



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Jennifer D. Maddox, Acting Undersecretary

Public Housing Notice 2020-05

Division of Public Housing and Rental Assistance

NOTICE OF FUNDING AVAILABILITY

Agency Document # DHCD 2020-22

Self Sufficiency Program (SSP) for State-Aided Public Housing
and Massachusetts Rental Voucher Program (MRVP)

<https://www.commbuys.com/bs0/external/publicBids.sdo>

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Responses Due:

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NOTICE OF FUNDING AVAILABILITY

Self Sufficiency Program for State-Aided Public Housing and MRVP

I. OVERVIEW

The Department of Housing and Community Development (DHCD) is committed to supporting the efforts of residents in state-funded public housing and participants in the Massachusetts Rental Voucher Program (MRVP) to make measurable gains in employment, financial capability and education. We are therefore pleased to announce that DHCD will award up to \$1M annually for a period of up to five years in competitive grants to Local Housing Authorities (LHAs) and to Regional Administering Agencies (RAAs) to create a Self Sufficiency Program (SSP) for RAAs with MRVP participants and for state-aided public housing at LHAs with more than 150 total units of state-funded family housing and/or participants in MRVP.

This program follows the successful conclusion of the five year self-sufficiency pilot program, Mass LEAP (Learning Employment and Asset Program) that provided supportive services in education and training, career counseling and financial literacy to almost 200 families in state-subsidized public housing and MRVP voucher holders between 2014 and 2019. This new program builds off the lessons learned from that pilot, and the demonstrated value of supportive services with a focus on employment in strengthening families' economic stability. Notable successes of Mass LEAP included: increased earned income, improved credit scores, high employment retention rates, and the development of tangible asset base that included retirement and education savings, emergency savings funds, and homeownership savings.

We anticipate that the funding for grant awards will be available annually for an initial five years, with the option to renew the contracts at DHCD's discretion, all subject to the availability of funding and satisfactory performance.

The three required elements of the SSP program are:

1. Coaches, to be employed by the LHA/RAA or a partner agency, who provide employment, education and asset building support for all SSP program participants based on a Contract of Family Participation created with the participant.
2. Partnerships with local service providers to provide employment, financial literacy, and education services that support SSP participants to meet desired outcomes.
3. An escrow account for all SSP participants. As participants increase income from employment and their rent increases, the difference between the baseline rent and new rent is placed in an escrow account on their behalf.

Participants can use their escrow funds to further their employment, education and asset building goals. The escrow is capped at \$15,000. The escrow funding is not part of the NOFA, but will come from the money set aside from the increased rent.

II. Eligible Applicants

SSP grants are limited to LHAs in Massachusetts who own and/or administer at least 150 units of family housing in some combination between MRVPs and state-aided public housing (Chapter 200 and 705 programs) and to RAAs that administer at least 150 MRVP vouchers.

DHCD will also consider funding a regional approach that incorporates multiple housing authorities and/or RAAs who own or administer more than 150 units of family housing combined, given a reasonable expectation of participant uptake in the program making sharing of staff feasible. The housing authorities or MRVP household locations must be within 50 miles of each other to be able to share a staff person using this approach.

III. Eligible Uses of Funds

LHAs/RAAs can apply for the funds under the following eligibility guidelines:

- If a LHA/RAA **currently has** a Federal FSS program and expects enrollment to be between 30-35 participants, then the LHA/RAA can apply for funds for a part time person. The part time person could be used to increase the time of a current Federal FSS Coordinator from part time to full time. Funding requests can be for **up to \$70,000** with up to \$60,000 for staff based on appropriate salary rates within the agency and \$10,000 for flexible funds to be used for programs, partner payments, or “barrier busting” (small costs that need to be paid in order to remove barriers for residents to obtain the services they need).
- If a LHA/RAA does **not** have a Federal FSS program, then the LHA/RAA can apply for a **full time staff person** who will be expected to **serve at least 35 participants**. Funding request can be **up to \$100,000** with up to \$90,000 available for staffing costs based on appropriate salary rates within the agency and then an additional \$10,000 for flexible funds.
- If a LHA/RAA projects enrollment numbers to be **50 participants in the first year** then the LHA/RAA can apply for a **full time staff person**. Nationally FSS enrollment rate is around 5% of eligible households at an LHA; to meet the target of 50 enrolled participants applicants will need to have a large enough pool of potential households to recruit from. The applicant pool can be met through regional partnership and/or through partnerships between LHAs and RAAs. Applicants will need to show how the target enrollment of 50 participants will be met within one year, and justification for an enrollment above 5% is required. Funding request can be **up to \$100,000** with up to \$90,000 available for staffing costs based on appropriate salary rates within the agency

