



**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES
HOMELESS SERVICES DIVISION**

2013

**REQUEST FOR PROPOSALS
(RFP)**



CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES
HOMELESS SERVICES DIVISION
REQUEST FOR PROPOSALS

The City of St. Louis, Department of Human Services is issuing a Request For Proposals (RFP) for the following U. S. Department of Housing and Urban Development (HUD) programs:

- 2009 Supportive Housing Program (SHP) – Permanent Supportive Housing
- 2011 Supportive Housing Program (SHP) – Permanent Supportive Housing
- 2012 Continuum of Care (COC) – Permanent Supportive Housing
- 2013 Continuum of Care (COC) – Permanent Supportive Housing
- 2014 Emergency Solutions Grant (ESG) – Emergency Shelter (Winter Overflow)

CoC (formerly SHP): ALL current sub-recipients must complete an application to apply for renewal funding. Anyone seeking funding for a new program must also submit an application. DHS will also accept applications for 3 existing Permanent Supportive Housing (PSH) programs that are currently being operated by local non-profit organizations:

1. St. Vincent DePaul's Project MORE (35 Units) Award Amount - \$289,872
2. St. Vincent DePaul's Project PLUS (35 Units) Award Amount - \$406,699
3. Catholic Family Services' Places for Fathers PLUS (27 Units) Award Amount - \$336,951

ESG: Current ESG sub-recipients are not required to complete an application for 2014 funding. Your agency will be contacted by a staff person from DHS to discuss the renewal process and the required contract amendment for 2013. DHS received a significant decrease in ESG funding for 2013; therefore, contract amendments are required. DHS has taken action to minimize the impact on the sub-recipients. All sub-recipients can expect a decrease in funding for 2014 ESG funds.

Beginning Monday, July 8, 2013, RFP packets will be available via pick-up at the Homeless Services Division or at the following website:

<http://www.stlouis-mo.gov/government/departments/human-services/homeless-services/index.cfm>

All questions should be referred to:

Antoinette D. Triplett, MA
Homeless Services Division
1520 Market Street, Suite 4062
St. Louis MO 63103
Voice: 314-657-1704
Fax: 314-612-5939
triplett@stlouis-mo.gov

Proposals must be returned to the above address by 4:00 p.m. Friday, August 9, 2013. Proposals received after the aforementioned date and time will not be accepted.

The City of St. Louis reserves the right to reject and/or negotiate any and all proposals. Funding for this program is subject to appropriations from federal and state agencies.

BACKGROUND

The Department of Human Services funds agencies based on comprehensive and collaborative service delivery systems that enhance the quality of life for citizens of the City of St. Louis. As it exists today, the Department of Human Services responsibilities include funding and programming for the St. Louis Area Agency on Aging, Homeless Services, Office on the Disabled, Youth & Family Services and Veterans Affairs.

The Homeless Services Division facilitates the local St. Louis Continuum of Care (CoC). Our strategy represents maximum participation of community-wide organizations and providers to meet the full spectrum of need of homeless individuals and families as well as to identify gaps and priorities in the provision of services to homeless persons. The CoC identifies, coordinates and evaluates the needs of homeless persons and then provides linkages to emergency shelter and community services. Nearly, 70 agencies participate in developing our Continuum of Care strategy each year which involves a comprehensive, integrated approach to the delivery of services to homeless populations.

The local Continuum of Care strategy designed around 3 basic goals; 1) to help program participants obtain and remain in permanent housing, 2) to help participants increase skills and income thereby allowing participants to secure an income to live as independently as possible and 3) to help the participants achieve greater self-determination. Achieving a greater sense of self-determination enables the participants to gain needed confidence to make the transition out of homelessness.



ALL DOCUMENTS MUST BE INCLUDED TO BE CONSIDERED FOR FUNDING

Proposal will be funded based on the following:

- Applicant is an active member of the St. Louis City Continuum of Care (attended at least 6 COC meetings, including committee meetings)
- Programs not supplemented (matched) by Continuum of Care, Emergency Solutions Grants, Supportive Housing Programs, Shelter Plus Care Programs
- The applicant's experience in providing similar services, the length and type of experience it has working with the homeless and the quality of the program/services it provides
- The applicant's ability to adequately describe and address those requirements set out in the RFP
- The extent to which the proposed project fills a gap in the community's Continuum of Care and addresses a priority issue
- The efforts by the applicant to address the needs of the homeless through community collaborations and partnerships
- The degree to which performance measures relate to attainable outcomes
- Organizational experience and experience level of key staff
- The extent to which applicant leverages resources
- Participation by homeless populations in decision-making and project operations
- Whether this is a renewal project
- Past performances of programs and agencies previously funded by the Department of Human Services

**City of St. Louis
2013 REQUEST FOR PROPOSALS (RFP)
Application**

1. Name of Applicant: _____
2. Name of Program: _____
3. Program Address: _____
4. Phone: _____ Fax: _____ E-mail: _____
5. Contact Person & Title: _____

6. **SELECT ONLY ONE CATEGORY TO APPLY FOR FUNDING.** An agency may request funds from multiple funding sources and from multiple categories; however the agency **MUST** complete a separate application for each category. To select a category, double click on the box, under the default value, select "checked".

