

HOUSING TRUST FUND CORPORATION
REQUEST FOR PROPOSALS

NYS HAF PROGRAM



**Homes and
Community Renewal**

HOUSING TRUST FUND CORPORATION

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Introduction

[New York State Homes and Community Renewal](#) (“HCR”) consists of all the major housing and community renewal agencies of the State of New York (“State”), including the [Housing Trust Fund Corporation](#) (“HTFC”). HCR includes other agencies (“Affiliates”) not involved in this Request for Proposals (“RFP”) process.

HTFC was established as a subsidiary public benefit corporation of the New York State Housing Finance Agency. HTFC’s mission is to further community development through the construction, development, revitalization and preservation of housing for low-income residents, the development and preservation of businesses, the creation of job opportunities, and the development of public infrastructures and facilities.

Purpose

Through this RFP, eligible applicants may apply to administer the New York State Homeowner Assistance Fund (“NYS HAF”). This RFP describes the purpose for which the available funds are to be used and the methodology for disbursing those funds.

The Homeowner Assistance Fund (“HAF”) was established under section [3206 of the American Rescue Plan Act of 2021](#) (the “Act”) and provides \$539,458,518 in financial assistance to New York State, through the United States Department of the Treasury (“US Treasury”). The aim of HAF is to mitigate financial hardships associated with the coronavirus pandemic by preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship.

Through this RFP, HTFC plans to select one (1) or more eligible applicant(s) to serve as subrecipient(s) of the NYS HAF program.

Eligible applicants are invited to submit applications for funding to cover awards to eligible homeowners and for the anticipated costs associated with administering NYS HAF. Applications must be submitted via email to NOFA.Applications@nyshcr.org no later than **3:00 PM (EST) on Friday, May 21st, 2021**.

Background & Program Overview

Financial hardships caused by the COVID-19 pandemic are hitting low-income households and households of color especially hard. With unemployment assistance and foreclosure moratoria set to expire before the end of the year, many homeowners may find themselves unable to resume mortgage and property tax payments or other related housing expenses.

New York State and HTFC are dedicated to homeownership retention. The NYS HAF program will prevent foreclosures by providing direct assistance related to mortgage, property taxes, property insurance, utilities, and other housing related costs on behalf of homeowners. The Program will assist homeowners who have been impacted by COVID-19, including loss of income or significant increase in expenses. A focus of NYS HAF will be to ensure that funding is available to vulnerable homeowners, efficiently and expeditiously, as forbearance and foreclosure moratoria begin to sunset.

As part of this initiative, and separate from this RFP award, HTFC will fund the Homeowner Protection Program (“HOPP”), a network of legal services and housing counseling organizations. The HOPP network will provide NYS HAF applicants with free mortgage assistance services, including but not limited to prescreening for homeowner eligibility under NYS HAF, assistance to homeowners with application submissions, and case management for homeowners once application submission is complete. HOPP organizations have experience from the sub-prime mortgage crisis, where they assisted thousands of homeowners in applying for loan modifications or other types of

loss mitigation, provided direct representation in court proceedings and settlement conferences, and homeownership counseling.

Through this RFP, HTFC will select one or more Community Development Financial Institutions (“CDFI”) to review, process, and fund applications through this program. Applicant(s) selected and awarded through this RFP (“Awardee(s)”) will work closely with HTFC staff, the HOPP network and other relevant vendors to ensure applications are processed in a timely manner and that assistance is getting to eligible applicants, with priority going to vulnerable, low-income homeowners. The initial contract shall be for three (3) years, with the potential for an additional two-year (2-year) extension depending on the availability of funds.

NYS HAF will ensure a minimum of sixty percent (60%) of funds go towards assisting households at or below one hundred percent (100%) of the area median income (AMI), and priority for forty percent (40%) of the total funding to "socially disadvantaged households", which the HAF has defined primarily as race and ethnicity. (See [US Treasury Guidance](#) issued on April 14, 2021 for more information).

Eligible Applicants

Eligible applicants must be a CDFI in good standing, headquartered in New York State, licensed by the New York State Department of Financial Services (“NYS DFS”) and a domestic not-for-profit. In addition, eligible applicants must be able to demonstrate:

- A minimum of five (5) years of experience working in the affordable housing sector, including the management of programs aimed at homeownership retention, foreclosure prevention, and loss mitigation.
- A minimum of five (5) years of experience managing New York State and/or local government contracts of a significant size and similar scope.
- Appropriate New York State licensing, or not-for-profit licensing exemptions, necessary to originate real property mortgages.
- Compliance with all Federal and New York State regulations governing CDFIs during the contract period.

