



REQUEST FOR INFORMATION

MASTER LEASING - NON-PROFIT + FISCAL THIRD-PARTY

RFI-13DMD-2024-2

March 21, 2024
RFI RELEASED

April 30, 2024
RESPONSES DUE



INTRODUCTION

The City of Indianapolis is soliciting information from landlords interested in master leasing some of their vacant units as part of a partnership between the Department of Metropolitan Development and the Mayor's Office. There is a goal of developing a total of 200 new units of permanent supportive housing. The city is looking for 138 of these units to be master leased to develop supportive housing for unsheltered individuals and families.

As part of this process, the City of Indianapolis is interested in fielding responses for project ideas that will help master lease these 138 units. We welcome creativity and outside-of-the-box thinking with plans for this master leasing. Any organizations interested in partnering with the DMD are encouraged to complete this RFI in order to collaborate and build a stronger relationship.

This master leasing project is intended to support members of the Indianapolis community who may otherwise struggle and face barriers to obtain and keep affordable and safe housing. This project is not intended to replace current residents from a landlord's rental portfolio, but rather to find homes for unhoused individuals and families by helping them fill currently vacant units.

Please note that a limited number of units are being sought out through this project and that the completion of this RFI does not guarantee your proposal will be selected for this housing project.

CONTACT

Rodney Stockment, Policy Director for Homelessness
Department of Metropolitan Development
rodney.stockment@indy.gov



TIMELINE + SUBMISSION

The submission timeline for the first round of this RFI will end on April 30th at 5pm EST. All responses should be submitted electronically via email to Rodney Stockment at Rodney.Stockment@indy.gov. Please put 'Master Leasing' in the subject title of the email. If you feel that you will need more time to complete your RFI response, please reach out to Rodney Stockment to discuss. You do not have to respond to every item, but we encourage you to respond as completely as possible.

Again, we highly encourage creative thinking for these projects. The goal is that unsheltered people are being housed. There is no perfect answer for this project as long as the proposal meets the requirements that will be listed later on in this RFI.

PROJECT BACKGROUND

On any given night, slightly over 1,600 individuals experience homelessness in Indianapolis:

- 20 percent of individuals are experiencing chronic homelessness.
- 22 percent of individuals are unsheltered.
- Nearly 17 percent report having a substance abuse disorder.
- 24 percent report having a mental illness.
- 60 percent are African American.
- Families make up 26 percent of those experiencing homelessness.

01. GENERAL INFORMATION

This partnership with the Mayor's Office is one component of a larger Equitable Housing Strategy. The goal is to develop a robust housing infrastructure and service system that will end, not manage, homelessness. This project will contribute to that goal by developing 138 units of supportive housing. In recent years, permanent supportive housing has gained national recognition as a successful combination of affordable housing and flexible services that can help individuals with special needs who are experiencing homelessness live more stable, productive lives. According to the New York City Housing Preservation and Development Agency (www.nyc.gov/site/hpd/services-and-information/supportive-housing.page), the implementation of permanent supportive housing has a positive impact on individuals with disabilities, as well as saving public dollars. Similarly, Washington D.C. has also seen positive results with their Permanent Supportive Housing program. The 2022 Point in Time (PIT) count saw a drop in chronic homelessness from 50 percent to 44 percent, which is believed to have been due to permanent supportive housing development and pandemic-specific housing efforts (www.dcfpi.org/all/bringing-it-all-home-how-dc-can-become-the-first-major-city-to-end-chronic-homelessness-and-provide-higher-quality-services/). Indianapolis is striving to implement a similarly effective permanent supportive housing pipeline and network.

The units selected through this program will be master leased for 5 years, and risk of damages and payment for vacancy will be taken on by clients of the City of Indianapolis' master leases, which guarantees payment and lowers risk to landlords for selected units throughout that timeline of 5 years.

Permanent supportive housing refers to permanent housing units, typically rental apartments, linked with flexible community-based services. Permanent supportive housing is specifically intended for persons experiencing homelessness who, but for housing, cannot access and make effective use of the treatment and services they need to stay stable; and who, but for supportive services, cannot access and maintain stable housing. By helping individuals and families move out of expensive systems of emergency and long-term care and back into their own homes and communities, permanent supportive housing not only improves the lives of its residents, but also generates significant public benefits.

Units chosen for this project will be paired with service providers so that homeless individuals and families will have the support necessary to exist in a healthy and stable living situation. The service providers chosen to be paired with units through this project will participate in a “performance-based contract” model. The funding provided to these service providers will depend on hitting benchmarks and levels of success to ensure the financial and professional development investments have a direct result in reducing homelessness and improving people’s lives. Moving to a performance-based contracting model will require a paradigm shift for both funders and service providers; as such, it is essential that the goals of this new model be understood. The following goals have been established by the funders for this initiative.

- Connect persons currently experiencing homelessness with supportive housing including those who are frequent or high utilizers of crisis systems such as justice or emergency health care.
- Build service provider capacity for long-term sustainability including through existing funding sources like Medicaid.
- Clearly define and measure the impact of supportive housing for the individuals to be served.
- Directly connect funding to the identified outcomes.
- Cultivate process improvements to ensure our system effectively and equitably houses all in our community.
- Change the paradigm from managing homelessness to ending homelessness.

HOUSING FIRST PRINCIPLES

This master leasing project is driven by housing first principles, which are intended to guide all parties involved in supportive housing on how to best serve and support the tenants of their respective properties. There are five principles within the housing first approach and each of them play significant roles in the success of master leasing projects and the success of tenant recovery, stability, and life reconstruction. The five principles are as follows:

- Immediate access to permanent housing with NO housing readiness requirements
- Consumer choice and self determination
- Recovery reorientation
- Individual and person-driven supports
- Social and community integration

Housing first principles are required for through this RFI.

