



REQUEST FOR PROPOSALS DSHA STEP-UP PROGRAM

Available Funds: \$750,000 for two years providing 30-35 rental subsidies

Homelessness is a significant problem in Delaware. On any given night, it impacts approximately 2,000 people and more than 6,700 persons over the course of a year. A significant segment of the homeless population in Delaware is comprised of persons who need housing and services to avoid homelessness or institutionalization. This request for proposals will represent the third year of the Step-Up program.

“Breaking the Cycle”, Delaware’s Ten-Year Plan to End Chronic Homelessness and Reduce Long-Term Homelessness (the Plan) was released in February 2007. The Plan reflects that in January 2006, a Point-In-Time survey was conducted and among the 2,000 homeless persons, approximately 300 of those people were considered to be seriously mentally ill and/or have a chronic substance abuse condition or youth exiting foster care, who have the potential of becoming chronically homeless. The Plan detailed how providing service-enhanced housing to this population could significantly reduce the cost to taxpayers. More recent studies have shown similar numbers have not decreased, indicating the need for housing for the chronically homeless and those at risk of chronic homelessness.

In addition, another population has been identified to qualify this year. The population will be expanded to include people in need of affordable housing and services, who are institutionalized or at risk of institutionalization. Given the new population and continued interest in eliminating chronic homelessness, DSHA intends to fund a third round of the Step-Up program. This program assists people who have access to community services, but are unable to afford suitable housing that will allow them the stability to successfully receive services in the community.

Previous Step-Up rounds have provided \$1 million to provide 30-35 rental subsidies for three years. This year the funding will be \$750,000 and is expected to provide 30-35 rental subsidies for two years. Contingent on available funds at the end of 2011, DSHA will continue to provide approximately 100 rental subsidies a year and intends to make an annual commitment of \$1 million to a rental assistance program. DSHA is currently researching models for providing rental assistance to people who need service-enhanced

affordable housing and will be engaging in discussions with service providers over the next year to determine the best model.

Introduction:

DSHA is issuing a Request for Proposals (RFP) to initiate a third round of a rental assistance program called “Step-Up” to serve the following populations:

1. Emancipated youth exiting the foster care system, who are at risk of homelessness and have services in place to assist them with the transition; and
2. Individuals with disabling conditions that have access to community services, but have difficulty gaining maximum benefit from those services due to a lack of affordable housing and are therefore homeless or institutionalized. (Disabling conditions may be physical disabilities, chronic health conditions, mental health conditions or substance abuse.)

The selected respondent to the RFP will receive rental assistance funding for a maximum of two years. Individuals served cannot have an annual income of more than 50 percent of the area median income as outlined in HUD’s income thresholds for the state of Delaware. Participants are expected to contribute no more than 30% of their income towards housing costs. DSHA expects to fund approximately \$750,000 for this program in 2010, contingent on approval of funds coming from Housing Development Funds (HDF). Organization's programs selected should have a two-year budget. DSHA funds must serve new individuals and not replace other sources.

DSHA will provide funds for rental assistance and administration, but not funds for services. Services should be provided by another funding source identified in the proposal. Administration can include costs relative to program delivery and general administration, but should not exceed 12% of the request.

Criteria for selection include:

- ❖ Capacity
 - Capacity and demonstrated ability of the organization to meet the requirements of this program;
 - Organizational and financial capacity; and
 - Resumes or summaries of education and experience of key personnel who will be involved in the rental assistance program.
- ❖ General Program Description
 - Ability to identify and secure units, and supportive services for the population;

- Detailed description of affordable housing programs or sites that the organization has managed;
- Description of population to be served and overview of planned program; and
- Geographic distribution of funds.

❖ Services

- Leveraging of other funds, including funds for services; and
- Onsite supportive services must be guaranteed, describe service delivery model.

❖ Budget Cost Effectiveness

- Cost effectiveness of proposed budget for program.

