



Social Impact Solutions

Request for Qualifications

*Responses Due:
October 6, 2014*

Request for Qualifications

Introduction

The Corporation for Supportive Housing (CSH), Enterprise Community Partners (Enterprise), and Social Impact Solutions (SIS) are pleased to issue this Request for Qualifications related to the development of a social impact investment initiative that will provide supportive housing to chronically homeless individuals who also struggle with mental health and substance abuse challenges.

About CSH, Enterprise and SIS

Corporation for Supportive Housing transforms how communities use housing solutions to improve the lives of the most vulnerable people. We offer capital, expertise, information, and innovation that allow our partners to use supportive housing to achieve stability, strength, and success for the people in most need. CSH blends over 20 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions.

Enterprise Community Partners works with partners nationwide to build opportunity. We create and advocate for affordable homes in thriving communities linked to jobs, good schools, health care and transportation. We lend funds, finance development and manage and build affordable housing, while shaping new strategies, solutions and policy. Over more than 30 years, Enterprise has created nearly 320,000 homes, invested \$16 billion and touched millions of lives.

Social Impact Solutions principals have several decades of high level policy development, financing and implementation experience. Through SIS, they are leading Pay for Success / Social Impact Bond efforts throughout Colorado. They support clients in positioning successful programs for innovative finance through feasibility studies, financial modeling, identification of funders and structuring deals.

Program Overview

In the City and County of Denver, data was collected on 300 people who are chronically homeless and face substance abuse and/or mental health challenges. For just this cohort of chronically homeless adults, the Denver Crime Prevention and Control Commission determined that Denver spends roughly \$11 million each year, including nights in shelters, run-ins with the police and visits to detox facilities.

It's well documented that supportive housing – which offers both permanent affordable housing and linkages to services for physical and mental health, substance abuse and other issues common in the chronically homeless population – can actually reduce long-term spending on emergency services such as shelter, emergency hospital services, police, court and jail services, and emergency medical care, while improving outcomes for chronically homeless individuals. For example, studies show that every dollar spent on permanent supportive housing saves up to two dollars elsewhere in public spending. However, despite mounting evidence of effectiveness, local governments often have trouble securing the necessary investments for supportive housing.

At the Clinton Global Initiative meeting in June, Denver Mayor Michael B. Hancock announced the City's intention to develop a new initiative that will connect high utilizers of public services with supportive housing. Supportive housing for these individuals will address the underlying causes of homelessness, including mental illness and substance abuse, while also reducing criminal justice and emergency health system costs.

The Mayor has asked for design and implementation plans for an initiative to serve 200-300 high utilizers of public services, most of whom are chronically homeless. This initiative will span the next six years leveraging a wide array of existing public funding supplemented with resources developed through Social Impact Bond (SIB) financing. In recent years, there has been increased public and private interest in Social Impact Bonds, a financial tool that harnesses private capital to support critical but underfunded public services. SIBs are a promising tool for creating new public-private partnerships to tackle some of the most pressing social and economic problems facing low-income communities, all while ensuring that any taxpayer investment yields measurable results. Under a typical SIB contract, private investors provide upfront capital to fund a proven intervention. Investors are paid back by the government with a financial return only if pre-defined social outcomes are achieved. Often the financial return to investors comes from the money saved through a reduction in government spending. If the program falls short, the investors could potentially incur losses. For more information about Social Impact Bonds, please visit <http://hks-siblab.org/>.

CSH, Enterprise, and SIS are working with the City and County of Denver to design housing and service models that meet the needs of the target population, secure the capital needed to create permanent supportive housing for the target population through new construction, acquisition/rehabilitation of housing and use of existing housing units. The SIB financing will not fully fund the costs of developing new housing. It is anticipated that partnerships with CHFA, the Colorado Division of Housing, City and County of Denver and others will be necessary in order to produce the additional housing units.

Overview of this RFQ

This RFQ seeks to solicit programmatic responses and statements of qualifications from organizations interested in partnering on an initiative to connect up to 300 chronically homeless individuals and high utilizers of public services with supportive housing and intensive case management. The program aims to address the challenges that vulnerable individuals experience in obtaining and sustaining stable housing, including mental illness and substance abuse, while also reducing Denver's criminal justice and emergency health systems costs.

