

# **HOUSING TRUST FUND CORPORATION**

## **Request for Proposals**

### **BLUE BUFFERS**

## **Voluntary Flood Risk Property Buyout Program**



**Homes and  
Community Renewal**

**HOUSING TRUST FUND CORPORATION**

**KATHY HOCHUL, GOVERNOR  
RUTHANNE VISNAUSKAS, COMMISSIONER/CEO**

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## **Introduction**

[New York State Homes and Community Renewal](#) (“HCR”) is releasing this Request for Proposals (RFP) through its subsidiary public benefit corporation, the [Housing Trust Fund Corporation](#) (“HTFC”).

HTFC’s mission is to further community development through the construction, development, revitalization and preservation of low-income housing, the development and preservation of businesses, the creation of job opportunities, and the development of public infrastructures and facilities.

In October 2022, New York State Governor Kathy Hochul announced the creation of the permanent Office of Resilient Homes and Communities (RHC) which operates within HTFC. RHC is the office that will manage the Blue Buffers Program.

## **Purpose**

Through this RFP, eligible applicants may apply to serve as RHC’s subrecipient in the administration of the New York State Voluntary Flood Risk Property Buyout Program (“Blue Buffers”). This RFP describes the purpose for which the available funds are to be used and the methodology for disbursing those funds.

Blue Buffers was established under [Title 3 Restoration and Flood Risk Reduction, Section 58-0303](#) of the New York State Clean Water, Clean Air and Green Jobs Environmental Bond Act of 2022 (the “EBA”) and provides \$250,000,000 to HTFC to:

1. Purchase private real property identified as at-risk to flooding from willing sellers;
2. Demolish and remove structures and/or infrastructure on the property; and
3. Transfer properties to land stewards to facilitate the restoration of beneficial open space, flood mitigation, and/or shoreline stabilization which shall be subject to recorded use restrictions.

The EBA further allows RHC to sub-allocate some or all the program administration to not-for-profit corporations.

Through this RFP, RHC plans to select one (1) or more eligible applicant(s) to serve as a subrecipient of the Blue Buffers program. Eligible applicants are invited to submit applications for funding to cover:

1. Anticipated capital costs associated with purchasing private properties at the pre-storm fair market value;
2. Anticipated program delivery costs associated with purchasing private properties, demolishing existing structures, and the ecological restoration of the land; and
3. Administrative costs associated with implementing Blue Buffers.

Applications must be submitted via email to [bbapplications@hcr.ny.gov](mailto:bbapplications@hcr.ny.gov) no later than **3:00 PM (EST)** on **September 4, 2024**.

## **Background**

Over a decade after Superstorm Sandy made landfall on New York’s coast, the increased frequency and intensity of storms has led to a reexamination of the future of New York coastline, riverine and lake-front communities, as well as inland communities experiencing heavy rainfall and repetitive flood loss. In many communities there are questions about whether some of these areas can remain safe for residential and commercial occupancy in the short-term future.

Despite heavy weather precipitation events in the region increasing over the past few decades, forecasters project extreme rainfall events to increase across the Northeast. Sea levels are expected to continue rising, prompting regular high tide flooding even on the calmest, sunniest of days. Climate change is potentially fueling more frequent and ferocious hurricanes, with some research suggesting tropical cyclones in the Atlantic are now perhaps twice as likely to strengthen to major hurricanes.

## **Program Overview**

New York's increasing vulnerability to extreme weather puts lives and properties at risk. Building off the success of voluntary buy-out programs following Superstorm Sandy, during which RHC purchased over 700 flood-damaged properties, RHC now makes available state appropriated and Environmental Bond Act funding to continue this important effort.

