

# Permanent Supportive Housing Expansion

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*RFP for Coronavirus State and Local Fiscal Recovery Funds*

## *Homeward Bound of WNC*

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# Application Form

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## *Question Group*

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Buncombe County requests proposals for projects to help the community recover from and respond to COVID-19 and its negative economic impacts.

Buncombe County has been awarded \$50,733,290 in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding), as part of the American Rescue Plan Act. This infusion of federal resources is intended to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Buncombe County is committed to investing these funds in projects that:

- Align to county strategic plan and community priorities
- Support equitable outcomes for most impacted populations
- Leverage and align with other governmental funding sources
- Make best use of this one-time infusion of resources
- Have a lasting impact

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

[Click here for the full terms and conditions of the RFP](#)

## **Coronavirus State and Local Fiscal Recovery Funds\***

Name of Project.

Permanent Supportive Housing Expansion

## **Amount of Funds Requested\***

\$5,881,940.00

## **Recovery Fund Eligible Category\***

Please select one:

Services for disproportionately impacted communities

## **Brief Project Description\***

Provide a short summary of your proposed project.

Homeward Bound's Permanent Supportive Housing (PSH) program serves the most vulnerable individuals and families experiencing chronic, long-term homelessness in Buncombe County. To be considered chronic, one must have experienced at least 12 consecutive months of homelessness or experienced 4 episodes of homelessness in the past 3 years and have at least one disabling condition (mental

health, substance use/addiction, and/or physical health). Clients must also be literally homeless (i.e. living on the streets, in emergency shelter, or in places not meant for human habitation). The program accepts referrals from the community's Coordinated Entry System primarily based out of Homeward Bound's AHOPE Day Center where clients engage in a vulnerability assessment and those with the highest scores are referred to the program and housed. PSH provides both rental assistance and case management support as long as they are needed to help clients remain in housing, ending their homelessness.

## Project Plan\*

Explain how the project will be structured and implemented, including timeframe.

This request is for \$5,881,940 to fund part of Homeward Bound's expansion of its Permanent Supportive Housing (PSH) program to better meet the housing needs of at least 125 of the 220 people currently experiencing chronic homelessness in Buncombe County. This population is especially vulnerable to COVID-19 as they are living without a permanent home in which to stay safe.

This PSH expansion includes acquiring the Days Inn motel on Tunnel Road and renovating it into 85 affordable housing efficiency units, adding 2 case managers to our PSH Scattered-Site team to support additional people in the program, and to support 1 staff at our AHOPE Day Center who is responsible for collecting all of the documentation needed to verify each person's chronicity before they are referred to the PSH program, as required by HUD. Overall, this PSH Expansion will have a significant impact by ending chronic homelessness for 125 people (85 at the Days Inn property and 40 within the Scattered - Site PSH program) by moving them into housing and providing case management support.

First, we request that priority be given for \$2,000,000 to help us acquire the Days Inn property. We are in the due diligence commitment period and need this amount by August 14, 2021 to fulfill our contract to purchase.

Once acquired, Homeward Bound will renovate the Days Inn into 85 affordable efficiency units for PSH. Therefore, we also request \$3,000,000 to help with the renovation for this project. Renovation will begin after purchase. We plan to complete the project by November 2022 with move-ins to occur in January 2023. This project will end homelessness for 39% (85 of 220) of the chronically homeless population in Buncombe County.

Finally, we request an additional \$881,940 to be used from July 1, 2021 through June 30, 2026 for the salaries, benefits, and payroll taxes of: 1) A dedicated staff at our AHOPE Day Center who gathers documentation to prove chronicity as required by HUD, not only for the Days Inn PSH project, but for all of our PSH program and our new Rapid Rehousing civilian program started in October 2020 in response to the pandemic and 2) Two additional PSH Housing Case Managers in our scattered-site housing team to support formerly chronically homeless individuals in affordable housing throughout Buncombe County. The \$881,940 request also includes 10% for Administrative Costs to cover needed expenses to run the program such as our PSH Program Managers, the PSH Program Director, and Grant Accountant. Our HUD Continuum of Care rental assistance funding for PSH increased by \$186,775 in 2021. Funding for 2 additional PSH housing case managers will allow us to support additional clients with this increase in rental assistance. We also will have robust HOME Tenant Based Rental Assistance to expend. Funding for the 2 Housing Case Managers will allow us to support an additional 40 people.