and then an additional \$10,000 for flexible funds.

An LHA/RAA can choose to hire an **internal staff person** who would be a coach and provide referrals to partner agencies for services or use the funds to pay for **a staff person at a partner agency** (this can be another LHA/RAA or a nonprofit agency) with the coaching expertise required to serve the needs of residents. This model has the added benefit of leveraging the partner agency's knowledge of the field and ability to provide support and supervision to the staff person.

An LHA with the A Better Life program is not eligible to apply for these funds since DHCD is already supporting state-aided residents with a self-sufficiency program at these locations.

IV. Program Design

The program will constitute a **three-year** commitment for SSP participants **with the opportunity to renew for two additional years, one year at a time**. Renewal will be based on a participant needing more time to meet their goals. Completion of the program will be defined by the participant being employed and achieving their goals as stated in the Individual Goal Plan.

The ability to escrow is one of the main advantages of the program. Participants will be encouraged to access their escrow on an interim basis to support them to meet their goals. Participants may have set goals for themselves, such as credit repair or debt reduction, that would benefit from an interim escrow disbursement and those goals should be encouraged since they are often necessary steps on the path towards career mobility and asset building. In order to access the escrow, a participant will need to indicate how the funds support one or more of their goals and must have completed at least one interim goal.

DHCD is interested in creative program designs that incorporate lessons from the field on what best supports families to achieve their goals. DHCD will look favorably on applications that incorporate one or more of the following ideas based on an analysis of LHA residents/MRVP participants and potential needs:

- **Job/Career Focus:** Research from the Jobs Plus¹ program has shown that a focus on job development, particularly for those who are not yet employed, can have positive outcomes. In addition, Jobs Plus showed that taking advantage of the fact that public housing is place based by having the job developer or coach on site to build relationships with residents in informal ways is a good way to support residents to attain jobs. This focus will require program applications to show well developed partnerships with career centers and a career pathway mindset that includes strategies for education and movement beyond the first job.

¹ https://www.hud.gov/program_offices/public_indian_housing/jpi
<https://www.mdrc.org/project/jobs-plus-community-revitalization-initiative-public-housing-families#overview>

- Target 18-24 Year Olds: One population to recruit to the program includes 18-24 year old residents who are not heads of household, but who need support to get on a career pathway. **DHCD welcomes ideas that incentivize 18-24 year olds to participate in the program and meet with the coach.** Some options may include:
 - If an 18-24 year old member of the household participates in the program by meeting with a coach at minimum four times a year, DHCD will provide a waiver to the LHA/RAA so that the rent from the participant who is between the ages of 18-24 is not included in the rent calculation for the household.
 - Another version of this idea is that once the income is excluded from rent calculation to participate in the program the 18-24 year old would need to give the LHA/RAA half of what would have been their portion of rent to be put in the household escrow account, with the stipulation that it is the 18-24 year old who gets that portion of the savings at completion of the program.

If the 18-24 year old does not pay the LHA/RAA their portion of the rent to go in the escrow account, then they would be not compliant with the program and would be removed from the program. Once removed from the program, the 18-24 year old's income would count towards the household total rent calculation. The program non-compliance would follow the regulations for late rent payment with an opportunity for the 18-24 year old to become compliant and remain in the program if they pay within 30 days. Program non-compliance **does not** affect housing tenancy.

- Provide incentives to the 18-24 year old to meet with the coach, for example \$250/year if they meet with the coach four times a year. These costs would be paid out of the \$10,000 in flexible program funds.

