



Arizona Department of Housing

Preventing Housing Insecurity FY 2024 Notice of Funding Availability

Date Issued: February 2, 2024

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**Arizona Department of Housing
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I. Introduction

Arizona is facing a challenging housing market. Rents have steadily risen. Evictions are at an all-time high. Homelessness has surged. With elevated interest rates, and lagging wages, more and more families have become rent- and housing cost-burdened. Homelessness prevention provides assistance to someone who isn't homeless but instead 'at risk' of becoming homeless. The Department of Housing and Urban Development (HUD) defines 'at risk of homelessness' as households who will lose their primary residence within 14 days and have nowhere else to go and have no resources or support networks to obtain permanent housing. With this in mind, the Arizona Department of Housing (ADOH) seeks to increase the role of prevention programs by providing funds to organizations to provide one-time financial assistance (known as flexible or "flex" funds) for families and households on the brink of homelessness, whom if helped, are likely to remain housed.

II. Background Information

In FY24, the State of Arizona approved approximately \$150 million in Arizona State Housing Trust Funds to fund affordable housing projects and housing assistance programs throughout Arizona. In the fall, ADOH issued a Request for Information (RFI) to the public to identify the greatest housing and homeless service needs in the state. Based on the RFI responses, it was determined to allocate approximately \$5 million in funding for proposals from qualified entities to expand housing instability prevention services to meet the objectives and goals described in this Notice of Funding Availability (NOFA).

The goal of this NOFA is to further the reach of existing prevention efforts by providing flexible funding that helps expand the effectiveness of current housing stability and homelessness prevention approaches.

III. Eligible Activities/Target Population

This NOFA will provide funding to organizations to implement or expand prevention activities, including flexible funding to qualified households 'at risk' of homelessness but who are able to demonstrate that they will be able to maintain housing after the assistance. Qualified households are defined as households with a maximum income of 80% of Area Median Income (AMI). Examples of eligible activities include:

- Past due or future rent (i.e., up to 1 month of rent)
- Past due and/or future utilities, utility deposits
- Move in assistance (movers, furniture, kitchenware, welcome boxes); rental application fees, inspection/processing/admin fees, security/rental deposits, storage costs
- Pet deposits; one-time pet fees
- Legal fees/expenses, prior judgments
- Car repair, car payment
- Insurance payment
- ID costs/expenses
- Relocation to another community (pending confirmed housing opportunity)
- Clothing, including work uniforms and work supplies
- Employment-related expenses (starting job costs)

- Housing search/placement
- Air conditioning (repair/replace)
- Legal aid, credit repair
- Landlord engagement/mediation

In order to ensure the effective use of the flexible funding, the maximum assistance per household is capped at \$2,000. The implementing agency must use progressive engagement to ensure that the least amount of funds possible are being used to prevent the household from losing their housing. Implementing organization(s) should also assess and triage for eligible resources (such as unemployment insurance or emergency rental assistance) thus enabling these flexible funds to be used as an option of last resort. Financial assistance should be a one-time payment of funds and cannot be used for ongoing assistance.

IV. Changes to the NOFA

Modifications to the NOFA. ADOH may modify this NOFA, from time to time, or for any other reasons as determined by ADOH: 1) to reflect any changes, additions, deletions, interpretations or other regulatory matters; 2) to insert such provisions clarifying matters or questions arising under this NOFA as are necessary or desirable and that are contrary or are inconsistent with this NOFA; or 3) to cure any ambiguity, supply any omission or correct any defect or inconsistent provision with this NOFA or the laws and regulations governing the funding sources being made available in this NOFA.

