

REQUEST FOR PROPOSALS

HUD Continuum of Care Homeless Program:
Permanent Housing Bonus Project

Submit all final proposals and technical assistance questions to:

Daniel Blankenship, Homeless Grants Administrator
VT State Housing Authority
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RFP SCHEDULE

- A. **RFP Issued:** Monday, September 26, 2011
- B. **Technical Assistance & Questions:** Contact Daniel Blankenship at VSHA.
- C. **Deadline for Proposals Electronic Submission:**
Monday, October 10, 2011 ~ 12:00p.m.
Submissions received after this date and time will not be considered.
- D. **Proposals will be reviewed by a Bonus Project Review Committee:**
Approximately one week of Proposals Submission Deadline.
- E. **Selected Applicant Agency will be Announced:**
Approximately one week of Proposals Submission Deadline.

OBJECTIVE

The Vermont State Housing Authority (VSHA), as the CoC Lead Agency working on behalf of the Vermont Balance of State Continuum of Care (VT BoS CoC), has the opportunity to apply for a Permanent Housing Bonus Project as part of the annual competitive 2011 HUD Continuum of Care Notice of Funding Application (HUD CoC NOFA). This PH Bonus Project is made available through the United States Department of Housing and Urban Development (HUD) as part of the McKinney-Vento Homeless Assistance Act.

BACKGROUND

VSHA is seeking Requests for Proposals (RFP) from eligible non-profit agencies interested in becoming a sponsor agency toward the collaboration and implementation of a Permanent Housing Bonus Project, an opportunity originally detailed in the current FY2011 HUD CoC NOFA, which can be found at: www.helpingtohouse.org/resources.php. Additional information on HUD Supportive Housing Programs and Shelter Plus Care Programs can be found at: www.hudhre.info/index.cfm?do=viewHUDHomelessPrograms.

Permanent Housing Bonus. The FY2011 HUD COC Permanent Housing Bonus is \$124,180. While CoCs are no longer required to use the bonus for projects that will exclusively serve 100 percent chronically homeless individuals, CoCs are encouraged to use bonus funds for this population whenever possible, as creating new beds for the chronically homeless remains a HUD priority. Demonstrating progress in reducing chronic homelessness will continue to be a scored item in the CoC application. The funds must be used for one or more new permanent housing projects:

Eligible Programs & Components.

SUPPORTIVE HOUSING PROGRAM- PERMANENT HOUSING: Where Permanent Housing Bonus funds are being requested under the SHP no more than 20 percent of the total of its eligible program activities for each grant (grant total minus administration costs up to 5 percent) may be used for case management. Supportive services other than case management cannot be paid with HUD funds received under this announcement. The remaining 80 percent must be used for eligible housing activities (i.e., acquisition, rehabilitation, new construction, leasing, or operations).

SHELTER PLUS CARE PROGRAMS: Local S+C projects are typically implemented through partnerships that include a grantee, one or more nonprofit housing sponsors that own or coordinate leasing of housing for program participants, and a network of supportive services providers. The Shelter Plus Care (S+C) program is designed to link rental assistance to supportive services that is provided by a sponsor agency (funded through other sources) for homeless individuals with disabilities (primarily those with a severe &

persistent mental illness; chronic problems with alcohol, drugs, or both; or have HIV/AIDS and related diseases) and, if also homeless, their families. The S+C program provides funds to be used for rental assistance for permanent housing for homeless persons with disabilities.

- Tenant-based Rental Assistance (TRA)
- Sponsor-based Rental Assistance (SRA)
- Project-based Rental Assistance (PRA)
- Single-Residency Occupancy Moderate Rehabilitation (SRO Mod Rehab)

SECTION 8-SINGLE ROOM OCCUPANCY (SRO): The Single Room Occupancy Program provides rental assistance for applicable properties that will, when the renovations are complete, contain upgraded single occupancy units for individuals who are homeless.

PROJECT DETAILS

Distribution of Funds. HUD will not specify amounts for each of the three programs: SHP, S+C, and SRO. Instead, the distribution of funds among the SHP, S+C, and SRO programs will depend largely on locally determined priorities, overall demand, and renewal eligibility.