DHCD is interested in other ideas on how to engage with and recruit non head of household 18-24 year olds into the SSP program and welcomes LHA/RAAs to offer other approaches, incentives and marketing suggestions in their program design.

- Home Ownership: DHCD would like to incentivize home ownership as a goal for SSP participants. DHCD may offer a home buying incentive for participants who buy a home and move out of public housing or give up their MRVP. Participants will only be eligible for this incentive if they give up their subsidy. LHA/RAAs are invited to think about how to encourage home ownership through the SSP program by addressing the following questions and by suggesting other program elements that would be necessary for implementation:
 - How will recruitment differ with a homeownership focus?
 - What kind of specific supports will a participant receive in order to move towards home ownership?
 - What is the length of time necessary for the home ownership process to succeed?

- In what geography is home ownership realistic and how will the LHA/RAA support participants to think about geography and areas of opportunity?
- Does the LHA/RAA have the needed partners in place to support the homeownership goal?

If a tenant does not meet the goals they establish in their Individual Plan it has no impact on their tenancy at the LHA or their MRVP voucher. The escrow funds will be returned to DHCD if the participant does not meet their goals by end of three year period (five years if the participant opted for two one-year extensions).

V. Program Metrics

LHA/RAAs who receive funding to operate the program will be required to measure the following metrics² on an individual basis through a web-based tool developed by DHCD:

| |
|---|
| Number of participants in the program, including demographic information |
| Employment |
| Number of unemployed participants who obtain a job |
| Number of participants who retain the job they obtained through SSP (90 days, 180 days and year) |
| Number of Participants who increase earned income through increasing hours at existing job, promotions and/or wage increases, and/or adding additional job (average increase) |
| Financial Capability |
| # of participants who reduce debt (average debt reduction) |
| # of participants who increase savings (average increased savings) |
| # of participants who establish or increase their credit score (average score increase) |
| # of participants who open a bank account |
| # of participants with escrow accounts |
| \$ amount escrowed |
| # of interim disbursements and for what reasons |
| Education |
| # of participants without a HSE diploma who get an HSE diploma |
| # of participants who enroll in post-secondary education |
| # of participants who complete post-secondary education (Associates, Bachelor's, Master Degree, Vocational training course, apprenticeship or certificate program) |

SSP program staff from each LHA/RAA will be required to attend a bi-annual training/conference with SSP program staff from other LHA/RAAs from around the state.

² Note that final metrics and outcome goals will be finalized in negotiations between the LHA/RAA and DHCD and memorialized in program contracts.

VI. APPLICATION REQUIREMENTS

Please submit an application no longer than ten, single-sided, single-spaced pages with the following information:

1. **A one-page cover letter** transmitting the application, signed by the Housing Authority or RAA Executive Director.
2. **A board vote** of application approval, as evidenced by a certified extract from the minutes of the board meeting (only applicable for LHAs).
3. **A narrative** describing why the LHA/RAA is interested in and well-suited to develop a plan to implement the program, including the three key components (coaches, partnerships and escrow), in your state-aided family portfolio and/or with MRVP households. Applicants should highlight their prior experience:
 - a. Implementing social service / economic prosperity programs including specific information on enrollment numbers, program retention and graduation rates.
 - b. Recruiting participants for programs.
 - c. Leveraging outside partners, resources and funds to provide services to SSP program participants.
 - d. Demographics of LHA/MRVP households and how they relate to recruitment and program plan. This should explain how program will achieve participation targets, including separate recruitment strategies and take-up rate justification for MRVP and public housing programs. Applicants should especially note justification if forecasting a take-up rate of greater than 5%.
 - e. Innovative program design elements. If focusing on 18-24 year olds, provide data on how this is a good fit for your portfolio including the number of potential participants, average current income and any involvement with this population to date. If focusing on the jobs component, indicate partners, level of support from partners and portfolio demographics that fit with this focus. If focusing on home ownership address the questions listed above.
4. **Completion of Appendix A** an excel chart that asks for number of state aided public housing units, MRVP units and budget allocations.
5. **A draft budget** showing how the requested funds would be spent on SSP and the leveraged funds the LHA/RAA will use to augment the DHCD funds. This budget should include estimate of how many participants will come from MRVP households versus state-funded public housing households.
6. **A description of capacity to measure** the metrics outlined in section V. Please explain how you will use the data and reports from the DHCD web based system to drive performance.