This PSH Expansion will reduce the current chronic homelessness population by 56%.

## Statement of Need\*

Describe the need that this project will address. Include data to demonstrate the need, and cite the source of the data.

According to the local Point-In-Time Count, most recently conducted in January 2021, there are approximately 527 people experiencing homelessness on any given night in Buncombe County. Essentially, over the past several years, our Point-In-Time Count data shows that we have been "treading water" on ending homelessness. We move people into housing to end their homelessness while just as many people become homeless.

Since 2014, Homeward Bound's AHOPE Day Center has been the primary site for Coordinated Entry (an assessment and housing referral system for people experiencing homelessness required by HUD). At AHOPE, people are assessed regarding their needs and are then referred to the supportive housing program in our community that will best meet their needs and end their homelessness. As part of this process, AHOPE keeps a by-name list of those experiencing chronic homelessness in our community. Since 2014, there continues to be approximately 220 people on the by-name list. We move some people into housing to end their homelessness and just as many people become homeless long enough to meet the chronic definition. Again, we are not moving the needle. This PSH Expansion will significantly reduce the chronically homeless population. The Days Inn Permanent Supportive Housing Apartment project along with adding 2 PSH Case Managers to our Scattered-Site team to better expend current rental assistance funding, will reduce chronic homelessness by 56%. The Days Inn project alone will reduce chronic homelessness by 39%.

To support the entry of people into this project, as well as the people being housed in our new Rapid Rehousing program with CARES Act funding, we also need funding to support a staff person at our AHOPE Day Center who collects the documentation needed to establish and verify chronicity for each new person housed, approximately 125 over 5 years.

## Link to COVID-19\*

Identify a health or economic harm resulting from or exacerbated by the public health emergency, describe the nature and extent of that harm, and explain how the use of this funding would address such harm.

Homelessness has always been a public health crisis, but it has been exacerbated by the COVID-19 pandemic. The longer people are homeless, the more likely they are to develop chronic health conditions or their already existing health conditions go untreated, making this population more vulnerable to COVID-19. The COVID-19 pandemic brought to national attention that without a home, people are at increased risk of COVID-19 as folks cannot isolate from other people and address their hygiene needs. This funding request will provide 125 chronically homeless individuals a place to permanently call home along with housing case management support services to help them achieve housing stability and to reduce risk of exposure to COVID-19.

## Population Served\*

Define the population to be served by this project, including volume and demographic characteristics of those served.

The population served by this Permanent Supportive Housing Expansion project are people experiencing chronic homelessness in Buncombe County. According to our community's by-name list, there are approximately 220 people experiencing chronic homelessness. To be considered chronically homeless, one must have experienced homelessness for at least 12 consecutive months or have experienced 4 episodes of homelessness in the past 3 years that total 12 months and have a disabling condition (mental health, substance use/addiction, and/or physical health). This PSH Expansion project will house 125 people of the 220 experiencing chronic homelessness.

In terms of gender, the Buncombe County chronically homeless population, according to our by name list, is 27% female, 71% male, 1% transgender, and 1% refused to answer. In terms of race, the local chronically homeless population is 74% white, 20% black, 3% American Indian or Alaskan Native, .5% multi-racial, and 2.5% refused to answer. In terms of ethnicity, the local chronically homeless population is 99% Non-Hispanic and 1% Hispanic.

## Results\*

Describe the proposed impact of the project. List at least 3 performance measures that will be tracked and reported. If possible, include baselines and goals for each performance measure.

Days Inn Permanent Supportive Housing Project:

1. House 85 chronically homeless individuals in Buncombe County.
2. The 85 tenants will collectively achieve an 89% housing retention rate, meaning 76 will achieve housing stability by either remaining in the program or successfully graduating from the program into other permanent housing.