Is the request for new funding or renewal funding

Continuum of Care (COC): (Includes funding formerly utilized by SVDP Project PLUS and Catholic Family Services Places for Fathers PLUS)

- Permanent Housing
- Transitional Housing
- Supportive Services Only
- Homeless Management Information Systems

Supportive Housing Program (SHP): (Includes funding formerly utilized by SVDP Project MORE)

- Permanent Support Housing

Emergency Solutions Grant (ESG): Winter Overflow Shelter

- Street Outreach
- Emergency Shelter

7. Target Population:

- | | | | |
|--|---|--|---|
| <input type="checkbox"/> Single Men | <input type="checkbox"/> Women w/ children | <input type="checkbox"/> Veterans | <input type="checkbox"/> Youth |
| <input type="checkbox"/> Single Women | <input type="checkbox"/> Battered Spouse | <input type="checkbox"/> Physically Disabled | <input type="checkbox"/> Drug Dependent |
| <input type="checkbox"/> Families | <input type="checkbox"/> Alcohol Dependent | <input type="checkbox"/> Elderly | <input type="checkbox"/> Developmentally Disabled |
| <input type="checkbox"/> Teenage Mothers | <input type="checkbox"/> Chronically Mentally Ill | <input type="checkbox"/> Persons with HIV/AIDS | <input type="checkbox"/> Other |

8. Housing:

- | | | | |
|--|--|--|--------------------------------|
| <input type="checkbox"/> Barracks | <input type="checkbox"/> Scattered Site Apartments | <input type="checkbox"/> Single Room Occupancy | |
| <input type="checkbox"/> Group/Large House | <input type="checkbox"/> Detached House | <input type="checkbox"/> On-site Apartments | <input type="checkbox"/> Other |

9. Requested amount reflects: _____ % of the program/project budget of \$ _____
Requested amount reflects: _____ % of the total agency's budget of \$ _____
Is this program/project currently in existence? Yes How many years? _____ No
Annual amount of funds received from other City Department/Agencies? \$ _____

ALL DOCUMENTS MUST BE INCLUDED TO BE CONSIDERED FOR FUNDING

All proposals submitted to the Department of Human Services must include the following items:

<p><u>Project Proposal</u> not to exceed 6 pages:</p> <ul style="list-style-type: none">• Narrative• Client Population• Organizational Capacity and Experience• Service Plan• Participant Tracking & Reporting	<p><u>Required attachment, not included in page limit:</u></p> <ul style="list-style-type: none">• Evidence of 501 (c) 3 status• Organizational Chart• Current List of the Board of Directors• Federal Form 990• Job Descriptions• Detailed Budget• Letter of support from the Alderman/woman
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Narrative:

The narrative should provide an overview of the proposed project. It should provide sufficient information to understand the scope of the project, the clients to be served and the cost of the proposed activities.

Client Population:

The proposal should clearly identify and describe the characteristics and needs of the clients to be served by the project.

Organizational Capacity and Experience:

The applicant should demonstrate a history of assessing the needs of and providing services to low-income individuals who are homeless, formerly homeless or at risk of becoming homeless. The applicant should provide outcome data from similar programs operated by the organization that shows the effects of the services provided. The applicant should verify established working relationships with other organizations in the community to ensure a network of services to meet the described needs of the participants.

Service Plan:

This section should show that the applicant provides a progression of services for each program participant based on individualized assessments. The plan should include services that meet the ability and needs of the participants. It should include case management that matches services and needs, tracks clients' progress and maintains program data for reporting. It should explain how services will be identified, how individual plans will be developed and implemented, how the case management enables that to occur.

Participant Tracking and Reporting:

This section should describe a monitoring system that will enable: a) tracking participants through the progression of services being provided, b) assessing individual progress toward personal goals, c) evaluating the effectiveness of the services delivered and the effectiveness of the project toward achieving programs goals and d) reporting data on client characteristics, use of services and expenditures to the funding agency.

Job Descriptions/ Resume:

A job description and a resume are required for positions for which an applicant is requesting funding. All applicants must include the resume of key personnel (executive director, program director, case manager,)

Detailed Budget

The budget should be explained and justified in the proposal. Costs should be reasonable for the services to be provided and the number of persons to be served. The services budgeted should reflect the needs of clients. SHP (Safe Havens, Transitional Housing, Permanent Supportive Housing) budgets should include 3 years. All others are 1 year budgets.