Rural Preference. HUD strongly encourages the Permanent Housing Bonus funding to be dedicated to serving underserved rural communities. All counties in the Vermont Balance of State Continuum of Care coverage area are deemed rural by HUD, except Franklin and Grand Isle Counties. Projects located in Chittenden County are not eligible.

Grant Terms: The grant term of a project awarded funding under this NOFA will be equal to the years awarded. However, for new SHP projects that include funding for acquisition, construction, or rehabilitation, the grant term of the project will be equal to the years awarded, plus the time to acquire the property, complete construction and begin operating the project, which may be no greater than 39 months.

Program	Initial Term (New Projects)	Renewal Term (Renewal Projects)
Supportive Housing ¹	1 year, 2 years, or 3 years plus time for acquisition/construction/rehab, if awarded.	1 year
Shelter Plus Care	5 years: TRA, SRA, and PRA without rehab 10 years: SRO, and PRA with rehab	1 year
Section 8 SRO	10 years	Not applicable (under this NOFA)

Footnote 1: The term of a new grant with funds for acquisition, construction or rehabilitation also includes the time to acquire the property, complete construction and begin operating the project, which may be no greater than 39 months.

Other Program Eligibility Information.

Program	Eligible Components	Eligible Activities	Eligible Population
Supportive Housing (see footnotes: 1 and 2)	Permanent housing for disabled persons only	Acquisition Rehabilitation New construction Leasing Operating Costs Supportive Services HMIS	Homeless disabled individuals & homeless disabled families only
Shelter Plus Care (see footnotes: 2 and 3)	Tenant-Based Sponsor-Based Project-Based SRO [Single Room Occupancy]-Based	Rental Assistance	Homeless disabled individuals Homeless disabled individuals & their families
Section 8 SRO (see footnotes: 1 and 2)	Single-Room Occupancy	Rental Assistance	Homeless individuals

Footnote 1: Homelessness prevention activities are statutorily ineligible under these programs.

Footnote 2: Persons at risk of homelessness are statutorily ineligible for assistance under these programs.

Footnote 3: Acquisition, construction, rehabilitation, leasing, and operating costs are not eligible activities under Shelter Plus Care.

HUD Regulations. The following HUD regulations on Shelter Plus Care & Supportive Housing Programs can be found at: www.helpingtohouse.org/resources.php.

- “TITLE 24-Part 582-SHELTER PLUS CARE”
- “TITLE 24-Part 583-SUPPORTIVE HOUSING PROGRAM”

Additional Information.

- The sponsor agency must be a nonprofit organization or a community mental health center established as public non-profit organization.
- Units will utilize Energy Star Initiative practices.
- Project will follow all federal educational, and other state and federal laws.
- Unit costs may not exceed the HUD Fair Market Rent (FMR) in the county that the project is located.
- The sponsor may charge a rental fee to resident participants in an amount not to exceed 30% of the household income.
- Governing regulations include an income eligibility test restricting assistance to persons below 50% of Area Median Income, adjusted for household size.
- The sponsor agency may use any rental assistance amounts not needed in a year to increase the amount of rental assistance available in subsequent years.
- The sponsor agency may use funds for larger, but not smaller, unit sizes if funding permits.

- ❑ Rental assistance may not be used in a rental unit that is already receiving other permanent housing rental assistance (example: Sect. 8 Housing Choice Voucher Program, Sect. 8 project-based rental assistance, etc.).
- ❑ Funds cannot be used for supportive services, which are funded from other sources.
- ❑ The sponsor agency will provide a cash match commitment letter in the amount of potential supportive services to be provided to prospective project participants over the grant period [S+C and Sect. 8 SRO= 100% and SHP = approximately 25%].
- ❑ The sponsor agency will not knowingly allow illegal activities in any unit assisted with HUD funding.
- ❑ The sponsor agency agrees to draw grant funds in a timely manner.
- ❑ The sponsor agency must comply with all requirements of the project sponsor agreement with VSHA and to accept responsibility for such compliance by any entities to which it makes grant funds available.
- ❑ The sponsor agency may substitute one site for another to accommodate changing needs of the project, provided the sponsor continues to comply with HUD and VSHA guidelines, including compliance with HUD Housing Quality Standards with unit inspections conducted by VSHA staff.

