

RFP: 2019 Empire State Supportive Housing Initiative

OVERVIEW

On August 16th, New York State released a Request for Proposals (RFP) for the fourth round of funding for supportive housing units under the Empire State Supportive Housing Initiative (ESSHI). As part of Governor Cuomo's five-year plan to ensure that New Yorkers have access to affordable and safe housing, this RFP contributes to the statewide goal of developing at least 6,000 supportive housing units. The Office of Mental Health (OMH) is the lead procurement agency for this RFP, which will provide up to \$30 million in services and operating funding for at least 1,200 units of permanent supportive housing. Support services that accompany the housing units may include, but are not limited to:

- Employment and training opportunities;
- Parenting education;
- Primary and mental health care; and
- Child care.

The full RFP is available [here](#). Applications are due on September 25th.

FUNDING

The State will provide up to \$25,000 in services and operating funding annually for each unit. The State expects to include a 2% increase for inflation in subsequent years, subject to appropriations and approval by the legislature. Funding must be linked to:

- A housing development project that will create new housing units through new construction;
- The adaptive reuse of non-residential space; or
- The repurposing of vacant residential units.

Development projects may occur on multiple properties. Funding is not available for existing projects which have already secured service and operating funds through other sources or wherein tenants are already residing. Applicants are encouraged to seek additional funding to leverage the resources available through this RFP. Contracts will last for five years and are anticipated to continue for renewable five-year terms for eligible projects.

The housing developed must be affordable to the homeless population the project intends to serve. For most projects, this means that applicants should plan to provide rental subsidies that ensure full rental payment that does not exceed Housing and Urban Development (HUD) Fair Market Rents for the area. It is expected that 30% of a tenant household's adjusted income (exclusive of rental subsidy payment) will be used when calculating rental subsidies.

No capital funding is available through this RFP. Applicants are expected to secure capital funding sufficient to fully finance the proposed housing project within 12 months from the date of the ESSHI conditional funding award. Capital funding resources include, but are not limited to:

- Homeless Housing and Assistance Program (HHAP);
- New York State Homes and Community Renewal (HCR);
- Other acceptable governmental agencies;

- Private resources; or
- Partnering with a project developer who has secured or is in the process of securing capital funding.

More details on possible funding sources are below:

Capital Funding from HCR

Applicants seeking capital funding from HCR will have the opportunity to apply for funding after receiving a conditional award under this RFP. Applicants seeking New York State Housing Finance Agency (HFA) bond financing will be able to apply for capital funding through HFA at the same time. Applicants seeking HCR 9% Low Income Housing Tax Credit (LIHTC) financing will be able to apply for capital funding through the 2019 Unified Funding Round.

Information and application instructions are available [here](#).

Capital Funding from HHAP

Applicants may be eligible to apply for capital funding through HHAP by submitting the HHAP open-ended RFP. The HHAP RFP prioritizes projects that are being developed in conjunction with ESSHI.

Additional information and current applications are available [here](#).

Capital Funding from the Office for People with Developmental Disabilities

Applicants who are proposing to serve people with intellectual and/or developmental disabilities (I/DD) and who are intending to seek capital funding from HCR will also require a capital award from the Office for People with Developmental Disabilities (OPWDD). Applicants interested in applying for OPWDD capital funding should contact the OPWDD Office of Home and Community Living at (518) 473-1973 with questions and to request the OPWDD capital award application.

Predevelopment and Program Development Funding from OMH

OMH anticipates that it will make predevelopment capital funds available to applicants who are proposing to serve people with serious mental illness. Applicants who receive a conditional award under this RFP who are in need of predevelopment funds will be eligible to apply to OMH for the available predevelopment capital funding. This funding will be in the form of a construction grant that will need to be repaid as part of the permanent financing structure.

Additionally, OMH will provide Program Development Grant funds to projects that are proposing to serve people with serious mental illness. Program Development Grants will fund start-up costs such as furniture, essentials, and staff training.

Predevelopment Funding from Office of Alcoholism and Substance Abuse Services

Applicants who are proposing to serve individuals with a substance use disorder are eligible for a one-time funding grant from the Office of Alcoholism and Substance Abuse Services (OASAS) for predevelopment costs, including consultant development fees, property deposits, and architectural fees. OASAS is allocating up to \$50,000 in grants per applicant for predevelopment funding. Providers will not be required to repay OASAS for these capital predevelopment grants.

Information and application forms can be found [here](#).

