

WestMetro Home Consortium  
Request for Proposal (RFP) 2023

HOME American Rescue Plan (HOME-ARP):  
TBRA  
Supportive Services  
Non-Congregate Shelter Acquisition and Development  
Rental Housing

City of Newton  
Housing and Community Development Department  
1000 Commonwealth Ave  
Newton, MA 02459

**Issue Date: November 9, 2023**

**Response Deadline: February 9, 2024**

# WestMetro HOME Consortium

## REQUEST FOR PROPOSAL

### HOME-ARP

The WestMetro HOME Consortium (WMHC) is a group of 13 communities who work together to allocate HOME funds. These communities consist of Bedford, Belmont, Brookline, Concord, Framingham, Lexington, Natick, Needham, Newton, Sudbury, Waltham, Watertown, and Wayland.

The WMHC has received a special allocation of the HOME Investment Partnership Program through the 2021 American Rescue Plan (HOME-ARP) in the amount of \$5,406,962.00 from the U.S Department of Housing and Urban Development (HUD). Setting aside 15% (roughly \$800,000.00) for administrative costs, the Consortium received HUD's approval of its HOME-ARP allocation plan in June 2023, making \$4,595,918.00 available through a competitive RFP process. Proposals **must** serve those who are experiencing or are at-risk of homelessness, as defined in CPD Notice 21-10.

The WMHC is seeking proposals from qualified nonprofit organizations and municipalities to provide tenant-based rental assistance, supportive services, and/or develop rental housing or non-congregate shelter units that will serve households experiencing homelessness or other eligible populations described herein. The goal of these activities is to reduce the frequency and severity of homelessness in the WMHC.

Proposal packets are available and may be obtained by downloading from the City of Newton's website at <https://www.newtonma.gov/government/planning/housing-community-development/westmetro-home-consortium>.

#### **Submission Requirements:**

Please email your completed application to Shaylyn Davis-Iannaco and Nika Sandal at [sdavis@newtonma.gov](mailto:sdavis@newtonma.gov) and [nsandal@newtonma.gov](mailto:nsandal@newtonma.gov) no later than 5:00 pm on February 9, 2024.

The City of Newton ***strongly encourages*** attendance at one of the technical assistance sessions held by the City of Newton. Please register by emailing Shaylyn Davis-Iannaco ***and*** Nika Sandal at [sdavis@newtonma.gov](mailto:sdavis@newtonma.gov) and [nsandal@newtonma.gov](mailto:nsandal@newtonma.gov).

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| <ul style="list-style-type: none"><li>- <b>Rental Housing:</b><ul style="list-style-type: none"><li>o Monday December 11, 2023 from 2:30 p.m. – 3:30 p.m.</li><li>o Friday January 12, 2024 from 11 a.m. – 12 p.m.</li></ul></li><li>- <b>Supportive Services:</b><ul style="list-style-type: none"><li>o Thursday December 21, 2023 from 10:30 a.m. – 11:30 a.m.</li><li>o Thursday January 4, 2024 from 2 p.m. – 3 p.m.</li></ul></li></ul> | <ul style="list-style-type: none"><li>- <b>Non-Congregate Shelter:</b><ul style="list-style-type: none"><li>o Wednesday December 13, 2023 from 1:30 p.m. – 2:30 p.m.</li><li>o Monday January 8, 2024 from 2:30 p.m. – 3:30 p.m.</li></ul></li><li>- <b>Tenant-Based Rental Assistance:</b><ul style="list-style-type: none"><li>o Thursday December 7, 2023 from 1 p.m. – 2 p.m.</li><li>o Wednesday January 10, 2024 from 2 p.m. – 3 p.m.</li></ul></li></ul> |
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Proposals are due by 5:00pm on February 9, 2024. LATE PROPOSALS WILL NOT BE ACCEPTED

The WestMetro HOME Consortium encourages and welcomes bids from small, local, women and minority owned businesses and other disadvantaged business enterprises.

Ad Published: November 15, 2023 in the Boston Herald

November 15, 2023 in the MetroWest Daily News

Project Overview

HOME Investment Partnerships Program (HOME) - American Rescue Plan Act of 2021 (ARP) provides funds for housing development, homelessness assistance and supportive services. These funds will be used to benefit individuals and families who meet the criteria outlined as a qualifying population.