Initiative Goals and Objectives

- Housing 200-300 high utilizers of government services
- Successful integration into the community in stable, affordable housing
- Improvement in overall health of participants and increased use of appropriate preventive health services and corresponding reduction in use of crisis care such as hospital emergency rooms
- Reduction in utilization of Denver City and County jail, court, police and medical services
- Demonstration of SIB as financing mechanism

Purpose of this RFQ

The purpose of this RFQ is to seek information from potential partners interested in providing housing and/or services to the targeted population in one of three roles:

1. Providing Housing – Affordable, permanent housing in existing properties, units coming online in mid-late 2015 and 2016 or future new housing development.
2. Delivering Supportive Services – Supportive services including but not limited to case management, behavioral health services, and housing placement.
3. Providing Housing and Delivering Supportive Services—Providers would take responsibility for provision of both supportive services and affordable housing.

In addition to expressions of interest, this RFQ also seeks input from interested parties on best practices for housing and support services for the program described in this RFQ. Responses to the RFQ will be reviewed to identify prospective partners to help design and launch the effort.

This document is not intended as a formal offering for the award of a contract or participation in any future solicitation. This is an RFQ for partnership. Invitation to participate in partnership following this RFQ does not include award of funding; however CSH, Enterprise, and SIS are currently working to secure resources that would provide support for partnering organizations.

The issuers of the RFQ reserve the right, at their sole discretion, to withdraw the RFQ; to use the ideas or proposals submitted in any manner deemed to be in the best interests of the City and County of Denver, including (but not limited to) negotiating with one or more respondents or undertaking the prescribed work in a manner other than that which is set forth herein. In their sole discretion, the issuers of this RFQ reserve the right to choose to discuss various approaches with one or more potential partners (including those not responding to the RFQ). In addition, the issuers of this RFQ may, upon discussion of the approaches, proceed with a demonstration project with partners who show that they are able to provide one or more interventions.

Deadlines & Timetable

This RFQ is being issued on September 8, 2014; and responses to it are due no later than 5pm Mountain Time on Monday, October 6, 2014.

A mandatory Letter of Intent to Apply is due September 23, 2014 by 5pm Mountain Time to John Hersey at jhersey@enterprisecommunity.org. The Letter of Intent to apply need only state organization name and contact information (name, email, phone).

An information session about this RFP will be held September 19, 2014 at 1:00pm, at the Denver Metro Chamber of Commerce, 1445 Market St, Denver, CO 80202 (5th Floor). Attendance is strongly encouraged but not mandatory. To RSVP for this information session, please email John Hersey at jhersey@enterprisecommunity.org.

CSH, Enterprise and SIS are planning on meeting in person with leading respondents on the afternoon of October 14 and morning of October 15, 2014. Respondents will be contacted by October 10 for meeting times on the 14th and 15th.

All applicants can expect to receive a response by October 27, 2014.

TIMELINE

RFQ Issued	September 8, 2014
RFQ Question and Answer Session	September 19, 2014, 1:00pm
Letter of Intent to Apply due	September 23, 2014 by 5:00pm
Applications Due	October 6, 2014 by 5:00 pm
Finalist Interviews	October 14 – 15, 2014
Responses to applicants	October 27, 2014

Eligible Applicants:

Organizations may respond individually or as part of a team. Multiple organizations may form a team for this application, but should clearly identify the lead organization and the anticipated role(s) for each partner organization.

Application Instructions

All application instructions and forms will be available online at Enterprise and CSH (addresses below). Submissions will be reviewed by CSH, Enterprise, and SIS and selection decisions will be communicated to respondents by October 27, 2014.

www.enterprisecommunity.org/denver

www.csh.org/socialimpact

Questions

Any questions on the RFQ can be directed to: John Hersey at jhersey@enterprisecommunity.org. A set of Q & A will be developed and distributed to all interested parties via email by September 24th.

Key Program Elements

Target Population

The initiative will target high utilizers of government services (most of whom are chronically homeless individuals, as defined as having a chronic debilitating condition, and sleeping in a place not meant for human habitation and/or in an emergency shelter and/or in a safe haven, and having been homeless continually for one year or more OR having four or more episodes of homelessness in three or more years.)

High utilizers are those individuals who are frequently before the court, in jail, and habitually using a spectrum of resources including:

- Health care services -- emergency rooms, detox, and ambulatory services.
- Criminal justice services -- arrests, jail admissions and discharges.

Based on data and reports from the Denver Crime Prevention and Control Commission, there are at least 300 individuals in the City and County of Denver County who are anticipated to meet the definition outlined above. Participants in the final program will collectively target this specific population using administrative data, conducting outreach/in-reach to Denver County Jail, Denver Health, Continuum of Care, and other public entities.