As outlined in the EBA legislation, the Blue Buffers program will prioritize the acquisition of private real property identified as at-risk to flooding, generally limited to those:

- (1) identified as being within the one hundred-year floodplain on the most recent FEMA flood insurance maps;
- (2) flooded structures that would qualify for buyout under criteria generally applicable to FEMA post-emergency acquisitions;
- (3) structures identified in a state, federal, local or regional technical study as suitable for the location of a flood risk management or abatement project in areas immediately proximate to inland or coastal waterways;
- (4) structures located in coastal or other water-adjacent areas that have been determined by a state, federal, local or regional technical study to significantly exacerbate flooding in other locations, including but not limited to coastal erosion hazard areas; or
- (5) Structures located in communities designated as "Disadvantaged Communities" as defined by the Climate Justice Working Group and required by the Climate Leadership and Community Protection Act.

Additional eligibility criteria may be published by RHC and the buyout zone identification and selection process may further narrow eligibility.

Through this RFP, RHC will select one (1) or more non-profit organization(s) to review, process, and fund applications through the Blue Buffers program. The Applicant(s) selected and awarded through this RFP ("Awardee(s)") will work closely with RHC staff 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.

A critical component to this engagement will be assisting residents in selected communities with collective decision-making about the acceptance of buy-outs, assisting homeowners, renters and business owners with relocation, and working with neighboring communities on collective planning for post-buyout land preservation and fortification efforts.

The initial contract shall be for three (3) years, with the potential for two (2) 1-year extensions, depending on the availability of funds and performance of the Awardee(s).

## **Eligible Applicants**

Eligible applicants must be a domestic not-for-profit organization or a partnership of not-for-profit organizations in good standing and with a presence in New York State. In addition, eligible applicants and/or partnership applications must be able to demonstrate the following:

- Deep experience working in the affordable housing space (experience with both homeownership and rental housing is preferred);
- Significant experience in the resiliency space (with a preference for organizations who have worked directly on property buyouts);
- A minimum of five (5) years of experience managing New York State and/or local government contracts of a similar size and scope;

- A demonstrated history of working directly in disadvantaged communities located in New York State, including with local stakeholder groups such as homeowner associations, tenant associations, local community-based organizations, affordable housing providers, local elected officials and advocacy organizations; and
- An ability to meet state law requirements for vendor responsibility.

Awardee(s) will be responsible for performing the following Tasks 1 through 4. RHC may choose to award one (1) or multiple tasks to different applicants. As stated above, applications may form and apply as joint ventures or partnership between multiple not-for-profit organizations provided the application clearly demonstrates how the partnership will be structured and a lead organization is identified.

Task 1 – Environmental Science & Data Analytics Support

RHC requires Environmental Science and Data Analytics Support services to review and enhance a desktop analysis initiated by RHC. RHC’s geocoding and mapping of flood risk data will be used to identify potential priority target areas.

The subrecipient will support RHC’s desktop analysis by:

- a) Reviewing local and state hazard planning studies, past community engagement results related to flood buyouts, and other qualitative studies to contribute to RHC’s analysis;
- b) Evaluating identified priorities for serving low-income and socially disadvantaged communities;
- c) Participating in inter-agency working group with RHC to ensure all available information is present and interpreted accurately;
- d) Assisting RHC in identifying green and grey infrastructure projects (planned or feasible) that may offer fortification intervention that either mitigate the need for buy-outs, or that may enhance greater community resiliency post buy-out implementation; and
- e) Working with RHC staff to communicate the results of the desk-top analysis to stakeholders, as needed.

Task 2 – Community Engagement Support

RHC requires Community Engagement Support services to communicate with the public about the Blue Buffers program and to build interest in the program with units of local government and community residents, both within priority targeted communities and in neighboring communities.

The Subrecipient will provide the following community engagement support with respect to units of local of government:

- a) Assist RHC in conducting outreach to local officials and other relevant local government stakeholders in priority target areas;
- b) Conduct in-person and virtual meetings with municipal and county government officials to inform them on the results of the desktop analysis;
- c) In conjunction with RHC staff, present risk data, maps, and plans to local stakeholders to gain buy-in, with an environmental science perspective and a community and housing planning perspective; and
- d) Confirm commitments of local elected officials and municipal leadership for support for the Blue Buffers program in the targeted communities.