AHOPE Day Center - Chronic Verifications

1. AHOPE staff person will gather documentation required for chronic verifications for at least 125 individuals to help move them from homelessness into housing (85 for the Days Inn project and 40 others referred to supportive housing who are chronically homeless).

PSH Scattered-Site Case Managers

1. House at least 40 chronically homeless individuals in Buncombe County.
2. The 40 tenants will collectively achieve an 89% housing retention rate, meaning 36 will achieve housing stability by either remaining in the program or successfully graduating from the program into other permanent housing, no longer needing case management services.

## Evaluation\*

Describe the data collection, analysis, and quality assurance measures you will use to assure ongoing, effective tracking of contract requirements and outcomes.

Homeward Bound staff enter client level data into the Homeless Management Information System (HMIS), a database used nation-wide to enter client information and to track program and client level outcomes. Homeward Bound's HMIS Agency Administrator is the staff person dedicated to entering information into HMIS and maintains the database for our agency. Accuracy of the information entered is ensured as the PSH Program Director and Grants Management Director pulls reports to analyze program outcomes and to complete annual HUD reports and reports for other funders.

## Equity Impact\*

How will this effort help build toward a just, equitable, and sustainable COVID-19 recovery? How are the root causes and/or disproportionate impacts of inequities addressed?

This PSH Expansion project will help build a more just, equitable, and sustainable COVID-19 recovery by moving people without housing into homes and providing the support they need to achieve housing stability.

People of color in the United States experience homelessness at higher rates than people who are white, and therefore make up a disproportionate share of the homeless population. Nationwide, African Americans make up 13 percent of the general population, but more than 40 percent of the homeless population (National

Alliance to End Homelessness, June 2020). These disparities are due to complex social factors such as poverty, wage inequality, lack of affordable housing, and urban renewal.

According to the latest census estimates (July 1, 2019 Census QuickFacts), 89% of the Buncombe County general population is white, 6.3% is black; .5% are American Indian or Alaska Native, 2.2% or multi-racial, 1.4% are Asian, and .2% are Native Hawaiian or Other Pacific Islander. Those who are experiencing chronic homelessness in Buncombe County, according to our by-name list, are 74% white, 20% black, 3% American Indian or Alaska Native, .5% multi-racial and 2.5% refused to answer. This Permanent Supportive Housing Expansion project will not only address the housing needs of those experiencing chronic homelessness in Buncombe County, but also those directly impacted by racial disparities by moving them into housing and providing the supports they need to achieve housing stability.

## Project Partners\*

Identify any subcontractors you intend to use for the proposed scope of work. For each subcontractor listed, indicate:

- 1.) What products and/or services are to be supplied by that subcontractor and;
- 2.) What percentage of the overall scope of work that subcontractor will perform.

Also, list non-funded key partners critical to project.

There will be no subcontractors for any of the work in the scope of this PSH Expansion. There will; however, be key partners to its success.

First, Homeward Bound partners with other homeless service providers in Buncombe County to conduct Coordinated Entry primarily at our AHOPE Day Center, ensuring that all people experiencing homelessness are being assessed and referred to housing, as needed.

For the Days Inn Permanent Supportive Housing Apartment Project, Homeward Bound is partnering with McKibbin Places as the developer and RowHouse Architects. We will partner with the Asheville Housing Authority to provide 80 project based vouchers. The process for obtaining these vouchers is underway. The other 5 units will be supported with rental assistance from Homeward Bound's HUD Continuum of Care funding. Homeward Bound will also partner with Sunrise Community for Recovery and Wellness who will provide Peer Support Services on-site. There will be a Peer Support Living Room space for this service in what is now the front lobby building of the Days Inn. We also plan to partner with local agencies to provide behavioral and physical healthcare on-site. We also plan to partner with a provider who will operate a culinary training program out of the commercial kitchen on-site. The partnership with Sunrise and others will be formalized after the purchase of the Days Inn property. Residents of the Days Inn Permanent Supportive Housing Apartment Project will not be required to participate in these on-site services, but we do expect that having such services on-site will allow residents to more easily access them and therefore participate.

