

**Allegheny County
Department of Human Services
Request for Proposals Q&A**

RFP for a Provider to Manage Two Existing Permanent Supportive Housing Programs

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| April 3, 2019 |
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1. I am confused regarding the funding amounts and the number of months specifically that the funding covers. The RFP states: "Total funding for Program 1 is \$407,028 (Spring 2019 through June 30, 2020). Total funding for Program 2 is \$141,689 per funding period (Spring 2019 through October 31, 2019 and November 1, 2019 through June 30, 2020)." Does that mean:

a. Is Program 1 \$407,028 even if the contract is assumed before July 1. Or is the \$407,028 for a 12 month period and will be prorated depending on the month the contract is assumed?

The \$407,028 is the total of the grant from 3/1/19 through 6/30/2020. The Successful Proposer will be awarded a prorated amount from that total based on when they take over Program 1 (e.g., on 5/1, 6/1 or whenever the Agreement begins).

b. For Program 2 how many months is the total \$141,689 to fund? Is that a 12 month funding amount the actual total will be decided once the contract is assumed and then adjusted to account for changing to the UFA?

We amended the RFP and Response Form to correct and clarify Program 2's budget. Please see the amendment explanation at the end of this document. Program 2 is currently in operation and has an annual budget of \$207,782 total for 11/1/18 through 10/31/2019. The Successful Proposer will be awarded a prorated amount from that total based on when they take over Program 2 (e.g., on 5/1, 6/1 or whenever the Agreement begins). We estimated that prorated amount would be \$95,000 to 100,000. The Successful Proposer will be awarded an additional \$145,689 to be used 11/1/19 through 6/30/2020 (contingent on the Program being approved for funding by HUD).

c. It would be helpful to have this information listed based on a 12 month contract (1 year) contact with the understanding that funding is prorated based on the date the contract is assumed and the date the UFA changes take place.

Given that these are existing programs, we have to work with the funding structure already in place.

2. The funding listed in the paragraph on page 5 of the RFP for program 2 is \$141,689 and in the chart below the paragraph it is \$145,689. Why is there a \$4,000 difference?

That was a typo. The amendment to the RFP removed this error.

3. Can consumers in the lease program be charged for initial security deposit?

No, the Successful Proposer should use contract funding to cover security deposits. Participants should not be charge.

4. Can grant dollars be used for the initial security deposit for both programs?

Yes.

5. Will the new provider have to require new lease agreements with current tenants?

This will depend on if the current landlord is willing to continue with the existing Participant and the Successful Proposer and if the Participant wishes to relocate. In Program 1, the leases are in the current provider's name; therefore, the Participant would have the option to move to a new unit or stay if the landlord wishes to continue to work with them.

6. In the lease program will the current provider be refunded the initial security deposit?

The landlord and the current provider will make this decision. In Program 1, the current provider is the lease holder, so it will depend on their agreement with the landlord.

7. In the 2020 renewal, can individuals/families be moved from the lease program to a rental program?

Yes.

8. Can individuals/families be moved from scattered site to site based?

DHS's agreement with HUD is for scattered-site units. A change will require an amendment of that agreement and is subject to HUD approval. You may propose this change, but you should provide a strong argument in your Proposal for the change and describe your plan to make this change possible.

9. Can grant dollars be used to repair damage to units?

Yes. HUD allows up to one month's rent to be used towards damages to a unit. Program 1 also has an Operating line item in the budget which can cover damages to a unit.

10. What is the primary diagnosis/disability for consumers in program 1?

There is not one, but Participants must have a documented disability to qualify for HUD PSH.

11. What is the primary diagnosis/disability for consumers in program 2?

There is not one, but Participants must have a documented disability to qualify for HUD PSH.

April 8, 2019

12. What is the current utilization of the current PSH programs? Are they operating at full capacity?

Program 1 currently is at 52% utilization with 13 family vacancies. Program 2 currently is at 95% utilization with one family vacancy.

13. We were wondering if you knew of any opportunities for a cash match or if there were any funds that can assist with it?

We do not know of any opportunities at this time. Match will need to come from any services being provided to the Participants that would not be billed to the HUD grant.

14. We were also wondering if these units are leased by the agency and then subleased to the clients? Or, is the lease in the client's name and the agency makes 3rd party payments?

Program 1 is a leasing program where the provider holds the lease with the landlord. Program 2 is a rental assistance program where the lease is between the Participant and the landlord.

15. It appears that most of the clients will be staying in the program, but there are a few openings, is that correct? How soon would the program be expected to take over the grant—meaning having staff hired, and be fully operational at 100% utilization?

With the help of DHS, the Successful Proposer will immediately begin a transition plan with the current provider. Our hope is to have the contract effective by June 1, or July 1 at the latest. At that time, the Successful Proposer should have the staff dedicated to the Programs and be ready to request referrals to fill the open units.

April 10, 2019

16. Please provide a description of Program 1 including the goal of the program and the purpose.

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.

17. Please provide a description of Program 2 including the goal of the program and the purpose.

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.