Eligible Program Participants. The purpose of the Permanent Housing Bonus is to provide permanent housing, in connection with supportive services, to homeless households with an adult who has a disabling condition.

The PH project must serve a head of household diagnosed with one or more of the following chronic disabilities:

- Serious Mental Illness (SMI)
- Diagnosable Substance Disorder (CSA)
- Human Immunodeficiency Virus and/or Acquired Immune Deficiency Syndrome (HIV/AIDS) or related diseases

The following additional chronic disabilities may also be served:

- Developmental Disability (DD)
- Post-Traumatic Stress Disorder (PTSD)
- Cognitive Impairments resulting from traumatic brain injury (TBI)
- Persons with other Chronic Physical Illness or Disability (PWOD)

HUD Homelessness Resource Exchange (page 26)

www.hudhre.info/documents/FutureofMcKinneyVentoActPrograms_Presentation.pdf

Chronic Homelessness definition as determined by HUD:

- an unaccompanied homeless **individual** who has either been continuously homeless for a year or more OR has had at least four episodes of homelessness in the past three years; AND has a disabling condition (see eligible disabilities above).

OR

- A **family** household who has either been continuously homeless for a year or more OR has had at least four episodes of homelessness in the past three years; AND consists of at least one adult member in the family with a disabling condition.

Homeless definition as determined by HUD: An episode is a separate, distinct, and sustained stay on the streets and/or in an emergency homeless shelter.

1) A person sleeping in a place not meant for human habitation (e.g. living on the streets, in a car, park, tent, abandoned or condemned building, etc.).

OR

2) A person sleeping in an emergency shelter which can be “any facility the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless”. Although this definition includes the term transitional shelter, persons coming from transitional housing for the homeless are not considered chronically homeless.*

- A person with a recent stay of less than 90 days in an institution may still meet the HUD definition of homelessness if they resided in one of the above before admission.

*Participants in a HUD Safe Haven project may still meet the definition of chronic homeless as long as the person met the chronic homeless definition prior to entry.

NOTE: HUD anticipates release of the Final Rule which may change the current definition of homeless as recognized to be eligible for entry into a HUD Homeless Program.

PROJECT REQUIREMENTS AND RESPONSIBILITIES

Under all HUD SHP and S+C program components, supportive services must be available to meet the needs of participants and the sponsor agency must have sufficient capacity to serve all participants effectively for the duration of the grant. In the case of the S+C Program the sponsor agency must match rental assistance with an equal amount of supportive services from other sources. These supportive services must either be provided and/or coordinated by the sponsor agency. Other Federal, State, or local sources, as well as private sources may fund the supportive services. In addition to recordkeeping and

evaluation that grantees may conduct for their own purposes, they must adhere to HUD-required recordkeeping plus an Annual Project Review, Annual Progress Report, etc.

Eligible Projects. Sponsor Applicants are strongly encouraged to review the program regulations for the component for which it will be applying. VSHA shall use its resources to assist awarded applicants in submitting project proposals to HUD that conform with the program regulations by providing technical assistance, but do not make any representation that funding is guaranteed, or that their interpretations of the regulations are fully consistent with HUD's. The responsibility for the completeness of a project proposal and its conformity with the relevant HUD regulations is the sole responsibility of each sponsor agency applicant.

Private Nonprofit Status.

Sponsor agency applicants that previously submitted non-profit status documentation to VSHA do not have to re-submit this again for this RFP.

Private nonprofit status is documented by submitting either: (1) a copy of the Internal Revenue Service (IRS) ruling providing tax-exempt status under Section 501(c)(3) of the IRS Code; or (2) documentation showing that the applicant is a certified United Way agency; or (3) a certification from a licensed CPA that no part of the net earnings of the organization inures to the benefit of any member, founder, contributor, or individual; that the organization has a voluntary board; that the organization practices nondiscrimination in the provision of assistance; and that the organization has a functioning accounting system that provides for each of the following (mention each in the certification):

(a) Accurate, current and complete disclosure of the financial results of each federally sponsored project.