Additional information on HOME-ARP is located at:

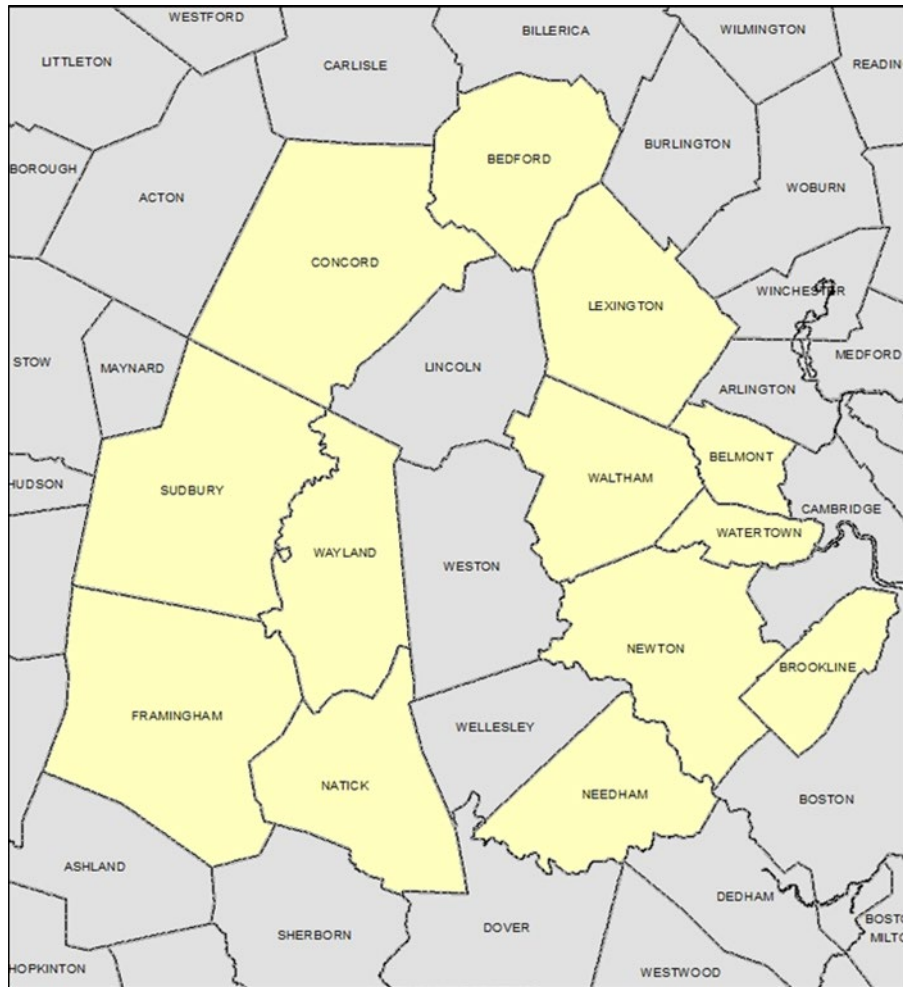
<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf>.

Funding Timeline

HOME-ARP funds *must* be spent by June 30, 2030. ***All proposals must demonstrate how any awarded funds will be spent in a timely manner.***

Eligible Geography

Projects submitted in response to this RFP must be located in and service residents that live within the WestMetro Home Consortium limits.



## Qualifying Populations

- Homeless or At Risk of Homeless (24 CFR 91.5)
- Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking (24 CFR 5.2003)
- Other Populations
  - Other Families Requiring Services or Housing Assistance to Prevent Homelessness: a household who have previously been qualified as “homeless”, are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness.
  - At Greatest Risk of Housing Instability: a household who either 1) has annual income that is less than or equal to 30% of AMI and is experiencing severe cost burden; or 2) has annual income that is less than or equal to 50% of AMI, as determined by HUD, AND meets one “at risk of homelessness” condition. See HUD memo for complete definitions.
    - Note: Veterans and Families that include a Veteran Family Member that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.