Awardee(s) will be responsible for performing the following Key Performance Indicators (KPIs) and tasks:

- Administer funds on behalf of eligible homeowners in compliance with the requirements of the Act, as well as any subsequent guidance issued by the US Treasury or HTFC, as well as any other applicable Federal and New York State laws and regulations.
- Create sophisticated progress reports that will be issued on a regular, as needed, and potentially changing basis, which will be used for program evaluation and monitoring in reports to HTFC and US Treasury. Report and track both administrative and program expenditure to HTFC monthly in a format determined by HTFC.
- Hire and manage vendors, including software developers, marketing firms, and other professional services associated with mortgage originations and grant management, including, where possible, identification of vendors that can provide end to end solutions. Successful applications will demonstrate a readiness to begin operations within sixty (60) days of selection.
- Work with HTFC staff and affiliated entities on marketing of the program.
- Manage a call center to field program inquiries and coordinate with HCR staff on responses when applicable.
- Draft NYS HAF policies and procedure manuals to articulate eligible uses of funds, application processes, applicant screening, eligibility determinations, payment disbursements, quality control, fraud prevention and detection, and other relevant policies and procedures. Policies and procedures will be determined in conjunction with HCR staff and final approval made by HCR staff.
- Disburse funds to eligible entities including eligible homeowners, loan servicers, local municipalities, etc. in a timely manner. Coordinate with HTFC’s Finance Department on these disbursements.

- Provide information necessary to comply with any monitoring or audit requirements or directives by a Federal or State entity, including but not limited to HTFC, the US Treasury, the Federal or State Inspector General, the Office of the State Comptroller, etc.
- Report instances of fraud and recapture disbursements found to be ineligible.

Eligible Costs

A portion of the awarded funds may be used to cover the expenses associated with administering NYS HAF. Applicants are required to provide an administrative budget in their application. Proposed budgets should show anticipated annual costs for three (3) consecutive years. The contract will be for a three-year (3-year) term, renewed annually, with the possibility of an additional two-year (2-year) extension.

Due to the urgent need to assist homeowners at risk of foreclosure and New York State’s commitment to getting funds out to homeowners as quickly as possible, competitive applications should also reflect greater operational costs in the first year of operation.

Budgets should include all costs anticipated as necessary to create a full-service processing center, including but not limited to contractors, staff, legal and accounting support, vendors, technology, marketing and outreach.

All other awarded funds shall be made to eligible homeowners, following NYS HAF policies and procedures.

Application and Award Timeline

HTFC reserves the right to modify this schedule, at its discretion. Notification of changes in connection with this RFP will be posted and made available to all interested parties via <https://hcr.ny.gov/funding-opportunities>

Issuance of RFP	Friday, May 7 th , 2021
Pre-application Q&A period	Monday, May 10, 2021 – Wednesday, May 20, 2021
Deadline for Submission of Proposals	Friday, May 21, 2021 at 3:00 PM (EST)
Revised Proposal Period and Interview(s) (if applicable)	Wednesday, May 26, 2021, Thursday, May 27, 2021 and Friday, May 28, 2021
Anticipated Preliminary Award Selection (award(s) will be contingent on HTFC Board approval, which will occur after this date)	Monday, May 31, 2021

Proposal Costs and Materials

HTFC will not be held liable for any cost incurred by the Applicant for work performed in the preparation, production, or submission of a proposal in response to this RFP. All proposal materials and information submitted as part of the application shall become the property of HTFC. No materials, curricula, media, or other content will be returned to the applicant.

All completed applications will be reviewed and scored. HTFC reserves the right to:

- Award all, a portion of, or none of the program funds based upon funding availability, competitiveness of applications received, feasibility of achieving project goals and objectives, and completing proposed activities.
- Change or disallow aspects of the applications and may make such changes conditions of its commitment to provide funding.
- Recommend funding in an amount less than requested.
- Not issue an award or grant agreement to any applicant if it has been determined that the applicant is not in compliance with existing state contracts and has not taken satisfactory steps to remedy such non-compliance.
- Waive any requirement contained in this RFP.
- Revise this RFP from time to time.
- Extend the submission due date.

HTFC reserves the right, at any time, to increase, decrease or withdraw a funding award for a subrecipient based on overall performance and adherence to the KPIs listed above, and may select new subrecipients who applied under this RFP, as necessary. Additional funding may be made available to subrecipients through this RFP for the same or similar programs if additional Federal or State funds are allocated.

Award Recommendations and HTFC Board Approval

Awards are recommended based on available funding, proposal quality and project feasibility as determined by the review and rating of an application. Recommendations are advanced to the HTFC Board for consideration and the Program award must be approved by the HTFC Board prior to the execution of a grant agreement.

Dispute Resolution

Applicants are provided the opportunity to administratively resolve disputes, complaints or inquiries related to proposal solicitations or contract awards. Staff will work with Applicants to resolve disputes.

Application Status and Notification

Applicants will receive one of the notifications below in response to their application:

- Incomplete: Application presents potentially eligible project but provides insufficient information. Applicant will be provided an opportunity to submit additional documentation.
- Non-Award Notification: Application presents a non-competitive or not viable project and will not receive an award under this RFP.
- Award Notification: Application presents a complete, eligible, competitive and feasible project. The project has been recommended to and approved by HTFC Board of Directors for funding.

Program Grant Agreement

Awardees may be asked to revise parts of their proposal prior to entering into a program grant agreement. After any required revisions are submitted and approved, a final program grant agreement will be executed.

