



State of Hawaii

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813

NOTICE OF POTENTIAL FUNDING AVAILABILITY

RENT RELIEF & HOUSING ASSISTANCE PROGRAM

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| Agency Name: | Hawaii Housing Finance and Development Corporation |
| Purpose: | Provide rental assistance, financial counseling and mortgage loan modification assistance to eligible households. |
| Authority: | Pending enactment of SB126, 2020 Hawaii Legislative Session (S.B. 126) |
| Funding Source: | CARES Act; Public Law 116-136 |
| Description: | Under this notice, the Hawaii Housing Finance and Development Corporation (HHFDC) is preparing to administer a rent relief and housing assistance program critically needed as a result of the public health impact COVID-19 has had on Hawaii's economy. This notice is to solicit a qualified non-profit intermediary to help administer the proposed program on a statewide basis to achieve the desired program outcomes of helping renters avoid eviction and homeowners avoid foreclosures. |

The final authorization of this program and related funding is pending the Governor's approval.

HHFDC is soliciting applications from qualified nonprofit agencies that have demonstrated capability and capacity to establish a centralized database and act as an intermediary in administering the described rent relief and mortgage loan assistance program on a statewide basis working with multiple community nonprofit organizations such as community development financial institutions, social service agencies, and housing counseling agencies to distribute funds and provide appropriate services.

If you are interested in providing these services, please submit the attached application no later than the Submission Deadline **via email** to: Janice Takahashi, Chief Planner, Janice.N.Takahashi@hawaii.gov.

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| Program Description: | The non-profit Intermediary will work with community-based non-profit agencies to provide services throughout the state. The Intermediary is responsible for ensuring that its subcontractors are in compliance with all State and Federal requirements, including the utilization of software systems and/or databases that detect and prevent duplication and fraud, and maintaining records and data in a secure |
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environment necessary for meeting programmatic and fiscal reporting requirements.

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| Target Population: | The target population to be served by this program is households earning up to 100-percent of the area median income who have had incomes reduced by the COVID-19 pandemic. The program is intended to serve up to 34,000 households. See Exhibit A, Rent Relief & Housing Assistance Program. |
| Geographic location: | Households must be located in the State of Hawaii on one of the eight major islands in the State. |
| Expected Number of Awards: | 1 |
| Relevant Regulation: | 2 C.F.R. Part 200 |
| Cost Sharing or Matching Requirement: | None |
| Term: | August 1 – December 15, 2020 |
| Date Posted: | July 2, 2020 |
| Submission Deadline: | July 9, 2020 Applications will be accepted until 2:00 p.m. |
| Funding Source: | CARES Act; Public Law 116-136 |
| Estimated Total Program Funding: | Up to \$85,000,000 Funding award and all contracts are subject to the availability and allotment of state and federal funds. The actual funding may be different than what is stated in this notice. |
| Estimated funding by County: | City & County of Honolulu – Up to \$54,400,000 Hawaii County – Up to \$12,000,000 Kauai County – Up to \$4,000,000 Maui County – Up to \$9,600,000 Statewide – Up to \$5,000,000 The actual funding may be different than what is stated in this notice. |

ELIGIBILITY

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| Eligible Applicants: | Non-profit organizations that: (1) have a 501(c)(3) status with the IRS; (2) are a “Compliant” vendor in the Hawaii Compliance Express (HCE) system; and (3) are not on the Debarred or Suspended lists for both State and Federal contracts. |
| Eligibility Criteria: | The following criteria apply to all applicants: Non-profit and tax-exempt status. Must function as a private or public non-profit organization and submit evidence of non-profit status and tax-exempt status under section 501(a), pursuant to section 501(c) of the Internal Revenue Code of 1996 (26 U.S.C. 501(a) and (c)). |

Experience. Must have successfully operated in an intermediary capacity to administer a housing assistance program for at least five (5) years in the State of Hawaii. Must have successfully operated in an intermediary capacity to administer a household financial relief program in response to economic impacts of COVID-19 or similar disasters.

