



Department of Commerce

Washington State Housing Trust Fund

HEALTH HOMES OPEN FUNDING ROUND

Notice of Funding Availability (NOFA) For a Health Home Project Located in Pierce County

Updated: June 28, 2017

Applications are now being solicited by the Department of Commerce (Commerce) for projects seeking funding from the Housing Trust Fund (HTF) for the development of a “health home” project.

I. FUNDING AVAILABILITY

This funding appropriation was made available as part of the [2016 Supplemental Capital Budget \(ESHB-2380, Laws of 2016\)](#), Section 1005(10). \$1,500,000 is provided solely for the establishment of a Health Home in Pierce County intended to serve people with severe health and housing challenges, those who are medically fragile, and those who have been diagnosed with a chronic behavioral health disorder. The agency operating the health home will need to employ protocols to improve the care and stability of their clients and mental health outcomes.

While *allocated* by the Legislature specifically for a project in Pierce County, the *availability of this funding is contingent upon Pierce County adopting the tax authorized under RCW 82.14.460 for chemical dependency or mental health treatment services. To Commerce’s knowledge at the time of this NOFA’s publication, Pierce County has not adopted the tax. Interested applicants should be aware that no application will be reviewed for funding until Pierce County has adopted this tax.*

This NOFA will remain open continuously until a project is awarded (assuming Pierce County had adopted the tax under RCW 82.14.460) or until funds are withdrawn by the Legislature.

While “health home” is not defined in the [2016 Supplemental Capital Budget \(ESHB-2380, Laws of 2016\)](#), related information can be found in the Health Care Act, as follows:

- <http://www.hca.wa.gov/billers-providers/programs-and-services/health-homes>
<https://www.medicaid.gov/state-resource-center/medicaid-state-technical-assistance/health-homes-technical-assistance/downloads/health-homes-faq-5-3-12-2.pdf>

Commerce encourages applicants to consider the Health Care Act’s Health Home model, but adopting this model is NOT a requirement for funding under this NOFA.

II. TIMELINE

Health Homes Applications Solicited (initial NOFA)	November 30, 2016
Health Homes Application Submittal Date	Open (see above)

Commerce reserves the right to revise this timeline.

III. APPLICATION DOCUMENTS AND INSTRUCTIONS

The Health Homes Application forms can be downloaded from the [Applying for Housing Trust Fund Funding](#) webpage. Applicants must answer all of the questions and submit a complete Health Homes Application to Commerce as described below.

ONLY electronic submissions of the Application forms will be accepted. Applications must be submitted in the original Excel format provided by Commerce. DO NOT convert your Application to PDF or other file formats.

Email your complete Application file (Excel) to sean.harrington@commerce.wa.gov, OR save it on CD, DVD, flash-drive, or thumb-drive, and mail it to the address below:

Department of Commerce
Housing Trust Fund
Attn: Sean Harrington
1011 Plum Street SE
P.O. Box 42525
Olympia, WA 98504-2525

Applicants will receive an email confirmation of receipt by 5 p.m. on the business day following receipt by Commerce. If confirmation is not received within this period, it is the applicant’s responsibility to verify with Commerce staff by emailing at sean.harrington@commerce.wa.gov.

IV. APPLICATION REQUIREMENTS

The Health Home Applications must meet ALL of the requirements below in order to be reviewed and evaluated:

1. **SUBMISSION:** Applications must meet the submission requirements identified in Section III of this NOFA.
2. **ELIGIBLE APPLICANT:** Organizations eligible to apply for the Health Homes NOFA are local governments, local housing authorities, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state of Washington, and regional or statewide nonprofit housing assistance organizations.
3. **ELIGIBLE ACTIVITIES:** This is a capital funding application round for affordable housing. Although the individuals being served will need a service model, these funds are not intended to fund the service component. Eligible activities for reimbursement under the Health Homes program are new construction, rehabilitation, acquisition, and related costs.
4. **AMOUNT REQUESTED:** The requested health home amount must not exceed \$1.5 million per project.
5. **PROJECT LOCATION:** Projects must be located in Pierce County. The county must have adopted the tax, authorized under RCW 82.14.460, for chemical dependency or mental health treatment services.
6. **FULL FUNDING:** Applicants must demonstrate they have full funding to complete the project. Commerce may not expend funds unless and until the non-state share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.
7. **SITE CONTROL:** Prior to receiving funds, applicants must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease.
8. **REIMBURSEMENT ONLY:** Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.
9. **COVENANT:** Projects funded must be held by the recipient for a minimum of ten years (30-40 years preferred) and used for the same purpose intended by the legislature.
10. **STATE PREVAILING WAGES:** Projects funded under this NOFA are required to pay state prevailing wages, so consideration should be given in the project budget, unless the applicant has an otherwise determination from the Department of Labor & Industries.
11. **EVERGREEN SUSTAINABLE DEVELOPMENT STANDARD (ESDS):** Health Home projects are required to comply with the affordable housing green building standard, [ESDS](#).

