below.

#### Projects

	Project Name
1	PY 2021 CDBG Planning and Administrative Costs
2	Municipality of Tinian and Aguigan Multipurpose Facility
3	Purchase of Personal, Protective Equipment (PPE) for the CNMI Department of Fire and Emergency Medical Services
4	Kagman Community Park Phase 2
5	<b>Community Fitness Court Facilities (Pending Detailed Information)</b>
6	PY 2021 HOME Planning and Administrative Costs
7	HOME Investment Partnership Program (Homeowner Rehabilitation)
8	HESG21 Northern Marianas Housing Corporation

**Table 54 – Project Information**

**Describe the reasons for allocation priorities and any to addressing underserved needs**

#### Reason for allocation priorities:

The CNMI does not allocate investments based solely on geographical location. The greatest, beneficial impact is considered when evaluating project proposals. Since the CNMI’s population is smaller than most island territories, projects will impact the CNMI community entirely. Although projects are situated in specific villages, residents from other areas of the island will utilize the project as well. Due to the islands’ land mass (Saipan, Tinian, and Rota), each municipality’s residents are in close proximity to recreational facilities, public services, and public facilities, in general. It is understood that the low-mod percentage of the project beneficiaries should be more than 51%. A needs’ assessment is also conducted during the project evaluation process. Activities are targeted for geographic service areas where the need is greatest and where the maximum impact will be. In addition, CDBG-DR’s allocation priorities are for Housing, Infrastructure and Economic Development. The total amount of funds available for the Northern Mariana Islands is \$243,946,000 of which \$195,157,000 (80 percent) must be utilized in the HUD Most Impacted Areas of Saipan and Tinian. Overall, a minimum of 70 percent of the CDBG-DR funds excluding administrative dollars must benefit the low- and moderate-income populations on the island. Please see CDBG-DR’s allocation priorities below:

PROGRAMS	TOTAL ALLOCATION	PERCENT OF TOTAL ALLOCATION BY PROGRAM	PERCENT OF TOTAL ALLOCATION BY PROJECT TYPE
HOUSING (includes delivery costs)	\$113,362,000		

Homeowner Rehabilitation & Reconstruction	\$36,120,667	32%	<b>46%</b>
Single Family New Construction Development	\$41,120,667	36%	
Affordable Rental Housing Development	\$36,120,667	32%	
<b>SUB TOTAL HOUSING</b>	<b>\$113,362,000</b>	<b>100%</b>	
<b>INFRASTRUCTURE</b>	<b>\$105,881,835</b>		
Port Facilities	\$4,000,000	4%	<b>43%</b>
Public Facilities	\$56,881,508	54%	
Roads	\$8,650,000	8%	
Utilities	\$36,350,327	34%	
<b>SUB TOTAL INFRASTRUCTURE</b>	<b>\$105,881,835</b>	<b>100%</b>	
<b>ECONOMIC DEVELOPMENT</b>	<b>\$8,660,000</b>	<b>100%</b>	<b>4%</b>
<b>ADMINISTRATION</b>	<b>\$12,098,818</b>	<b>100%</b>	<b>5%</b>
<b>PLANNING</b>	<b>\$3,943,347</b>	<b>100%</b>	<b>2%</b>
<b>TOTAL ALLOCATIONS OF FUNDS</b>	<b>\$243,946,000</b>	<b>100%</b>	<b>100%</b>

The CNMI's CDBG-DR Action Plan can be found on [www.cnmi-cdbgdr.com](http://www.cnmi-cdbgdr.com)

**Obstacles to meeting underserved needs:**

**Funding.** The financial need of organizations to carry out programs and develop the structure necessary to provide needed services has been an ongoing struggle for the CNMI. To effectively run a program requires secured financial resources that will allow NMHC to

implement both rapid re-housing and long-term housing assistance to eligible households (ESG), so they are given ample time to become self-sufficient and transition out of the housing programs. Limited funding also impedes the distribution of Section 8 HVCP and Multifamily Program vouchers to about 635 families on the program's waiting list. As with community development projects, limited funding each year impedes the timely execution of projects/activities that meets community needs.

**Organizational Capacity.** Both government and non-government organizations struggle to meet the needs of the underserved and bridge service gaps in the system. The CNMI must continue to support skills training on both the organizational and individual level. The CNMI must also encourage the coordination between government and non-government organizations by providing opportunities for organizations to establish a link. Often times, there is a lack of cohesion between certain agencies which precludes the CNMI from providing the services from the most appropriate agency to meet client needs.

**AP-38 Project Summary Project Summary Information**

<b>Project Name</b>	PY 2021 CDBG Planning and Administrative Costs
<b>Target Area</b>	Saipan, Tinian, Rota
<b>Goals Supported</b>	Public facilities, Infrastructure Improvements, Community Enhancement, Emergency Shelter/Transitional Housing, Promote Fair Housing, Public Services
<b>Needs Addressed</b>	Non-Housing Community Development
<b>Funding</b>	\$194,083.20
<b>Description</b>	The figure in the goal outcome indicator represents the total number of residents on all three islands that will benefit from the CDBG program. The NMHC will use planning and admin funds to develop community planning and development activities that will benefit Saipan, Tinian, and Rota residents, with a total population of 52,890, of which about 85% are low-mod income. In the Annual Goals supported, all goals related to the CDBG and HOME program was checked, as administrative costs will be incurred in planning for activities related to CDBG and HOME goals. Estimated CDBG funding: \$194,083.20; Eligible activity under 24 CFR570.206(a)(1); National Objective: LMA 24 CFR Part 570.208(a)(1)(i)
<b>Target Date</b>	December 2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	CNMI wide- Saipan, Tinian, and Rota with a population of 52,890; CDBG admin funds will maintained at the NMHC Central Office in Garapan, Saipan
<b>Location Description</b>	CNMI-wide- Saipan, Tinian, and Rota with a population of 52,890; CDBG admin funds will be maintained at the NMHC Central Office in Garapan, Saipan.