2013 BUDGET

Sample Budget

	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Total	Total
Operating Costs	Request	Match	Request	Match	Request	Match	Request	Match
1. Maintenance/Repair-Maintenance Engineer								
(salary,% time, fringe benefits)	\$13,800						\$13,800	
Quantity: \$40,000/annually x .20 x 1.15 fringe benefits x 2 years = \$18,400								
		\$12,600						\$12,600
2. Transportation/Mileage								
22,909 miles @ 0.55								
3. Utilities								
Quantity: electric = \$950/month; gas = \$800/month; water = \$2750/3 months	\$24,000						\$24,000	
Sub-Total	\$37,800	\$12,600					\$37,800	\$12,600
Program Total	\$50,400		\$0		\$0		\$50,400	

	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Total	Total
Supportive Services Costs	Request	Match	Request	Match	Request	Match	Request	Match
1. Education & Instruction-job training								
Quantity: 20 slots per year	\$40,000		\$40,000		\$40,000		\$120,000	
2. Transportation								
Quantity: 1 Fifteen Passenger Van @ \$37,500								
SS Van Driver .5 FTE @ \$20,000/annual x 3	\$46,000		\$16,000		\$16,000		\$78,000	
years = \$60,000								
3. Case Manager								
Salary & Benefits @ \$21,500		\$21,500		\$21,500		\$21,500		\$64,500
Sub-Total	\$86,000	\$21,500	\$56,000	\$21,500	\$56,000	\$21,500	\$198,000	\$64,500
Program Total	\$107,500		\$77,500		\$77,500		\$262,500	

2013 BUDGET

Agency: _____

Prepared By: _____ Date: _____

	Year 1 Request	Year 1 Match	Year 2 Request	Year 2 Match	Year 3 Request	Year 3 Match	Total Request	Total Match
COC:								
Acquisition/Rehabilitation/Construction								
Leasing								
Rental Assistance								
Supportive Services								
Operating Services								
HMIS								
Administrative								
ESG:								
Emergency Shelter								
Rapid Re-Housing								
Homeless Prevention								
Street Outreach								
Data Collection								
Sub-Total								
Program Total	\$0		\$0		\$0		\$0	

This section contains information specifically for
COC funding.

COC
Continuum of Care

The CoC Program is designed to assist individuals (including unaccompanied youth) and families experiencing homelessness and to provide the services needed to help such individuals move into transitional and permanent housing, with the goal of long-term stability. More broadly, the CoC Program is designed to promote community-wide planning and strategic use of resources to address homelessness; improve coordination and integration with mainstream resources and other programs targeted to people experiencing homelessness; improve data collection and performance measurement; and allow each community to tailor its programs to the particular strengths and challenges in assisting homeless individuals and families within that community.

Eligible Applicants

Under the [CoC Program interim rule](#), eligible applicants consist of nonprofit organizations, State and local governments, instrumentalities of local governments, and public housing agencies. An eligible applicant must be designated by the Continuum of Care to submit an application to HUD for grant funds. The Continuum's designation must state whether the Continuum is designating more than one applicant to apply for funds, and if it is, which applicant is being designated as the Collaborative Applicant. A Continuum of Care that is designating only one applicant for funds must designate that applicant to be the Collaborative Applicant. For-profit entities are not eligible to apply for grants or to be subrecipients of grant funds.

Program Components

The CoC Program interim rule provides that Continuum of Care Program funds may be used for projects under five program components: permanent housing, transitional housing, supportive services only, HMIS, and, in some cases, homelessness prevention. Administrative costs are eligible under all components. Where possible, the components set forth in the Continuum of Care Program are consistent with the components allowable under the Emergency Solutions Grants program. This eases the administrative burden on recipients of both programs and ensures that reporting requirements and data quality benchmarks are consistently established and applied to like projects. One significant distinction between the Emergency Solutions Grants Program and the CoC Program can be found in the eligible activities and administration requirements for assistance provided under the rapid re-housing component in this interim rule.

The five program components that can be funded through the CoC Program are listed below.

Permanent Housing

Permanent housing (PH) is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. Under PH, a program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Further, leases (or subleases) must be renewable for a minimum term of one month. The CoC Program funds two types of permanent housing: permanent supportive housing (PSH) for persons with disabilities and rapid re-housing. Permanent supportive housing is permanent housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability. Rapid re-housing (RRH) emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into permanent housing.

Transitional Housing

Transitional housing (TH) is designed to provide homeless individuals and families with the interim stability and support to successfully move to and maintain permanent housing. Transitional housing may be used to cover the costs of up to 24 months of housing with accompanying supportive services. Program participants must have a lease (or sublease) or occupancy agreement in place when residing in transitional housing. The provisions of the CoC Program's TH program component have not changed significantly from the TH provisions under SHP.

