

RFP: 2021 Empire State Supportive Housing Initiative

OVERVIEW

On August 2nd, New York State released a Request for Proposals (RFP) for the sixth round of funding for supportive housing units under the Empire State Supportive Housing Initiative (ESSHI). As part of the State's \$20 billion housing plan to ensure that New Yorkers have access to affordable and safe housing, this RFP contributes to the goal of developing at least 20,000 supportive housing units over 15 years for individuals identified as homeless with special needs, conditions, or other life challenges.

This RFP will provide up to \$35 million in service and operating funding for 1,400 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 October 6th.

FUNDING

The State will provide up to \$25,000 in services and operating funding annually for each unit. There is no minimum or maximum number of units that applicants may apply for. The State anticipates providing a two-percent inflationary adjustment in subsequent years, subject to available appropriations for and/or statutory authorization of such increases. 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. Funding may not be used for a scattered site apartment housing model owned and operated by a private landlord. 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 24 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.

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), New York State Low Income Housing Tax Credit (SLIHC), and a wide variety of subordinate financing resources may apply to a competitive RFP process twice annually.

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 to be developed in conjunction with ESSHI.

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

Predevelopment and Program Development Funding from Office of Mental Health

It is anticipated that there will be predevelopment capital funds available from the Office of Mental Health (OMH) for 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.

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
- Eligible services designed to assist eligible families, individuals, and young adults to live independently and remain stably housed, including linkage to services and/or direct services which are not funded by other mechanisms, such as Medicaid. 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 as 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, intellectual or developmental disability, 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 youth/young adults that 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 families with a qualifying individual, individuals, and/or young adults who are both homeless and 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. Acceptable living situations at time of referral include unsheltered homeless, sheltered homeless, prison, institutions, hospitals or nursing homes if previously homeless; medical respite, and OPWDD-eligible individuals who have been determined to meet the level of emergency need 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
- Intellectual and/or developmental disabilities.

APPLICATION

Applications will be scored based on the following criteria:

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

Applications where greater than 50% of the ESSHI units are dedicated to underserved populations (i.e., homeless, individuals with mental health or substance use disorder, and victims of domestic violence) will be eligible to receive more points than those that do not. 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 75 to be eligible for funding through this RFP.

Timeline

Applications are due on October 6th. There will be a webinar on August 16th at 1pm that will provide an overview of the RFP components. The webinar may be accessed [here](#) and a recording will also be available on the OMH website.

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 August 23rd. Questions and answers will be posted on the OMH website on September 9th. Awards are expected to be announced on December 9th.