

**Request for Proposals
For Supportive Housing Projects
For High Cost Medicaid Populations**

New York State Homes & Community Renewal

Housing Trust Fund Corporation

MRT Housing Capital Program

[July 2012]

I. Introduction And General Information

The Medicaid Redesign Team (“MRT”) was formed by Gov. Andrew Cuomo upon taking office in 2011 to bring together stakeholders and experts from throughout the state to work cooperatively to reform the system and reduce the State’s Medicaid spending. The MRT, recognizing that significant savings could be generated by expanding opportunities for supportive housing, has set aside \$75 million to be administered through multiple State agencies to expand access to supportive housing initiatives for high need and high cost Medicaid recipients. The money is designed to create new supportive housing opportunities through leveraging other public and private investments to maximize potential Medicaid savings.

As part of the State’s commitment to increase the number of supportive housing opportunities for its residents, New York State Homes & Community Renewal (“HCR”), acting through the Housing Trust Fund Corporation (“HTFC”), is making available \$25 million of capital for supportive rental housing developments emphasized by the MRT, that further the State’s commitment to develop supportive housing under the NY/NY III Agreement with the City of New York. (the “Agreement”). For purposes of this RFP, supportive housing is defined as the pairing of capital assistance, rental assistance and supportive services in either a building(s) constructed or renovated for this purpose.

HCR is seeking proposals from development teams that include service providers with NY/NYIII awards from OMH, OTDA and other state agencies to develop multifamily supportive rental housing projects either through new construction, or the gut rehabilitation of vacant buildings. Applications which include service providers listed in Section II will receive priority consideration.

At least 30% of the revenue generating units within a proposed development must be set aside for NY/NY III populations as defined below in Section III. Evidence of the service funding is required as part of the submission. Successful applicants and their service providers will be expected to collect and submit relevant Medicaid patient data to the State Department of Health or another state agency to track Medicaid cost savings.

Additionally, \$7,300,000 will be made available for approximately 175 units of permanent, supportive housing for disabled and/or elderly tenants, with preference for tenants who are ready for independent living referred by the New York City Health & Hospitals Corporation (HHC) from its nursing facilities to facilitate compliance with the U.S. Supreme Court's 1999 Olmstead decision. The Projects must be in New York City, and in close proximity to an HHC hospital for the provision of health care services and other supports. The project may provide coordination for tenants to access these and other support services.

Proposals must demonstrate readiness towards finance closing by early Fall 2012, and must have secured site control and preliminary commitments for capital financing from local housing agencies such as New York City Department of Housing Preservation & Development or the New York City Housing Development Corporation. Construction completion is expected to occur before the end of calendar year 2013.

- Section II of this RFP, "List of Service Providers" provides a list of service providers who have already been awarded NY/NY III funding that have not yet been linked to a project.
- Section III of this RFP, is a detailed description of populations that qualify under NY/NY III.
- Section IV, "Application Submission and Deadline" provides additional information on application submission methods.
- Section V, "Evaluation and Selection Criteria" provides a more detailed description of the selection criteria.
- Section VI, "Contacts for Further Information," provides contact information for relevant HCR staff so applicants can access technical assistance in preparing applications.

HCR reserves the right to award all, a portion of, or none of the funding, based on the feasibility of the project, the applicant's ability to meet HCR criteria for funding, and the applicant's ability to advance the State's NY/NYIII goals.

HCR also reserves the right to: (i) amend, modify, or withdraw this RFP; (ii) revise any requirements of this RFP; (iii) require supplemental statements or information from any responding party; (iv) accept or reject any or all proposals/responses hereto; (v) extend the deadline for submission of proposals/responses hereto; (vi) negotiate or hold discussions with any proposed Respondent/Firm and to correct deficient proposals/responses which do not completely conform to the instructions contained herein; (vii) cancel or reissue this RFP, in whole or in part, if HCR deems it in its best interest to do so.

HCR expects to fully commit the funds made available through this RFP by March 31, 2013, therefore priority will be given to projects that meet the General Review Criteria listed in Section V - A below.

Due to the limited resources available, HCR is imposing a \$125,000 per supportive housing unit cap on funding awards.

II. List of Service Providers - See Attachment A

III. NY/NY III Populations

Listed below is a description of populations that qualify under NY/NY III:

- Chronically homeless single adults who suffer from a serious and persistent mental illness (SPMI) or who are diagnosed as mentally ill and chemically addicted (MICA);
- Single adults who are presently living in NYS-operated psychiatric centers or State-operated transitional residences and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing;
- Young adults, ages 18-25, who have a serious mental illness being treated in NYS licensed residential treatment facilities, State psychiatric facilities or leaving or having recently left foster care and who could live independently in the community if provided with supportive housing and who would be at risk of street or sheltered homelessness if discharged without supportive housing;
- Chronically homeless families, or families at risk of becoming chronically homeless, in which the head of the household suffers from SPMI or a MICA disorder;
- Chronically homeless single adults who have a substance abuse disorder that is a primary barrier to independent living and who also have a disabling clinical condition (i.e. a medical or mental health (non-SPMI) condition that further impairs their ability to live independently);
- Homeless single adults who have completed a course of treatment for a substance abuse disorder and are at risk of street homelessness or sheltered homelessness and who need transitional supportive housing (that may include half-way houses) to sustain sobriety and achieve independent living;
- Chronically homeless families, or families at serious risk of becoming chronically homeless, in which the head of the household suffers from a substance abuse disorder, a disabling medical condition, or HIV/AIDS;
- Chronically homeless single adults who are persons living with HIV/AIDS (who are clients of HASA or who are clients with symptomatic HIV who are receiving cash assistance from the City) and who suffer from a co-occurring serious and persistent mental illness, a substance abuse disorder, or a MICA disorder; and
- Young adults (aged 25 years or younger leaving or having recently left foster care or who had been in foster care for more than a year after their 16th birthdays and who are at risk of street homelessness or sheltered homelessness.

IV. Open Window Application Deadline and Additional Submission Information

A. Application:

HCR will utilize its MRT Housing Capital Program application for these funds. Applications are available online at: <http://www.nyshcr.org/Forms/MultifamilyFinancing/>.

B. Application Deadline:

Applications may be submitted at any time between July 3, 2012 and January 31, 2013, or until all funds offered under this RFP are committed. Prior to application submission, please contact the appropriate HCR staff listed at the end of this RFP with any questions. Applications will be

reviewed as received and funding determinations will be made throughout the year. HCR reserves the right to allocate the resources made available through this RFP to further the state's objectives memorialized in the NY/NY III agreement.

Any applications received after the stated deadline will not be considered for funding.

C. Application Review:

New York State Housing Finance Agency ("HFA"), in its capacity as HCR's tax-exempt bond issuing agency and allocator of 4% LIHTC, will retain lead role in all facets of project application review, design standards review, construction inspection and post completion compliance monitoring, unless otherwise specified.

V. Evaluation and Selection Criteria

A. General Review Criteria:

HCR will evaluate the investment of the resources made available through this RFP using the following three criteria: fundamentals, leverage, and outcomes.

Fundamentals consider the basic components of any real estate investment; feasibility, capital structure, and team experience. In this RFP, it also considers certain threshold requirements specific to each resource. HCR will evaluate, among other things: whether the investment is feasible but for our investment; whether all the necessary components are identified and committed, such as credit enhancement, site control, tax credit equity, and other sources of subsidy contemplated in the financing; and whether the applicant has the proven experience and team members to successfully complete the investment.

Leverage considers whether the investment leverages significant outside resources such as third party funds, local funds, and /or local support.

Outcomes consider the policy goals achieved by a particular investment such as: applications that propose well designed, quality housing that most efficiently provide the greatest number of units, a project that produces a transformative or priority outcome such as providing supportive housing in an area not previously served, and well designed buildings that are consistent with their surroundings.

In general, HCR will consider the extent to which the application supplements or advances a coordinated investment by State agencies, federal government and local partners as well as the applicable Regional Economic Development Council strategic plan. HCR will also consider the proximity of a proposed project to locally undesirable land uses which expose residents to adverse physical, chemical, biological, social and/or cultural factors when making award decisions.

B. Funding Priorities

Projects will be funded based on the following priorities:

- Fulfillment of New York State's obligation under the Agreement.
- Recipients awarded funding under the OMH NY/NY III Services only RFP. A list of recipients is listed in attachment A.
- Utilization of other State (in addition to HCR) funding sources including capital and rental subsidies.
- Projects that utilize bond financing from HFA.
- Utilization of New York City funding sources including capital and rental subsidies.
- Readiness to proceed.

C. Equal Employment Opportunity/Minority and Women Owned Business

Under Article 15A of the New York State Executive Law, all award recipients and their contractors are required to comply with the equal employment opportunity provisions of Section 312 of that Article in any instance in which an award of funds includes state-funded construction costs in excess of \$100,000. Preference will be given to applicants that include a New York State certified Minority Women-Owned Business Enterprise as a member of the development team.

Also, all contractors and awardees are required to make affirmative efforts to ensure that New York State Certified Minority and Women-Owned Business Enterprises are afforded opportunities for meaningful participation in projects funded by HTFC pursuant to Section 313 of the Article.

D. Applicant Past Performance

An applicant's past and current performance in State programs and contracts, including their performance under Article 15A of the New York State Executive Law, will be considered in reviewing its application. HCR reserves the right to deny an award to any applicant if it has been determined that the applicant is not in compliance with existing State contracts and has not taken satisfactory steps to remedy such non-compliance.

Applications will be subject to HCR feasibility reviews including an assessment of architectural design features, underwriting of the project's development costs and operational feasibility and viability and the provision of units for persons with special needs.

E. Board Approval

All awards must be approved by the HTFC Board. Any project also seeking HFA bond financing will be subject to approval by the HFA Board.

