

**2018 Iowa Balance of State Continuum of Care
New Project Application for CoC Review
2018 Iowa Balance of State Continuum of Care (CoC)**

Final New Project Application: Deadline: Wednesday, August 15, 2018, 11:59 PM (LOI due August 1, 2018)

Instructions: Answer the questions below. Include a "Self-Score" as indicated.

APPLICANT NAME AND LOCATION

Organization Name:	Community Housing Initiatives, Inc.		
Project Name:	HOPES (Housing Opportunities for People Exiting Shelters/Streets)		
Type of Project (Permanent Supportive Housing, Rapid Rehousing, Joint Transitional Housing & Rapid Rehousing, DV Bonus Rapid Rehousing, or DV Bonus Joint TH-RRH)	Rapid Rehousing		
Project Name:	HOPES (Housing Opportunities for Pepole Exiting Shelter/Streets)		
Anticipated Renewal Amount:	\$450,000		
Address:	Street: 627 Sycamore, Suite A	City: Waterloo	Zip: 50703
Primary Contact (w/Email & Phone):	Mariliegh Fisher, marilieghf@chihousing.com 319-235-3000		
Secondary Contact (w/Email & Phone):	Doug LaBounty, dougl@chihousing.com 515-262-5965		
Is your agency currently registered in the Federal System for Award Management?:	YES	DUNS #:	828586086

THRESHOLD ASSURANCES (required)

Projects MUST meet ALL of these requirements to be eligible for consideration.

Will the project be free of the following barriers to accessing housing and services? Verify that each barrier described will NOT exist:

		Assurances met?	Assurances met?	Threshold Notes
a. Client having too little or no income:	Not A Barrier	YES		
b. Client having a criminal record with exceptions for state-mandated restrictions:	Not A Barrier			
c. Client fleeing domestic violence (e.g., lack of a protective order, period of separation from abuser, or law enforcement involvement):	Not A Barrier			
d. Client having (or not having) a previous address within Iowa:	Not A Barrier			
e. Project failing to comply with HUD's 2016 Gender Identity Rule: (https://www.hudexchange.info/resource/1991/equal-access-to-housing-final-rule/)	Not A Barrier			

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CONTINUUM OF CARE PARTICIPATION (9 points, questions 1-4)

1 Local Participation: Since January 2017, have representatives of your agency attended meetings as part of organizing a Coordinated Services Region (CSR) that includes your local service area OR attended meetings of your organized local planning group? Posted meeting minutes must be able to verify attendance. List meetings below. (1 point for each meeting attended, up to 3 points)

Representative (Name of Individual)	Region or Planning Group	Date Attended	Self-Score (up to 3)	CoC Score (up to 3)	Scoring Notes
Marieligh Fisher	Coordinated Entry	4/5/2017	3		
Marieligh Fisher	Coordinated Entry	5/10/2017			
Marieligh Fisher	BHC Coordinating Board	4/24/2017			

2

ICH Participation: Since January 2017, have representatives of your agency attended at least three bimonthly meetings of the Iowa Council on Homelessness? Note that anyone can participate in Council meetings even if not a voting member. Posted meeting minutes must verify attendance. (1 point if at least three meetings attended)

Representative (Name of Individual)	Date Attended	Three meetings attended? YES	Self-Score (up to 1)	CoC Score (up to 1)	Scoring Notes
Marieligh Fisher	7/20/2018	YES	1		
Marieligh Fisher	5/18/2018				
Marieligh Fisher	3/20/2018				

3

ICH Committee Participation: Since January 2017, have representatives of your project attended at least three meetings of one or more Iowa Council on Homelessness committees, including work groups such as the Coordinated Entry Workgroup? Note that anyone can participate in committee meetings even if not a Council member. Posted meeting minutes must verify attendance. (1 point for each meeting attended, up to 3 points)

Representative (Name of Individual)	Committee	Date Attended	Self-Score (up to 3)	CoC Score (up to 3)	Scoring Notes
Marieligh Fisher	Coordinated Entry	7/19/2018	3		
Marieligh Fisher	Coordinated Entry	6/19/2018			
Marieligh Fisher	Coordinated Entry	5/1/2018			

4 Other CoC Participation: Have representatives of your project participated in any of the following activities? Participation records must verify attendance. (1 point for each activity, up to 2 points)

