

Eastern PA CoC (PA-509) CoCBuilds NOFO (PSH NOFO) Request for Proposals

OVERVIEW

- In July 2024, HUD released the CoCBuilds Notice of Funding Opportunity (CoCBuilds NOFO): https://www.hud.gov/program_offices/comm_planning/coc/cocbuilds. This is a first-of-its-kind funding opportunity for new construction, acquisition, or rehabilitation of permanent supportive housing. Through one-time awards under the CoC program, this NOFO will enable communities to develop new units of rental housing with supportive services for people experiencing homelessness.
- HUD is making approximately \$175 million in funding available under this opportunity. Of this amount, \$65 million is set aside for states with populations of fewer than 2.5 million people; Pennsylvania is not eligible for this set aside. HUD expects to make approximately 25 awards nationally.
- Under the CoCBuilds NOFO restrictions, the Eastern PA CoC may apply for one (1) project only.
- The Eastern PA CoC is soliciting applications to develop new units of **Permanent Supportive Housing** (**PSH).** The CoC will select one (1) project to submit to HUD for funding consideration through this opportunity.
 - Permanent supportive housing (PSH) is a type of housing that offers long-term housing assistance and supportive services to help people achieve housing stability. PSH is intended for people or families who are experiencing homelessness where at least one individual in the household has a disability.
 - Proposed development projects may be for single site or multiple site projects.
- The CoC is seeking applicants with strong development experience and experience serving households experiencing homelessness for this opportunity. Applicants may choose to utilize subrecipients to undertake specific parts of the project (e.g., development, property management, service provision, etc.) when applying for this opportunity. The experience of any proposed subrecipients will be evaluated.
- Once a project is selected by the CoC, the CoC will work with the selected applicant to compile an application to HUD for funding. The CoC's application to HUD is due by November 21st. This is a highly competitive funding opportunity. The selected applicant will need to work closely with the CoC to put together a competitive application to submit to HUD for funding consideration. This includes drafting narrative responses and compiling required attachments, such as leveraging commitments.
 - See **Appendix A** of this RFP for a full list of narrative questions that must be submitted to HUD as part of the CoC's application.
- Funding is not guaranteed to the applicant selected through this RFP. Funding will be made available by HUD based on the performance of the CoC in the CoCBuilds NOFO Competition.
- HUD expects to make award announcements in Q1 of 2025 and HUD's expectation is that successful applicants will have site control by summer 2025.
- The full NOFO from HUD can be reviewed here: <u>https://grants.gov/search-results-detail/355516</u>. Click Related Documents to download the CoCBuilds NOFO as a PDF.

APPLICATION MATERIALS

To apply for a new project, please submit an application to the CoC by **5pm on Thursday, October 3rd, 2024.**

Applications should be submitted via Alchemer at the following link:

https://survey.alchemer.com/s3/7975711/East-CoCBuilds

Applicants can download a hard copy of the application for reference here:

https://mcusercontent.com/e1a442ef49ad7761f7575387a/files/a89a31a8-541d-0b4f-c53c-610596cdaf9c/Hard_copy_of_application_Eastern_PA_CoC_CoC_Builds_PSH_NOFO_FOR_REFERENCE.d ocx. Hard copy of the application is provided for reference only. All applications must be submitted electronically via the Alchemer link above.

Applicants will be required to submit a budget using a required template that can be downloaded here: https://mcusercontent.com/e1a442ef49ad7761f7575387a/files/c08c4d5d-688b-4ecf-22d7b2809eec775b/EasternPACoC_CoC_Builds_New_Project_Budget_Form.xlsx.

As part of the application, applicants will be required to submit the following (all documents will be submitted via the Alchemer link):

- Application
- Budget (budget template linked above)
- Evidence of housing leveraging commitment (if applicable)
- Evidence of healthcare/supportive services leveraging commitment (if applicable)

BRIEFING (DELETE THIS SECTION IF NOT APPLICABLE).

The Eastern and Western PA CoCs will host a joint CoCBuilds NOFO RFP Briefing Session on **Tuesday**, **September 10th from 1pm-2:30pm** to provide an overview of this RFP and the application process and to answer questions. Though this briefing is being held jointly, please note that there is a separate RFP for the Eastern and Western PA CoCs for this funding opportunity.