Supportive Services Only

The supportive services only (SSO) program component allows recipients and subrecipients to provide services to homeless individuals and families not residing in housing operated by the recipient. SSO recipients and subrecipients may use the funds to conduct outreach to sheltered and unsheltered homeless persons and families, link clients with housing or other necessary services, and provide ongoing support. SSO projects may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered. Projects may be operated independent of a building (e.g., street outreach) and in a variety of community-based settings, including in homeless programs operated by other agencies.

Homeless Management Information System

Funds under this component may be used only by Homeless Management Information System (HMIS) leads for leasing a structure in which the HMIS operates, for operating the structure in which the HMIS is housed, and/or for covering other costs related to establishing, operating, and customizing a CoC's HMIS. Other recipients and subrecipients may not apply for funds under the HMIS program component, but may include costs associated with contributing data to the CoC's HMIS within their project under another program component (PH, TH, SSO, or HP).

Homelessness Prevention

Recipients and subrecipients located in HUD-designated High Performing Communities (HPCs) may use CoC Program funds for homelessness prevention assistance for individuals and families at risk of homelessness. The services under this component may include housing relocation and stabilization services as well as short- and medium-term rental assistance to prevent an individual or family from becoming homeless. Through this component, recipients and subrecipients may help individuals and families at-risk of homelessness to maintain their existing housing or transition to new permanent housing. Homelessness prevention must be administered in accordance with 24 CFR part 576.

Other Components

Safe Havens

The Safe Haven program component is no longer eligible under the CoC Program. No **new** Safe Haven projects will be funded, but the CoC Program interim rule explicitly states that all projects eligible under the McKinney-Vento Act before passage of the HEARTH Act, including Safe Havens, may be renewed in to continue ongoing leasing, operations, supportive services, rental assistance, HMIS operation, and administrative functions beyond the initial funding period. The annual CoC Program NOFA will provide additional details.

Section 8 Moderate Rehabilitation SRO

The Section 8 Moderate Rehabilitation SRO Program component is no longer eligible under the CoC Program. No **new** SRO projects will be funded. Current SRO projects will continue to be renewed under the Multifamily Assisted Housing Reform and Affordability Act of 1997.

Eligible Costs

The CoC Program interim rule sets forth the costs eligible for each program component in § 578.37(a). Not all costs are eligible in each program component, and in some cases, certain costs cannot be combined in a single unit or structure. The eligible costs for contributing data to the HMIS designated by the Continuum of Care are also eligible under all components. The eligible costs are summarized below.

Acquisition

Acquisition of real property is an eligible cost category under the PH, TH, and SSO program components. Grant funds may be used for up to 100 percent of the cost of purchasing property for the purpose of providing permanent housing, transitional housing, and supportive services only activities.

Rehabilitation

Rehabilitation of structures is an eligible cost category under the PH, TH, and SSO program components. Eligible rehabilitation costs include installing cost-saving energy measures and bringing a structure up to health and safety standards. Rehabilitation on leased properties is ineligible.

New Construction

New construction of structures is eligible under the PH and TH program components. New construction may include building entirely new facilities, constructing an addition to an existing structure that increases the floor area by 100 percent or more, and the cost of land for construction. Projects must demonstrate that construction is more cost-effective than rehabilitation. Unlike the previous regulations, the CoC Program interim rule establishes no maximum grant limits for rehabilitation or new construction. CoC Program funds may be used for up to 100 percent of costs as long as the match requirement is met through other resources. New construction on leased properties is ineligible.

Leasing Costs

Leasing is an eligible cost category under the PH, TH, SSO, and HMIS program components. Funds may be used to lease individual units or all or part of structures. Rents must be reasonable and, in the case of individual units, the rent paid may not exceed HUD-determined Fair Market Rents. Leasing funds may not be used for units or structures owned by the recipient, subrecipient, their parent organization(s), any other related organization(s), or organizations that are members of a partnership where the partnership owns the structure without a HUD-authorized exception. When leasing funds are used to pay rent on units, the lease must be between the recipient or the subrecipient and the landowner, with a sublease or occupancy agreement with the program participant. The recipient may, but is not required to, charge the program participant an occupancy charge, consistent with the parameters specified in the interim rule.

Rental Assistance Costs

Rental assistance is an eligible cost category under the PH and TH program components and may be tenant-based (TBRA), sponsor-based (SBRA), or project-based (PBRA), depending upon the component type.

Rental assistance may be short-term for up to 3 months; medium-term for 3 to 24 months; or long-term for more than 24 months. The length of assistance depends upon the component type under which the cost is funded. Recipients must serve as many program participants as identified in their funding application to HUD, but, if the amount reserved for the term of the grant exceeds the amount needed to pay actual costs, the excess funds may be used to cover property damage, rent increases, or the rental needs of a greater number of program participants.