NOFA Clarifications. ADOH will periodically post written clarifications to this NOFA on its website. The clarifications elaborate on the meaning of the text within this NOFA and may sometimes add additional guidance on how to interpret this NOFA. NOFA clarifications are to be considered a part of this NOFA. Applicants are responsible for checking the clarifications and submitting an Application that is in conformance with the clarifications. Requests for clarification must be made in writing via email or letter via US Mail and will be responded to in the written clarifications to the NOFA on ADOH's website. Notice regarding amendments and or modifications will be announced through the Department's mailing list and posted on the Department's website. Use the following link to join the Department's mailing list: <https://housing.az.gov/about/press-release/mailling-list>. All contact during the NOFA process and evaluation phase shall only be through the designated email for the designated point of contact, LaQueena Soto, laqueena.soto@azhousing.gov. Applicants shall neither contact nor lobby ADOH staff or evaluators during the evaluation process. Attempts by the applicant to contact and/or influence application evaluators may result in disqualification of the applicant. The Department will accept questions about this funding opportunity until February 23, 2024.

NOFA Cancellation In the event that proposals received pursuant to this Notice of Funding Availability (NOFA) fail to satisfy the specified requirements and criteria set forth herein, the issuing entity reserves the right to cancel this NOFA. Upon the cancellation of this NOFA, all funds associated with the solicitation shall be deemed unallocated and shall be subject to reissuance under a subsequent NOFA with revised terms and conditions.

V. Maximum Award

It is anticipated that the Department will expend the full \$5,000,000 in funding with multiple awards, depending on response to this NOFA, as ADOH will prioritize statewide programmatic impact. At its discretion, the Department reserves the right to make partial awards and/or adjust the amount of funds requested by applicants.

VI. Eligible Applicants

This NOFA is a competitive process open to verified non-profit, faith-based, and public/governmental entities and agencies currently and demonstrably implementing housing stability and homelessness prevention approaches.

VII. Threshold

To be eligible for evaluation and scoring, proposals must meet the following threshold requirements. Proposals that fail to comply with all instructions may be considered incomplete. The following should guide the response to this NOFA and should be considered the guiding principles for receiving the funds:

- Application is submitted on time and complete.
- Application meets the proposal format requirements.
- The project must be ready to start immediately upon receipt of a contract.
- Project funds will serve households with a maximum income of 80% of Area Median Income (AMI)
- Organization(s) must have at least two (2) years of experience serving vulnerable populations with public funding. If your agency does not currently have an active ADOH contract, provide verification of other funding award(s) as demonstrated by a submission of an award letter(s).
- Collaboration: Applicants must have effective working partnerships that facilitate client access to and benefit from formal and informal resources (i.e. community action agencies, AZ Department of Economic Security, McKinney Vento Homeless School Liaisons, AZ@Work programs, legal aid agencies, etc.) Since prevention funds are a relatively new intervention with limited resources, applicant(s) should be supporting the ecosystem and not duplicating already existing interventions and activities.
- Joint applications, including those designed to reach a larger geographic area, are strongly encouraged.
- Preference will be given to organizations that will leverage these award dollars with other federal, state, local, or business/philanthropic funds and resources, including through match, braiding and/or other strategies.
- Program design:
 - Financial assistance must be for the purpose of clients obtaining or retaining housing and/or eliminate barriers in obtaining or retaining housing.
 - Verification of existing housing status required.
 - Implementing organization(s) should assess and triage for all available and eligible resources and programs and connect the household to those resources thus enabling the financial assistance provided through this NOFA to be used as an option of last resort.

- Organizations must require that clients demonstrate that the flexible fund is the option of last resort or meets an immediate need that other funding sources are unable to cover, and that they are able to maintain housing after the assistance.
 - Proper documentation should support this assistance.
- Organizations must have and share, upon award, established policies and procedures that are in place for outreach, coordination and service delivery.
- Organizations must have, or establish upon award, defined processes and financial controls to allow timely and accurate disbursement and documentation of financial assistance with appropriate documentation.

VIII. Ideal Program Design Elements

- Ideally, implementing organization(s) will provide case management components in its program design. This can include education, coaching, negotiation with vendors (landlords), budgeting and financial management, legal referrals.
- Similarly, implementing organization(s) will provide post-funding follow up at 3, 6, or 12 months via text, in person, virtual, and/or telephonic to determine the client’s housing status, the impact of the funding and the need for additional connection to other programs.