You can join the session by registering at https://zoom.us/meeting/register/tJwrdOugqjwoHdceRMFih5PHGsFaU-2Y4QYE.

TIMELINE

- CoCBuilds RFP released by CoC: August 26, 2024
- Applications Due: by 5:00pm on October 3, 2024
- Applicants Notified of Project Selection: October 21, 2024
- Deadline for CoCs Application to HUD: November 21, 2024

ELIGIBLE APPLICANTS

Eligible applicants include state governments, county governments, city or township governments, special district governments, public housing authorities, Native American tribal governments or tribal

organizations, and nonprofits having a 501(c)(3) status. Note: For-profit entities are not eligible to apply for grants or to be subrecipients of grant funds.

FUNDING DETAILS

- Applicants may request up to **\$7,500,000** for their project.
- Applicants may request a grant term for 2, 3, 4, or 5 years.
- Selected projects will have a 15-year use requirement (<u>24 CFR 578.81(a)</u>)
- Applicants may request funds for the following:
 - o A capital costs budget for new construction, acquisition, or rehabilitation; and
 - A budget for costs for eligible CoC Program activities outside of construction, acquisition, and rehabilitation, which may include:
 - Project-based rental assistance, operating costs, or supportive services. No more than 20% of the project budget may be used for these costs.
 - Related to project-based rental assistance and operating costs, the limitations on use of funds at <u>24 CFR 578.87</u> applies which states that you cannot use rental assistance and operating funds in the same unite or structure.
 - Project administrative costs. No more than 10% of the total project budget (capital costs plus additional eligible costs) may be used for these costs.
- Non-capital costs funds awarded under the CoCBuilds NOFO may be eligible for renewal in the CoC Program Competition. As such, the CoC highly encourages applicants to create a budget that includes funding for eligible CoC Program activities outside of construction, acquisition, and rehabilitation.

ELIGIBLE PARTICIPANTS

Selected projects must serve eligible program participants. Eligible program participants are individuals and families experiencing homelessness where at least one individual in the household has a disability. All participants for the project <u>must</u> be assessed, prioritized, and referred through the CoC's Coordinated Entry System.

MATCH AND LEVERAGE REQUIREMENTS

Match requirements:

- This Program requires cost sharing or matching as described in 24 CFR 578.73, which states that "the recipient or subrecipient must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources."
- Project applicants that intend to use program income as a match must provide an estimate of how much program income will be used for the match.
- More information on CoC Program Match requirements can be found here: <u>https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-match/coc-match-overview/</u>

Leverage:

- The CoC will prioritize projects that can bring leveraged housing and healthcare/supportive services commitments to their projects, as HUD is providing additional points in the CoCBuilds Competition for CoCs that submit projects with leveraged housing and healthcare/supportive services commitments.
- Leveraged housing and healthcare/supportive services commitments are not a requirement to apply for this funding opportunity; however, the CoC strongly encourages applicants to identify housing and healthcare/supportive services leveraging commitments for their proposed project if possible.
- Leveraged resources may be eligible as a source of the Match requirements described above.
- See Rating Factors section below for additional details.

OTHER CONSIDERATIONS

- Selected projects must provide proof of site control prior to execution of the grant agreement and execute the grant agreement with HUD no later than September 1, 2025.
- Selected projects must have a completed environmental review before awarded funds can be drawn down for project activities and must meet the timeliness standards outlined in 24 CFR 578.85 for new construction and rehabilitation activities.
- If the CoC's submitted project is selected for funding, the project applicant will enter into a contract directly with HUD. Grant terms may be two, three, four, or five years. Applicants will select the grant term based on the type of capital costs project submitted and the realistic time frame for completion. Generally, rehabilitation and acquisition time frames are shorter than new construction.
- Adaptive Reuse. Where possible, consider existing vacant structures that were initially designed for use other than housing (e.g., used as office space) if requesting funds for rehabilitation or acquisition where the structure can be cost-effectively restructured to create new PSH units for individuals and families experiencing homelessness.
- Selected applicants are expected to enter into an ongoing partnership with the CoC to support households experiencing homelessness and adhere to CoC and HUD requirements. This includes, but is not limited to, the following requirements:
 - Selected applicants must adhere to the CoC Written Standards when operating their projects. More information here: <u>https://pennsylvaniacoc.org/eastern-pa-coc-policies-and-procedures</u>
 - Selected projects must agree to participate in HMIS. HMIS is the database that CoCs must use to collect client-level data and data on the provision of housing and services to individuals and families at risk of and experiencing homelessness.
 - All participants for the project must be assessed, prioritized, and referred through the CoC's coordinated entry system.