F. Award Letter

HCR will issue Award Letters to notify the applicant that the project has been selected for funding, and sets forth the number of units and award amount(s) and closing deadline. Successful applicants will be required to assist HTFC in measuring cost savings resulting from the creation of housing funded under this RFP.

G. Project Development Meeting

Applicants are required to schedule a Project Development Meeting before submitting an application. This provides a forum for the applicant's development team and HCR to discuss the

project's development timetable; the project budget and the roles and responsibilities of the development team members and HCR.

VI. Contacts for Further Information

For projects financed with tax exempt bonds:

Gail Bressler, Vice President, Multifamily Finance
(212) 872-0496, gbressler@nyshcr.org

Richard Brown, Multifamily Finance
(212) 872-0389, rbrown2@nyshcr.org

David Simmons, Multifamily Finance
(212) 872-0481, dsimmons@nyshcr.org

-END OF REQUEST FOR PROPOSALS-

Attachment A

Agencies with Services and Operating Funding from the New York State Office of Mental Health (OMH)

This list is a final list of agencies who have received conditional operating awards from OMH for Population NY NY III units.

ACMH

(The Association for Rehabilitative Case Management and Housing, Inc.)

Daniel K. Johansson

Executive Vice President/CEO

254 W. 31st Street, 9th Floor

New York, NY 10001

Phone: (212) 274-8558, Ext. 214

Fax: (212) 925-7958

www.acmhny.org

(All five boroughs in NYC)

Church Avenue Merchants Association (CAMBA)

Sharon R. Browne

Deputy Executive Director

1720 Church Avenue, 2nd Floor

Brooklyn, NY 11226

Phone: (718) 462-8654 Ext. 30304

Fax: (718) 703-8635

SharonB@camba.org

Comunilife, Inc.

Olga Jobe

Director of Housing Development

214 W. 29th St., 8th floor

New York, NY 10001

Phone: (212) 219-1618 Ext. 6144

Fax: (212) 643-0634

ojobe@comunilife.org

Concern for Independent Living

Ralph Fasano

Executive Director

Phone: (631) 758-0474 Ext. 201

rfasano@concernhousing.org

(Brooklyn and Queens)

Federation of Organizations

Steve McCarthy

CFO

www.steve.mccarthy@fedoforg.org

(Queens and Brooklyn)

FEGS

Peg Moran
315 Hudson Street, 6th floor
New York, NY 10013
Phone: (212) 366-8310
(All boroughs except Staten Island)

Geel Community Services, Inc.

Maria Matias
Executive Director
2516 Grand Avenue Bronx, NY 10468
Phone: (718) 367-1900 Ext. 11
Fax: (718) 365 - 0252
Email: geelcsinc@aol.com (e-mail contact is preferred)
(Bronx only)

HOGAR

Noris Colon
Executive Director
751 Dawson Street
Bronx, NY 10455
Phone: (718) 742-7669
(Bronx only)

Lantern Community Services

Alissa Kampner Rudin
Executive Director
49 W. 37th Street
New York, NY 10018

Odyssey House

Durga Vallabhaneni
95 Pine Street
New York, NY 10005
DValla@odysseyhouseinc.org
Phone: (212) 361-1600
(Bronx only)

Postgraduate Center for Mental Health

Jacob Barak
CEO
158 East 35th Street
NY, NY 10016
Phone: (212) 889 5500 Ext. 205
(Bronx and Brooklyn)

PSCH

Alan Weinstock
Executive Director
142-02 20th Avenue
Flushing, NY 11351
Phone: (718) 559-0516
Alan.Weinstock@psch.org
(All boughs except Staten Island)

Services for the Underserved

Donna Colonna
Executive Director
305 7th Avenue
New York, New York 10001
Phone: (212) 633-6900

The Bridge

Dr. Peter D. Beitchman, DSW. LMSW
Chief Executive Officer
248 W. 108th Street
New York, NY 10025
Phone: (212) 663-3318
Fax: (212) 663-3181
pbeitchman@thebridgeny.org
(Brooklyn or Queens)

Unique People Services

Yvette B. Andre
Executive Director
Admin Office
4234 Vireo Ave. Bronx NY 10470
Phone: (718) 231-7711
Fax: (718) 231-7720
E-Mail: YvetteBA@UniquePeopleServices.org
(Bronx and Brooklyn)

Urban Pathways

Fred Shack
Executive Director
575 Eighth Avenue
New York, NY 10018
Phone: (212) 736-7385
(Any borough except Staten Island)

Volunteers of America

Tere Pettitt
V.P. Chief Operations Officer
340 West 85th Street
New York, New York 10024

Phone: (212) 496-4304

Fax: (212) 769-2629

TPettitt@voa-gny.org

(Bronx)

Weston United

Jean Newburg, LCSW

Chief Executive Officer

321 West 125th Street

New York, NY 10027

Phone: (646) 492-5353

Fax: (212) 866-9693

jnewburg@westonunited.org

(Any borough)