

Florida Housing Finance Corporation

Public Workshop Regarding a Request for Proposals

**“Financing to Develop Permanent Supportive Housing for High Needs/High Costs
Persons with Special Needs Who are Chronically Homeless”**

**Tallahassee City Commission Chambers
Tallahassee, Florida
November 8, 2013**

Discussion Points

1) Overview

- a) The 2012 Legislature included proviso language in the state budget to provide up to \$10 million in documentary stamp tax revenue deposited into the State Housing Trust Fund during Fiscal Year 2012-2013 (year ending June 30, 2013) in excess of the \$35,310,000 revenue estimate used by the Legislature. The final amount of \$50,191,320 was deposited into the Trust Fund for the year, allowing Florida Housing to receive the entire \$10 million appropriation.
- b) The proviso specifies that this funding must be used by Florida Housing to issue a Request for Proposals to finance the development of affordable, sustainable and permanent housing for special needs and extremely low income households. Only nonprofit housing developers specializing in housing for individuals with special needs and extremely low incomes may be awarded this financing.
- c) Last December, Florida Housing staff hosted a forum that was facilitated by the Corporation for Supportive Housing, a national nonprofit that provides technical assistance to states and communities. State agencies, including the Department of Children and Families, Department of Elder Affairs, the state Medicaid office and the Governor’s Office, participated in the forum. Key state and national supportive housing and services providers, disability groups and others were also present. A result of that meeting was that the participating State agencies and Florida Housing concurred that a priority need for Florida is a State-specific analysis evaluating the local, state and federal cost benefits related to Permanent Supportive Housing for Chronically Homeless persons that have significant needs and are high utilizers of publicly funded emergency, healthcare, and court services as well as residential or institutional care.
- d) Florida Housing will be assisted in the development and implementation of the High Needs/High Cost Pilot through a partnership with participating State agencies that administer programs that serve At-Risk and Chronically Homeless Persons. Florida Housing will be executing an Interagency Agreement with these State agencies.

2) Purpose of RFP

- a) Use \$10 million to finance two (2) Permanent Supportive Housing (PSH) Developments (one per county) that provide chronically homeless persons, with significant special needs, affordable and stable housing that

promotes and facilitates access to community based amenities and services that appropriately meet their needs.

- b) The intended residents will be high utilizers of publicly funded resources due to their inability to access adequate and appropriate housing and services in the community that they can afford. The high utilization of publicly funded resources include local emergency services, hospitalization, the courts and correctional systems, as well as high cost residential and institutional care such as nursing homes, intermediate care centers and mental health institutions. For the purposes of discussion, these Chronically Homeless individuals will be called high needs/high cost households.
- c) For the pilot, Florida Housing's goal is to finance Developments in local jurisdictions that have established initiatives or efforts in place to identify, assess and serve chronically homeless persons with significant special needs that are high utilizers of publicly funded resources. With the financing of two PSH Developments to serve some of the most vulnerable people in each community, Florida Housing's objective is to facilitate and support:
 - i) Seamless and comprehensive coordination of community based agencies and resources to identify the high needs/high cost chronically homeless persons in the community; assess and prioritize their needs; and help them access appropriate housing, community based services, employment and benefits; and
 - ii) A cost benefit study to be associated with the Florida Housing financed PSH Development in each of the two communities. The purpose of the study will be to evaluate the effectiveness of PSH linked with access to appropriate community-based services in saving publicly funded resources and improving a resident's ability to maintain a stable and productive life in their community.

3) Community Partnerships at the Local, Regional and State Level

- a) Communities in which Applicants are proposed to develop PSH under this RFP must have a comprehensive and seamless collaboration of appropriate local and state agencies and organizations to adequately meet the intent of the RFP and the Applicant's commitments to Florida Housing. This partnership(s) should at a minimum include the:
 - i) Continuum of Care Lead Agency and its Member Organizations;
 - ii) Other Providers of Supportive Services;
 - iii) Managing Entities and Managed Care Organizations that administer publicly funded services and care;
 - iv) Local government or other entities providing emergency, healthcare, law enforcement, legal and other services for the intended population;
 - v) Homeless, Disability and Special Needs Consumer Advocates;
 - vi) State agencies and or their local/regional offices that administer programs that assist the intended population; and
 - vii) The business community, as appropriate.
- b) The Applicant will be required to demonstrate in its Proposal the community's collaboration process and capacity.
- c) The Applicant will also be required to demonstrate the partnership(s) it has established to develop and conduct the Permanent Support Housing cost benefit study. This includes an executed agreement with a University(s), other educational institution(s) and/or organizations that will be responsible for developing and carrying out the cost benefit study (this agreement may be finalized after this RFP funding is awarded).