Participants and partners will be required to participate in an impact and cost-benefit evaluation conducted by an independent research partner. As part of this evaluation, partners, and participants will work with the research team to obtain research consent forms and participate in surveys associated with the evaluation.

Permanent Supportive Housing

This initiative seeks to identify and provide affordable, permanent supportive housing to the target population. Housing may be in a single site or scattered-site models. We are particularly interested in housing available in:

1. Existing properties that are currently serving the target population (or a similar population) or where the property manager and owner are willing to set aside units to serve the target population.
2. Existing affordable housing units that could be linked to supportive services in the community
3. Units coming online in mid-late 2015 and 2016 in properties designed to serve the target (or a similar) population or where the property manager and owner are willing to set aside units to serve the target population.
4. Future development, either new construction or acquisition rehab, designed for the target population. We are particularly interested in new single-site developments of 50 units or larger.

All housing must meet the definition of Permanent Supportive Housing which means:

- Housing that is affordable, meaning the tenant household ideally pays no more than 30% of their income toward rent, that can be located in a single site or scattered in multiple locations in the community
- Housing that provides tenant households with a lease or sublease identical to non-supportive housing — with no limits on length of tenancy, as long as lease terms and conditions are met
- Housing that proactively engages residents in a flexible and comprehensive array of supportive services, without requiring participation in services as a condition of ongoing tenancy. This includes onsite services and/or community based, intensive case management models like Assertive Community Treatment (ACT) and Forensic Assertive Community Treatment (FACT)

- Informed property or landlord management – Property management maintains a balance between ensuring the effective operation and management of the physical facility and fostering tenants' housing stability and independence.

Additionally, we are seeking housing that incorporates specific best practices, including:

- Housing First -- The goal of "housing first" is to immediately house people who are homeless. Housing comes first no matter what is going on in one's life, and the housing is flexible and independent so that people get housed easily and stay housed. Housing first can be contrasted with a continuum of housing "readiness," which typically subordinates access to permanent housing to other requirements. Housing first is a low-barrier entrance process that supports moving persons quickly into housing of their choice from settings such as the streets or shelters, without preconditions of treatment acceptance or compliance.
- Harm Reduction -- A model of substance-use intervention that focuses on helping people who use substances to better manage their use and reduce the harmful consequences to themselves and others, including actively working to prevent evictions. In conjunction with housing first and supportive housing, using the harm reduction philosophy means that individuals do not have to sober to be eligible to enter housing and are not evicted solely for a failure to maintain sobriety.
- Person-Centered Care -- Where services are voluntary, customized and comprehensive, reflecting the individual needs of tenants, and, tenants have meaningful opportunities to engage in the community.
- Assertive outreach and engagement -- Programs conduct assertive outreach to engage and recruit members of the target population. Programs will engage target population members and offer them the opportunity to obtain affordable housing along with health and social services.
- Housing at the highest level of quality as outlined in the CSH Dimensions of Quality Supportive Housing. http://www.csh.org/wp-content/uploads/2013/07/CSH_Dimensions_of_Quality_Supportive_Housing_guidebook.pdf

Social Impact Bond Financing

There are many types of pay for performance contracting in which the government agrees to pay based on agreed upon specified outcomes. SIBs are one form of contracting which fall within the larger category of Impact Investing.

SIBs raise funds from a variety of non-governmental sources to support programs and services. Successful program outcomes are required in order to trigger repayment. There are numerous variations on how to structure these types of contracts. In exchange for investing in an intervention, funders receive their initial investment plus a possible return on investment if pre-determined outcomes are reached that generate savings of taxpayer dollars.

The benefits are threefold:

- the nonprofit provider receives a predictable, committed funding stream for a defined period of time not subject to government cuts in order to provide services and scale up successful interventions;
- government is able to target public resources for successful interventions while encouraging innovation in new solutions from non-governmental partners;
- Investors earn a return on a successful investment while achieving a social good.

SIBs reduce the risk of public funds being utilized for ineffective interventions. They allow public programs to have clear, established goals aimed at tackling the most pressing social concerns and consequently, for taxpayer money to be directed at the most promising interventions.

Application Components & Instructions

All proposal items must be submitted ELECTRONICALLY by 5 pm MDT on October 6, 2014 to: John Hersey at jhersey@enterprisecommunity.org. Note: hard copies of proposal or application materials will not be accepted

Proposal narrative must be submitted in Microsoft Word format and should not exceed twenty (20) single-spaced pages using Times New Roman 12 point font and one-inch margins.