In the PSH Scattered-Site component of the Expansion through the support of 2 additional Housing Case Managers, Homeward Bound will partner with local landlords and property management companies across Buncombe County to house clients in the program.

## Capacity\*

Describe the background, experience, and capabilities of your organization or department as it relates to capacity for delivering the proposed project and managing federal funds.

Homeward Bound has been operating since 1987 in Buncombe County. Since 2006, Homeward Bound has been ending homelessness with Permanent Supportive Housing. We have moved 2,236 people into permanent housing and 89% have achieved housing stability.

We use the Housing First model, a national best practice to end chronic homelessness. Permanent Supportive Housing itself is an evidence-based practice in ending chronic homelessness. Our Permanent Supportive Housing Director has worked at Homeward Bound since May 2015 and has served as the PSH Director since September 2018. She has a master's degree in Mental Health Counseling. Our PSH staff attend national trainings and conferences on how to do this work.

Our Housing Development Director, Santiago Cely, is leading our agency's efforts to purchase and renovate the Days Inn property. He has been with Homeward Bound since January 2019 and brings to this work over 10 years of experience. We are working with Sims & Steele Consulting with 27 years of experience on a capital campaign for the Days Inn project.

Homeward Bound has numerous federal grants including HUD Continuum of Care, Emergency Solutions Grants, Community Development Block Grants, and HOME. We have a successful history of effectively managing these federal funds. As our agency has grown over the past 16 months in response to expansion with CARES Act funding, our Finance Team has grown from 2 to 3 staff (Finance Director, Grants Accountant, and Finance Assistant), our Grants Team has grown from 1 to 2 staff (Grants Management Director and Grants Manager). We have the staffing, knowledge and experience to deliver this proposed PSH Expansion project.

## Budget\*

Provide a detailed project budget including all proposed project revenues and expenditures, including explanations and methodology. For all revenue sources, list the funder and denote whether funds are confirmed or pending. For project expenses, denote all capital vs. operating costs, and reflect which specific expenses are proposed to be funded with one-time Buncombe County Recovery Funds.

Download a copy of the budget form [HERE](#). Complete the form, and upload it using the button below.

Recovery-Funds-budget-Homeward Bound of WNC - PSH Expansion.xlsx

## Special Considerations\*

Provide any other information that might assist the County in its selection.

Recovery-Funds-budget-Homeward Bound of WNC - PSH Expansion - Staffing.xlsx

We need the \$2,000,000 of this request for the acquisition of the Days Inn motel property to be prioritized as we are under contract to purchase and need this funding by August 14, 2021. We provided the full budget of the Days Inn Apartment component of the PSH Expansion in the Budget Section and have included a separate budget for the staffing component of this PSH Expansion request here in the Special Considerations section. The budget includes funding for 5 years to support 1 staff already at AHOPE to verify chronicity and adds 2 PSH Housing Case Managers to better utilize HUD funding we already receive. The staff salaries, benefits and payroll taxes are included with a 3% increase each year. The full funding request also includes 10% for administrative costs (PSH Program Managers, PSH Program Director, Grant Accountant).





## File Attachment Summary

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### *Applicant File Uploads*

- Recovery-Funds-budget-Homeward Bound of WNC - PSH Expansion.xlsx
- Recovery-Funds-budget-Homeward Bound of WNC - PSH Expansion - Staffing.xlsx

## Coronavirus State and Local Fiscal Recovery Funds Proposed Project Budget

<b>Organization Name:</b>	<b>Homeward Bound of Western North Carolina, Inc.</b>
<b>Project Name:</b>	<b>Permanent Supportive Housing Expansion</b>
<b>Amount Requested:</b>	<b>\$5,881,940 (\$2,000,000-Acquisition of the Days Inn; \$3,000,000-Renovation of the Days Inn)/Budget for Additional \$881,940 for staffing attached in Special Co</b>