18. What are the actual rental amounts and lease amounts?

The grant is funded based on the 2018 Fair Market Rent (FMR) Amounts. When renting to new Participants and signing new leases, the Successful Proposer may use the 2019 FMRs if funding is still available in the Leasing or Rental Assistance line items.

19. How is the portion paid by the tenant determined?

The Participant pays 30% of their family's adjusted monthly income or 10% of the family's gross income.

20. How long is the duration of the tenant's payment and how is that determined?

The Successful Proposer will work with the Participant to make ongoing rent payments, if the Participant falls behind then the Successful Proposer would step in to prevent an eviction. The Successful Proposer will work with the Participant indefinitely; however, the goal is eventually to move the Participant once or if they do not need the services anymore.

21. Do those payments increase over time to eventually fully assume the home?

No.

22. What specific expenses can fall in the category of Supportive Services?

Supportive Services expenses include staff costs for those working with the Participants, food, transportation for Participants, employment assistance, child care, legal services for Participants, life skill training, mental health services, substance use treatment, and utility deposits.

23. What specific expenses can fall under Operating?

Operating expenses include maintenance, property taxes and insurance, security, electricity, gas and water (no other utilities), furniture, and equipment.

24. What are the current vacancy rates of the units?

See question 12.

25. Are the units in any particular area or lumped in a few areas? Please provide a list of where the units are primarily concentrated.

Units can be located anywhere in Allegheny County.

26. How will the warm handoff to the new provider be handled so as to not disrupt service and build relationships?

Once the Successful Proposer is selected, they (with the help of DHS) will work with the existing provide for a smooth transition.

27. Will the current employees be able/encouraged to consider employment with the new agency?

Not as part of this RFP, but they may outside this process.

28. Are the leases in the agency name or the tenant's name?

See question 14.

29. Are criminal and credit checks done on the individuals?

No, the Programs are Housing First so criminal and credit checks are not required.

30. Are the individuals expected to have income when entering the program?

No.

31. Are all 43 units currently occupied?

See question 12.

32. Are supportive services currently in place?

For existing Participants, Supportive Services probably are already in place, but the Successful Proposer must check with them to ensure that all their needs are being met. For new Participants into the Programs, the Successful Proposer must provide the services or assist with linking them to services.

33. Is money able to be moved between line items for Program I and Program II?

These requests would have to happen after the RFP is awarded and all requests must go through HUD for final approval.

34. Is the 25% match off the total project amount of \$698,406? Or is the 25% match of a specific line item such as admin or support services?

The 25% match is applied to all line items, except Leasing.

35. Program 2 does not have an operating line item. There would be no line item for travel, etc. How would this be handled?

Transportation costs for Participants are allowed under Supportive Services. Staff transportation can be covered under the staff time under services.

36. Is there funding for start-up costs?

No.

37. Can you please specify what the exact dollar amount for match requirements is for both the leasing and the rental assistance contract based on a 12 month grant?

Match is 25% of any budget line item with the exception of leasing. We cannot give exact amounts because budget will be prorated based on when the Successful Proposer takes over. To give an example, if all costs remained unchanged in the Response Form budget charts, the total match would be at least \$35,607 for Program 1 and at least \$36,423 for Program 2. The math is:

- Program 1 = $(\$82,272 + \$37,800 + \$22,356) * 25\% = \$35,607$
- Program 2 = $(\$96,664 + \$41,376 + \$7,649) * 25\% = \$36,423$

38. Is the amount listed under administration on the budgets what the provider gets or is this the total admin budget and DHS takes part of that amount?

The admin listed is the total administration for the grant. This amount (or the prorated amount) will be split evenly between the Successful Proposer and DHS.

April 11, 2019

39. What does scattered sites mean in terms of units and beds? Are these units and bed counts spread out in the community or are these units and bed counts inside actual structural sites? Would you be traveling to each of these scattered units, outside of structural buildings?

Scattered sites mean the units are spread out in apartments, townhomes, houses and other dwellings in the community. Scattered sites are not located within a structural building.

This RFP is looking for a provider to manage two Permanent Supportive Housing (PSH) programs. PSH is a service model that combines housing and Supportive Services. For housing, the Successful Proposer will manage leasing and rental assistance for Participants. The Successful Proposer may provide Supportive Services itself within its organizational structure, or may partner with outside organizations to coordinate Supportive Services for Participants. PSH providers usually do not travel to the units to provide Supportive Services directly to Participants; however, they are expected to meet with each Participant as needed, or at least monthly. We are not looking for providers for only Supportive Services. The Successful Proposer must manage both housing and the coordination of Supportive Services.

For an introduction to PSH, please see

<https://www.hudexchange.info/resources/documents/CoCProgramIntroductoryGuide.pdf>.

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| Amendment |
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On April 3, we amended the RFP to correct and explain the budget. Page four:

Award Details

DHS is seeking a qualified Proposer who will assume responsibility for administering the Programs starting in Spring 2019 through June 30, 2020, the duration of each HUD grant. The Successful Proposer must work with DHS to prepare a submission for DHS’s annual funding application to HUD in order to secure continuation funds.