Disclosure: Entities are not eligible to apply under this NOFA if it has had a state contract terminated or suspended, and/or are currently debarred by any federal or state debarment agency. If suspension or debarment is currently pending, a detailed description of all relevant circumstances must be provided. ADOH may make inquiries in order to verify the information submitted, and applicants may only provide missing information to specifically address a request for information from ADOH. Applicants must respond by the deadline included in the inquiry to avoid disqualification. ADOH may verify representations, information, and data in an application with public information, independent reports, and statistics available through recognized subscription services.

IX. Application Instructions

The Application must meet the following basic eligibility requirements in order for an application to be accepted and considered for funding. If the application does not meet the following threshold requirements, the application will not be reviewed or scored.

1. Application Cover Sheet:

- a. Applicant Organization Legal Name
- b. Applicant Mailing Address
- c. DUNS Number
- d. Federal ID Number
- e. Contact Person
- f. Telephone Number
- g. Email
- h. Website
- i. Is this Organization a 501(c) (3)? Yes No
- j. Is your organization a faith-based entity? Yes No
- k. Amount of funding requested

Proposal narratives must be no longer than four (4) pages typed, minimum eleven (11) point font, and margins no less than half (1/2) an inch. A two (2) page Budget must be included which does not count towards page count and can be formatted at the applicant's discretion. Proposals must be submitted via the Arizona Department of Housing State HTF Special Projects <https://housing.az.gov/portals/document-upload-portals> by Friday, March 15, 2024 by 5:00 p.m. Proposals may not be submitted via U.S. mail, Fed-ex, UPS, e-mail or fax. Questions regarding this NOFA should be sent to LaQueenena Soto at laqueena.soto@azhousing.gov. Questions may be submitted until February 23, 2024.

X. Proposal Narrative Response

1. ORGANIZATIONAL EXPERIENCE AND PROGRAM MODEL PROPOSED

- a. Provide background on your organization's history and experience with prevention programming or providing financial assistance to assist families in a housing crisis. Describe your current program model that encompasses prevention activities. Provide documentation of program guidelines on what is an allowable expense(s) for the purpose of clients obtaining or retaining housing and/or eliminate barriers in obtaining or retaining housing.
- b. Provide calendar year data from your prevention efforts. Please provide as much data as available about the numbers of households assessed and assisted in obtaining or retaining housing as well as the source of that data.
- c. Describe the impact that flexible funding will have on your current program.
- d. How will you screen households to identify those most likely to benefit from the financial assistance? Please provide a copy of the assessment questions you currently are using.
- e. How will you use progressive engagement to ensure you are using the minimum amount of funding needed to successfully prevent housing loss?
- f. Describe any formal partnerships or collaborations involved in the project including any additional funding, services or resources being provided through collaboration.
- g. Explain how the prevention intervention will identify housing opportunities and ensure clients have stable housing solutions.
- h. Data tracking: Please provide what data sources you will use in the assessment and assistance process.
- i. Please provide information about how project funds will serve households with a maximum income of 80% of Area Median Income (AMI)

2. PERFORMANCE BENCHMARKS

- Describe post-funding evaluation. Does your organization perform check-ins post funding? At what interval and in what format? What questions are asked at the post-funding check-in?
- Please respond to the following narrative questions on the performance benchmarks. In application please state your intended goals for the following criteria:
 - a. How will you measure and track the percentage of households that were assisted and maintained housing or were stably housed?

- b. How will you measure and track the percentage of households that experienced housing instability or homelessness within six months post funding?
- c. How will you measure and track the percentage of clients that were still housed and required additional financial assistance and/or connection with additional resources?

ADOH will require that prevention providers track their performance quarterly on the following measures.