Activity	Representative (Name of Individual)	Self-Score (up to 2)	CoC Score (up to 2)	Scoring Notes
2017 or 2018 HUD Peer-to-Peer Symposium; Symposium planning meeting or 2017 HousingIowa Conference BOTH ATTENDED	Marieligh Fisher	2		
Local Unsheltered 2018 Point-in-Time Street Count	Tama County Marieligh Fisher			

Community Housing Initiatives – HOPES

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AGENCY EXPERIENCE (49 points, questions 5-10)

- 5 **Agency History: Describe the agency's experience in effectively addressing homelessness, including permanent supportive housing and/or supportive services or prevention services for those experiencing or at risk of homelessness. (10 points)**

Over the past decade, the CHI Waterloo office has assisted 241 Homeless individuals/single parent families find and keep housing by providing Transitional and Permanent Supportive Housing. These households were comprised of 241 Adults and 197 Children (441 people total). CHI continues to receive an annual allocation through the HUD Continuum of Care Supportive Housing Program (SHP) to provide permanent supportive housing for homeless individuals with a disabling condition. Housing, on going case-management and supportive services are provided to participants to help ensure stability and achievement of self-sufficiency goals. Since 2017, CHI has had a part-time SOAR Benefits Specialist to assist homeless individuals with disabilities in applying for Supplemental Security Income (SSI) and/or Social Security Disability Income (SSDI). She collects the documentation and completes the SOAR application. Once this is completed, she submits the documentation to the Social Security Administration. Since 2017, she has worked with 14 individuals on completing an application. As of this date, seven (7) people have received SSI and two (2) have received SSDI. She is currently working with four (4) individuals.

Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
10		

- 6 **Grant and Fundraising History: Describe the agency's experience in utilizing funds to address homelessness from sources including federal, state, local governments and private funds such as United Way, community foundation and individual donors. (10 points; 2 for each type of source described here)**

CHI has operated supportive housing programs since 2004. During that time, various funding sources have been utilized to support the programs. The funding sources have been federal dollars, state dollars, local government dollars, private, and individual donors. Federal funds have been from HUD. They are the funding source for the permanent supportive housing program. Locally, funding has been secured from Cedar Valley United Way; Cedar Falls Fraternal Order of Eagles Auxiliary, Principal Financial Group; Family Service League; and Alpha Phi Omega (APO) from the University of Northern Iowa. We have individual donors from the community who provide monetary donations as well as supply us with household items and furniture. We are able to give the items to individuals once they are housed. We have two (2) past participants of the transitional housing program who donate to C.V. United Way but designate their donation to CHI's housing program. They have done this for the past five (5) years. A local church adopts our housing participants each Christmas. The Black Hawk County Board of Supervisors and the City of Waterloo have provided funding for the housing program. The Transitional Housing program received state funds from Iowa Finance Authority through the Emergency Solutions Grant (ESG) and Shelter Assistance Funds (SAF) for the Transitional Housing program when it was operational.

Self-Score (up to 10)	i	Scoring Notes
10		

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7 Describe your agency's basic organization and management structure as it relates to this proposed project. Include relationship of any sub-contractors: (10 points)

	Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
<p>The basic structure of this program will be three components: Tenant Based Rental Assistance (TBRA); Support Services; and Administration. TBRA dollars will provide the deposit and up to six (6) months of rental assistance for individuals utilizing the program. We expect to serve 42 households during the course of a program year. Support Services: In order to ensure that individuals will become and remain permanently housed, CHI will hire three (3) FTE staff to assist clients in the process. Those individuals will be: Case Manager, a Housing Specialist; and an Employment Specialist. The Housing Specialist will be responsible for meeting with the individual and helping them to find a place to live that meets HUD Housing Quality Standards (HQS); Fair Market Rent (FMR) standards; rent reasonableness; and is the appropriate size. The Housing Specialist will also be responsible for maintaining a list of landlords; the units they have available; and for recruiting new landlords. He/she will also be doing a semi-annual follow-up with the individual once they leave the program. The Housing Specialist will attend the Coordinated Entry meeting to discuss the removal of individuals off of the prioritization list. Once housed, the individual will meet with the Case Manager who will be responsible for doing a more in-depth assessment of the services that the individual may need. The Case Manager will refer participants to other community resources for services that CHI does not provide. They will follow-up on referrals given and track the outcomes of the referrals. The Case Manager will provide transportation to scheduled appointments if needed and will be responsible for maintaining the case file and making sure that the program participants are getting their needs met and everything is documented. He/She will be responsible for data entry in Servicepoint. If a person enters the program who is unemployed or underemployed, they will meet with the Employment Specialist. The Employment Specialist will be responsible for meeting with employers and matching the individuals in the program to jobs that employers may have open. They will assist with job searches, filling out applications, creating or updating a resume, doing mock interviews, and transporting the individual to job interviews. They will coordinate services with the Case Manager. If an individual is needing assistance with filing for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI), they will meet with the SOAR Benefits Specialist that CHI employs. She will be able to assist them with the application process. (This must be done before they are permanently housed and should be referred from the Coordinated Entry Committee while</p>			