APPLICATION REVIEW AND THRESHOLD REQUIREMENTS

All applications will be reviewed by the CoC Funding Committee based on a scoring rubric utilizing the rating factors outlined below.

The following threshold requirements will be reviewed. Applications that do not meet the below threshold requirements will not be considered for funding:

- Application submitted by an eligible applicant as defined above.
- Prior experience (either applicant or subrecipient) managing projects serving people experiencing homelessness
- Prior experience (either applicant or subrecipient) with at least 2 or more other development projects
- Ability to provide proof of site control prior to execution of the grant agreement and execute the grant agreement with HUD no later than September 1, 2025
- Commitment to comply with all CoC and HUD requirements. This includes a commitment to:
 - Adhere to the CoC Written Standards when operating the project.
 - Participate in HMIS. HMIS is the database that CoCs must use to collect client-level data and data on the provision of housing and services to individuals and families at risk of and experiencing homelessness.
 - Ensure that all participants for the project will be assessed, prioritized, and referred through the CoC's coordinated entry system.

RATING FACTORS

The CoC will evaluate applicants based on the following factors:

- Development Experience and Leveraging
 - \circ $\;$ Applicant experience with other development projects $\;$
 - Maximum points for experience with at least four other projects that have a similar scope and scale as the proposed project
 - Applicant experience leveraging resources similar to the funds being proposed in the current project (e.g., LIHTC, HOME, CDBG, Section 108/202/811)
 - Maximum points for at least 3 examples of prior leveraging experience
 - Availability of low-income housing tax credit commitments, project-based rental assistance, and other resources for this proposed project
 - Description of other funds being used to construct or rehabilitate the property, including details related to site control, environmental review, etc.
- Experience Managing Projects Serving Households Experiencing Homelessness
 - Applicant experience administering programs for households experiencing homelessness where one member of the household has a disability, including:
 - Experience managing properties, including experience with calculating rent, addressing participant complaints, working with other service organizations, and maintaining the property
 - Maximum points for experience with at least 4 properties
 - Description of type and frequency of supportive services that will be available to participants in the proposed project
 - Explanation of how the project will provide transportation for participants (to travel to doctor appts, shopping, etc.). NOTE: HUD wants to ensure that new PSH units are conveniently located near local services and/or participants can access services via public transportation.
- Clear and Realistic Implementation Schedule

- Timeline for new construction, acquisition, rehabilitation (begin and end), including:
 - Proposed schedule for site control, environmental review, execution of grant agreement, state and completion dates, occupancy certificate timeline, date property will be available for households to occupy units
- Property Maintenance Plan
- Experience Managing Rental Housing
 - o Description of the rental housing projects applicant or subrecipient have managed
 - Number of grants for affordable housing awarded over the last three years, including number of assisted and non-assisted units in each property
 - Maximum points will be available for adequately describing management of at least 4 times the number of properties and units proposed in this application.
- Leveraged Housing Resources
 - Maximum points will be provided to any applicants who will leverage non-CoC funded housing resources for the project.
 - Maximum points for project that provides leveraged housing resources for at least 50% of the total amount being requested OR leveraged housing resources for at least 25% of the proposed units. Partial points may be awarded for leveraged housing units that are less than this threshold.
 - Applicant must provide a written commitment of leveraged housing from the housing partner with their application in order to receive points for this rating factor. If selected to apply for the funding, the applicant must work with the CoC to prepare a formal written commitment that meets HUD requirements for leveraged housing written commitment.
- Leveraged Healthcare or Social Services
 - Maximum points will be provided to any applicant who will leverage non-CoC funded healthcare or social services for the project.
 - Maximum points for project that provides leveraged services that are equivalent to at least \$7,500 per unit included in the proposed project. Partial points may be awarded for leveraged housing units that are less than this threshold.
 - Services may include supportive services, home-based and long-term services and supports, primary and medical care, behavioral health, substance use disorder services, treatment and recovery services, or other health or social services.
 - Applicant must provide a written commitment of leveraged healthcare/social services from the healthcare/social services partner with their application in order to receive points. If selected to apply for the funding, the applicant must work with the CoC to prepare a formal written commitment that meets HUD requirements for leveraged healthcare/social services written commitment.
- Experience Promoting Racial Equity
 - Experience soliciting and applying input from underserved groups when designing and implementing housing projects
 - Experience building community partnerships with grassroots and resident-led organizations
 - Experience designing or operating programs that have improved racial equity, particularly among people experiencing homelessness.
- Community Integration for Persons with Disabilities