- d) Are there other aspects of the broader community capacity or partnerships that should be described in the Applicant's proposal? What criteria should Florida Housing include in reviewing and scoring community capacity, partnerships and processes to measure the community's capacity to work with the Applicant to implement this pilot?

4) Applicant Qualifications/Experience

- a) The Applicant shall be a private non-profit formed as 501(c)3 organization since December 1, 2012.
- b) The Applicant shall have experience developing Permanent Supportive Housing similar to the type of Development they are proposing or partner with entities that have the necessary experience.
- c) The Applicant shall have Permanent Supportive Housing operations and management experience or partner with entities that have the necessary experience.
- d) Should the Applicant have other qualifications and experience to meet the intent of this funding?

5) Intended Residents

- a) Persons with special needs who are chronically homeless and have been identified, assessed and prioritized by the community as a high need and high cost households;
- b) The intended residents shall be interested in residing in the Development and meeting the requirements of a landlord/tenant lease.
- c) Participation in on-site or community based services shall not be requirement of residency.

6) Housing to Be Funded

- a) The PSH Development shall have at least 30 units and no more than 50 units.
- b) The Development shall add to the supply of PSH units in the County.
- c) The Development may be New Construction or Acquisition and Rehabilitation or Rehabilitation of an Existing Structure.
- d) The Development shall be on a single site.
 - i) Should Florida Housing allow Applicants to apply to develop scattered site developments? If so, what why? How would that affect the cost benefits approach and findings?
- e) The Development types may be duplex, triplex, quadraplex and/or garden style apartments.
- f) The Development shall be composed of 0 to 2 Bedroom Units. No more than 20% of the Development's Total Units shall be 0 bedroom Units, and no more than 20% of the Development's Total Units shall be 2 bedroom Units.
 - i) Is this Unit mix relevant to the high need/high cost Chronically Homeless population in your community?

- g) Two bedroom units may be used as “shared housing” – that is, shared by persons who are not related or significant others. In shared housing units, each resident will sign a separate lease and will be considered a separate household for the purpose of determining compliance with set-aside commitments, income eligibility, and rent payments.

7) Allocation of Grant Funding

- a) \$10 million in grant funding to finance two (2) PSH developments.
- b) Up to a maximum of \$100,000 per unit in grant funding, for a maximum of \$5 million for each development.
- c) Additional SAIL-ELI funding will be made available to assist in funding required Extremely Low Income (ELI) Units to be used for construction and/or operating deficit reserve purposes.
- d) The proposed developer fee will be 16%.

8) Set-Aside Commitments

- a) 100 percent of the Development’s Units shall serve persons that are high needs/high cost households identified, assessed, prioritized and referred by an established community initiative whose members have partnered with the Applicant for the purposes of this RFP.
- b) 100 percent of the Development’s units shall be rented to residents with incomes at or below 50 percent of the area median income (AMI) for the county.
- c) 30 Percent of the Development’s units shall be set aside for residents with incomes at or below the maximum ELI AMI for the county.
- d) Demographic and Affordability Period – In exchange for funding through this RFP, the property shall remain affordable to chronically homeless individuals for a minimum of 20 years.

9) Verification by the State Designated Continuum of Care Lead Agency that the Development Meets the Priorities of the Continuum Plan

- a) Please review the attached Verification Form. Are the criteria listed on the form appropriate and sufficient for the purposes of this RFP?