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they are on the prioritization list.) The CHI staff will meet weekly to discuss the program participants and assess how they are doing and whether their needs are being met. Administration: Administrative dollars will be used for costs associated with the administration of the program. Costs include items such as office rent, supplies, equipment rental, utilities, portion of Housing Director's salary, portion of accounting office staff, etc.

10

Explain the current homelessness need that this project proposes to address and why and how this particular project is likely to reduce or eliminate this need. Cite available data relevant to the community/ies to be served and to the identified need. Describe any resources currently addressing this need. How would this project be truly "new" in terms of the services provided and the population to be served?

For example, if the need addresses a particular subset of those experiencing/at risk of homelessness, (i.e. chronically homeless individuals), include information about the number of such individuals in the proposed service area. Indicate the number of units currently available for the population, the existing programs managing any such units and cite waiting lists if they exist. Describe the additional units this project would make available and your agency's ownership and/or relationship with ownership of the units. (10 points)

8

Self-Score
(up to 10)

CoC Score
(up to 10)

Scoring Notes

Please See Attachment

10

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		Self-Score (0 or 2)	CoC Score (0 or 2)	Scoring Notes
9 Financial Capacity: (2 points for yes; must attach letter)	Circle or enter:			
Does your agency undergo annual audits by a CPA?	YES	2		
Attach letter from your most recent audit.				

		Self-Score (up to 2)	CoC Score (up to 2)	Scoring Notes
10 Administration Costs: (2 points if 7.0% or less)				
a) What percentage of the budget requested will be used as administrative costs, i.e., costs other than direct program expenses and salary/benefits of staff working directly on the project?	7%	2		

		Self Score (up to 5)	Self Score (up to 5)	
b) Briefly describe your agency's financial staffing and capacity: (up to 5 points)				
CHI employs a 1 FTE Chief Financial Officer (CFO) who reports directly to the President. The CFO is a licensed CPA with over 13 years of experience in the field and nine (9) years with CHI. He and his staff oversee the administrative department at CHI. The department is responsible for the financial oversight of all grants and contracts and works with all departments to ensure compliance with federal and state regulations. This department monitors all budgets and expenditures and ensures each grant or contract is accounted for separately. The Supportive Housing Director is responsible for development of the SHP budgets and approves expenditures related to the SHP grant. She submits the vouchers for payment to the accounting office. The accounting office reviews all payment vouchers and expedites them for payment. The CFO reviews and approves financial documents and reports before they are released. The accounting office uses a software that is designed for non-profits and governments. It has the flexibility and allows reporting and tracking of information that is most important to the agency; customization of the general ledger so that each grant or program can be tracked easily and it allows for budget progress on each grant or program. CHI has an audit completed each year.		5		

PROJECT DESIGN (23 points, questions 11-14)

		Self-Score (0 or 10)	CoC Score (0 or 10)	Scoring Notes
11 Project Type: (10 points)				
Mark one: <input type="checkbox"/> -Permanent supportive housing project that meet requirements of DedicatedPLUS or 100% dedicated for chronically homeless individuals and families (10 points) <input checked="" type="checkbox"/> -Rapid Rehousing project that serve individuals and families, including unaccompanied youth who meet the criteria outlined in HUD's 2018 NOFA (10 points) <input type="checkbox"/> -Hybrid Joint TH and PH-RRH component project (10 points) <input type="checkbox"/> -DV Bonus Rapid Re-Housing (10 points)		10		

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12 Housing First: Will the project ensure participants are NOT terminated for the following reasons, as evidenced by a written termination policy attached to the application? (select all that apply)
(5 points; MUST attach written termination policy for points)

Self-Score (up to 5) CoC Score (up to 5) Scoring Notes

Failure to participate in supportive services and/or failure to make progress on a service plan: (1 point if yes AND matches attached termination policy)	YES
Loss of income or failure to improve income: (1 point if yes AND matches	YES
Active substance abuse: (1 point if yes AND matches attached termination policy)	YES
Any other activity not covered in a lease agreement typically found in the project's geographic area: (1 point if yes AND matches attached termination policy)	YES