- Environmental Justice Policy Initiative (Optional)
 - Applicants may choose to propose activities that advance Environmental Justice for people or communities that have been environmentally underserved or overburdened (e.g., low-income and Black and Brown communities). These activities can include:
 - Reducing or mitigating exposure to environmental and health hazards (e.g. industrial facilities, EPA superfund sites, brownfields and legacy pollution, heat islands).
 - Improving protection from and resilience to environmental harms (e.g. fire-resistant materials, floodproofing).
 - Expanding environmental benefits (e.g. clean air and water, public transportation, bike and walking paths, clean energy, green technology, biodiversity).
 - Overcoming prior disinvestment in environmental infrastructure (e.g. drainage systems, green spaces, pollution controls).

NEXT STEPS IF SELECTED

- You will be notified if your project has been selected by **Monday, October 21, 2024**. At that time, you will receive additional information from the CoC related to next steps and timelines.
- The CoC will work with the selected applicant to complete the Rating Factor Narrative Responses (25page max) which will be submitted to HUD with the CoC's application for funding. These narrative responses will be based heavily on the selected applicant's project application submitted to the CoC but may require edits or additional information to submit the most competitive application possible. See **Appendix A** of this RFP for a full list of narrative questions that must be submitted to HUD as part of the CoC's application. If the selected applicant indicated that they would bring leveraged housing or healthcare/social services commitments to their project, the applicant will need to work with the CoC to secure formal written commitments that meet HUD's requirements.
- In addition, the selected applicant will need to work closely with the CoC to complete the Grant Application Detailed Budget Worksheet (HUD-424-CBW), as well as any other required forms/assurances/certifications. <u>https://www.hud.gov/sites/dfiles/OCHCO/documents/424-CBW.xls</u>

QUESTIONS

Please email <u>easterncoc@pennsylvaniacoc.org</u> with questions related to this RFP.

Appendix A Rating Factor Narrative Questions

Below is a list of rating factor narrative questions related to the experience required by HUD as part of the application package that the CoC must submit to HUD with the CoCBuilds application – these questions directly relate to the experience of the applicant/developer/subrecipient and/or the proposed project plan. Upon selection by the CoC, the selected applicant must work with the CoC to compile strong and responsive narratives for each of the questions below. Narrative responses should reflect applicable applicant, developer, and relevant subrecipient(s) experience. If your project will have different entities playing different roles (e.g., applicant and developer and subrecipients each playing a distinct role), responses to the narrative questions below must make clear which entity you are describing in which section as it relates to experience.

HUD will evaluate CoC applications on a 100-point scale. Point values for each section are indicated below. 25 Pages maximum length for all narratives. Double spaced 12-point (minimum) Times Roman font on letter sized paper (8 1/2 x 11 inches) with at least 1-inch margins on all sides.