## Eligible Activities

The following activities are eligible under HOME-ARP:

- Tenant-Based Rental Assistance (TBRA) (\$300,000.00)
- Supportive Services (\$750,000.00)
- Acquisition and Development of Non-Congregate Shelter (\$1,000,000.00)
- Acquisition and Development of Affordable Rental Housing (\$2,545,918.00)

## What is TBRA?

Tenant Based Rental Assistance (TBRA) program provides Rental Assistance and/or Deposit Assistance for Low Income Households who want to rent from a private landlord. Under the TBRA Program, participants are responsible for locating the rental unit they want to rent within the WestMetro Home Consortium. Participants choose the type of housing they wish to rent (i.e. house, duplex, apartment). The participant’s portion of the rent is a minimum of 30% of their adjusted monthly income. TBRA pays the remainder of the contract rent to the private property landlord.

## Who is eligible to apply?

- A. Qualifies as Subrecipient
  - a. Subrecipient means a public or private nonprofit agency, authority, or organization receiving federal funds from the WestMetro HOME Consortium to undertake activities eligible for such assistance.
- B. Organizational Experience
  - a. Has successfully undertaken similar programs or activities.
  - b. Has received other federal funding in the past and demonstrated success in meeting program requirements.
- C. Organizational Capacity
  - a. Understands and has implemented federal regulatory requirements similar to those that will apply to the proposed activities.

- b. Has adequate administrative and financial processes and systems in place to comply with the requirements to maintain detailed records to track expenditures, revenues, and staff time spent on specific activities.
- c. Has qualified individuals on staff assigned to work on the proposed activities. Has adequate staff time available to complete the identified tasks on time or has a plan to fill these gaps in personnel.

### Eligible Costs

HOME regulations at 24 CFR §92.209(a) state that eligible costs for TBRA activities include rental assistance and security deposit payments. TBRA may also include utility deposit assistance, but only if this assistance is provided with TBRA or security deposit payments.

### Ineligible Costs

Despite the flexibility the HOME Program provides for TBRA, there are a number of program activities that are ineligible for HOME TBRA assistance.

- TBRA may not be used to assist a resident owner of a cooperative or mutual housing unit when that resident is recognized by state law as a homeowner.
  - o However, under the provisions of some cooperative or mutual housing agreements, the units are considered rental housing under state law. The residents of this rental housing may receive TBRA.
  - o Under any circumstance, a tenant who rents from an owner of a cooperative or mutual housing unit **may** receive HOME TBRA.
- HOME TBRA may not be used to prevent the displacement of tenants from projects assisted with Rental Rehabilitation Program funds.
- PJs may not provide HOME TBRA to homeless persons for overnight or temporary shelter.
- HOME TBRA may not duplicate existing rental assistance programs that already reduce the tenant's rent payment to 30 percent of income. For example, if the household is already receiving assistance under the Section 8 Program, the household may not also receive assistance under a HOME TBRA program.

### What are Supportive Services?

There are three categories specifically included as supportive services under HOME-ARP:

- McKinney-Vento Supportive Services: McKinney-Vento Supportive Services under HOME-ARP are adapted from the services listed in section 401(29) of McKinney Vento.
  - o Outreach services: Costs of activities to engage qualified populations for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.
  - o Substance abuse treatment services: Cost of substance abuse treatment services to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors provided by licensed or certified professionals.
  - o Case management: Costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs. PJs and sub-recipients providing these supportive services must have written standards for providing assistance.
  - o Landlord/Tenant Liaison: Costs of liaison services between property managers/owners and program participants.
- Homelessness Prevention Services: HOME-ARP Homelessness Prevention Services are adapted from eligible homelessness prevention services under the regulations at 24 CFR

576.102, 24 CFR 576.103, 24 CFR 576.105, and 24 CFR 576.106, and are revised, supplemented, and streamlined in Section VI.D.4.c.i.

- Housing Counseling Services: Housing counseling services under HOME-ARP are those consistent with the definition of housing counseling and housing counseling services defined at 24 CFR 5.100 and 5.111, respectively, except where otherwise noted.

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#### Who is eligible to apply?