- **TBRA.** Program participants select any appropriately sized unit within the CoC's geographic area, although recipients or subrecipients may restrict the location under certain circumstances to ensure the availability of the appropriate supportive services. Except for victims of domestic violence, program participants may not retain their rental assistance if they relocate to a unit outside the CoC's geographic area.
- **SBRA.** Program participants must reside in housing owned or leased by a sponsor organization and arranged through a contract between the recipient and the sponsor organization.
- **PBRA.** Program participants must reside in housing provided through a contract with the owner of an existing structure whereby the owner agrees to lease subsidized units to program participants. Program participants may not retain their rental assistance if they relocate to a unit outside the project.

When rental assistance funds are used to pay rent on units, the lease must be between the program participant and the landowner. Each program participant, on whose behalf rental assistance payments are made, must pay a contribution toward rent consistent with the requirements of the interim rule.

Supportive Services Costs

Supportive services are eligible costs under the PH, TH, and SSO program components. The CoC Program interim rule specifies all eligible services and clarifies that any cost not listed in the rule is ineligible. As in the past, services must be offered to residents of PSH and TH for the full period of their residence. RRH programs must require program participants to meet with a case manager at least monthly.

Services may be provided to formerly homeless individuals for up to six months after their exit from homelessness, including the six months following exit from a transitional housing project. Recipients and subrecipients are required to perform an annual assessment of the service needs of their program participants and to adjust services accordingly. Eligible costs include the cost of providing services, the salary and benefits of staff providing services, and materials and supplies used in providing services.

Operating Costs

Operating costs are eligible under the PH, TH, and HMIS program components. Funds may be used to pay the day-to-day operating costs in a single structure or individual housing units, including maintenance (such as scheduled replacement of major systems), repair, building security (when CoC Program funds pay for more than 50 percent of the facility by unit or area), electricity, gas, water, furniture, equipment, property insurance, and taxes. These costs may not be combined with rental assistance costs within the same unit or structure, and operating costs are not eligible under the SSO program component.

HMIS Costs

Costs related to contributing client data to or maintaining data in the CoC's HMIS or a comparable database for victim services providers or legal services providers are eligible costs under the PH, TH, SSO, and HMIS program components. Eligible HMIS costs include hardware, equipment and software costs; training and overhead; and staffing costs associated with contributing data to the HMIS designated by the CoC for its geographic area.

Project Administration

Recipients and subrecipients may use up to 10 percent of any grant, excluding the amount for CoC planning and Unified Funding Agency (UFA) costs, established through the CoC Program NOFA for project administrative costs. These costs include expenses related to the overall administration of the grant (24 CFR part 578.59), such as management, coordination, monitoring, and evaluation activities and environmental review.

This section contains information specifically for
SHP funding.

SHP
Supportive Housing Program

Supportive Housing Program (SHP) is authorized by Title IV, Subtitle C, of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11381-11389) of 1987, as amended. It is designed to promote, as part of a local Continuum of Care strategy, the development of supportive housing and supportive services to assist homeless persons in the transition from homelessness and to enable them to live as independently as possible. SHP is designed to move homeless persons from streets and shelters to permanent housing and maximum self-sufficiency. A person must be homeless in order to receive assistance under SHP.

The Supportive Housing Program (SHP) component being considered in this RFP to help people achieve independence is as follows:

Safe Havens

Safe Haven projects must meet the following criteria: (1) have no limit on length of stay; (2) serve hard-to-reach homeless persons who have severe mental illness, are on the streets, and have been unable or unwilling to participate in supportive services; (3) provide 24-hour services; (4) provide private or semiprivate accommodations; and (5) have overnight occupancy limited to 25 persons. A safe haven may also provide supportive services to eligible persons who are not residents, on a drop-in basis. A Safe Haven project that has the characteristics of the SHP/Permanent Housing component and requires participants to execute a lease agreement may now be classified as permanent supportive housing. For many persons with mental illness who have been living on the streets, the transition to self-sufficiency is best made in stages, starting with a small, highly supportive environment where an individual can feel at ease, out of danger, and subject to no immediate service demands. Safe Havens do not require participation in services and referrals as a condition of occupancy. Rather, it is hoped that after a period of stabilization in a safe haven, residents will be more willing to participate in services and referrals, and will eventually be ready to move to more traditional forms of housing. Safe Havens can serve as an entry point to the service system and provide access to basic services such as food, clothing, bathing facilities, telephones, storage space, and mailing addresses.

Transitional housing

Transitional housing (TH) is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. Basically, it is housing in which homeless persons may receive supportive services that enable them to live more independently. The supportive services may be provided by the organization managing the housing or coordinated by them and provided by other public or private agencies. Transitional housing can be provided in one structure or several structures, at one site or in multiple structures at scattered sites.