• Development Experience and Leveraging (Maximum 5 pages) – 24 points

- a) Demonstrate that the applicant, developer, and/or relevant subrecipients have experience with at least four other projects that have a similar scope and scale as the proposed project. (up to 8 points)
- b) Demonstrate that the applicant, developer, and relevant subrecipients have experience leveraging resources substantially similar to the funds being proposed in the current project. HUD will evaluate up to 3 examples of prior leveraging experience for up to the five largest (by dollar value being contributed to the project) resources being leveraged for the proposed project. Examples of resources that will be considered include Low Income Housing Tax Credits, HOME, CDBG, Section 108, Section 202, and Section 811. (up to 8 points)
- c) Provide information regarding the availability of low-income housing tax credit commitments, project-based rental assistance, and other resources dedicated to the proposed project. Describe the dollar value of each of these commitments and describe the overall cost of the project, including the estimated cost per unit. In cases where the project includes more than one type of housing (e.g. townhouses and apartments), or has multiple sites, provide cost per unit information on each site or housing type to the extent possible. (up to 8 points)
- d) If there are current properties under construction or rehabilitation where CoCBuilds funds could be used to obtain units, in addition to the bulleted items above, provide:
 - the amount and type of funds being used to construct the property;
 - evidence of site control;
 - evidence of completed and approved environmental review;
 - identify the owner of the property and their experience with constructing or rehabilitation;
 - and the number of units that will be finished using CoCBuilds funds.

• Managing Homeless Projects (Maximum 4 pages) – 12 points

Demonstrate that your organization and that your proposed subrecipients have experience administering programs for individuals and families experiencing homelessness where one member of the household has a disability. Your response should include:

- a) Experience managing at least 4 properties that at a minimum includes how you determine the amount of rent to charge based on unit size, addressing program participant complaints, working with other service organizations that may place program participants in the units, and maintaining the properties. (Up to 8 points)
- b) Type and frequency of supportive services that will be available to program participants (e.g., case management, life skills, health care). See 24 CFR part 578.53 for full list of CoC Program eligible supportive services. State whether your organization or another organization will provide supportive services. If other organizations will provide some or all of the supportive services, provide the organization(s) name, address, email address, and phone number. If your organization will provide direct supportive services with CoCBuilds funds, you must complete the Supportive Services Budget. (Up to 3 points)
- c) Providing transportation for program participants. Describe the methods of transportation that will be available for program participants to travel to doctor appointments, recreation, public services (e.g., post office, library), shopping, other services, etc. If public transportation is available, indicate the hours of operation and the distance from the units. (1 point)

• Implementation Schedule (Maximum 2 pages) – 12 points

Complete an implementation schedule based on the proposed CoCBuilds project. Response should include:

- a) Based on the type of capital cost requested, provide:
 - New construction date construction will begin and end, and date property will be available for move-in
 - Acquisition date property will be acquired
 - Rehabilitation dates rehabilitation of the property will begin and end
- Provide the proposed schedule for the following activities:
 - site control, indicate if the property has already been identified;
 - environmental review completion;
 - execution of grant agreement;
 - start and completion dates:
 - anticipated date the jurisdiction will issue the
 - occupancy certificate;
 - date property will be available for individuals and families experiencing homelessness to begin occupying units.

HUD will evaluate the implementation schedule and provide up to 4 points based on whether the development schedule is complete and has all necessary elements, up to 4 points depending on likelihood

that development milestones will be met, and up to 4 points based on the likelihood that the project will be ready for occupancy within 36 months of award.

• Property Maintenance Plan (Maximum 2 pages)

Demonstrate how you will ensure the property is maintained annually to prevent unnecessary costly repairs. Your description must include:

- How the property will be maintained annually and needed repairs are conducted (e.g., checking for roof leaks, routine maintenance for heating and cooling). Identify the source of funds that will be used and whether there will be a reserve fund established specifically for maintenance and repair of proposed units.
- Demonstrate how the project will be able to cover replacement costs (e.g., replacing broken or damaged appliances, major equipment). Indicate if there will be funds provided from other sources and what those sources will be.
- Unmet Housing Need (Maximum 1 page) 7 points

NOTE: The CoC will be able to provide information for this section, in partnership with the selected applicant, as the CoC can use data to identify the demand for PSH in the proposed geography.

Describe the population that will be served by the project and the level of unmet need for new units of permanent supportive housing in your area for that population. Using the PIT Count and HIC information, estimate the gap between the number of units of permanent supportive housing available and the number of homeless individuals and families experiencing homelessness where at least one household member has a disability. Maximum points will be awarded for applicants that demonstrate that there are fewer than 50 PSH beds available in a given year for each 100 people in the population that is proposed to be served. (Up to 7 points)

- Management of Rental Housing (Maximum 2 pages) 10 points
 - Describe the rental housing projects you or your subrecipient have managed. If you have or will partner with other organization(s) within the CoC to manage a property(s), provide the organization's information, type of program participants assisted, and experience.
 - Include the number of grants for affordable housing awarded over the last three years, total amount of awards, and the type of subsidy funding or financing provided for housing.
 - Specify the number of assisted and non-assisted units in each property you list.