<b>Planned Activities</b>	CDBG planning and admin costs
<b>Project Name</b>	Municipality of Tinian and Aguigan Multipurpose Facility
<b>Target Area</b>	Tinian-wide (San Jose Village);
<b>Goals Supported</b>	Public Facilities
<b>Needs Addressed</b>	Non-Housing Community Development
<b>Funding</b>	\$195,000
<b>Description</b>	The Office of the Mayor of Tinian submitted a proposal for CDBG funds for a Multipurpose Facility that will serve as a public facility where the community of Tinian can utilize as a multipurpose public facility that provides a clean and comfortable indoor space, as indoor spaces are very limited on the island of Tinian. Eligibility citation: 24 CFR Part 570.201(c). National Objective: LMA ; The project meets Goal #7: To acquire construct or rehabilitate facilities for low-mod income communities and special needs populations. CDBG Funding: \$195,000; National Objective: LMA 24 CFR Part 570.208(a)(1)(i)
<b>Target Date</b>	February 2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The project will benefit the entire island of Tinian where the population is 2,802, of which 2,367 or 84.5% are low-mod income.
<b>Location Description</b>	Tinian- island wide
<b>Planned Activities</b>	To construct a multipurpose facility that will be open to the public for the community of Tinian
<b>Project Name</b>	Purchase of Personal, Protective Equipment for the Department of Fire and Emergency Medical Services (DFEMS)
<b>Target Area</b>	Saipan, Tinian, and Rota
<b>Goals Supported</b>	Public Facilities (Recreational Facilities)
<b>Needs Addressed</b>	Non-Housing Community Development
<b>Funding</b>	\$106,000

<b>Description</b>	The CNMI Department of Fire and Emergency Medical Services submitted a proposal for CDBG funds for the purchase of personal protective equipment for the CNMI Department of Fire and Emergency Medical Services. The PPEs will be distributed to the CNMI fire fighters (total of 148 fire fighters). The PPEs will enable the Department to provide a more effective fire and emergency medical services. The total cost for the purchase of PPE's amounted to accommodate all firefighters in the CNMI DFEMS is \$750,000. DFEMS submitted an application for CDBG funds for PPEs in PY 2020 and was funded a total of \$200,000. CDBG funds were programmed from slow-moving activities to the purchase of PPEs for an additional \$244,000; however, the allocation was still insufficient to cover the cost. Therefore, DFEMS applied for PY 2021 CDBG funds and were allocated a total of \$106,000, in order to cover the total cost of PPE's for all CNMI Firefighters. These activities are eligible under 24 CFR Part 570.201(c). CDBG Funding: \$106,000; National Objective: LMA 24 CFR Part 570.208(a)(1)(i)
<b>Target Date</b>	September 2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The project will benefit the entire island of Saipan with a population of 52,890 of which 44,556 or 84%, are low-mod income
<b>Location Description</b>	Saipan ,Tinian, and Rota
<b>Planned Activities</b>	To purchase personal, protective equipment (PPEs) for the CNMI Department of Fire and Emergency Medical Services
<b>Project Name</b>	Kagman Community Park Phase 2
<b>Target Area</b>	Saipan, CNMI
<b>Goals Supported</b>	Public Facilities
<b>Needs Addressed</b>	Non-Housing Community Development
<b>Funding</b>	\$245,000
<b>Description</b>	The Rotary Club of Saipan submitted a proposal for the Kagman Community Park Phase II. Phase I was completed with PY17 CDBG and Rotary funds. The project will add features to the park where the community can congregate and provide a safe place for the youth and families to socialize and spend leisure time in a non-threatening environment. These activities are eligible under 24 CFR Part 570.201(c). National Objective: LMA 24 CFR Part 570.208(a)(1)(i). The project meets goal #5- to construct or rehabilitate facilities, including recreational facilities and youth centers that will improve services to the general public CDBG funded amount: \$245,000
<b>Target Date</b>	February 2021
<b>Estimate the number</b>	The project's immediate service area is the island of Saipan and is located in Kagman,Saipan. Census Tract: 16, Block groups: 1-

<b>and type of families that will benefit from the proposed activities</b>	2, with a total population of 4,194, of which 3,523 or 84% are low-mod income. The total population of the immediate service area is the number reflected in the goal outcome indicator.
<b>Location Description</b>	Kagman, Saipan
<b>Planned Activities</b>	Installation of playground equipment, swing set, concrete picnic tables and benches, outdoor fitness equipment complete with anchor support, constructed mound with slide and tires, construction of 4' wide accessible sidewalk from KCC building to the playground and basketball court.
<b>Project Name</b>	PY 2021 HOME Planning and Administrative Costs
<b>Target Area</b>	Saipan, Tinian, and Rota
<b>Goals Supported</b>	Sustain Affordable Housing Stock, Expand Housing Stock
<b>Needs Addressed</b>	Affordable Housing
<b>Funding</b>	\$107,426
<b>Description</b>	HOME Planning and administrative costs for PY 2020; In the annual goals supported, all goals related to the HOME program was checked, as administrative costs will be incurred in planning for projects related to the HOME goals. HOME admin funded amount: (15% of PY 2020 Allocation) \$69,591 + \$ 37,835(15% of expected HOME PI)= \$107,426; Eligible activity under 24 CFR 92.207(a)(1)