The subrecipient will provide the following community engagement support with respect to homeowners and community members:

- a) Create and implement engagement plan(s) tailored to residents in prioritized communities after the local units of government have confirmed support for the program. This will include, but not be limited to:

- i. Presenting data and maps to local community residents about the reason their community has been selected as a priority area for buy-outs;
- ii. Communicating with local residents about alternative to buy-outs, such as green and grey infrastructure projects, that may be available through funding from other resiliency related programs and/or components of the Environmental Bond Act; and
- iii. Through grassroots community engagement, including through forming partnerships with local community-based organizations, create plans to understand the needs of and to assist residents with possible relocation efforts and other wrap-around support services needed to make the buy-out effort successful for residents who wish to participate.

Task 3 – Project Management Support

RHC requires Project Management Support services to advise and support the development of sound policy-based, programmatic, financial, and operational decisions. The subrecipient will be required to do the following:

- a) Develop program work plans, schedules, deliverables and budgets in consultation with various internal and external stakeholders and vendors;
- b) Assist RHC in drafting Blue Buffers Policies and Procedures to articulate eligible uses of funds, application procedures, applicant screening, eligibility determinations, payment disbursements, quality control, fraud prevention and detection, and other relevant policies. Policies and procedures will be created in conjunction with RHC staff and final approval made by RHC staff;
- c) Maintain required documentation and comply with any reporting requirements articulated by RHC;
- d) In partnership with RHC Design an efficient and consumer-friendly application portal;
- e) Assist RHC with design of the day-to-day production process including the standards for qualifying applicants, and end to end SOPs for moving applicants through the process;
- f) Provide information necessary to comply with any monitoring or audit requirements or directives by relevant regulatory agencies, including but not limited to HTFC internal audit, the Office of the State Comptroller, etc;
- g) Work with HTFC and affiliated entities on marketing of the program, creation of a technologically advanced application and back-end system, data collection and reporting on program outcomes, and implementing quality control measures to ensure compliance with the State authorizing statute;
- h) Under direction from RHC, oversee program management including oversight of sub-recipients, vendors, contractors, and labor and provide operational support in project work plans, schedules, deliverables and budget;
- i) Create sophisticated progress reports on a regular, and as needed and potentially changing basis, which will be used for program evaluation and monitoring in reports to RHC. Report and track both administrative and program expenditure to HTFC monthly in a format determined by HTFC;
- j) Provide demolition management/administration support in communities state-wide to ensure that they are implemented efficiently, cost-effectively, and in compliance with all governing regulations;
- k) Manage a call center to field program inquiries and coordinate with HCR staff on responses when applicable;
- l) Report instances of fraud and recapture disbursements found to be ineligible; and
- m) Collect all documents and meet all RHC requirements get to closeout construction activities. Such documents and materials to be collected include but are not limited to:
  - a. Evidence to ensure the project met environmental requirements;
  - b. Proof of demolition; and
  - c. Other documents as determined by RHC to ensure a compliant closeout, including proof of transfer of property and recording of restrictive covenant on properties.

#### Task 4 – Case Management & Real Estate Closings

RHC requires services to provide front-line customer representatives, case management services, case file quality controls, and high-level case-specific issue resolution. The key services the subrecipient will provided include, but are not limited to, the following activities:

- a) Provide services to program participants in accordance with a Program’s specific policies and procedures;
- b) Manage potentially sensitive and nuanced interaction with program applicants including in-person, phone, and email correspondence;
- c) Provide quality control for compliant program files, including services to verify benefits received by applicants;
- d) Coordinate with applicants, design professionals, municipalities, sub-recipients, program staff, and other stakeholders;
- e) Assist RHC to hire and manage professional service firms associated with real property acquisitions, such as appraisers, surveyors, title firms, and closing attorneys. RHC legal staff will assess and approve outside law firms for hire and draft and/or approve all legal documents used by the closing attorney. The closing attorney will coordinate with RHC’s legal staff to deliver post-closing documents. Third parties, such as local units of government or land trusts, may take ownership of the land directly through an assignment. Ownership decisions will be coordinated through the sub-recipient(s) with final approval by RHC;
- f) Conduct real estate closings on behalf of RHC and place restrictive covenants on said properties. The Subrecipient/s will not be required to take title of real property but will assist RHC in identifying long-term stewards to assume ownership of purchased property for the purposes of ecological restoration; and
- g) Administer funds on behalf of RHC to purchase eligible real properties in compliance with the requirements of the EBA, as well as other applicable Federal and New York State laws and regulations associated with property acquisition.