Knowledge of applicable federal regulations pertaining to the CARES Act, including the Federal Code of Regulations and federal cost principles is required to be considered as a qualified applicant.

Capacity. The Intermediary must be connected to a network of nonprofits with capacity to serve up to 34,000 households. The Intermediary must itself be able to rapidly develop the infrastructure, systems, and capacity needed to support and monitor the network of nonprofits which will be delivering financial assistance and services. Must be able to mobilize operations and begin providing services to households within three (3) weeks of the Notice to Proceed date. Must be able to successfully market and promote the program to maximize outreach to as many households as possible. Must have a centralized system for collecting data on applicants and beneficiaries that facilitates compliance with government requirements, including but not limited to detecting duplication and fraud, and coordinates information with HHFDC.

Recordkeeping and reporting. Must be able to furnish programmatic and fiscal reports to HHFDC on a regular and frequent basis for the State to properly monitor performance of this program and ensure regulatory compliance.

Network. Must have non-profit affiliates, partners, or branches throughout the state of Hawaii in order to provide statewide service. Preferred Intermediaries will have non-profit affiliates, partners, or branches with experience administering COVID-19 financial relief or similar disaster relief programs. The non-profit affiliates and branches must have successfully administered the type of described programs for at least one (1) year.

SELECTION AND AWARD

Selection Process:

An evaluation committee of designated reviewers selected by the Executive Director shall evaluate proposals in accordance with the Selection Criteria below. The committee will be comprised of individuals with program experience, knowledge, and responsibility for similar program service.

A contract will be awarded to the applicant whose proposal is determined to be the most advantageous to the State taking into consideration the Selection Criteria.

Qualifications and Experience. Qualifications and experience of the applicant's organization and the proposed personnel and/or subcontractors to carry out the Program described in the Notice and Exhibit A, including proven record of experience with comparable programs.

Capacity. Organizational capacity to undertake, complete and administer the Program in compliance with State and Federal rules in a timely and efficient manner. Applicant will demonstrate the resources and expertise to assume and meet all administrative and fiscal requirements. This includes the applicant's fiscal (including financial management systems), technological, management, administrative and staff capabilities.

Past Performance. Past performance and experience in successfully completing similar work as described in the Notice and Exhibit A. Applicants will be evaluated based on their prior performance on similar programs. Prior performance will be evaluated based on the applicant's narrative response as well as compliance and audit reports.

Approach and Methodology. Program implementation, scope, and outcomes. Applications will be evaluated on the expertise and ability of the agency to address the required key elements of the Program and fulfill the required program outcomes. The applicant must demonstrate an implementation strategy that is feasible and can reasonably measure program impact.

Budget. Applicants cost per client served. Applications will be evaluated based on their proposed budget and the number of clients to be served.

The HHFDC reserves the right to obtain clarification of any item in an application or to obtain additional information necessary to properly evaluate an application.

Award:

All applicants will be notified by email as to the decision regarding their application. Successful applicants will work with HHFDC staff to negotiate and execute a contract.

ADDITIONAL INFORMATION

Funding Notice and Application:

This notice has been posted on the following websites. For a complete copy of the Notice and Application, please visit the HHFDC website below.

HHFDC (Application available for download)
<http://dbedt.hawaii.gov/hhfdc/>

Economic & Community Recovery Navigator
<https://recoverynavigator.hawaii.gov/>

Contact Information:

Janice Takahashi, Chief Planner
Email: Janice.N.Takahashi@hawaii.gov

EXHIBIT A:

RENT RELIEF & HOUSING ASSISTANCE PROGRAM

The Rent Relief & Housing Assistance Program (Program) is intended to be a flexible program that meets the needs of households that have experienced a reduction in income because of unemployment or reduction in work hours due to the COVID-19 pandemic. The HHFDC is seeking applications from eligible, qualified and experienced non-profit intermediary organizations (“Intermediary” or “Intermediaries”) with the appropriate capacity and network to administer the Program subject to the following conditions:

Program Objectives

- Payments of 50% rent or \$500/month¹, whichever is less, made directly to landlord for up to five months (August-December) for eligible primary residences in the State of Hawaii.
- Payments of 50% of Homeowners’ Association (HOA) dues or \$500/month, whichever is less, made directly to HOA for up to five months (August-December) for one (1) eligible primary residence in the State of Hawaii.
- Assistance with rent or homeowner association payment plans, loan modifications.
- Financial counseling.