	<b>Target Date</b>	December 2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The figure below represents the estimated number of households (rehab) that will be assisted through the HOME Program. As such, admin costs will be incurred in planning for HOME projects (approximately 3 households every year).
	<b>Location Description</b>	CNMI-wide- Admin funds will be maintained at the NMHC Central Office in Garapan, Saipan
	<b>Planned Activities</b>	HOME administrative and planning costs
	<b>Project Name</b>	Homeowner Investment Partnership (Homeowner Rehabilitation)
	<b>Target Area</b>	Saipan, Tinian, Rota
	<b>Goals Supported</b>	Sustain Affordable Housing Stock, Promote Fair Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	\$609,347
	<b>Description</b>	The HOME program will provide assistance for the rehabilitation of low-mod income housing units of eligible applicants. HOME eligibility for new construction/rehabilitation/administrative costs citation: 92.205(a)(1). The figure below represents the number of units to be assisted annually; however, more than (2) units (up to 4 units) could be funded, depending on the funding amount and the amount of the loan to be disbursed. Program income will be used towards HOME-eligible activities. HOME funded amount: \$394,349 (PY 2020 allocation) + \$214,398(PI) = \$609,347; Project meets goal #- To sustain the affordable housing stock
	<b>Target Date</b>	January 2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	To assist up to 3 households in Year 2 of the Consolidated Plan. NMHC will determine, depending on funding availability, the number of homes to be constructed or purchased with HOME funds

	<b>Location Description</b>	CNMI-wide- Admin funds will be maintained at the NMHC Central Office in Garapan, Saipan
	<b>Planned Activities</b>	Homeowner-rehab

	<b>Project Name</b>	HESG20 Planning and Administrative Costs
	<b>Target Area</b>	Saipan

<b>Goals Supported</b>	Expand services to the homeless
<b>Needs Addressed</b>	Homelessness
<b>Funding</b>	\$79,644
<b>Description</b>	As designated by the CNMI, NMHC will be conducting housing relocation and stabilization services for rapid re-housing and homelessness prevention assistance for eligible households. The CNMI plans to assist about (6) households on an annual basis, based on the funding allocation. The figures (in the goal outcome indicator) below represent the number of households to be assisted with rapid rehousing funds and homelessness prevention funds. In order for the households to be assisted, planning and admin costs will be incurred. Allocation breakdown is as follows: \$25,239.75 (housing relocation and stabilization services); \$8,000 (HMIS); Planning and Admin- \$5,973.30 (allocated to NMHC); \$24,464 (rapid re-housing assistance) and \$15,966.95 (homelessness prevention assistance). The total allocation breakdown equates to \$79,870 (ESG funded amount). Project meets goal #10- To provide services to the homeless. Eligibility Citation: 24 CFR 576.106,107,108. See NMHC HESG Budget, Appendix H in the Annual Action Plan
<b>Target Date</b>	December 2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	4 households assisted with rapid rehousing funds 2 households assisted with homelessness prevention funds
<b>Location Description</b>	Assistance will be provided to families who qualify for ESG. With the help of the case manager, the applicant will select a unit (owned by a private landlord). The units will be scattered within Saipan, therefore, there is no particular address where activities will be undertaken. NMHC's main office is located in Garapan, Saipan.
<b>Planned Activities</b>	To provide rapid rehousing and homelessness prevention services which includes 10 months' rental assistance, security and utility deposit, and 10 months' utility allowance for households who qualify for the assistance. In addition, funds will be used for the HMIS, planning and admin, and housing relocation and stabilization services.

**AP-50 Geographic Distribution – 91.220(f)**

**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

**Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Saipan	80
Tinian	20

**Table 55 - Geographic Distribution**

**Rationale for the priorities for allocating investments geographically**

**Discussion**

The CPD entitlement grants will be allocated to the islands of Saipan, and Tinian. CDBG: Target areas are the islands of Saipan and Tinian, as the CDBG selection committee, based on a criterion, selected one project each located on Saipan and Tinian. ESG: Target area for ESG assistance is on the island of Saipan, as a large number of literally homeless and at risk of homelessness families reside on Saipan, the most populated island of the CNMI jurisdiction. HOME: HOME funds are targeted on all three islands as the need for affordable housing assistance to achieve homeownership or rehabilitate existing homes is clearly evident; however, because of the significantly larger population in Saipan, if not all, most of the HOME funds are targeted on the island of Saipan, as trend analysis reflects. Low income data for all three islands can be found in the below section "rationale for the priorities for allocating investments geographically.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	6
Non-Homeless	3
Special-Needs	0
Total	9

**Table 56 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	6
The Production of New Units	0
Rehab of Existing Units	3
Acquisition of Existing Units	0
Total	9

**Table 57 - One Year Goals for Affordable Housing by Support Type**  
**Discussion**

The CNMI proposes to provide rental assistance to approximately 6 households for this Action Plan year through the Emergency Solutions Grant Homeless Prevention and Rapid Re-Housing program. Additionally, the CNMI proposes to utilize HOME funds to rehabilitate the homes of low-and moderate-income homeowners to bring these units up to building code with energy efficient fixtures or accessibility features as a goal to stabilize or sustain the stock of housing. This Plan year, the CNMI does not anticipate acquiring any existing units to rehabilitate or convert for use of providing affordable housing or community facilities.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

#### **Actions planned during the next year to address the needs to public housing**

NMHC has set the following objectives to address the needs of public housing:

- Explore opportunities to leverage funds to create additional housing opportunities;
- Seek additional rental vouchers;
- Increase leasing-up activities;
- Maintain high occupancy rates by decreasing the number of vacant units;
- Continue renovation and modernization efforts for all existing units;
- Increase enforcement efforts;
- Promote Self-Sufficiency and asset development of assisted household;
- Ensure equal opportunity for all persons in need of housing assistance; and
- Achieve a HUD “high performer” rating under the Section 8 Management Assessment Program (SEMAP)

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

NMHC staff under the Asset Management Division and Field Offices continue to conduct outreach efforts to residents/tenants under the Section 8 Housing Assistance Payment Program – New Construction – so as to inquire about, encourage, and promote resident/tenant participation. NMHC is looking at options to assess, expand, and improve its current outreach efforts so as to promote resident/tenant participation.

#### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Northern Marianas Housing Corporation (NMHC) is the Public Housing Agency (PHA) in the CNMI and is not designated as “troubled”.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The CNMI does not have a CoC in place to address the homeless situation. However, the CNMI plans to submit the second CoC grant application in September 2021, and if granted CoC funding, will be implementing a CoC program. Homelessness has been rapidly growing in the recent years which prompted the CNMI to shift from funding shelter operations to rapid re-housing and homelessness prevention activities since 2011. Through the PIT count conducted in January 2020, a total of 302 households, comprised of 1,307 persons were found to be homeless or at risk of homelessness. However, there continues to be a significant demand for housing assistance due to the recent disasters that made landfall in 2015 and 2018, sudden loss of jobs, overcrowding in homes, exorbitant costs of utilities, substandard housing, etc. There is no specific program specifically targeting veterans, and currently, there are no transitional or supportive housing programs in the CNMI. The NMHC, through the Section 8 Programs and ESG, is the only agency in the CNMI that provide housing assistance for more than a month's time. There are about 700+ households on the waiting list.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

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

Allocate ESG funding to support the non-profit organizations who will be conducting case management for literally homeless and at risk of homelessness households; Support the work of non-profit organizations and the public sector providing assistance to very low and low-income individuals and special needs populations; Support the revitalization of programs implemented by the Transitional Living Center who offer services to those who are likely to become homeless after being discharged from a publicly funded institution and the Independent Living Center who offer life skill training to a special needs population; Continue in the planning phase to conduct a point in time survey (PY 2020) to gather more accurate information on homeless households in the CNMI, and once the data is gathered, apply for a CoC grant in order to meet the homeless needs in the CNMI.

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

**As a goal in the next five years, plans to** Support financing of transitional housing to provide temporary housing for homeless individuals, including those who are transitioning from drug rehabilitation centers and prison and support financing the construction of an emergency shelter to provide temporary housing for those who are seeking shelter from a disaster or who find themselves temporary homeless. NMHC hopes to build one or both types of project starting PY 2022. (emergency shelter or transitional housing facilities or both)

**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**

All the actions above address this section.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health,**

## **social services, employment, education, or youth needs**

All the actions above address this section.

### **Discussion**

The following activities below address each point above:

On an annual basis, NMHC will:

The CNMI currently does not receive HOPWA funds. To address the above sections pertaining to the subpopulations, NMHC established partnerships with the following agencies: Department of Fire and Emergency Management Services, Department of Public Safety, the judiciary system (Family Court), Karidat Social Services, Office of Vocational Rehabilitation, Council on Developmental Disabilities, Department of Community and Cultural Affairs, and the Community Guidance Center to accomplish the following: address the increasing homeless problem in the CNMI, involvement in the PIT survey, and hopefully, successfully implement a COC in the CNMI. Currently, the CNMI does not have programs for individuals being discharged from publicly funded institutions and systems of care, as traditionally, the families of such individuals take them in and provide assistance in any way possible. The DYS Shelter provides housing for runaway youth, neglected and abused youth, and youth who are victims of domestic violence (and therefore are homeless due to their situations). The Guma Espersansa Shelter provides housing to women and children who are victims of domestic violence. For the subpopulations transitioning of these shelters, as mentioned, traditionally, the families of such individuals take them in and provide assistance in any way possible. For those formerly homeless and assisted through the ESG Program, NMHC's case managers, ensures that the households (most of whom are special needs household) do not revert back to homelessness by proactively evaluating the families and provides them with resources/programs they can avail of to sustain their housing status. Due to its limited organizational capacity, NMHC, along with its private and public partners, are focusing on the general homeless population by conducting the point in time survey, as the first step. As time progresses, NMHC will work with its partners to expand its programs to assist specific subpopulations. As with the special needs populations, NMHC provides assistance through the HOME Program and ensures that CDBG- assisted projects can also accommodate the special needs population.

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

In the MA40 section, the barriers to affordable housing were identified. The three barriers were as follows: Minimum Wage and Employment, construction costs, and Challenges Faced by Persons with Disabilities.

### **Actions it planned 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**

### **Discussion:**

#### Minimum Wage & Employment

The CNMI's current minimum wage is \$7.25 per hour. The current minimum wage does not allow room for families build or acquire an affordable home. The high cost of utilities, food, fuel, and other commodities are preventing families from affordable housing. Many households that cannot afford to obtain a decent home choose to live in substandard homes that do not have the proper sanitary facilities and adequate number of rooms to accommodate their household size. Developers attributed this increase to several factors including the rising cost of labor, materials, land, and utilities.

#### Construction Costs

A significant barrier to producing more affordable housing is the rising cost of development and the limited foreign labor capacity in the CNMI. The CNMI being geographically located in typhoon alley calls for stringent building codes to withstand severe weather, with winds of close to 200 MPH as demonstrated by Super Typhoon Yutu. According to NMHC's Asset Management Division, the average cost of construction is \$191,952 (CMU block concrete foundation), which has nearly tripled from 2015. Labor costs have directly impacted the cost of construction: The provisions of US Public Law 110-229 which phases out the CNMI's non-resident labor pool, commonly referred to as a "Commonwealth Worker" or "CW", have created an unprecedented labor quandary which has negatively impacted the CNMI's private sector. Coupled with this mandated reduction of foreign sourced labor is a significantly small populous resulting from out migration prompted by the jurisdiction's previous economic downturn. According to the 2010 CNMI Census, the CNMI's population declined nearly 22% from the previous decade, further shrinking the available labor pool required to support a recovering economy. According to the Government Accountability Office's (GAO) report, the elimination of the CNMI's non-resident labor pool would result in maximum 62% decrease in Gross Domestic Product (GDP). Given the current and projected demand for labor, the size the CNMI's domestic workforce and the uncertainties of continued extensions of the CW program, it is critical for the CNMI to properly plan and strategize its economic course. The CNMI, through its US Delegate to Washington DC, the construction industry in the CNMI, and businesses continue to advocate for restoration of H2-B Visa Waivers for construction workers and to increase the cap on the number of contract workers (particularly in the construction industry) from the Philippines and China.