The current maximum amount of rental assistance provided per unit is \$915 for New Castle County, \$757 for Kent County, and \$757 for Sussex County assuming the highest amount for a one-bedroom unit without any inflation factor. Effective on the RFP due date, Fair Market Rents, established by the U.S. Department of Housing and Urban Development, will be used for DSHA's funding calculation. Primary consideration will be given to the programs that serve people with the lowest incomes most cost effectively.

Submission Requirements:

1. All proposals shall be typed on the organization's letterhead. The proposal must include the legal name of the organization and be signed and sealed by a person legally authorized to represent the organization;
2. Submit original plus six (6) copies of all proposals;
3. **All proposals must be received no later than February 5, 2010 at 2:00 PM local time. Proposals should be directed to the attention of Victoria Powers, Delaware State Housing Authority, 18 The Green, Dover, DE 19901;**
4. No telephone, telegraph, facsimile, or oral proposal will be accepted;
5. Once the proposal is submitted, it may not be modified without the consent of DSHA;
6. Responses must be limited to 20 pages, exclusive of a cover letter and exhibits; and
7. **A pre-RFP meeting will be held on January 13, 2010 at 10:00 AM at DSHA, 18 The Green, Dover, DE 19901. (If interested please RVSP to Victoria Powers at Vicky@destatehousing.com)**

Proposal Information:

1. Applicants submitting the highest-ranking applications will be invited to present to a selection panel at a mutually agreed upon time and date;
2. Proposals, which contain erasures, alterations, conditions, omissions, or irregularities, may be rejected;
3. Proposals will be opened privately;

4. Submission of proposal indicates acceptance by the organization of the conditions contained in the RFP, unless clearly and specifically noted in the proposal submitted and approved by DSHA;
5. The applicant shall wholly absorb all costs incurred for the preparation of the proposal presentation. All supporting documentation submitted with the proposal will become the property of DSHA, unless otherwise requested by the applicant at the time of submission and agreed upon by DSHA;
6. DSHA reserves the right to use any ideas in a proposal regardless of whether that proposal is selected;
7. DSHA may request additional information or clarification from applicants during the evaluation process; and
8. DSHA reserves the right to reject any and all proposals, to accept or reject any part of any proposal, or to waive informalities and minor irregularities in the proposals.

Award and Execution of Agreement:

The applicant agrees, if successful, to execute an agreement with DSHA within sixty (60) days after notice of award has been issued.

EXAMPLE BUDGET:

Applicant may provide additional information, but should provide information in the example at a minimum.

Step-Up Budget Worksheet *			
Rental Assistance	No. Months	No. People	Total Rent
625	22	7	\$96,250
700	20	8	\$112,000
		15	
Inspections	Number of Units		
300	20		\$6,000
Rent Up Costs	Average Cost	No. Assisted	
Security deposits	650	20	\$13,000
Utility hookups	200	20	\$4,000
Total Program Costs			\$231,250
Administration	12%		\$27,750
Total Cost			\$259,000

** Electronic budget template may be obtained upon request from the contact person listed on the last page of this RFP.*

Monitoring:

DSHA will monitor the program each year in accordance with a grant agreement. **DSHA reserves the right to rescind its commitment if it is determined that funds are not being appropriately utilized or contractual obligations are not being met.**

Reporting:

DSHA will require a monthly occupancy report, which accounts for the amount of the funds being utilized along with resident data;

DHSA will require a quarterly report using the Homeless Management Information System (HMIS) detailing demographic and other non-identifying information about program participants; and

DSHA will require a semi-annual performance measurement report that details progress toward meeting stated goals.

All questions concerning this RFP process or the Step-Up Program should be directed to:

Victoria Powers
Management Analyst
Delaware State Housing Authority
18 The Green
Dover, DE 19901
Phone: (302) 739-4263 (ext. 219)
Fax: (302) 739-2416
Email: vicky@destatehousing.com

This RFP is designed to include information necessary for a funding decision. However, as stated above, Delaware State Housing Authority reserves the right to ask for additional information during the review process.