Proposed Project Revenue Funder	Amount	Confirmed or Pending?	Notes
Proposed Buncombe COVID Recovery Funds	\$5,000,000	Pending	\$2,000,000 for Acquisition; \$3,000,000 for Renovation
Dogwood Health Trust	\$2,000,000	Confirmed	Already Received
Federal Home Loan Bank Atlanta	\$500,000	Pending	Submitted Application 6.4.2021 - if not awarded, increase goal of private fundraising
Federal Home Loan Bank Cincinnati	\$1,000,000	Pending	Will Submit Application by 7.30.2021 - if not funded, increase goal of private fundraising
Corporate Foundations	\$40,000	Pending	Submitted Application in March 2021
Other Private Funding	\$85,000	Pending	Public Capital Campaign/Private Grants
North Carolina Housing Finance Agency	\$600,000	Pending	2021 application declined 6/29/2021. "There were two main issues, 1) your application did not get the Olmstead points and 2) the funded projects all had 80% or more of their other funding committed in comparison to your project with only about half of the other funding committed. You are encouraged to resubmit your application in the 2022 cycle for consideration." Will re-apply in 2022.
City of Asheville	\$2,100,000	Confirmed	\$2,000,000 for Acquisition - Asheville City Council approved 6.22.2021/\$100,000 conditionally awarded through CDBG
Individuals	\$1,075,000	Confirmed	Already Received (quiet phase of Capital Campaign)
Individuals	\$1,100,000	Pending	Individual anonymous donor will contribute a stock donation, currently worth \$1,100,000, to the project once awards are received from Asheville City and Buncombe County.
<b>Total</b>	<b>\$ 13,500,000.00</b>		

Proposed Project Expenses	Proposed Recovery Funds	Other Funds	Total	Capital or Operating Expense?	Notes
Purchase of Land/Property	\$2,000,000	\$4,400,000	\$ 6,400,000.00	Capital	Already Received \$2,000,000 from Dogwood Health Trust; \$2,000,000 from Asheville City approved by Asheville City Council on 6.22.2021; Conditionally Approved for \$100,000 from CDBG; Will use a portion of the \$1,075,000 from Individuals (Row 16 Above) for the difference.
Demolition		\$105,000	\$ 105,000.00	Capital	
On Site Improvements		\$275,500	\$ 275,500.00	Capital	
Rahabilitations	\$3,000,000	\$145,250	\$ 3,145,250.00	Capital	
General Requirements (5% Row 27 and 28)		\$375,000	\$ 375,000.00	Capital	
Contractor Profit (2% Row 27 - 30)		\$210,000	\$ 210,000.00	Capital	
Construction Contingency (5%)		\$290,000	\$ 290,000.00	Capital	
Architect's Fee - Design + Contingency		\$398,700	\$ 398,700.00	Capital	
Engineering/Arch. Engineering and Materials Testing		\$8,000	\$ 8,000.00	Capital	
Construction Liability Insurance		\$18,000	\$ 18,000.00	Capital	
Construction Loan Orig. Fee		\$34,500	\$ 34,500.00	Capital	
Construction Loan Interest		\$90,884	\$ 90,884.00	Capital	
Survey		\$11,900	\$ 11,900.00	Capital	
Property Appraisals		\$5,500	\$ 5,500.00	Capital	
Environmental, Soil Reports and Inspections		\$35,610	\$ 35,610.00	Capital	

Bond Costs	\$38,000	\$ 38,000.00	Capital
Title and Recording	\$6,000	\$ 6,000.00	Capital
Real Estate Attorney	\$20,000	\$ 20,000.00	Capital
Organizational (Partnership)	\$10,000	\$ 10,000.00	Capital
Furnishings and Equipment + Contingency	\$979,600	\$ 979,600.00	Capital
Developer's Fee	\$191,742	\$ 191,742.00	Capital
Fees Permits/Misc. printing, copying, mailing	\$15,050	\$ 15,050.00	Capital
Operating Reserve (6 mons DS & Oper. Exp)	\$500,000	\$ 500,000.00	Capital
Owner's Contingency	\$303,845	\$ 303,845.00	Capital
List expenses here		\$ -	
	<b>Total</b>	<b>\$ 13,468,081.00</b>	