#### Challenges faced by Persons with Disabilities

NMHC in collaboration with the Northern Marianas Protection and Advocacy System, Inc. (NMPASI) and Council for on Developmental Disabilities (CDD) identified the challenges encountered by individuals with disabilities. People with disabilities are suggesting that the program be brought to them. The following challenges were noted by their case manager at NMPASI: income criteria should be adjusted to reflect the current cost of living in the CNMI, timeframe to be given for people who are on the program, increased utility allowance to reflect the high cost of utilities in the CNMI, and provide home service to individuals with disabilities. The Council on Developmental Disabilities has identified the following barriers that persons with disabilities are faced with: application documents

are not accessible for visually impaired, need to provide transitional homes and expand rental housing for those who are homeless, in addition to the waiting list (for Section 8 programs) being too long, and the need to enforce Fair Housing Act of 1998. The CNMI will address other impediments through its continued partnership with NMPSI, Council on Developmental Disabilities, CNMI Office of Vocational Rehabilitation, Commonwealth Office Transit Authority, etc. The CNMI will strengthen its fair housing education efforts by providing additional training to NMHC's Fair Housing Officer and increase the number of fair housing workshops, targeted to persons with special needs.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

Obstacles to meeting underserved needs are funding (annual CPD programs) and organizational capacity.

### **Actions planned to address obstacles to meeting underserved needs**

(Organizational Capacity) In the next year, NMHC will still maintain the FSS Program Coordinating Committee which serves as the advisory board for NMHC’s FSS program. It shall assist in securing commitments of public and private resources for the operation of the FSS program and responsible for assisting with the development and implementation of the program. The PCC shall meet quarterly and may conduct business on an as-needed basis via email or telephone conferences. Membership in the PCC shall be drawn from a variety of agencies and individuals, which includes but is not limited to: human services agencies, state and local government, the community college, financial institutions, private business sectors, job training service providers, non-profit service providers, Section 8 resident, and NMHC Program and Housing Staff members and the FSS Program Coordinator. The closer link to the types of said agencies will enable us to work together and build organizational capacity, so that at the time a CoC is established in the CNMI, there would be sufficient staffing and resources to run a successful program, therefore, NMHC would be able to meet the needs of the underserved population such as the disabled, homeless, and elderly. (Funding) The allocation to the Section 8 and CPD programs are determined at the federal level. To possibly increase funding, as there is program income generated in the CDBG Program, program income generated from those projects will be used towards CDBG •eligible activities such as supportive services (public services), leveraging Section 8 funds to enhance Multifamily units (rehabilitation of housing units), and construction or rehabilitation of a shelter which serves households who are considered homeless (public facilities).

### **Actions planned to foster and maintain affordable housing**

HOME funds are utilized for the development and rehabilitation of affordable housing, as well as services such as homebuyer education and first time homebuyer assistance to foster and maintain affordable housing in the CNMI. In the next year, NMHC will continue to administer the HOME Program and rehabilitate up to (3) homes. PY funding will be used for new construction and acquisition.

### **Actions planned to reduce lead-based paint hazards**

LBP hazards are integrated into the Section 8 and ESG Policies and Procedures. The CNMI ensures that participants in the Housing Choice Voucher program and the Emergency Solutions Grant Program (rapid re-housing and homeless prevention activities) are educated on the hazards of lead based paint in rental housing, as part of the intake process. They are provided with brochures and will have to acknowledge the receipt of the “Watch Out for Lead Based Paint Poisoning” material. They are also advised of the hazards of lead based paint during orientations when new vouchers are issued. Also, at initial inspection of the rental housing unit (in both programs), a certified NMHC inspector must complete HUD Form 52580, an Inspection Checklist, to ensure that there is no potential lead hazard. If a hazard is identified, the problem must be mitigated by the landlord. As with the ESG Program, the Subgrantee fills in a Lead Based Screening Worksheet and at inspection of the unit, ensures that there are no lead based paint hazards based on the Habitability Standards Checklist. In the rare case which a landlord registers such a unit and tenant prefers the unit constructed before 1978, the above actions will be taken and a certified environmental agency would have to conduct lead abatement procedures. As with the ESG program, the Subgrantee encourages the tenant to select a unit constructed after 1978, in order to prevent additional mitigation steps, which would require additional funding. The ESG program is very limited in funding, as opposed to other CPD programs.

The following are required activities to address lead based paint: (integrated into the HOME Policies and Procedures)

1. Notification: Lead Hazard Information Pamphlet • occupants, owners, and purchasers must receive the

EPA/HUD/Consumer Project Safety Commission lead hazard information pamphlet, or an Reapproved equivalent¼ Disclosure• property owners must provide purchasers and lessees with available information or knowledge regarding the presence of lead based paint and lead based paint hazards prior to selling or leasing a residence¼ Notice of Land Hazard Evaluation or Presumption• occupants, owners, and purchasers must be notified of the results of any lead hazard evaluation work or the presumption of lead based paint or lead hazards.

2. Notice of Lead Hazard Reduction Activity• Occupants, owners, and purchasers must be notified of results of any lead hazard reduction work.

3. Lead Hazard Reduction• methods described include paint stabilization, interim controls, standard treatments, and abatement.

As in all other HUD-assisted programs implemented in the CNMI, NMHC will follow the same lead-based paint procedures by providing information on the hazards of lead-based paint to the tenant during orientation, provide brochures and materials on lead-based paint to the tenant, and have an NMHC-certified inspector conduct an inspection of the HTF-funded unit and complete a HUD Form 52580, to ensure that there is no potential lead hazard. If a hazard is identified, NMHC will mitigate the problem. By following these procedures in the HTF Program, there is a reduction in lead-based paint hazards not only in HUD-assisted units but total units in theCNMI

#### **Actions planned to reduce the number of poverty-level families**

1. Collaborate with the Department of Labor, the Community Development Institute of the Northern Marianas College, the Northern Marianas Trades Institute who offer education and employment training to develop plans that will assist families who live below poverty level, most of which NMHC serves through the Section 8 Program. Assist up to (25) households, the target number of families, to be admitted into the FSSProgram.