ELIGIBLE COSTS

Funding awarded through this RFP must be used to provide rental assistance and services to eligible target populations so that they remain stably housed. Permissible use of funds awarded through this RFP include, but are not limited to:

- Rental subsidies and other occupancy costs;
- Costs associated with services and/or staff that help the eligible target population remain stably housed, including program supervision, housing counselors or specialists, and employment counseling;
- Services or staff to identify and locate the eligible individuals that need housing; and
- Other types of services designed to assist the eligible target population to live independently and remain stably housed. These may include linkages to services and/or direct services which are not funded by Medicaid or other payers. Direct services may include behavioral health services, counseling and crisis intervention, parenting skills development and support, and children's services, among others.

Funding awarded through this RFP may not be used for:

- Administrative overhead expenses budgeted at more than 15%;
- Expenses considered non-allowable per the [Consolidated Fiscal Reporting Manual](#);
- Any costs associated with capital development of the project;
- Any costs determined to be duplicative or inappropriate; and
- Any costs associated with emergency housing or transitional supportive housing.

ELIGIBLE APPLICANTS

Applicants must be not-for-profit 501(c)(3) agencies with experience in one or more of the following areas:

- Housing for homeless families, individuals, and/or young adults;
- Housing for families, individuals, and/or young adults with an unstable housing history;
- Housing for families, individuals, and/or young adults who are at risk of homelessness;
- Housing for families, individuals, and/or young adults that have health, mental health, I/DD, and/or substance use disorders;
- Housing for youth/young adults with significant histories of mental health, foster care or criminal/juvenile justice involvement; and
- Providing services and supports to help families, individuals, and/or young adults who have disabling conditions or life challenges that require specialized support services to become and remain stably housed.

TARGET POPULATION

Housing programs and services developed under this RFP are available to individuals (or families with a qualifying individual) who are homeless, who are identified as having an unmet housing need, **and** who have one or more disabling conditions or other life challenges, including:

- Individuals with serious mental illness;
- Individuals with substance use disorder;

- Individuals with HIV or AIDS;
- Victims or survivors of domestic violence;
- Veterans with disabilities;
- Individuals experiencing chronic homelessness, including families and individuals experiencing street homelessness or long-term shelter stays;
- Youth/young adults who left foster care within the prior five years and who were in foster care at or over age 16;
- Homeless young adults between 18 and 25 years old;
- Adults, youth, or young adults re-entering the community from incarceration or juvenile justice placement, particularly those with disabling conditions;
- Frail/elderly seniors; and
- Individuals with intellectual and/or developmental disabilities.

Projects may be cross-disability and contain more than one population. Individuals in the following living situations at the time of referral may be eligible:

- Unsheltered or sheltered homeless;
- Prisons;
- Institutions;
- Medical respite;
- If the individuals are previously homeless, hospitals or nursing homes; and
- If the individuals are OPWDD-eligible, any situation of emergency priority, as determined by OPWDD through the Certified Residential Opportunities review process.

Projects with 15 or more ESSHI units and 30 or more dwelling units in total that serve the populations listed below will be required to set aside 25% of designated ESSHI units for high-cost, high-need Medicaid users. This includes individuals who are both homeless and have one or more of the following disabling conditions or life challenges:

- Serious mental illness;
- Substance use disorder;
- HIV/AIDS;
- Chronic homelessness;
- Frail/elderly seniors; or
- I/DD.

APPLICATION

Applications will be scored based on the following criteria:

- Need (30 points)
- Impact (30 points)
- Readiness (15 points)
- Cost Effectiveness/Budget (25 points)

All proposals will be reviewed by the ESSHI's Interagency Workgroup based on the above criteria and a consideration of geographic areas and populations with the greatest need. Applicants must receive a minimum score of 70 to be eligible for funding through this RFP.

Timeline

Applications are due on August 25th. There will be two optional bidder's conferences:

Date	Times	Location
Tuesday, September 3 rd	10am-12pm and 1pm-3pm	OMH Central New York Field Office Library 545 Cedar Street, Syracuse, NY
Thursday, September 5 th	10am-12pm and 1pm-3pm	OMH New York City Field Office 330 Fifth Avenue, 9 th Floor, New York, NY

Preregistration for the conferences is not necessary. Attendance at more than one session is discouraged due to limited seating. Dates are subject to change and all changes will be announced on the OMH website [here](#).

Questions should be submitted to Carol Swiderski at carol.swiderski@omh.ny.gov with a reference to the RFP section to which the question refers by September 11th. Questions and answers will be posted on the OMH website on September 18th. Awards are expected to be announced on November 6th.