5		

and ensure that:

Every effort is made to help participants transition to other housing options when continuation in this project is jeopardized or about to expire? (1 point if yes)	YES
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13 Supportive Services: Indicate how clients will be served. (Up to 5 for a; 1 each for b-d)

Self-Score (Up to 5) Self-Score (Up to 5) Scoring Notes

a. Briefly describe how clients will be assisted with obtaining and remaining in permanent housing: If they are at the top of the prioritization list, the participant will begin working with the Housing Specialist on locating and securing housing. As mentioned earlier, the Housing Specialist is responsible for ensuring that the housing meets all of HUD requirements. They will also serve as a liaison between the participant and landlord. Once housed, if they are needing employment assistance, they will work with the Employment Specialist on finding work. The Case Manager is responsible for meeting with the participant on a weekly basis until they exit the program. This position is responsible for assessing the needs of the participant and helping them to meet their goals and assist them in obtaining the necessary skills to remain permanently housed. This positions will also be responsible for maintaining documentation in a case file.

5		

14 Check below for each statement that is true for this project. (1 point for each "yes")

Self-Score (up to 3) CoC Score (up to 3)

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b. At least semi-annual follow-ups will be conducted with participants after project exit to ensure and verify that mainstream benefits are received and renewed (and for RRH projects, to ensure and verify that housing stability is maintained).	YES	3		
c. Project participants will have access to SSI/SSDI technical assistance provided by the applicant, a sub-recipient, or partner agency.	YES			
d. Transportation assistance will be provided to clients to attend	YES			

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PROJECT EVALUATION PLAN (5 points, question 15)

15

Project Evaluation: (up to 5 points for a.; b-d for establishing baseline only)

a. Number of participants to be served in project year.		Number:	Self-Score (0 to 5)	CoC Score (0 to 5)	Scoring Notes
<p>Justify estimated number, citing previous history and other relevant factors, including local homeless data. CHI is requesting six (6) months of rental assistance for homeless individuals. We have budgeted assistance for 21 units with 40 beds each six months. The budget allows for turnover after six (6) months. This would allow us to serve 42 households during one program year. This number was derived after we looked at the data provided to us from the Salvation Army shelters. This report shows that 371 people entered shelter from June 1, 2017 through August 10, 2018. Of those, 195 or 53% reported having no income. The same report shows that 367 adults and 114 children left the shelters and of those, 177 or 48% had no income when they exited the shelter. Of the 367 who exited, only 138 or 38% were reported as exiting to permanent housing. These numbers show that there is a true need for assistance with housing and obtaining income. In Tama County, there are no services for homeless individuals. They would be served by different counties or have no service at all.</p>			5		
b. Estimate the percentage of all adult participants who increased <u>total income</u> (earned AND non-employment) from entry to exit:		85%			
c. Estimate the percentage of successful exits:		100%			
d. Percentage of all participant leavers who exit to shelter, streets or unknown:		10%			

BUDGET (14 points, question 16)

Budget request: Provide a summary budget for the proposed project. Include the amounts that will be requested in each relevant category, according to HUD's rules for the particular proposed project. Include the total budget request. Also include the amount that will be requested for administration, referencing #9 above. Use space below or attach separately. (14 points)

16

Please see attachment			Self Score (Up to 14)	CoC Score (Up to 14)	Scoring Notes
			14		

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CERTIFICATION

I certify that to the best of my knowledge and belief, the responses provided above in this application are true, accurate and complete. I further understand that false or incomplete information may result in this application being ineligible for funding.

Maing Joshe

Primary Contact

8-15-18

Date

SUBMISSION CHECKLIST

Be sure you have:

- * completed a response and self-score for each item appropriate to your project
- * attached a copy of your termination policy
- * attach a copy of your most recent audit letter
- * attach an itemized budget (if not in text of application)
- * provided the appropriate signature on the CERTIFICATION box above (You may insert a signature electronically or print the page, sign and send as a scanned attachment.)
- * Indicate the agency/project name on each final page of the submitted application.
- * If applying for the DV Bonus, include the DV BONUS SUPPLEMENT application questions and responses in the application package.

* submit as ONE PDF by 11:59 pm Wednesday August 15, 2018 to
amber.lewis@iowa.gov.