Homeless individuals and families may reside in transitional housing for up to 24 months. However, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living, they remain for a period longer than 24 months. Assistance may be discontinued for a transitional housing project if more than half of the homeless persons remain in the project longer than 24 months.

Transitional housing residents who move to permanent housing are no longer considered homeless as defined by HUD, and therefore are not eligible to receive further services. However, projects may continue to provide SHP-funded case management services to these participants for a six-month follow-up period.

Permanent Supportive Housing for Persons with Disabilities

Permanent Supportive Housing for Persons with Disabilities is long-term housing for this population. Basically, it is community-based housing and supportive services, designed to enable homeless persons with disabilities to live as independently as possible in a permanent setting. Permanent housing can be provided in one structure or several structures at one site or in multiple structures at scattered sites.

ELIGIBLE ACTIVITIES

Funds may be used for one or more of the following seven activities: acquisition, rehabilitation, new construction, leasing, supportive services, operating costs and administrative costs.

Acquisition

Applicants may propose to purchase property, which will be used to provide permanent supportive housing with supportive services for homeless disabled persons. SHP grants for acquisition may be used to pay a portion of the costs of purchasing a structure, which will be used to provide permanent supportive housing with supportive services for homeless disabled persons, as long as that property has not previously been used as supportive housing or for supportive services. SHP acquisition grants may also be used for the repayment of outstanding debt on a loan (a current mortgage on a property, but not for periodic mortgage payments) made to purchase a structure as long as that property has not been previously used for supportive housing or supportive services.

In each project, the SHP grant for acquisition is limited to between \$200,000 and \$400,000, per structure, depending on whether the project is in a high cost area. A high cost area is a locality that HUD has determined to have high acquisition, rehabilitation and new construction costs. Contact the HUD Field Offices for the limit applicable to a given locality.

Match requirement for acquisition:

Grantees must match funds for acquisition with equal or greater funding amounts from other sources. They may use up to \$200,000 for acquisition of structures (up to \$400,000 in designated high-cost areas). Projects receiving SHP grants for acquisition must be operated for not less than 20 years for the purpose specified in the application.

Rehabilitation

SHP grants may also be used to pay part of the cost of rehabilitating a building so that it may be used to provide permanent supportive housing with supportive services for homeless disabled persons. In addition to an existing building, the addition of cost effective energy measures, and the costs of repairs necessary to bring an existing structure up to housing code regulations are rehabilitation costs which may also be partially funded with SHP grants.

Match requirement for rehabilitation:

Grantees must match funds for rehabilitation with equal or greater funding amounts from other sources. They may use up to \$200,000 for rehabilitation of structures (up to \$400,000 in designated high-cost areas).

Projects receiving SHP grants for rehabilitation must be operated for not less than 20 years for the purpose specified in the application.

New Construction

Proposals to build structures in which homeless persons will reside are also funded under the Supportive Housing Program. SHP grants may be used to pay part of the cost of constructing a facility for permanent supportive housing with supportive services for homeless disabled persons. It may include the cost of the land upon which the structure will be built.

If grant funds are to be used for new construction, the applicant must demonstrate that the costs associated with new construction are substantially less than the costs associated with rehabilitation or that there is a lack of available units that could be rehabilitated at a cost less than new construction. (Demolition costs are not eligible under SHP.)

Match requirement for new construction:

Grantees must match funds for new construction with equal or greater funding amounts from other sources. Grants for new construction are limited to \$400,000 per structure (regardless of where the project is located). If the applicant is also acquiring land in tandem with the new construction, the \$400,000 limit applies to both activities together. Therefore, an applicant would not apply for a new construction grant and a separate grant to acquire the land, but rather new construction to cover both the land and the structure.

Projects receiving SHP grants for new construction must be operated for not less than 20 years for the purpose specified in the application.

Leasing

Leasing a building so that it may be used for permanent supportive housing with supportive services for homeless disabled persons, or to pay rent for individual units to be used for permanent supportive housing with supportive services for homeless disabled persons is an eligible SHP activity. A grantee may lease portions of a structure, the full structure, or multiple structures. In any case, the rent paid may only reflect actual costs and must be reasonable in comparison to rents being charged in the area for similar space or similar housing units. Space or housing units chosen for comparison must be similar with respect to location, size, type, quality, amenities, facilities, and management services. If the owner has both assisted and unassisted housing units, rents for the assisted units may not exceed rents being charged for that owner's comparable unassisted units. Rents paid with grant funds may not exceed HUD-determined fair market rents (FMR). The published FMRs are gross rent estimates, and include shelter rent and the cost of utilities (except telephone).