02. PURPOSE OF REQUEST FOR INFORMATION

The purpose of this RFI is to engage with non-profit and fiscal organizations to see what creative ideas the Indianapolis community has to help find homes for unsheltered individuals and families. There are a total of 138 units that will be filled from submitted project proposals.

Racial inequity is a powerful and consistent influence in housing and homelessness. A high number of people of color experience homelessness and institutionalization within this country. The committee overseeing this project believes that it is essential to recognize structural racism and address the policies that maintain these disparities. As part of this commitment, the RFI asks additional questions to help support beginning and continuing these important conversations early in the process. It is not expected to have fully formed responses, but the committee does expect that landlords be committed to working in collaboration with the services providers and City to ensure that proposed projects are responding to the disproportionate impact of homelessness for people of color in their identified communities.

03. KEY PROGRAM ELEMENTS

POPULATION FOCUS

The selected project(s) will provide supportive housing to individuals and families experiencing homelessness referred from the city's Continuum of Care which includes the Coordinated Entry System. Part of this effort focuses on housing reentry and a portion of the units through this master leasing project will be designated for people leaving corrections facilities. This project may prioritize placement in units for individuals who have a pattern of homelessness, a history of high-cost utilization of crisis services, health or behavioral health challenges, and/or frequent interaction with the criminal justice system.

SUPPORTIVE HOUSING

This project seeks to establish networks and relationships with landlords while identifying and providing affordable, non-time limited, supportive housing to the population of focus. Housing may be located in properties that are primarily comprised of affordable or supportive housing units or scattered throughout multiple properties. .

Additionally, programs will encompass the following six supporting elements:

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 individuals and/or families can 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 people quickly into housing of their choice from settings such as the streets or shelters, without preconditions of treatment, acceptance or compliance.

1. **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 be sober to be eligible to enter housing and are not evicted solely for a failure to maintain sobriety.
2. **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.
3. **Assertive Outreach and Engagement** – Programs conduct assertive outreach to engage and recruit members of the population of focus. Programs will engage population members and offer them the opportunity to obtain affordable housing along with health and social services. This form of service also translates to reductions in discharges from services. Active and creative engagement is used to find varying avenues for maintaining relationships when challenges arise rather than discharge from services.
4. **Quality Housing** – Housing is both affordable and high-quality that promotes physical and mental health and well-being.
5. **Landlord Engagement and Retention** – One of the hallmarks of quality supportive housing is the close coordination between property management and service providers. They have a shared commitment to the success of each tenant and to the overall project mission. Regardless of the housing model, property/housing management staff and supportive services providers perform distinct roles but understand one another's functions and communicate frequently.

04. RESPONSE COMPONENTS

The Respondents should address the following:

A. Will Services be Provided?

The respondent should state whether or not they will be providing services for these supportive housing units. If yes, what services will be provided and how?

B. Lease Holder

The respondent should state whether or not they would like to hold the lease for this supportive housing project. If not, the City of Indianapolis will hold the lease.

C. Organization Background, Vision, and Commitment to Racial Equity

Provide brief background on the organization's history, mission, core values and goals, and target demographic(s). Describe your organization's overall approach to understanding and addressing racial inequity. Please describe any strategies to address inequity that you are involved in or considering.

D. System Transformation

In addition to finding and orchestrating housing for unsheltered individuals and families, this project is interested in improving the system through which the network of landlords, agencies, and communities in need of housing are connected, coordinated, and funded. We are interested in your thoughts on current challenges and ideas about how to address them. The challenges and potential solutions that you identify in this section can be broader than your specific property and experience.

- i. Challenges—what are the pain points or challenges that you see with the current agency-landlord network building system and the tenant placement system in Indianapolis? How do or could these challenges impact your organization and/or your supportive housing project?
- ii. Solutions—What ideas do you have that would help to address the challenge(s) you identified? Is there a new staff role needed at your property or in the community more broadly?

E. Budget

This project will utilize fair market rents as defined by the US Department of Housing and Urban Development (HUD), currently priced per month at \$1,145 for one-bedroom, \$1,349 for two-bedroom, \$1,758 for three-bedroom, and \$2,126 for four-bedroom apartments, with utilities included, for the leases taken on through this master lease program. These rent prices are for 2024 and change annually. The most common and preferred contract agreement is a “triple net” agreement where the lessee assumes all responsibility for maintenance, repairs, taxes and insurance.

Please develop and submit a budget for services delivered.

05. CONDITIONS OF RESPONSE SUBMISSIONS

All costs incurred in the preparation and presentation of a submitted response, in any way whatsoever, shall be wholly absorbed by the prospective contractor. Any material submitted by the prospective contractor that is to be considered confidential must be clearly marked as such.

The City of Indianapolis will be entitled to retain all submissions received in response to this RFI without pay or compensation. Submitting parties are advised that the City is subject to the Indiana Access to Public Records Act, and that any documents or other records provided to the City may, by law, be subject to disclosure.

Any material respondent considers confidential should be marked as such. However, the final determination on the confidentiality of the material shall be determined by the City under the Indiana Public Access Laws.

Please note that responding to this RFI is not a guarantee of selection for this master leasing project.

Under penalty of perjury, I certify that the information presented in this application is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of an agreement.

Signature

Date

Questions?

Please submit all questions to Rodney.Stockment@indy.gov