- Demographics. Confirm distribution is consistent with at-risk population
- Quarterly reports should include the following quantitative data:
 - # of households (unduplicated) applied
 - # of households assisted
 - # (total) of people assisted (broken out by adults, children, and total)
 - Amount of assistance provided
 - Average dollars per household
 - Uses of the funds by category
 - Housing stability rate after 3 months, 6 months and 1 year
- Of the households presenting for assistance, the percentage that maintained housing or were successfully prevented from housing instability;
- Percentage of households that seek or return to emergency shelter within six months after receiving prevention assistance;
- Percentage of households that require financial assistance to maintain housing or to prevent housing instability.
- Qualitative Narrative Report: a brief description of activities performed, including but not limited to, occurrences that caused variation from schedule, changes to plans, unforeseen circumstances, program progress, successes and/or barriers experienced, etc. Applicants must describe how their program is successfully identifying housing opportunities and transitioning households into stable housing solutions. Share best practices and new learnings as well.
- Participation in future evaluation processes that are beginning to take place within the housing community, led by Arizona’s philanthropic community, thus supporting the learning of what effective prevention practices are.

3. FINANCIAL CAPACITY

1. Describe the financial management processes, procedures and staff in place to oversee publicly funded operations and administration.
2. Describe how you will document the flexible funding provided to program recipients.
3. Describe the organization’s financial capacity to pay for expenses upfront
4. Include any audit findings that have arisen in the past five (5) years and their subsequent resolution or status. Check all that are applicable:
 - a. Behind on 990 Filings: Yes No
 - b. Unresolved IRS Findings: Yes No

- c. Any outstanding Federal or State Audit Findings, regardless of funding source, or closed audit findings that demonstrate significant fraud or misuse of funds.
 Yes No
- d. Has the agency been debarred or had any federal or state grants suspended or terminated. Yes No
- e. Other Financial Attachments: Organizations are also required to submit their current year budget and most recent Profit and Loss Statement.

*If the answer was “Yes” to any of the items above, please explain. Attach supporting documentation to demonstrate resolution of the situation. If the organization has expended more than \$750K in federal funds within the last year, submit documentation of the completed single audit with application submission.

4. PROGRAM BUDGET

Please provide the following program budget materials:

- IRS letter verifying tax-exempt 501(c)(3) status
- Proof of 2 years of experience operating programs with public funding as demonstrated by funding letter(s)
- CPA prepared Financial Statements for most recent year-end or Single Audit
- Organizational Budgets - Current year organizational budget, program budget for prevention program services, and most recent Profit and Loss Statement
- Resolution of Findings - Documentation showing status/resolution of any City, HUD and/or IRS findings
- Prevention Program Budget – Projected

XI. Scoring

Each component will be worth the following points

- | | |
|---|-----------------|
| ● Applicant Experience, Qualifications and Capacity | 20 points |
| ● Proposed Project and Program Implementation | 20 points |
| ● Program Outcomes and Impact | 20 points |
| ● Collaboration | 10 points |
| ● Project Readiness | 15 points |
| ● Program Budget | 10 points |
| ● <u>Local Match</u> | <u>5 points</u> |

TOTAL	100 points
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XII. Selection Notification

ADOH anticipates notifying all applicants within fifteen (15) business days of the proposal deadline as to whether their proposal will be funded. Due to the anticipated demand for funds, proposals may be partially funded rather than funded at the dollar amount requested. The highest scoring proposals will receive a conditional award. Additional reports and underwriting are required to ensure project feasibility.

XIII. Proposal Process Timeline

The following is a list of key dates in the proposal process:

NOFA release	February 2, 2024
Q&A Webinar	February 15, 2024, 3:00 p.m.
https://us02web.zoom.us/meeting/register/tZwoc-ypqT0rEtRbshamcWtkR4DgVkxZXafN (registration required)	
Last Day for Questions	February 23, 2024
Proposal Deadline	March 15, 2024, 5:00 p.m.
Anticipated Scoring/Review Panel	March 19, 2024
Anticipated Award Notice	March 29, 2024

Funding Distribution

Funds will be disbursed on a reimbursement basis at least quarterly. Requests for reimbursement can be submitted monthly. Awardee will be expected to provide all supporting documentation of expended funds. Up to 10% of the total award may be utilized for awardee administrative costs and/or indirect expenses.