2. Collaborate with the Independent Living Center who offer life skills training to the disabled population, most of which NMHC serves through the HOME loan and Section 8 Program. Assist up to (5) HUD assisted households every year.

3. Collaborate with the Department of Community and Cultural Affairs FSS Program to enroll up to (5) families who are currently in the Section 8 FSS Program into the Economic Opportunity for Self-sufficiency Program to obtain on the job training.

4. Maintain the Emergency Solutions Grant Program and assist up to (6) families with temporary financial assistance. The Subgrantee will also offer information on specific resources for employment, training, and education and offer guidance on certain matters such as budgeting, energy conservation in the home, etc.

5. Work proactively with current Section 8 households and admit up to (25) families into the FSS Program, so they are able to gain self-sufficiency, and in turn, be able to maintain housing stability, obtain education and/or employment, and get out of poverty.

In addition, by providing rental housing to an extremely-low income household and working with the family to achieve self-sufficiency and maintain affordable housing, NMHC is reducing the number of poverty-level families in the CNMI.

#### **Actions planned to develop institutional structure**

The CNMI continues to be committed to enhancing and improving the institutional structure supporting the administration of the CNMI's Annual Action Plan. Frequent assessment of policies and practices conducted by

NMHC's management and Board of Directors are performed to improve processes in the programs. In addition, management of CPD funded Subrecipients are performed to ensure that the activities of the ConPlan through each Annual Action Plan year is carried out accordingly and remains compliant with HUD regulations. In the coming year, primary areas for institutional strengthening will include:

- 1) More proactive involvement in various government and non-profit committees (such as the Developmental Disability Council, Headstart Committee, Housing Task Force, etc. ) to enhance social services to clients (inclusive of NMHC's clients)
- 2) Continuously work with the Governor, Lt. Governor, Legislature, and the Mayors of Saipan, Tinian, and Rota to identify community planning and development needs
- 3) Continuously work with the Family Self Sufficiency Committee which is comprised of agencies such as the Office of Vocational Rehabilitation, Northern Marianas College, Protection and Advocacy groups, Department of Labor, and Karidat Social Services to successfully enroll families who wish to gain self-sufficiency and exit out of the Section 8 Program

In addition, One of the goals mentioned above in developing institutional structure is for the NMHC to continuously work with the Administration and the Mayors of Saipan, Tinian, and Rota to identify community planning and development and housing needs. One of the housing unmet needs is the availability of affordable, rental housing units in the CNMI. Due to the devastation of Super Typhoon Yutu in October 2018 and the significant number of families whose homes were destroyed and most of those families seeking rental units, it has been a challenge to identify available and affordable rental units in the CNMI for the past year. Because of this, NMHC has work collaboratively with government and non-profit agencies, took the lead in the Housing Task Force and continue to work with other agencies to ensure that unmet housing needs are met. The CNMI continues to be committed to enhancing and improving the institutional structure supporting the administration of the CNMI's Annual Action Plan.

**Actions planned to enhance coordination between public and private housing and social service agencies:**

The NMHC continues to coordinate with various social service providers such as Karidat Social Services, Department of Labor • Workforce Investment Agency, Northern Marianas College's Community Development Institute, Mental Health Planning Council, Council on Developmental Disabilities, Office of Vocational Rehabilitation, Northern Marianas Protection and Advocacy Systems Inc., etc. to ensure that housing, health, and social service activities are part of the island wide strategy to end homelessness , improve housing stability and job retention for families and individuals. The NMHC also newly implemented the Family Self-Sufficiency Program which links HCVP tenants to various community programs. The NHMHC aims to enroll about 25 families into the program within the next year.

In addition, a goal of NMHC (mentioned above) in enhancing coordination is to continuously collaborate with various social service providers such as Karidat Social Services, Department of Labor, the Mental Health Planning Council, Office of Vocational Rehabilitation, etc. to ensure that housing, health, and social service activities are part of the island wide strategy to end homelessness, and improve housing stability and job retention for families and individuals.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before – \*No program income received.  
the start of the next program year and that has not yet been reprogrammed
  2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan –\* Not applicable. No Section 108 loan guarantees will be used.
  3. The amount of surplus funds from urban renewal settlements –\* Not applicable.
  4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan. - \*Not applicable.
  5. The amount of income from float-funded activities- \*Not applicable.
- Total Program Income

#### Other CDBG Requirements

1. The amount of urgent need activities- Not applicable. No urgent need activities are identified in this Plan.

#### HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The CNMI does not intend to utilize other forms of investment. For this action plan year, funds are being utilized to provide eligible activities identified in Section 92.205. NMHC will continue to administer the HOME Program for eligible and qualified homeowners to rehabilitate, construct, and provide for the purchase or acquisition and repair of homes. The agency will continue to uphold its mission statement to provide the very low to low-income families with homes that are decent, safe, sanitary, and affordable.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

#### ***The guidelines as cited from the HOME Policies and Procedures for Homebuyer Activities, Section X, Subpart 9:***

Foreclosure and Resale. If the HOME assisted property is subject to resale terms, NMHC has two options:

Resale Option 1: NMHC will ensure the sale of the HOME assisted property to another eligible low income homebuyer under the terms of the resale agreement. OR

Resale Option 2: NMHC will repay the full amount of HOME assistance to the CNMI HOME account regardless of the amount collected at foreclosure sale.

Under Resale Option 1, NMHC may provide assistance to the new homebuyer. However, the total amount of the original and any additional HOME assistance may not exceed the maximum per unit subsidy amount.

Foreclosure and Recapture. If the HOME assisted property is subject to recapture terms, NMHC has two options:

Recapture Option 1: NMHC will recapture and pay to the CNMI HOME account the net proceeds from the foreclosure sale of the property in accordance with the recapture terms. OR

Recapture Option 2: NMHC may purchase the HOME assisted property at foreclosure sale and additional HOME funds may be spent. However, the total amount of the original and additional HOME funds spent may not exceed the maximum per unit subsidy amount.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

**The guidelines as cited from the *HOME Policies and Procedures for Homebuyer Activities, Section X, Subpart 9:***

Foreclosure. NMHC may use its right of first refusal, as set forth in the loan documents, written agreement with homebuyer, and restrictive deed or land covenant, to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. Foreclosure triggers the HOME resale or recapture agreement enforceable through the restrictive deed or land covenant.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The CNMI does not intend to use HOME funds to refinance existing debt of any kind as an option but, on a case-by-case basis, may use the funds where it is deemed necessary to preserve affordability and as long as it justifies the HOME Program's intended purpose.