7. **A list of staff and qualifications**, current or to be hired, who would be assigned to this project. Clearly identify their proposed roles in developing and implementing the SSP program and their relevant experience with providing the type of supportive services.
8. **Supplier Diversity Plan Form #1**. See attachment B.

VII. Evaluation Criteria

Applications will be reviewed to determine overall consistency with the goals of the program and with DHCD goals and objectives. Only complete applications will be reviewed.

Scoring Criteria

Applications will be evaluated to determine how well positioned the LHA/RAA is to implement the program in state-aided public housing or with MRVPs. Points will be given based on how well the application meets the criteria below. An application can score a **maximum of 100 points**. **The minimum score needed by an applicant is 51 points**.

Scoring Guide:

0 – Does Not Meet Requirement; 3 – Meets; 5 – Exceptionally Strong Response

| Questions | Points | Multiplier | Final Score |
|---|-------------------------------|------------|-------------|
| Demonstrated experience of applicant and/or partners to implement economic mobility programs including specific information on enrollment numbers, program retention and graduation rates. (e.g., examples of other similar projects successfully completed). | (required minimum score of 3) | 4 | |
| Evidence of ability to successfully recruit participants for programs and meet the enrollment goal. This will take into account the forecasted enrollment based on both raw numbers and review of justification statement for enrollment levels. | (required minimum score of 3) | 5 | |

| Questions | Points | Multiplier | Final Score |
|--|--------------------------------------|------------|-------------|
| <p>Demonstrated ability to leverage outside partners, resources and funds to provide services to residents.</p> | <p>(required minimum score of 3)</p> | <p>2</p> | |
| <p>Inclusion of innovative program design elements: jobs focus and/or recruitment of 18-24 year old participants.</p> <ul style="list-style-type: none"> ➤ If focusing on 18-24 year olds, provide data on how this is a good fit for your portfolio including the number of potential participants, average current income and any involvement with this population to date. ➤ If focusing on the jobs component indicate partners, level of support from partners and portfolio demographics that fit with this focus. ➤ If focusing on home ownership address the questions listed on page five. | | <p>4</p> | |
| <p>Reasonableness of budget showing how the requested funds will be spent on the program and the leveraged funds the LHA/RAA will use to augment the DHCD funds.</p> | <p>(required minimum score of 3)</p> | <p>2</p> | |
| <p>Explanation of how LHA/RAA will use the data and reports from the DHCD</p> | | <p>1</p> | |

| Questions | Points | Multiplier | Final Score |
|---|--------|------------|-------------|
| web based system to drive performance. | | | |
| List of staff (current or to be hired) who will be assigned to this project, their roles in developing and implementing the program and their relevant experience with providing coaching and services. | | 1 | |
| Supplier Diversity Form (0 Points if not completed; 5 Points if completed) | | 1 | |
| TOTAL | | | |

DHCD reserves the right to request additional information from applicants during the review process and to use other available information as may be necessary in order to complete its review.

VIII. DEADLINE AND RESPONSE

Please submit any questions about the SSP application to Aviva Rothman-Shore, Economic Prosperity Manager aviva.rothman-shore@mass.gov by 5 pm on Friday March 13th. Answers will be posted as addendum to this NOFA by Wednesday, March 25th.

Go to the PHN website for more information: <https://www.mass.gov/service-details/public-housing-admin-notices>.

Electronic applications for this grant are due to DHCD by Friday June 5th, 2020 at 5pm.

Applicants should e-mail their applications as one pdf document to dhcdsubmission@mass.gov. DHCD staff will review the applications and anticipate granting awards by August, 2020.

DHCD reserves the right at any time and without penalty to cancel or recommence this NOFA, narrow or amend its scope, or reject any and all responses if DHCD determines that a fair and open competitive procurement has been compromised or that doing so is in the best interest of the Commonwealth.