- A. Qualifies as Subrecipient
  - a. Subrecipient means a public or private nonprofit agency, authority, or organization receiving federal funds from the WestMetro HOME Consortium to undertake activities eligible for such assistance.
- B. Organizational Experience
  - a. Has successfully undertaken similar programs or activities.
  - b. Has received other federal funding in the past and demonstrated success in meeting program requirements.
- C. Organizational Capacity
  - a. Understands and has implemented federal regulatory requirements similar to those that will apply to the proposed activities.
  - b. Has adequate administrative and financial processes and systems in place to comply with the requirements to maintain detailed records to track expenditures, revenues, and staff time spent on specific activities.
  - c. Has qualified individuals on staff assigned to work on the proposed activities. Has adequate staff time available to complete the identified tasks on time or has a plan to fill these gaps in personnel.

#### What is Non-Congregate Shelter?

Historically, emergency shelter spaces have been designed to provide temporary accommodations for multiple individuals and/or families in a shared (congregate) space. This provides limited or no privacy for each household and usually requires households to share bathroom facilities. Non-Congregate Shelter (NCS) is a form of emergency shelter that also serves multiple households, but the space is designed to provide separation and privacy for each household served (individual or family), including access to a private full bathroom that is not shared with other households. The intent of NCS is to slow the spread of any illnesses and support the dignity of each household served by creating privacy during their emergency shelter stay.

#### Who is eligible to apply?

Lead Applicants for this RFP must demonstrate the following:

- 501(c)3 nonprofit status or identification as a local unit of government (LUG) that operates its principal place of business in the State of Massachusetts (a CoC/LPB, if incorporated as a 501(c)3 entity, is eligible).
- Active involvement in the CoC/LPB planning process.
- Effective experience in homeless service provision.
- Does not require program participants to complete any prerequisites to receive services (i.e., religious activities, sobriety treatment, etc.).
- Uses HMIS to produce quarterly reports (Domestic violence service agencies must use a comparable database).
- Participates in a Qualified Service Organization Business Associate Agreement (QSOBAA) to allow sharing within HMIS.

- Exhibits the financial capacity to administer funds as demonstrated through an audited federal financial statement.
- Has financial management systems in place such as cash receipts and disbursement logs, invoices, and cancelled check registers, etc.
- Employs staff who possess bachelor's degree in accounting or possess experience in accounting along with college accounting credits or a bookkeeper whose work is overseen by an accounting firm.
- Demonstrates effective community relationships, with the ability to collaborate, coordinate, and partner with other local organizations.
- Must agree to emergency shelter policies and practices for the use of these funds:
  - Minimum habitability standards.
  - HUD's Equal Access Rule.
  - Avoidance of involuntary family separation.
  - Safe practices to reduce infectious disease transmission.

Additional requirements and expectations are outlined below for any agencies that are party to or Lead Applicant for the project:

- Homeless Service Providers:
  - Experienced in providing assessments, referrals, and case management services specifically targeted to people who are homeless.
  - Experienced with successful HMIS data collection.
  - Ability to complete standardized assessments to help ensure that the right individual/family is getting to the right program to end their homelessness.
- Tribal Communities and Tribal Councils:
  - Per 24 CFR part 92 Final Rule for HOME, Tribal Communities or Tribal Councils may apply for HOME-ARP funds
- Developers and Construction Companies:
  - Licensed in LARA; bonded and insured.
  - Has established a partnership with a CoC, LPB, local unit of government, homeless service provider, or Tribal Community or Tribal Council to facilitate operations.

### Eligible Costs

Per the HOME-ARP NOTICE (page 57), the following costs are identified as eligible:

- Acquisition Costs: Costs to acquire improved or unimproved real property.
- Demolition Costs: Costs of demolishing existing structures for the purpose of developing NCS.
- Development Hard Costs: Costs identified in 24 CFR 92.206(a) to rehabilitate or construct NCS units, except costs must be for meeting the physical standards established in Section VI.E.7 of the NOTICE (page 55).
- Site Improvements: Costs to make improvements to the project site, including installation of utilities or utility connections, and the construction or rehabilitation of laundry, community facilities, on-site management, or supportive service offices.
- Related Soft Costs: Reasonable and necessary costs incurred by the purchaser and owner associated with the financing, acquisition, and development of NCS projects, including costs identified in 24 CFR 92.206(d) *with the following exceptions*:
  - o Costs to provide information services such as affirmative marketing to prospective homeowners and tenants are not eligible.