Total funding for Program 1 is \$407,028 (Spring 2019 through June 30, 2020). Funding will be prorated based on when the Programs are assumed by the Successful Proposer and the length of the Agreement.

Funding for Program 2 is broken into two funding periods. This program is currently in operation and has a budget of \$207,782 for November 1, 2018 through October 31, 2019. During first period, Spring 2019 through October 31, 2019, the Successful Proposer will receive funding that is prorated from the \$207,782, based upon when they assume management and the length of the Agreement. For the second funding period from November 1, 2019 through June 30, 2020, the Successful Proposer will receive \$145,689.

Program 1 provides funding for leased units and Program 2 provides funding for rental assistance.

| Program | Projected Timeframe | Estimated Projected Funding | Units | Beds | Population |
|------------------|--------------------------------|------------------------------------|--------------|-------------|--------------------------|
| Program 1 | Spring 2019 to June 30, 2020 | \$407,028** | 24 | 55 | Families |
| Program 2 | Spring 2019 to Oct. 31, 2019 | \$145,689** \$207,782*** | 19 | 41 | Individuals and families |
| | Nov. 1, 2019 to June 30, 2020* | \$145,689 | | | |
| Total | | | 43 | 96 | |

* The Successful Proposer must work with DHS to prepare a submission for DHS’s annual funding application to HUD in order to secure continuation funds.

** Funding will be prorated based on when the Programs are assumed by the Successful Proposer and the length of the Agreement.

*** Total grant funding is \$207,782 for 11/1/2018 through 10/31/2019. Funding will be prorated from that total based on when the Programs are assumed by the Successful Proposer and the length of the Agreement. We estimate that the Successful Proposer would receive approximately \$95,000-100,000 for Spring 2019 through 10/31/2019.

F. Budget

From its HUD grant, DHS will provide the Successful Proposer with up to \$407,028 for Program 1 (Spring 2019 through June 30, 2020) and up to \$145,689 per funding period for Program 2 (Spring 2019 through October 31, 2019 and November 1, 2019 through June 30, 2020). Funding will be prorated depending on when the Successful Proposer can assume responsibility for the Programs. Program 1 provides funding for leased units and Program 2 provides funding for rental assistance. As the Successful Proposer will be assuming operation of the Programs, the Successful Proposer will be expected to follow the Programs’ current funding cost allocations for leased units, rental assistance, Supportive Services, operations and administrative expenses. There will be some, but limited, flexibility to change these cost allocations. The annual budget and cost breakdown for the Programs are as follows.

Program 1 provides funding for leased units. From its HUD grant, DHS will provide the Successful Proposer with up to \$407,028 for Program 1 (Spring 2019 through June 30, 2020). Funding will be prorated depending on when the Successful Proposer can assume responsibility for the Programs. The cost breakdown is:

| Program 1 Budget | |
|-------------------------|-------------------|
| Costs | Allocation |
| Leased Units | \$264,600 |
| Supportive Services | \$82,272 |
| Operating | \$37,800 |
| Subtotal | \$382,672 |
| Administration | \$22,356 |
| Total | \$407,028 |

Program 2 provides funding for rental assistance. It is currently in operation and has an annual budget of \$207,782 for November 1, 2018 through October 31, 2019. Funding for Spring 2019 through October 31, 2019 will be prorated from that amount depending on when the Successful Proposer can assume responsibility for the Programs. DHS will work with the Successful Proposer to determine the cost breakdown for this funding period. The Successful Proposer will receive an additional \$145,689 for the funding period of November 1, 2019 to June 30, 2020. The cost breakdown for that funding period is:

| Program 2 Budget per Funding Period for Nov. 1, 2019 to June 30, 2020 | |
|--|-------------------|
| Costs | Allocation |
| Rental Assistance | \$96,664 |
| Supportive Services | \$41,376 |
| Subtotal | \$138,040 |
| Administration | \$7,649 |
| Total | \$145,689 |

We also amended the Response Form to clarify what we are seeking in the proposed budgets.

17. The charts below are HUD’s specific budget format and the Programs’ current cost allocations. Use the charts to provide details on your organization’s ~~budget for the Programs~~ **plan for Program 1’s full budget (Spring 2019 through June 30, 2020) and Program 2’s budget for November 1, 2019 through June 30, 2020**. Provide a detailed budget narrative that justifies and explains the charts in the narrative box below. If you changed any of the pre-filled allocations, please explain why.

...

| Program 2 Budget per Funding Period for Nov. 1, 2019 to June 30, 2020 | |
|--|-----------------------------------|
| Eligible Costs | Total Assistance Requested |
| Leased Units | Enter \$ |
| Leased Structures | Enter \$ |
| Rental Assistance | \$96,664 |
| Supportive Services | \$41,376 |
| Operating | Enter \$ |
| HMIS | Enter \$ |
| Subtotal Costs Requested | \$138,040 |
| Admin (up to 7%) | \$7,649 |
| Total Assistance Plus Admin Requested | \$145,689 |
| Cash Match | Enter \$ |
| In-Kind Match | Enter \$ |
| Total Match | Enter \$ |
| Total Budget | Enter \$ |