V. APPLICATION PRIORITIES

The Health Home Applications that meet all the Requirements above (Section IV) will be prioritized and evaluated based on the following legislative criteria:

1. **PRIVATELY OWNED HOUSING STOCK:** Priority will be given to projects proposing to use privately-owned housing stock. Second priority will be given to projects utilizing existing publically owned housing stock (per [RCW 43.185.070\(4\)](#)).
2. **LEVERAGE:** Priority will be given to projects leveraging state dollars with other resources (e.g., private and public funding, applicant contributions, and federal funds) (per [RCW 43.185.070\(5\)\(a\)](#)).
3. **NEED:** Priority will be given to applications that demonstrate both financial and community need for the project (per [RCW 43.185.070\(5\)\(h\)](#)).
4. **SERVICES:** Priority will be given to applications demonstrating that their service plans are financially feasible, sustainable, and aligned with State and Federal recognized best practices (i.e., are consistent with State and Federal requirements, are evidence-based, and follow statewide established models) ([per RCW 43.185.070\(5\)\(b\)](#)). The applicant should also demonstrate the ability to secure all necessary service commitments. (See Chapter 2, Section 205.7 [of the HTF Handbook](#)).
5. **HOUSING DEVELOPMENT EXPERIENCE:** The applicant should have recent prior experience in affordable housing development. If the applicant has not had experience within the past seven years, the applicant should partner with a development consultant experienced in affordable housing development. See Chapter 2, Section 206.2 of the [HTF Handbook](#).
6. **ORGANIZATIONAL CAPACITY:** The applicant should demonstrate the capacity to develop the project, manage and operate the project long-term, and deliver appropriate services, as applicable. If the applicant lacks the sufficient capacity to develop and operate the project and/or provide adequate services, it should identify formal partnerships with experienced entities capable of developing and operating the project and/or delivering adequate services. See Chapter 2, Section 206.1 of the [HTF Handbook](#).
7. **GOOD STANDING:** The applicant's past performance and experience working with Commerce, if any, should indicate sound organizational capacity and performance. That is, the applicant should have no significant or recurring HTF compliance issues on previously awarded HTF contracts. See Chapter 2, Section 206.1.1 of the [HTF Handbook](#).
8. **PROJECT COSTS:** The applicant demonstrates that project costs are reasonable, per the following requirements:
 - Project costs align with HTF Project Financial Guidelines and HTF Project Documentation Guidelines (see Chapter 2, Section 204 and 205, respectively, of the [HTF Handbook](#)).
 - Project costs are supported by the third party construction cost estimate and the capital needs assessment (if applicable).

- Project costs are considered reasonable, per the current HTF cost containment policy, (see Chapter 2, Section 201.2 of the [HTF Handbook](#)).

12. **FINANCIAL OPERATIONS:** Pro-forma demonstrates sufficient revenues to cover projected operating expenses. If subsidy revenue is included, the applicant should demonstrate the ability to secure the subsidy and provide evidence of support of the project from the subsidy source. The operating pro-forma should follow the project financial guidelines outlined in Chapter 2, Sections 204.4-8 of the [HTF Handbook](#).

Applications may be subject to additional Priorities, as determined by Commerce.

VI. QUESTIONS

For questions and additional information please contact Sean Harrington by phone at (360) 725-2995 or by email at Sean.Harrington@commerce.wa.gov. Please allow at least two business days for resolution of any issues.