(b) Records that identify adequately the source and application of funds for federally sponsored activities.

(c) Effective control over and accountability for all funds, property and other assets.

(d) Comparison of outlays with budget amounts.

(e) Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the use of the funds for program purposes.

(f) Written procedures for determining the reasonableness, allocability and allowability of costs.

(g) Accounting records, including cost accounting records, which are supported by source documentation.

Public Nonprofit Status. Public nonprofit status can be documented for community mental health centers by including a letter or other document from the authorized state official stating that the applicant is organized and in good standing under state law as a public nonprofit organization. Applicants and sponsor agencies that previously submitted nonprofit status documentation to VSHA do not have to re-submit this again for this RFP.

Supportive Services. Provision of essential social services to the homeless, including services concerned with employment, health, drug abuse, and education and may include, but is not limited to:

- Outreach
- Housing search and placement assistance
- Life-skills training
- Medical services and psychological counseling and supervision
- Employment, Training and/or Educational Services
- Substance abuse treatment and counseling
- Assistance in obtaining other federal, state, and local assistance including health insurance, Veteran's benefits, and income support assistance such as Supplemental Security, Social Security Disability Income, Temporary Assistance for Needy Families, General Assistance, and Food Stamps, etc.
- Other services such as child care, transportation, support groups, etc.

PROCUREMENT CONDITIONS

Technical Assistance for Proposals. To request technical assistance (TA), please send an email to daniel@vsha.org. Please note that VSHA is only permitted to answer technical questions and shall not provide assistance that may provide a competitive advantage to a proposal. Additional informational resources may be found on the HUD website at: www.hudhre.info. All requests for technical assistance must be submitted by the date and time indicated in the "Schedule" of this RFP.

Energy Efficiency. HUD supports the Energy Star initiative that encourages the use of energy-efficient appliances that is required of any approved project proposal. For more information on the Energy Star Initiative go to: www.energystar.gov.

INELGIBLE ACTIVITIES AND POPULATIONS

- Homeless prevention, short-term or transitional housing, and supportive service activities are statutorily ineligible under these programs.
- Persons at risk of homelessness, including those coming directly out of a long-term stay in an institution or facility as detailed in the "Questions & Answers: Housing Inventory Chart (HIC)" located at www.helpingtohouse.org, are statutorily ineligible for assistance under these programs.

APPLICATION SUBMISSION FORMAT

VSHA shall only accept on-time application proposals submitted electronically as detailed:

1. Files should be saved as Microsoft Office documents compatible with Office 2007.
2. All scanned documents shall be saved only as PDF formatted files with resolution set no less than 100 dpi or greater than 400 dpi. VSHA shall not review documents submitted as jpg, tif or other graphical formats.
3. All documents must be compatible and accessible to systems on a Microsoft Vista operating platform.
4. All documents submitted electronically shall be sent via email to: [**daniel@vsha.org**](mailto:daniel@vsha.org) on or before the deadline as detailed in the "Schedule". The subject line should read: FY2011 CoC NOFA-PH Bonus RFP. The body of the email should include a coversheet and Agency Contact Information. Proposals should be concise and complete.

GENERAL REQUIREMENTS FOR ANY PROJECT SPONSOR

A. Financial Requirements Summary

CoC funded programs are subject to the uniform policies and requirements of the federal Office of Management and Budget's (OMB) Circulars and Federal regulations implementing the Circulars. The grantee must meet any applicable audit requirements in accordance with the Office of Management and Budget Circulars A-133, A-128, and A-110.

The nonprofit project sponsor agency will be responsible for costs associated with an independent audit. As applicable, the audit must be provided to HUD in a timely manner.

B. Grant Administration

Grantees and sponsors are responsible for ensuring that homeless assistance funds are administered in accordance with applicable laws, program regulations and VSHA policies.