#### **Emergency Solutions Grant (ESG) Reference 91.220(l)(4)**

1. **Include written standards for providing ESG assistance (may include as attachment)**
  - a) Standard policy and procedures for evaluating individuals' and families' eligibilities under ESG.  
**Homeless Prevention and Rapid Re-Housing**

Note: In May 2018, NMHC was designated as the administrator of the ESG Program. As program administrator, NMHC focuses ESG program funds on individuals and families who are literally homeless. The NMHC will announce the availability of ESG funding through a public notice. The public notice will consist of the following:

- ESG Program information
- ESG Allocation amount (itemized by components (Homeless Prevention and Rapid Re-Housing, including the anticipated funding amount for each component)
- Eligibility Requirements
- Indicators of Homelessness
- Eligibility Criteria
- Risk Factors of Homelessness
- Grantee (NMHC) Information

### **Application for ESG Assistance**

Applicants will walk into the NMHC Office and apply for ESG assistance through the following application process:

#### 1) ESG Pre-Application

Applicants will pick-up, fill-out, and submit their completed ESG Pre-application to NMHC. After completion and submission of the ESG Pre-application, applicants will be placed on a waitlist until ESG funds become readily available. Upon funding availability, ESG case management staff will assess pre-applications in the order received to determine applicant pre-eligibility based on the following criteria:

- To be pre-eligible for Rapid Re-housing assistance, households must be “Literally” homeless
- To be pre-eligible for Homeless Prevention assistance, households must be “At-Risk” of homelessness

Pre-eligible applicants will be prioritized in the following order: (1) Rapid Re-housing; (2) Homeless Prevention.

#### 2) Initial consultation and assessment

After determination of pre-eligibility, ESG case management staff will schedule an appointment to meet with pre-eligible applicants to conduct an initial consultation and for further assessment of household eligibility. At initial consultation and assessment, applicants will be provided with a checklist of applicable documents required for submission within (15) business days of initial consultation for verification of household information and for final eligibility determination.

Verification of household information will include the following:

- Proof of housing status
- Proof of Income
- Proof of disability
- Criminal History

In order to receive ESG Rapid Re-housing or Homeless Prevention financial assistance, households must meet at least the following minimum criteria:

- 1) Initial consultation and eligibility determination: the household must receive at least an initial consultation and eligibility assessment with ESG case management staff or other authorized representative who can determine eligibility and the appropriate type of assistance needed;
- 2) Income: For Rapid Re-housing, the household must have no income at initial assessment and total household income must be at or below 30% of the AMI at re-evaluation. For Homeless Prevention, the total household income must be at or below 30% of the AMI.

- 3) Housing Status: the household must be either literally homeless (to receive Rapid Re-housing assistance) OR at-risk of homelessness (to receive Homeless Prevention) AND must have no appropriate subsequent housing options and must lack sufficient resources and support networks to obtain or remain in permanent housing.
- 4) Criminal history: a criminal history back ground check will be conducted for all adult household members for criminal activity.

### 3) ESG Application Review

After verification of applicant household information, based on all required documents submitted, ESG case management staff will submit applicant household assessment to the ESG application review team for final eligibility determination. The ESG application review team will consist of (2) NMHC staff who are able to determine applicant eligibility based on the Homeless Definition.

The new definition of “homelessness”, according to the Homeless Emergency Assistance and Rapid Transition to Housing Act includes four broad categories. In order for a household to be eligible for HESG assistance, all households must meet the definition of homelessness. The definition is as follows:

- People who are living in a place not meant for human habitation, in an emergency shelter, in transitional housing, or exiting an institution where they temporarily resided if they were in a shelter or place not meant for human habitation before entering that institution. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided up to 90 days (formerly 30 days) and were homeless immediately prior to entering that institution.
- People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within 14 days and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The regulation also describes specific documentation requirements for this category.
- Families or children or unaccompanied youth who are unstably housed and likely to continue in that state. This is a new category for homelessness, and it applies to families with children or unaccompanied youth (up to age 24) who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment.
- People who are fleeing domestic violence, dating violence, sexual assault, stalking, or other dangerous life-threatening situations related to violence; have no other residence; and lack the resources of support networks to obtain other permanent housing. This category is similar to the current practice regarding people who are fleeing domestic violence.

#### a) Policies and Procedures to determine and prioritize which eligible families and individuals will receive homelessness prevention assistance and which eligible families will receive rapid rehousing assistance.

The HESG application review team will determine final eligibility and type of assistance needed for each HESG program applicant through a scoring system based on the Rapid Re-housing and Homeless Prevention criteria. Prioritization will be given in the order of greatest to least points. Overall, program assistance will be given in the following order: (1) Rapid Re-housing; (2) Homeless Prevention. The ESG application review team will score

each application until maximum number of applicants have been selected for program assistance. Applicants deemed ineligible for program assistance will be notified through mail. Rapid Re-housing activities and homelessness prevention activities will include housing relocation and stabilization services. For a household to receive rapid re-housing assistance, the household must be literally homeless, as per the HEARTH Act, HUD's final rule definition. For a household to receive homelessness prevention assistance, they must be at risk of homelessness and have a total household income that is either at or below 30% of the AMI.

b) Policies and Procedures for local coordination amongst shelters and service providers