We are seeking information from partners interested in providing housing and/or services to the targeted population in one or more of three roles:

1. Providing Housing – Affordable, permanent housing in existing properties, units coming online in mid-late 2015 and 2016 or future new housing development.
2. Delivering Supportive Services – Supportive services to be delivered the target population including but not limited to case management, behavioral health services, and housing placement.
3. Providing Housing and Delivering Supportive Services—Providers would take responsibility for provision of both supportive services and affordable housing.

Respondents should address the following:

I. Organizational Background and Capacity

- A. Provide 1-2 paragraph background on the organization's history, mission, core values and goals, areas served, and targeted demographic.

II. Proposed Role

- A. Clearly identify the role(s) you propose to address. Responses may come from a team or partnership of organizations covering multiple roles, or from individual organizations addressing one or more role.
- a. If addressing housing, describe how you propose to provide units through one or some combination of the following:
1. Existing properties
 1. Location(s), total number of units, subsidy type/s, known barriers to providing priority access, approximate annual turnover or other estimate of likely unit availability, description of community/service delivery space in property
 2. Units already planned to come on line in 2015 or 2016
 1. Location, total number of units planned, subsidy type/s and status of funding commitments, estimated start and completion of construction, number of units willing to commit to this effort, known barriers to providing priority access during initial lease up and ongoing basis, description of community/service delivery space in property
 3. New, previously unplanned development

1. Potential location, status of site control, status of appropriate zoning, potential total number of units, potential number of units for target population, likely or desired financing sources, timing for start of construction and construction completion, description of planned community/service delivery space in property
- b. If addressing services, identify number of units to be supported and type of services your organization can deliver. Please include a brief description of each service and how your organization delivers them (on site, mobile ACT teams, etc.)
1. Describe experience delivering voluntary support services to the target population and using evidence-based practices, such as motivational interviewing and critical time intervention, to engage clients.
 2. Describe experience delivering case management and integrating primary and behavioral health care services for clients. Include any organization partnerships, formal or informal, your agency uses to deliver services.
 3. Describe your experience connecting clients to housing and delivering housing-based support services.
- c. If addressing housing and services, please respond to item a. and b. above.

III. Capacity

- A. Include a description of how your organization already plays the role(s) described above, or your capacity to undertake it. If your organization is looking to expand an existing program, describe the ability to expand the program to serve additional people through the addition of housing and services capacity or expansion into new sites and communities.
- B. Demonstrate prior experience successfully providing housing, services, and/or health care to members of the target population identified in this RFQ and utilizing the key program elements described above. Specifically demonstrate how your organization effectively provides these components in a coordinated way, through intra-organization efforts and collaboration with partners in the community. Additionally, please:
1. Describe how your organization has implemented the housing first and harm reduction models.
 2. Describe your organization's outreach/inreach strategy for engaging with clients similar to the target population.
- C. Describe your ability to leverage Medicaid resources to finance some or all necessary services. Please include your experience in billing Medicaid for reimbursable services or partnering with entities that bill Medicaid and provide services to your tenants. Also please identify other county or state funding streams used to finance services

- D. Describe your experience working in a collaborative environment across government and nongovernmental entities. Include your organization's previous experience collaborating with public and/or private entities to implement evidence-based programs.
- E. Describe and demonstrate the effectiveness of how your organization currently uses data to support decision-making in existing programs and how that data was used to make significant programmatic changes in operations.
- F. Describe your capacity and infrastructure to track outcomes, analyze program performance, and measure results.
- G. Describe your experience with performance-based contracting and achieving milestones and targets.
- H. Describe your experience and relationships with local or state public agencies and systems (especially public housing authorities, COCs, Medicaid or other relevant health payment systems and mainstream housing agencies). Describe your potential for leveraging resources from these systems. Please include:
 - a. The type and level of involvement of local or state public agencies and systems in the proposed model such as participation in the identification of frequent users through administrative data analysis, participation in working or oversight committees, and/or direct funding support to the models.
 - b. The extent to which you have previously partnered with these groups.
- I. Briefly describe the anticipated roles and relevant background of key staff that will work directly on the project(s). Describe their experience and qualifications as they relate to the program as described in this RFQ.

IV. Financial Capacity & Resource Development

As outlined in this RFQ we are seeking partners interested in collaborating to further develop the model described. While CSH, Enterprise and SIS are seeking funding to support this program development and feasibility-related work, no funds have been secured at this time. Please describe your agency's current capacity to lend support in the initial program development phase, and if necessary identify additional support (financial or otherwise) you would need during the project development phase over the next 6-12 months. (I.e. - the time before implementation of the housing and services).