C. Performance Reports

An approved sponsor agency must enter into a Sponsor Agreement (SA) with VSHA. This SA will provide VSHA necessary access to the applicant's project for monitoring and evaluation purposes. In addition, the project sponsor agency must provide an Annual Performance Report (APR) for VSHA to file with HUD.

D. Record-keeping

Each grantee and sponsor must ensure that records are maintained for a three-year period after the final expenditure to document compliance with the provisions of the program regulations, and to make them available to HUD upon reasonable advance notice. Grantees are expected to use standard accounting practices in their fiscal recordkeeping.

E. Timely Use of Funds

Grantees and sponsors are expected to utilize McKinney-Vento assistance in a timely manner. The program regulations make clear the standards that grantees will be held to regarding program implementation. Funds must be accessed on a quarterly basis, at minimum. HUD reserves the right to recapture funds not committed within 12-months of grant execution.

G. Homeless Management Information System

Grantees are required to utilize the Homeless Management Information System (HMIS) for data tracking system, approved by the VT BoS CoC, for case management activities.

METHOD OF PROJECT PROPOSAL EVALUATION

Only proposals that are complete, accurate and relevant will be reviewed. The Project Review Committee will complete the review and evaluation process and prepare a priority list of grantees.

The Project Review Committee shall consist of representatives, if possible, from the:

- Vermont Housing Conservation Board (VHCB)
- Vermont Office of Economic Opportunity (VT AHS OEO)
- Vermont Housing & Finance Agency (VHFA)
- Vermont State Housing Authority (VSHA)

Evaluation Factors. Projects will be evaluated to determine if their historical or anticipated performance merits inclusion into the Vermont Balance of State CoC project portfolio. Project proposals that may reduce the overall CoC score may be excluded from the CoC application. Projects will only be included in the submission to HUD if they demonstrate capacity to initiate a new project in a timely and effective manner.

The Project Review Committee will select the awarded project that clearly demonstrates:

New Projects Rating Factors. (100 points total)

1. **Community Need** (40 Points): proposed new project provides a new needed service, and/or is the project proposed for an under-served part of the County and/or State.

2. Project Management Capability/Agency Capacity (40 Points):

- Feasibility (taking into account timing of implementation, availability of other resources, and experience of applicant and potential sponsor agency).
- Successful targeting and outreach to potential participants who meet the HUD definition of homeless and/or chronic homelessness.
- Project and participant performance measures such as: review of existing or potential measurements proposed by project applicant, review of Annual Performance Report (if current HUD CoC sponsor), etc.

3. Local and/or statewide CoC Planning Processes (20 Points): Letters of support, interviews, active involvement in planning meetings, and other evidence of strong partnerships and community participation & support, etc.

Experience of Project Sponsor and/or Partners.

- Briefly and succinctly describe the outreach plan to bring these chronically homeless participants into the project.
- Briefly and succinctly describe experience in assisting participants with accessing of mainstream resources and implementation of Individual Service Plans (ISP).
- Briefly and succinctly describe the sponsor's and/or partner's experience of providing supportive services, housing, serving homeless and/or chronically homeless persons, and carrying-out the activities of the proposed project.
- Briefly and succinctly describe the experience of the sponsor and/or partners in the administration of a Homeless Management Information Systems (HMIS).
- Briefly and succinctly identify and describe the experience of the sponsor agency and/or partners in receiving HUD or other government funding.

OTHER REQUIREMENTS ONLY IF PROPOSAL IS SELECTED

- Copy of IRS 501 (c)(3) Tax Determination Letter, if not previously provided to VSHA.
- Cash Match Commitment Letter of anticipated supportive services over the course of the entire five-year grant period that equals or exceeds the total grant amount.
- Address of Sponsor, Project Site Location(s) and/or Partner Agencies (if different than mailing address).
- Ability and willingness to comply with HUD Environmental Reviews of potential Permanent Housing Bonus Project.
- Letter of Support from local housing/homeless coalition.
- Memorandum of Understanding with partner agency(s), if applicable.

VSHA will provide technical guidance only and will not provide information that may appear to provide an applicant with a competitive advantage.