An Applicant should not apply if the project will not begin within a reasonable time, no later than 60 days, after receiving an executed grant agreement or if the applicant cannot complete the project within the expected timeline. Funds remaining at the end of the contract period are subject to de-obligation and reallocation. Extensions may be allowed, at the discretion of HTFC staff, the HTFC Board.

Equal Employment Opportunity/Minority and Women Owned Business and Affirmative Action

Recipients of awards are subject to Article 15A and 17-B of the New York State Executive Law. These requirements include equal employment opportunities for minority group members and women (“EEO”) and contracting opportunities for certified minority and women-owned business enterprises (“MWBES”) and Service-Disabled Veteran-Owned Businesses (“SDVOBs”). Recipient’s demonstration of “good faith efforts” pursuant to 5 NYCRR §142.8 shall be a part of these requirements.

Application Instructions

Applications should include a Narrative in either Word or PDF that answers sections I and II as outlined below. The narrative should not exceed 7 pages.

Applications should include a separate Excel attachment containing the three-year budget (broken out by year), and separate attachment in Word or PDF that should be named Budget Narrative. The Budget Narrative should include the rationale and justification for expenses, not to exceed 2 pages.

Each of the 6 Supporting Documents requested should be submitted as separate attachments and should be named as cited below.

Awardee(s) will work with HCR staff to finalize proposed program administration plans, including, but not limited to, communication plans, conflict resolution plans, security and privacy protocols.

Evaluation and Selection Criteria

Staff from HCR will score applications and make award determinations. Applicant proposals will be examined for completeness and eligibility. Incomplete proposals and those that do not meet eligibility requirements will be rejected as ineligible. Complete proposals and those that meet eligibility requirements will be reviewed and rated. The maximum rating is 100 points.

1. Expertise and Experience (Up to 30 points)
 - a. Describe your organization’s experience successfully managing foreclosure prevention programs. Provide details of those programs, including, but not limited to, the demographics of people served (income, race, ethnicity, AMI), number of people served, geographic data showing where in the State assistance was provided, the amount of assistance provided to applicants, and how the assistance was delivered.
 - b. Describe your organization’s direct experience originating mortgages.
 - c. Provide a list, with dates and grant amounts of large-scale New York State and/or local government programs your organization has successfully administered. Provide measurable indicators describing the success of those programs.
 - d. Provide information about your organization’s management structure and your staff’s internal capacity to manage multiple external vendors.

2. Implementation Capacity and Readiness (Up to 45 points)
 - a. Provide a staffing plan, including permanent and temporary staff that will need to be hired at the beginning of the project, as well as a plan for reducing staffing needs as the program winds down. The plan should list the type and number of positions (Quality Control Specialists, Case Managers, Accountants, Financial Administrators, Case Management Supervisors, Business Analysts...etc.) with descriptions of their anticipated job tasks. Training plans for staff should be included.
 - b. Applicant should describe, in detail, vendors and subcontractors (other than program staff) that will be necessary to stand up program operations in a manner that is timely, effective and on-

budget. If the applicant wishes to partner or subcontract with another organization, a description of how that relationship will function and what performance measures will be used to achieve success should be included.

- c. Describe a plan for State and Federal audit preparedness, document storage and retention, and private and personal identification information security.
 - d. Describe what characteristics and the engagement process anticipated to select a technology company, including whether you plan to use existing project management software or plan to develop a proprietary application. Include a list of interview questions your organization would pose to technology companies during the vendor selection process.
 - e. Describe how you will market the program and conduct outreach, with specific reference to how you will target socially disadvantaged communities.
 - f. Describe your organization's ability to launch the program within sixty (60) days from contract execution. Also describe your plans for expediting approvals of eligible applications during the first year of operation.
 - g. Describe your plans for engaging and coordinating with mortgage servicers and property tax collectors in order to reach eligible homeowners and expedite application processing.
3. Administrative Budget and Fiscal Responsibility. Applicant should provide a detailed, three-year (3-year) administrative budget, **broken out by year**, including in-house and vendor expenses. Please include a budget narrative that outlines the rationale and justification for expenses, and how your organization anticipates the administrative costs changing over time. Budgets should indicate whether there will be a mark-up cost on external vendors and how much. (Up to 25 points)

Required Supporting Documentation

Applicants must submit documentation to support responses to the requested narratives and information outlined in the Evaluation and Selection Criteria section of this RFP. Supporting documentation that must include includes, but is not limited to, the following:

1. CDFI Certification and Proof of Good Standing
2. NYS DFS License for mortgage originations and servicing
3. Policies and procedures for IT security
4. Policies and procedures for Disaster Emergency Planning and Business Continuity
5. Policies and procedures for Quality Control
6. Policies and procedures for call center, complaint handling, and customer service satisfaction

Questions

Any questions regarding this RFP or the application process should be directed to:

Rachel Wieder
Chief of Staff,
Homeownership & Community Development
New York State Homes & Community Renewal
NOFA_Applications@nyshcr.org