The grantee should keep file documentation showing reasonableness. A project sponsor cannot lease a building or unit to itself that it already owns. FMRs are published annually in the Federal Register, usually in September, and should be used in estimating leasing costs.

The payment of security deposits for participants moving into supportive housing is also an eligible leasing activity. The grant funds may also be used to pay the landlord for any damages to the leased units by homeless participants. Up to one month's rent may be used for this purpose.

Leasing vs. operating costs:

In most instances, leasing a structure or individual unit(s) would not require additional operating costs because the cost of leasing would include the landlord's expenses for maintenance, repair and utilities. If such costs are anticipated, the amount and proposed use should be documented in the original project proposal.

Limitations on leasing assistance:

If the grant funds are used for leasing assistance, the grantee may not request assistance for acquisition or new construction for the same property. If a leased unit requires rehabilitation, and grant funds will be used to rehabilitate the leased property, the project sponsor must have site control. You must be able to demonstrate that the rehabilitated property will serve the purpose specified in the application for at least 20 years.

If a family or individual has been assisted through leasing, and remains in that housing without further assistance, the applicant may not request assistance for acquisition, rehabilitation or new construction for that property. Leasing assistance is subject to the requirements of the Lead-Based Paint Poisoning Prevention Act. For residential structures constructed before 1978, there are requirements and procedures for addressing the hazards of lead-based paint. The requirements encompass both the residential unit, and non-dwelling portions of a structure that might be used by children under seven years of age, such as a day care center. Grantees may not give funds directly to participants to pay the leasing costs, but must pay individual landlords directly. The project sponsor may not lease property that it already owns to itself, a parent, or a subsidiary organization. Any lease arrangement must be at arm's length. The funds may not be used to pay a project sponsor's mortgage or other costs of building operations.

Housing standards:

For any assistance provided, the housing and services must be in compliance with all applicable State and local housing codes, licensing requirements, and any other requirements of the jurisdiction in which the project is located regarding the condition of the structure and the operation of the housing or services.

Supportive housing must meet the habitability standards described in the program regulations at (583.300(b)). Any variations from those standards proposed by the recipient must be approved by HUD.

Supportive Services

SHP funds can be used to pay for the actual costs of supportive services to homeless persons in a new project or for the actual costs of increasing supportive services to homeless persons in an existing

homeless project. Supportive services are important in a project since they assist homeless participants in the transition from the streets or shelters to permanent or permanent supportive housing.

Eligible Supportive Services:

Almost any services aimed at moving homeless participants to independence are eligible for SHP support. The following services may be paid with supportive service grant funds: outreach, child care, job training/placement, case management, health care, transportation employment assistance, education, vocational opportunities, life skills, counseling, housing search assistance, substance abuse treatment, parenting skills, rent deposits, psychiatric care, mental health care, home furnishings, and budgeting.

Examples of eligible supportive service costs are:

- salary of case manager, counselor, therapist, etc.
- salary of case management supervisor when he/she is working with clients or working with a case manager on issues regarding clients
- desks, computers used by clients and their trainer in employment training programs
- food, clothing, transportation for use by clients
- medical/dental care for clients
- first and last month's rent, security deposits, credit checks for participants moving from transitional housing to permanent housing
- clothing, tools, and similar items needed by participants for jobs or job training
- beepers for outreach workers
- mileage allowance for service workers to visit participants at home, if participants reside in scattered site housing
- vehicle purchase and operation (gas, insurance, maintenance) when used for transporting clients

Examples of ineligible supportive service costs are:

- salary of case management supervisor when he/she is not working directly on participant issues
- desks/computers used by staff for intake, or other daily activities
- office telephones, fax, postage, utilities, insurance
- office or meeting space
- staff recruitment/training

Match requirement for supportive services:

Beginning with the 1999 SHP awards, SHP grantees must share in the costs of supportive services. The requirement is an 80-20 split of supportive service costs between SHP and the grantee. Match is a cash payment for the provision of supportive services. The grantee's cash source can be from itself, the Federal government, State and local governments or private contributions.

Grantees will be required to list the sources and amounts of cash the contributed toward the cost of supportive services in the Annual Performance Report. During monitoring, field offices will review the supporting documentation on site or remotely.

Operating Costs

Some of the costs associated with the day-to-day operation of supportive housing may be paid using SHP funds. Only operating costs for a new project or the expanded portion of an existing project are eligible for SHP funding. Also, SHP funds may not be used for the cost of operating a supportive services only facility.

Operating costs are those costs associated with the physical day-to-day operation of supportive housing facility and for which cash payment is needed. Operating costs differ from supportive services cost in that operating costs support the function and the operation of the housing project.

Eligible operational costs:

The expense incurred by the grantee to operate supportive housing is an eligible SHP activity. The following activities may be paid with operating cost grant funds: maintenance and repair, operations staff, utilities, equipment, supplies, insurance, food, relocation and furnishings.