## Coronavirus State and Local Fiscal Recovery Funds Proposed Project Budget

<b>Organization Name:</b>	<b>Homeward Bound of Western North Carolina</b>
<b>Project Name:</b>	<b>Permanent Supportive Housing Expansion (Staff Portion of the Expansion: 7.1.2021 - 6.30.2026)</b>
<b>Amount Requested:</b>	<b>\$881,940</b>

Proposed Project Revenue Funder	Amount	Confirmed or Pending?	Notes
Proposed Buncombe COVID Recovery Funds	\$881,940	Pending	
Rental Assistance from HUD Continuum of Care (Year 1: 7.1.2021 - 6.30.2022)	\$187,000	Confirmed	
Rental Assistance from HUD Continuum of Care (Year 2: 7.1.2022 - 6.30.2023)	\$187,000	Pending	Will be a part of an annual application
Rental Assistance from HUD Continuum of Care (Year 3: 7.1.2023 - 6.30.2024)	\$187,000	Pending	Will be a part of an annual application
Rental Assistance from HUD Continuum of Care (Year 4: 7.1.2024 - 6.30.2025)	\$187,000	Pending	Will be a part of an annual application
Rental Assistance from HUD Continuum of Care (Year 5: 7.1.2025 - 6.30.2026)	\$187,000	Pending	Will be a part of an annual application
HOME Tenant Based Rental Assistance (Year 1: 7.1.2021 - 6.30.2022)	\$180,000	Confirmed	Contract Received Very Late in FY2021 (June 2021)
HOME Tenant Based Rental Assistance (Year 1: 7.1.2021 - 6.30.2022)	\$180,000	Pending	Has been conditionally awarded for FY2022
HOME Tenant Based Rental Assistance (Year 2: 7.1.2022 - 6.30.2023)	\$180,000	Pending	Will be a part of an annual application
HOME Tenant Based Rental Assistance (Year 3: 7.1.2023 - 6.30.2024)	\$180,000	Pending	Will be a part of an annual application
HOME Tenant Based Rental Assistance (Year 4: 7.1.2024 - 6.30.2025)	\$180,000	Pending	Will be a part of an annual application
HOME Tenant Based Rental Assistance (Year 5: 7.1.2025 - 6.30.2026)	\$180,000	Pending	Will be a part of an annual application
List other sources here			
List other sources here			
List other sources here			
<b>Total</b>	<b>\$ 2,896,940.00</b>		

Proposed Project Expenses	Proposed Recovery Funds	Other Funds	Total	Capital or Operating Expense?	Notes
Personnel (salary, benefits, payroll taxes Year 1)	\$160,998		\$ 160,998.00		3 staff at \$40,000 in salary, \$8787 in payroll taxes and benefits and Includes 10% for Admin.
Rental Assistance		\$547,000	\$ 547,000.00		
Personnel (salary, benefits, payroll taxes Year 2)	\$168,234		\$ 168,234.00		3% increase from Year 1, includes 10% for Admin.
Rental Assistance		\$367,000	\$ 367,000.00		
Personnel (salary, benefits, payroll taxes Year 3)	\$175,818		\$ 175,818.00		3% increase from Year 2, includes 10% for Admin.
Rental Assistance		\$367,000	\$ 367,000.00		
Personnel (salary, benefits, payroll taxes Year 4)	\$184,008		\$ 184,008.00		3% increase from Year 3, includes 10% for Admin.
Rental Assistance		\$367,000	\$ 367,000.00		
Personnel (salary, benefits, payroll taxes Year 5)	\$192,882		\$ 192,882.00		3% increase from Year 4, includes 10% for Admin.
Rental Assistance		\$367,000	\$ 367,000.00		
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<b>Total</b>			<b>\$ 2,896,940.00</b>		