10) Cost Benefit Study

- a) Applicants awarded funding must partner with experienced researchers to engage in a multiyear study to quantify cost/benefit data showing what, if any, public savings have occurred as a result of housing the intended residents in the proposed Development. The study must also provide, at a minimum, a qualitative evaluation of the residents’ outcomes. The assumption is that all residents in the permanent supportive housing development financed with this funding will be study participants. Florida Housing will ask applicants to provide a description of the proposed study parameters, including:
 - i) Within the parameters of this RFP’s objectives, the questions that the researchers will be studying;
 - ii) Demographic data to be collected for each resident;

- iii) How each resident's costs to public crisis and institutional systems prior to living in the permanent supportive housing will be quantified or estimated;
 - iv) How each resident's costs to public crisis and institutional systems once the resident is living in permanent supportive housing will be quantified;
 - v) How additional costs related to housing residents in permanent supportive housing, supportive services and other supports for each resident will be quantified;
 - vi) How each resident's qualitative outcomes will be measured;
 - vii) Length of the proposed study; and
 - viii) How cost data will be collected, whether through local data sharing agreements or other methods.
- b) The description of the proposed study must specify the types of costs to be quantified, such as the courts, correctional system; shelters; residential and institutional housing; emergency and inpatient hospital/clinic stays; mental health hospitals and services; supportive services; permanent supportive housing; and associated costs. If available, the names and affiliations of the researchers for the study should be provided, with a description of their experience in carrying out research similar to that outlined in this RFP. The applicant will also be asked to describe how the study is expected to be funded.
 - c) Florida Housing and its state agency partners will reserve the right to comment on and recommend changes to the study methodology of those Proposals awarded financing. Within a certain time of being awarded funding, Florida Housing will expect awardees to provide a fully developed methodology and scope of work for the evaluation.
 - d) What is an appropriate time period over which data should be collected and analysis performed? What else should be said about the study in the RFP or what additional information about the study should be requested from Applicants?

11) Required Resident Services and Construction Features – Developments awarded financing will be required to provide the following

- a) Resident Community-Based Services and Benefits Coordination – The provision of community-based services coordination will be the responsibility of the Applicant, but may be in conjunction with public and/or private partnerships as approved by the Corporation in credit underwriting. The purpose is to assist each resident to become aware of, access and/or maintain adequate and appropriate community-based services, resources and benefits. It is not the intent for this resident service to take the place of services and benefits coordination already provided for a resident by a program and/or agency as part of their supportive services plan. The focus shall be to assist residents not receiving community-based services coordination by another program and/or agency, as well as to assist those residents that need additional assistance with coordination of community-based services, both during the Pilot Study and through the affordability period.
- b) Employment Services –
 - i) The Applicant shall provide access to a comprehensive employment services program at no cost to the resident that meet the specific employment needs of the intended residents. The services will provide ongoing supports necessary to assist each participant's success in the workplace to obtain competitive jobs that anyone could have regardless of their disability or other special need. The Applicant shall demonstrate that the services shall be provided in conjunction and coordination with members of the Pilot's Collaboration or Partnership.
 - ii) Should this be a requirement or scoring item?
- c) Developments must include green building, accessibility, adaptability and visitability features.

12) Proposed Items to Be Scored in Applicant Proposals

- a) Applicant narratives for items that will be scored shall be pertinent to the characteristics and needs of the high cost/high needs residents that are intended to be served.
- b) Describe experience in developing Permanent Supportive Housing.
- c) Describe experience operating/managing Permanent Supportive Housing.
- d) Access to Community-Based Amenities and Services
 - i) Access to amenities, employment and education/training. Describe the community-based services and amenities that will be accessible to residents, such as shopping for groceries, medicine, clothing, and other household and personal items. Include other services and amenities such as public schools, higher education, training and employment opportunities. Describe the public and/or private transportation options that will be available to residents of the proposed Development to ensure access to the described services and amenities.
 - ii) Access to health care and supportive services. Describe access to community-based resources and services to address the specific healthcare and/or supportive services needs of each intended resident as described in Question A. Describe the public and/or private transportation options that will be available to residents of the proposed Development to ensure access to the described resources and services.
 - iii) Implementation of other Best Practices that have been found to promote and facilitate residents' full inclusion in their community. May be provided by the Applicant and/or by an appropriately executed partnership with public and/or private entities.
- e) Capacity to Meet the Pilot Requirements
 - i) Experience, capacity, process and members of established community collaboration/partnership and process in place to seamlessly identify, assess and prioritize the needs of, and serve high needs/high cost households
 - ii) How the proposed Development will fit into the existing community process
 - iii) Cost benefit study parameters, experience/qualifications of the researchers developing and conducting the study, and readiness to proceed with study
 - iv) Innovations or Best Practices
- f) Are there other aspects of this pilot that Florida Housing should be asking about in the RFP to use to evaluate community or Applicant capacity to carry out the pilot? Are there specific scoring criteria Florida Housing should use to evaluate each proposal's "Capacity to Meet the Pilot Requirements" sections?