Program Eligibility

- Full-time residents residing in the State of Hawaii
- 18 years of age or older
- Demonstrates a loss of income directly resulting from the COVID-19 pandemic
- No asset limits
- Household income of 100% AMI or below²

The selected Intermediary shall be responsible for coordinating with and overseeing a network of qualified Community Non-Profit Agencies (CNAs) to provide housing relief assistance for up to 34,000 households with a gross income that does not exceed 100 per cent of the area median income established by the U.S. Department of Housing and Urban Development (HUD). See Exhibit B, 2020 Income Limits for Households Earning 100 Per Cent Area Median Income.

The Intermediary shall:

- Maintain a network of qualified and experienced CNAs, including community development financial institutions, social service providers, and housing counseling agencies, to deliver services to the target population.
- Provide its network of CNAs with the skills, knowledge, and resources necessary to deliver high quality services.
- Facilitate the exchange of best practices amongst CNAs and implement network-wide mechanisms to ensure consistent and effective procedures for verifying eligible participants and complying with federal requirements, including the prevention of fraud and duplication of

¹The subsidy amount may be adjusted based on program needs, as determined by HHFDC.

²The income limits may be adjusted based on program needs, as determined by HHFDC. See Exhibit B for applicable income limits.

benefits. Such mechanisms should include landlord verification and cross-references with other state and federal agencies.

- Work with CNAs to develop a uniform system for application packaging, submission, and processing, including online and in-person methods for households to apply.
- Create a system for collecting data on household eligibility and program outcomes consistent with S.B. 126.
- Create a system for ensuring compliance with State and Federal requirements.
- Disburse or cause disbursements to be made for rent or HOA dues.
- Reimburse CNAs for reasonable and necessary costs associated with providing the services described above. Allowable costs are those that meet the general criteria in 2CFR200.403.

The Program payment period shall be from August 1, 2020, to December 15, 2020.

The Intermediary and CNAs must comply with the Cost Principles outlined in 2CFR200, Subpart E, and must put forth a good faith effort to not incur costs reimbursable under this award in excess of what is reasonable given market prices, balanced by the need to act promptly to provide critical services necessary to respond to the COVID-19 pandemic.

Reporting Requirements

To facilitate compliance with reporting requirements, the Intermediary shall submit a report no less than once a week to the HHFDC. Reports must include a listing of households receiving rental relief or housing assistance; actual cost reimbursements for expenses paid to the households; copies of evidence that deliverables have been performed sufficiently and verifying reimbursements to eligible households; summary of expenditures to-date and balance of unused funds; and any required certifications.

EXHIBIT B

2020 INCOME LIMITS FOR HOUSEHOLDS EARNING 100 PER CENT AREA MEDIAN INCOME

| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---------------------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Honolulu | \$88,200 | \$100,800 | \$113,400 | \$125,900 | \$136,000 | \$146,100 | \$156,200 | \$166,200 | \$176,300 | \$186,400 |
| Hawaii | 58,400 | 66,700 | 75,000 | 83,300 | 90,000 | 96,700 | 103,300 | 110,000 | 116,700 | 123,300 |
| Kauai | 68,000 | 77,700 | 87,400 | 97,100 | 104,900 | 112,700 | 120,500 | 128,200 | 136,000 | 143,800 |
| Maui | 71,800 | 82,000 | 92,300 | 102,500 | 110,700 | 118,900 | 127,100 | 135,300 | 143,500 | 151,700 |