#### Eligible Administrative Costs and Contract Term

The contract with the subrecipient/s selected under this RFP will be for an initial term of three years, with the possibility of two one-year extensions.

The total amount of funds allocated for Blue Buffers under the EBA is \$250 Million.

The administration costs (those activities that will not be considered capital budget eligible and thus not paid for directly out of EBA funds) will be negotiated prior to contract execution; however, it is anticipated that an additional approximately \$25.5 Million, subject to appropriations, will be made available for allowable administrative costs over the three-year contract term. Administrative budgets should include the costs associated with subrecipient vendors and professional service providers. Respondents to this RFP are required to provide an administrative budget in their application with a breakdown of the costs for each of the four (4) tasks outlined above.

Proposed Administrative budgets (not to exceed \$25.5 Million) should show anticipated **annual costs for three consecutive years**. Funds will be drawn down with a reconciliation of invoices submitted to RHC for approval.

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.

Expenses to acquire properties, such as appraisal firms, title companies, and surveyors may be included in the capital budget associated with property acquisitions and do not need to be accounted for in the administrative budget.

**NOTE: Respondents do not need to submit a Capital budget.** Home values estimates and associated costs, based on eligible program geographies, will be assessed and budgeted in conjunction with RHC, as the program develops in its first year.

### **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	Thursday, June 13, 2024
RFP Question and Answer Session and Deadline for RFP Questions	Questions should be submitted via email to <a href="mailto:bbapplications@hcr.ny.gov">bbapplications@hcr.ny.gov</a> by Wednesday, July 17, 2024, 3pm (EST).  There will be a virtual Q&A session on Wednesday, July 10, 2024 at 10am. Please RSVP to <a href="mailto:bbapplications@hcr.ny.gov">bbapplications@hcr.ny.gov</a> by July 8, 2024, 3pm (EST) to receive a link to the session.  All responses to questions from the Q&A session as well as questions emailed to <a href="mailto:bbapplications@hcr.ny.gov">bbapplications@hcr.ny.gov</a> will be posted on RHC's website.
Deadline for Responses to RFP Questions	Friday, July 19, 2024
Deadline for Submission of Proposals	Wednesday, September 4 <sup>th</sup> , 2024 at 3:00 PM (EST)
Revised Proposal Period and Interview(s) (if applicable)	Monday, September 23, 2024 – Friday, September 27, 2024
Anticipated Preliminary Award Selection (award(s) will be contingent on HTFC Board approval, which will occur after this date)	Friday, October 11, 2024

### **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.

HTFC/RHC 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 scope as outline in this RFP, and may select new subrecipients who applied under this NOFA, as necessary. Additional funding may be made available through this RFP for the same or similar programs if additional Federal or State funds are allocated.

### **Funding Considerations and Allocation Priorities**

- HTFC reserves the right to communicate with a respondent for the purpose of addressing clerical and arithmetical errors in applications.
- HTFC reserves the right not to issue an award or contract to any respondent if it has been determined that the respondent is not in compliance with existing HTFC contracts and has not taken satisfactory steps to



remedy such non-compliance. Activities that commence prior to contract execution and environmental review will not be eligible for reimbursement.