Examples of eligible operational costs are:

- salaries of staff not delivering services, such as project manager, security guard
- utility costs: gas, heat, electric, etc.

- desks, computers, telephones used by staff
- furnishings (beds, chairs, dressers, etc.) for participants
- equipment (refrigerators, ranges, etc.)
- food

Examples of ineligible operating costs are:

- mortgage payments (see Acquisition)
- recruitment or on-going training of staff
- rent (may be eligible as real property leasing)
- depreciation
- costs associated with the organization rather than the supportive housing project (fund raising efforts, pamphlets about organizations, etc.)
- operating costs of a supportive services only facility

Note: Sometimes operational staff also carry out supportive services activities. To the extent a staff person does both, their expenses must be split between the two categories. The grantee will need documentation, such as time sheets, to show how the expenses were split.

Relocation assistance - the costs associated with displacing persons in order to use a structure are included under operational costs, even though such payments may be a one-time occurrence.

Operational costs vs. mortgage payments:

Because SHP allows grantees to repay outstanding debt on a loan to purchase the structure under the acquisition activity, grantees may not consider mortgage payments as an operational cost. This means that when the operating budget is calculated, mortgage payments may not be included.

Match requirement for operations:

SHP grantees are responsible for matching the operational cost of supportive housing. Beginning with grants made in the FY 2000 competition, SHP funds can be used to pay up to 75% of the operating cost in each year of the grant term. (For grants made prior to FY 2000, SHP funds can be used to pay up to 75% of the operating cost for the first two years of the grant, and up to 50% for the third year of the grant.) The match requirement is the difference between the total operating costs and the amount of the SHP operating funds. Match requirements are to be made by cash and paid by the end of each operating year. The grantee's cash source can be from itself, the Federal government, State and local governments or private contributions. Grantees will be required to submit documentation at the end of each operating year that they contributed their share of cash.

TYPES OF STRUCTURES

Structures for consideration under this Request for Proposal may include most housing types. They can be apartments, single family houses or duplexes. The housing structure for the Permanent Housing component allows for 16 or fewer persons in a single structure. If there are more than 16 people, an explanation must be provided as to how local market conditions necessitate this size and how neighborhood integration can be achieved.

Projects should be in close proximity to community amenities and transportation. The project must be designed for maximum safety and security of the residents.

This section contains information specifically for
ESG funding

ESG
Emergency Solutions Grant

This year, ESG funds are available to provide services as defined with the Emergency Solutions Grant Program, under 24 CFR Part 576 Sub-Part B § 576.100 for the General provision and expenditures limits. ESG funds may be used for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS. The five program components and the eligible activities that may be funded under each are set forth in § 576.101 through § 576.107.

STREET OUTREACH (576.101), as referenced, includes providing essential services necessary to reach out to unsheltered homeless people; connecting them with emergency shelter, housing, or critical services; and providing urgent, nonfacility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

EMERGENCY SHELTER (576.102), as referenced, includes any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements. ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows:

- 1 The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant;
- 2 The costs of child care for program participants;
- 3 The costs of improving knowledge and basic educational skills;
- 4 The costs of employment assistance and job training programs;
- 5 The costs for the direct outpatient treatment of medical conditions, provided by licensed medical professionals;
- 6 The hourly fees for legal services, as limited to the subject matters of child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants;
- 7 The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness;
- 8 The costs of direct outpatient treatment by licensed professionals of mental health conditions, to the extent that other appropriate mental health services are unavailable or inaccessible within the community;
- 9 The cost of substance abuse treatment services provided by licensed or certified professionals, to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community; and
- 10 The transportation costs of a program participant's travel to and from medical care, employment, child care, or other eligible essential services facilities.

HOMELESS PREVENTION (576.103), as referenced, includes activities or programs designed to prevent the incidence of homelessness, including (but not limited to):

- 1 Short-term and/or medium-term rental assistance and utility cost for families that have received eviction or utility termination notices;
- 2 Security deposits or last month's rent to permit a homeless family to move into its own apartment;
- 3 Mediation programs for landlord-tenant disputes;
- 4 Legal services programs for the representation of indigent tenants in eviction proceedings;
- 5 Payments to prevent foreclosure on a home; and
- 6 Other innovative programs and activities designed to prevent the incidence of homelessness.

RAPID RE-HOUSING (576.104), as referenced, includes the provision of housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

DATA COLLECTION/ HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS) (576.107), as referenced, includes the information system designated by the Continuum of Care to comply with HUD's data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

MATCH REQUIREMENTS are required through supplemental funds (cash, volunteer time, in-kind service or donations) from sources other than this Emergency Solutions Grant (ESG) in an amount that equals the amount of ESG funds provided by HUD.