Maximum points will be available for adequately describing management of at least 4 times the number of properties and units proposed in this application.

• Coordinated Entry (Maximum 2 pages) – 3 points

NOTE: The CoC will be able to provide information for this section, in partnership with the selected applicant.

Demonstrate how the project will use the CoC's coordinated entry process, or in the case of victim service providers, another coordinated entry process that meets HUD's minimum requirements, to refer individuals and families experiencing homelessness in the new PH-PSH units. The response must include the coordinated entry process implemented and how program participants will be placed in the project.

• Coordination with Housing Providers, Healthcare Organizations, and Social Service Providers (Maximum 2 pages) – 10 points

• Demonstrate either that:

• the project is leveraging non-CoC funded housing resources through coordination with housing providers, healthcare organizations, and social service providers for new construction, acquisition, and rehabilitation to provide at least 50 percent of the amount being requested in the application, or

• the project is leveraging non-CoC funded housing resources to provide subsidies for at least 25 percent of the units that are proposed in the application.

You must attach letters of commitment, contracts, or other formal written documents that demonstrate the percentage of subsidies or number of units being provided to support the project. (5 points)

• Demonstrate through written commitment from a healthcare organization, housing provider, and/or social service provider:

• Access to housing resources (e.g., supportive services, home-based and long-term services and supports, primary and medical care, behavioral health, substance use disorder treatment and recovery, and other services); or

• The value of assistance being provided is at least an amount that is equivalent to at least \$7,500 per unit included in the proposed project.

Acceptable forms of commitment are formal written agreements and must include:

- value of the commitment, and
- dates the housing and resources will be provided.

In-kind resources must be valued at the local rates consistent with the amount paid for services not supported by grant funds. (5 points)

• Experience Promoting Racial Equity (Maximum 4 pages) – 8 points

Describe:

- Experience soliciting, obtaining, and applying input from underserved groups when designing, planning, and implementing housing projects
- Experience building community partnerships with grassroots and resident-led organizations that provide housing, health care, and supportive services.
- Experience designing or operating programs that have improved racial equity, particularly among people experiencing homelessness.

• Community Integration for Persons with Disabilities (Maximum 2 pages) – 7 points

Demonstrate how permanent supportive housing will enable program participants to make meaningful choices about housing, health care, and long-term services and supports that will allow them to fully participate in the community. The response should include how the PSH units will ensure non-segregation of individuals and families experiencing homelessness where at least one household member has a disability. Additionally, the response should state whether the PSH units will be part of mixed-use development, meaning individuals and families that will reside in the units are not all disabled.

Section 3 Requirement (Maximum 1 page) – 2 points

Describe the actions that will be taken to comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) and HUD's implementing rules at 24 CFR part 75 to provide employment and training opportunities for low- and very low-income persons, as well as contracting and other economic opportunities for business that provide economic opportunities to low- and very lowincome persons.

• Environmental Justice Policy Initiative (must be addressed within the 25-page max) – 2 points

Applicants may choose to provide additional information if the applicant will be proposed activities that advance Environmental Justice for people or communities that have been environmentally underserved or overburdened (e.g., low-income and Black and Brown communities). Activities to promote environmental justice will be worth additional bonus points. If you voluntarily choose to address a policy initiative in your application, you will be required to adhere to the information submitted with your application should you receive an award.

These activities can include:

- Reducing or mitigating exposure to environmental and health hazards (e.g. industrial facilities, EPA superfund sites, brownfields and legacy pollution, heat islands).
- Improving protection from and resilience to environmental harms (e.g. fire-resistant materials, floodproofing).
- Expanding environmental benefits (e.g. clean air and water, public transportation, bike and walking paths, clean energy, green technology, biodiversity).
- Overcoming prior disinvestment in environmental infrastructure (e.g. drainage systems, green spaces, pollution controls).