- Costs of funding an initial operating deficit reserve are not eligible.
- Costs of project-specific assistance to community housing development organizations, including technical assistance and site control loans or seed money loans as specified in 24 CFR 92.301 are not eligible.
- Replacement Reserve: **(No more than 10% of the total grant request)** Costs to capitalize a replacement reserve to pay the reasonable and necessary costs of replacing major systems and their components whose useful life will end during the restricted use period. Major systems include structural support, roofing, cladding, and weatherproofing, plumbing, electrical and HVAC.

Ineligible Costs

Per the HOME-ARP NOTICE (page 57), the following costs are identified as ineligible and must be supported in other ways within the Lead Applicant’s operating budget.

- Non-congregate shelter operations and supportive services are not eligible expenses within NCS funding. Other funding sources must be documented in the Lead Applicant’s operating budget to support NCS operations and supportive services funding for all proposed NCS units.
- Costs to convert NCS units following the minimum use period. Other funding sources must be documented in the Lead Applicant’s operating budget to support the cost of conversion.

**WHAT ARE THE DESIGN OPTIONS FOR THIS APPLICATION?**

NCS project proposals must be based on one of the three options noted below. Every option must focus on creation of new NCS spaces, increasing the availability of NCS for the associated CoC or LPB:

- Rehabilitation and/or Construction Only – A project proposal that outlines costs related to rehabilitation of an existing structure owned by the applicant; and/or building on a vacant property; and/or expanding an existing structure. A project proposal under this definition would not be utilizing any funds for acquisition.
- Acquisition Only – A project proposal that outlines costs related to purchasing vacant land or structures for the purposes of NCS. This option does not include any costs for rehabilitation or construction.
- Acquisition with Rehabilitation and/or Construction – A project proposal that outlines costs related to both the purchase and rehabilitation and/or construction of vacant land or improved parcels (properties with existing structure(s) and/or utilities).

Regardless of the design option chosen, the project proposal must indicate whether there is an intention to convert the NCS units following the minimum use period.

<b>Project Type</b>	<b>Restricted Use Period</b>
Acquisition Only	10 Years
Rehabilitation	10 Years
New Construction	15 Years

**Minimum Use Period:** All HOME-ARP NCS projects must be operated as NCS for a minimum period of time prior to conversion. The minimum use period prior to conversion varies based on the original HOME-ARP NCS eligible activity undertaken and the amount of funds invested in the project.

*Please note: currently the Consortium has allocated \$1 million for the construction or rehabilitation of non-congregate shelters. These funds should be used as gap funding for projects already underway.*

### What is Affordable Rental Housing?

Affordable rental housing is housing with rents equal to, or lower than, average rates in the private market. It is for people who have a low-to-moderate income but may not be eligible for subsidized housing.

Eligible Activities: Acquisition, construction, and rehabilitation of affordable rental housing, including reconstruction as defined in 24 CFR 92.2. Acquisition of vacant land or demolition may be undertaken only with respect to a HOME-ARP project for which construction is expected to start within 12 months of commitment.

Eligible Costs: HOME-ARP funds may pay for up to 100 percent of the following eligible costs associated with HOME-ARP rental units:

- Development hard costs include the actual cost of constructing and rehabilitating housing to meet applicable property standards. Eligible development costs also include site improvements, utility connections and costs to construct or rehabilitate laundry and community facilities located within the same building as the HOME-ARP housing;
- Refinancing of existing debt secured by a HOME-ARP rental project rehabilitated with HOME-ARP funds;
- Acquisition costs of improved or unimproved real property;
- Related soft costs including reasonable and necessary costs incurred by the PJ or project owner associated with the financing, development, acquisition, or rehabilitation of HOME-ARP rental housing;
  - Relocation costs as defined in 24 CFR 92.206(f), 24 CFR 92.353, and the Notice;
  - Certain costs related to the payment of construction, bridge, or guaranteed loans, if HOME-ARP is part of original financing;
  - Operating cost assistance, through a capitalized operating reserve or ongoing operating cost payments, for HOME-ARP units restricted for occupancy by qualifying households.

*Please note: currently the Consortium has allocated approximately \$2 million for the construction or rehabilitation of rental housing. These funds should be used as gap funding for projects already underway.*