13) Site Control and Ability to Proceed

- a) Applicants must demonstrate in their proposals appropriately executed site control with an eligible contract for purchase, a lease, and/or a deed.
- b) If selected for funding, the Applicant will be required to demonstrate the following: site plan approval, infrastructure availability (electricity, water, sewer, and roads), appropriate zoning, Phase I environmental site assessment, and if applicable Phase II environmental site assessment during the credit underwriting process.

14) Tiebreakers in the Funding Selection Process

- a) Florida Job Creation Preference – Section 420.507, Florida Statutes, requires all of Florida Housing’s competitive programs to include a preference for applications that demonstrate the highest rate of Florida job creation in the development and construction of affordable housing. Florida Housing will implement this as a tie breaker, and the draft RFP will provide directions on how this will be determined.
- b) Lottery – Lottery numbers are assigned to each proposal and the lowest lottery number will receive preference.
- c) Are there meaningful tiebreakers for this particular pilot that Florida Housing should provide in the RFP to break scoring ties?

15) Funding Selection Process

- a) Florida Housing’s executive director will appoint a staff review committee. Each member of the review committee will be assigned a certain part of each Proposal to review and score. When the review committee meets, each review committee member will report their scores, and the committee will carry out funding selection and make recommendations on the awards to Florida Housing’s Board of Directors. The Board will approve the preliminary awards. Each winning Proposal will go into credit underwriting, and final credit underwriting reports will be sent to the Board for approval before construction starts.
- b) Technical assistance and collaboration with Florida Housing and State Agency Partners will be available and required for the Applicants and host communities awarded funding under this RFP.

16) RFP Timeline – to be discussed at the workshop

Exhibit __ - VERIFICATION OF INCLUSION IN STATE DESIGNATED LEAD AGENCY CONTINUUM OF CARE LOCAL HOMELESS ASSISTANCE PLAN

Name of Development _____

Development Location: _____

(At a minimum, provide the address assigned by the United States Postal Service, including the address number, street name and city, or if the address has not yet been assigned, provide (i) the street name, closest designated intersection and city if located within a city or (ii) the street name, closest designated intersection and county if located in the unincorporated area of the county.)

Developer name(s) _____

Local Continuum of Care Jurisdiction _____

Lead Agency (if it has been designated): _____

The Lead Agency for the local Continuum of Care Jurisdiction identified above confirms that the Development identified above meets the following criteria:

1. The proposed Development is located within the Continuum of Care (Continuum) Jurisdiction identified above;
2. The nature and scope of the proposed Development is in conformance with the Local Continuum of Care Homeless Assistance Plan that is on file, at the time of Application Deadline, with the State Office on Homelessness;
3. There is a need for the proposed Permanent Supportive Housing;
4. The households (e.g., individuals, women, families, unaccompanied youth) to be served are part of a subpopulation(s) identified by the Continuum as a priority subpopulation(s);
5. The proposed geographic location of the Development is appropriate to the residents needs and provides adequate access to community-based services and amenities that will serve the residents.
6. The Applicant's plan to conduct prospective tenant outreach, its relationships with relevant Continuum's members, and tenant selection process is appropriate and adequate to effectively inform the target households, community stakeholders and public about the Development, facilitate an interested household's ability to apply for tenancy, and determine eligibility for tenancy.

The Applicant's association with the State Designated Lead Agency and relevant Continuum's members, its plans to conduct prospective tenant outreach and its tenant selection process are appropriate and adequate to effectively inform the target households, community stakeholders and public about the Development, and to facilitate an interested household's ability to apply for tenancy and determine eligibility for tenancy.

7. The Applicant is actively involved in the Continuum's network and activities.
8. The Applicant shall comply with the Continuum's performance measures demonstrating appropriate housing placement and retention.

CERTIFICATION BY THE STATE DESIGNATED LEAD AGENCY OF INCLUSION IN LOCAL CONTINUUM OF CARE HOMELESS ASSISTANCE PLAN:

I certify that the above information is true and correct.

Signature

Print or Type Name

Print or Type Lead Agency Name

Print or Type Title