NMHC will be the lead agency in coordinating policies and procedures with emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers. The CNMI CoC was established in May; however, the CNMI does not have a centralized coordinated assessment system. The NMHC, through networking and discussions with the (2) current emergency shelters in the CNMI, which specifically serves youth (Division of Youth Services) and domestic violence victims (Guma Esperansa), along with other government entities, have contacted several service providers for their input and to fulfill the consultation requirement of the substantial amendment. Several agencies contacts include the Karidat main office (operates the Guma Esperansa Program) and the Northern Marianas Coalition Against Domestic and Sexual Violence in the CNMI. The CNMI currently does not have a non-profit organization that solely administer homelessness prevention and rapid re-housing assistance programs, other than the only (2) shelters in the CNMI that serve specific populations – neglected and abused youth and domestic violence victims. The Northern Marianas Protection and Advocacy Systems Inc., a non-profit organization that administered the HPRP Program, serves mainly the disabled population; however, they have expanded their services to assist households who were “at-risk” of homelessness and literally homeless, as Karidat a non-profit charitable institution who provide short term rental assistance and operates a domestic violence shelter, did not have the capacity to run the HPRP program at the inception of the grant. The NMPASI has been a vital part in providing comments and input on what worked and what did not work for the HPRP program. The NMHC will continue to consult with them with regards to streamlining procedures for the ESG Program and will continue to expand its networking efforts with more government agencies and non-profit organizations in the CNMI.

c) Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention and rapid re-housing assistance

An eligible household will receive 100% rental assistance, including security deposits. Utility deposits, and utility payment's assistance, if applicable. Also, if applicable to a household, the household may receive moving costs' assistance and rental arrears assistance. A lease agreement between the tenant and the landlord must be in place, and NMHC must be provided with a lease agreement in order for rental payments to be made. An original invoice certified by the utility company must be submitted to the grantee for the utility deposit payment. Also, a rental assistance agreement between NMHC and the landlord must be in place and must set forth the terms under which rental assistance will be provided, including the requirements that apply under section 24 CFR 576.106(e). The landlord must give NMHC a copy of any notice to the tenant to vacate the housing unit, or any

complaint used under state or local law to commence an eviction against the tenant. Rental assistance payments will not be made if the client is receiving rental assistance from another public source at the same time period.

- d) Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

Subject to the general conditions under §576.103 and §576.104, the NMHC may provide a program participant with up to 24 months of rental assistance during any 3-year period. Rental assistance includes: short-term rental assistance (up to 3 months of rent), medium term rental assistance (more than 3 months but not more than 24 months), and payment of rental arrears, which consists of a one-time payment for up to 6 months of rent arrears, including any late fees on those arrears. Program participants receiving rapid re-housing assistance will be re-evaluated at least once a year and program participants receiving homelessness prevention assistance will be re-evaluated at least once every 3 months. No program participant will receive more than 24 months of assistance in a 3-year period.

- e) Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance or the maximum number of times the program participants may receive assistance.

An eligible household may avail to the following assistance under the rapid re-housing and homelessness prevention components: moving costs, security deposits, utility deposit, utility payments, housing stability case management, housing search and placement, credit repair, budgeting, money management, and landlord-tenant mediation. The prioritization of eligible families for both rapid re-housing and homelessness prevention services will be determined by the ESG application review team. ***Homelessness Prevention:*** Only persons who are below 30% of Area Median Income (AMI), and who are imminent risk of homelessness according to the HEARTH Act definition, and who otherwise lack adequate resources to prevent homelessness will be eligible for homelessness prevention assistance. NMHC's case manager must document household income information and proof that homelessness is imminent, and maintain this documentation along with client data. No financial assistance may be provided to a household for a purpose and time period supported by another public source. ***Rapid Re-housing:*** Only persons who are literally homeless in accordance with the HEARTH Act definition will be eligible for HESG rapid re-housing assistance. NMHC's case manager must document that the household is "literally" homeless and maintain documentation, along with client data. No financial assistance may be provided to a household for a purpose and time period supported by another public source.

NMHC's case manager must achieve the following: work closely with the household to acquire and maintain stable and affordable housing, provide information and encouragement for the household to avail of other services that would help them achieve self-sufficiency, be able to support the household by providing the follow-ups and address any barriers that may preclude them from maintaining stable housing, and to help the households set goals and develop a housing plan.

**2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The CNMI CoC was established in May 2016; however, the CNMI does not have a centralized or coordinated assessment system. All referrals for housing assistance from other organizations are transmitted to NMHC for assistance.

**3. Identify the process for making sub-awards and describe how the ESG allocation available to private non-profit organizations (including community and faith-based organizations).**

The NMHC will publish a Notice in the newspapers soliciting proposals from both the government and non-profit organizations. The Notice is publicized for a period of (30) days, and during that time period, (3) public hearings are held (one from each CNMI jurisdiction) to meet with agencies who may be interested proponents. Once the proposals are submitted, the evaluation committee comprised of (8) members ((3) of which are Board of Directors from each jurisdiction) select a proposal based on the following:

- The applicant's history of providing effective shelter or prevention services to the homeless, and of successfully operating performance-based grant-funded programs
- The applicant's effective coordination with organizations in their local "continuum of care", to address identified gaps in services for the homeless and improve outcomes for participants
- The applicant's ability to transition street or unsheltered homeless participants or shelter residents to permanent housing, and/or prevent homelessness for families and individuals who are at risk of homelessness.

**4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consult with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

The NMHC is in the process of evaluating current (or future) householders assisted through ESG. The following factors are considered in selecting a homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services under ESG:

- 1) Mental capacity / ability to make sound decisions
- 2) Capability (will be determined through re-evaluations conducted by Subgrantee) to maintain housing stability after assistance
- 3) Compliance with the program regulations during the individual's assistance period

**5. Describe performance standards for evaluating ESG.**

The following performance standards are as follows: reduction in the number of homeless household (homelessness prevention) and the reduction in the number of homeless households, both sheltered and unsheltered (rapid re-housing). Also, general performance standards will include: unduplicated number of persons or households assisted from emergency shelters / streets into permanent housing and the unduplicated number of persons or households prevented from becoming homeless.