- HTFC reserves the right to award all, more than identified, a portion of, or none of the available funds based upon funding availability, feasibility of the applications received, the competitiveness of the applications, a respondents ability to meet HTFC criteria for funding, the respondents and HTFC's assessment of cost reasonableness.
- HTFC reserves the right to award all, a portion of, or none of the application's requested amount, and further reserves the right to review an application requesting funds as an application for funding under other programs for which the proposed activity is eligible, and to change or disallow aspects of the applications received.
- HTFC reserves the right to waive any requirement contained in this NOFA or revise the terms of this NOFA as needed.
- Award of funds does not confirm eligibility of all activities included in an application proposal, and HTFC reserves the right to change or disallow aspects of the applications received and may make such changes an expressed condition of its commitment to provide funding for proposed activities.

### **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**

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

### **Application Status and Notification**

Respondents 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 NOFA.
- 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.

A Respondent 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 PDF that responds to the first two sections below. The narrative should not exceed seven (7) pages.

Applications should also include a separate Excel attachment containing the three-year budget (broken out by year), and separate attachment PDF that should be named Budget Narrative. The Budget Narrative should include the rationale and justification for expenses, not to exceed 2 pages. ***Awards will be contingent on the availability of capital and administrative funds made available for Blue Buffers.***

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

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## PROPOSAL REQUIREMENTS

### **Evaluation and Selection Criteria**

Staff from HCR will score applications and make award determinations. Respondents 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. Section I. Expertise and Experience (Up to 30 points)
  - a. Describe your organization's experience successfully managing homeownership and or renter programs in which working closely with local residents was a fundamental part of the program.
  - b. Describe your organization's experience working on flood recovery/resiliency programs, and provide details of those programs, including, but not limited to, the demographics of people served, 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.
  - 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, and measurable indicators describing the success of those programs.
  - d. Provide information about your organization's management structure and staff's internal capacity to manage multiple external vendors.
  - e. Describe what experience, if any, your organization has had working with residents needing to relocate and what services you provided to ensure successful outcomes.
  
2. Section II. 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, during the identification of buyout zone phase, as well as a staffing plan as the program goes into the case management and closing phases. The plan should list the type and number of positions (Community Organizers, Data Scientists, Quality Control Specialists, Case Managers, Accountants, Financial Administrators, Case Management Supervisors, Managers...etc.) with descriptions of their anticipated job tasks. Training plans for staff should be included.
  - b. 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 your organization wishes to partner or subcontract with another organization, you should describe how that relationship will function and what performance measures will be used to achieve successful, timely outcomes. RHC strongly encourages non-profit housing organizations to partner with community groups and/or environmental organizations.

- c. Describe a plan for State audit preparedness, document storage and retention, and private and personal identification information security.
  - d. Describe what characteristics and the process that you will engage to look for a technology or software 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 technology companies during the vendor selection process.
  - e. Describe how your organization would market the program and conduct community outreach, with specific reference to how you will target disadvantaged communities.
  - f. Describe your plans for engaging and coordinating with municipal and county governments and your ability to get them to allow the Blue Buffers program to operate in their jurisdiction.
  - g. 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.
3. Administrative Budget and Fiscal Responsibility. Respondent should provide a detailed, three-year administrative budget, **broken out by year and each of the four (4) tasks described above**, including in-house and vendor expenses. Please include a budget narrative that outlines the rationale and justification for expenses, and how you anticipate the administrative costs changing over time. Budgets should indicate whether there will be a mark-up cost on external vendors. (Up to 25 points)

### **COMPLIANCE WITH ALL NYS REQUIREMENTS**

By submitting a NOFA Submission, the Respondent acknowledges that, if awarded a contract, they will be solely responsible for ongoing compliance with any and all State requirements related to Tasks 1 through 4 outlined or included in this NOFA. The requirements included in this NOFA are not necessarily comprehensive, and it is the successful Respondent responsibility to remain knowledgeable of, and compliant with, any new or revised rules that are adopted during the life of the contract.

### **Questions**

Any questions regarding this NOFA or the application process should be submitted to [bbapplications@hcr.ny.gov](mailto:bbapplications@hcr.ny.gov) no later than Wednesday, July 17, 2024, 3pm EST.