8. Explain the current homelessness need that this project proposes to address and why and how this particular project is likely to reduce or eliminate this need. Cite available data relevant to the community/ies to be served and to the identified need. Describe any resources currently addressing this need. How would this project be truly “new” in terms of the services provided and the population to be served? For example, if the need addresses a particular subset of those experiencing/at risk of homelessness, (i.e. chronically homeless individuals), include information about the number of such individuals in the proposed service area. Indicate the number of units currently available for the population, the existing programs managing any such units and cite waiting lists if they exist. Describe the additional units this project would make available and your agency’s ownership and/or relationship with ownership of the units. (10 points)

The Black Hawk County Local Homeless Coordinating Board (LHCB) conducts a "point in time" homeless survey during one night each January. This survey is conducted as part of a statewide initiative that collects data on the same night and is meant to provide an understanding of homelessness across the state. This time, for the first time, the LHCB conducted a point in time survey in Tama County. According to the point in time information report of 2016, Black Hawk County has the states 5th largest homeless population. A total of 4% of the homeless population in Iowa resides in Black Hawk County. In reviewing the homeless issue and factors contributing to this status, distinct homeless sub-populations have emerged. These sub-populations include persons with special service needs that aggravate their homeless situation. Special needs populations include homeless and near homeless elderly and persons with disabilities. It is critical to understand that the household is at risk of never reaching a true level of stability unless assistance with these special needs and a remedy for the homeless condition occur simultaneously. The homeless often are more isolated and have fewer social contacts. Many mentally ill individuals have often exhausted and alienated friends and family. Homeless mentally ill persons lack the type of family and peer relationships that could help end their homeless condition. Further, they require additional assistance to access available resources, medical care, housing and counseling. In the Waterloo Annual Action Plan, the City of Waterloo has prioritized special needs individuals as those who face the greatest challenges and who should receive high priority. The local government cost of homeless can be high. Hospitalization, medical treatment, incarceration, emergency shelter expenses can add up quickly. People experiencing homelessness are more likely to access the most costly health care services. Housing instability often detracts from regular medical attention, access to treatment, and recuperation. The inability to treat medical problems can aggravate these problems. In 2016, Black Hawk County joined the White House Data Driven Justice Initiative (DDJ). Black Hawk County is beginning to work on sharing data across health and criminal justice to identify "super utilizers" and identifying an approach to provide case management and social supports for them.

Black Hawk County seeks to provide a seamless range of services to homeless persons through its continuum of care system. By sharing information and resources, local housing and human services providers and other vested organizations are able to serve the most people in a way that is least intrusive and most beneficial. The coordinated entry system is part of the community's vision for homeless services which includes a

comprehensive continuum of appropriate, accessible services and housing for all persons regardless of their special needs or financial situation.

The levels or phases in the current CoC system are: **Outreach and Assessment:** This phase occurs upon initial contact with the homeless person and is ongoing for the duration of services provided. All persons enter at the outreach and assessment phase, which can occur with any community provider. Each provider is actively involved in assessing individual needs and making appropriate referrals. (Black Hawk County is currently working on the Coordinated Entry Policies and Procedures Manual and will begin using a prioritization list within the next two months.) Currently, both People's Community Health Clinic and Black Hawk Grundy Mental Health Center have an outreach worker on the street. They connect homeless persons with appropriate shelter/housing options and support services. **Emergency Shelter:** In this phase, short-term, safe alternatives to homelessness are provided, as well as referrals for support services. The Salvation Army provides 32 shelter beds for women and 18 beds for men. The Catholic Worker House provides 15 beds for single men and seven (7) beds for single women. The Salvation Army shelter receives Shelter Assistance Funding (SAF) and the Catholic Worker House receives no federal or state dollars. **Transitional Housing:** Through this phase, people have access to a longer-term option to homelessness through residential programs. House of Hope operates a supportive transitional housing program providing 10 units for women and children. They are funded through Christian Community Development and receive no federal or state dollars. They are at capacity and have a waiting list of 40 women waiting for services. **Permanent Supportive Housing:** This phase marks self-sufficiency and is the ultimate goal and end point of the system. The services provided through the CoC system are intended to provide the support, resources and skills necessary to achieve and maintain permanent housing. In this phase, individuals are involved in a longer term process providing supported community living with support services. CHI provides 12 units to homeless persons with a documented disability. This program is currently at capacity. Friends of the Family operate a Rapid Rehousing (RRH)

14. HOPES Budget

Support Services

3 FTE Staff: Case Manager, Housing Specialist, Employment Specialist	Salary/Benefits: Cell phone, mileage, equipment, supplies	\$164,119
Transportation	10 bus passes @ \$50 each x 12 months	\$6,000
Food Assistance	10 households @ \$50/month x 12 months	\$6,000
Day Care	5 households x \$150/month x 12 months	\$9,000
Education/Training	10 individuals x \$800 for education/training	\$8,000
TOTAL SUPPORT SERVICES		\$193,119

TENANT BASED RENTAL ASSISTANCE

Deposit + rent for up to 6 months 2 times/year.
Units x Fair Market Rent amount x months

4 Bedroom	2 x \$1,218 x 14	\$34,104
3 Bedroom	4 x \$ 988 x 14	\$55,328
2 Bedroom	5 x \$ 765 x 14	\$53,550
1 Bedroom	10 x \$ 603 x 14	\$84,420
TOTAL RENTAL ASSISTANCE		\$227,402

TOTAL SUPPORT SERVICES & TBRA

\$420,521

Administration - 7.01% of Grant

\$29,479

Utilities, Equipment Leasing, Internet/Phone
Supplies, Computer Maintenance, Wages
Benefits

Total Request

\$450,000

Community Housing Initiatives
Termination Policy

Termination from the Program:

Participants in the Permanent Housing program may be terminated from the program. Before a recommendation of termination is approved, we must first do all that we are capable of doing to resolve all situations. If for any reason the Permanent Housing program is not renewed, every effort will be made to help participants transition to other housing options if available.

Termination:

Program participants may be terminated from the program if:

- Household members have threatened property or staff.
- The client has stated in writing or verbally that they no longer want to be in the Permanent Housing Program.
- The client is incarcerated for more than 30 days.
- The client is hospitalized for either medical or psychiatric reasons for more than 90 days.
- The client is evicted from the apartment due to a violation of the tenant-landlord lease.
- The client provides incorrect information or neglects to provide required information.
- The client subleases the unit to other persons or moves another person in with them.
- The client is involved in illegal activity in the unit or activity that causes disturbance to neighbors and eviction from unit.
- The client moves to another HUD funded project, Section 8 housing or moves out of the unit without notice.
- The client does not comply with the financial portion of the rental assistance.

Program participants may not be exited from the program for:

- Failure to participate in supportive services and/or failure to make progress on their service plan.
- Loss of income or failure to improve income.
- Active substance abuse.
- Any other activity that is not covered in a lease agreement typically found in the our geographic area.

Termination Requirements:

If termination is necessary, principles of due process must be followed. At a minimum, this process must include:

- 1) Written notice to the participant containing a clear statement of the reason for the termination.
- 2) A review of the decision, during which the participant has the opportunity to present written or oral objections before someone other than the person(or subordinate of the person) who made or approved the termination decision; and
- 3) Prompt written notice of the final decision to the participant.

Revised May 1, 2016
Revised April 28, 2017
Revised August 25, 2017

February 28, 2018

Board of Directors
Community Housing Initiatives, Inc. and Affiliates
Spencer, IA

Dear Board of Directors:

We have audited the consolidated financial statements of Community Housing Initiatives, Inc. and Affiliates (the "Organization") for the year ended September 30, 2017, and have issued our report thereon dated February 28, 2018. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility Under Auditing Standards Generally Accepted in the United States and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

As stated in our engagement letter dated August 3, 2017, our responsibility, as described by professional standards, is to express an opinion about whether the consolidated financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the consolidated financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Organization's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the purpose of expressing an opinion on the Organization's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Organization's compliance with those requirements.

Supplementary Information Accompanying Audited Financial Statements

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to your representative, Mark Vreeman, in addition to our engagement letter dated August 3, 2017, accepted by Doug LaBounty.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the consolidated financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the periods under audit.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the consolidated financial statements were the collectability of accounts receivable balances and the estimates useful lives of property and equipment.

The disclosures in the consolidated financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the consolidated financial statements is the disclosure of the Investment in and Advances to Partnerships in Note 7 to the consolidated financial statements because of the size of the receivable balance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements as attached.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 28, 2018, a copy of which accompanies this letter.

Management Consultations With Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, management has not obtained any opinions from other independent accountants on the application of accounting principles generally accepted in the United States which would affect the Organization's consolidated financial statements or on the type of opinion which may be rendered on the consolidated financial statements.

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Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors for the preceding year. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

We appreciate the opportunity to be of service to Community Housing Initiatives, Inc. and Affiliates.

This letter is intended solely for the use of the Board of Directors and others within the Organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

Enc.