

August 9, 2024

**Re: Creating Homes Initiative (CHI), FY25 Creating Affordable Housing grant**

Dear TDMHSAS Providers,

The Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS) is requesting information regarding one-time funding needs from agencies and organizations throughout the state of Tennessee who provide community-based mental health and/or substance use treatment, for the Creating Affordable Housing grant. Preference is given to currently contracted grantees of TDMHSAS. Grantees must be registered as a business entity with the TN Secretary of State and must be registered as a supplier in the TN Edison system.

One-time resources will be made available to selected grantees to support the reimbursement of infrastructure, renovation, and rehabilitation costs that develop new safe, quality, and affordable permanent supportive housing options for people experiencing mental illness or co-occurring disorder. The purpose of these grants is to expand the number of safe, affordable, and quality permanent housing opportunities **for Tennesseans experiencing mental illness or co-occurring disorder, specifically individual who are uninsured as well as individuals ready for discharge from Regional Mental Health Institutes (RMHIs)**. Priority is given to proposals intended to create licensed supportive housing options.

This grant is intended to fund projects for the development, new construction, acquisition, rehabilitation, renovation and/or conversion of infrastructure to create new licensed supportive housing options in Tennessee for individuals experiencing mental illness or co-occurring disorder. There are no operational funds included as part of this opportunity. TDMHSAS is requesting a five (5) page proposal that speak to the following:

**A: Project Details** including location of property or facility to be renovated, description of the funds requested, total new beds to be created, and overall program impact to quality of services delivered/increased number of Tennesseans served because of the project. Specify whether the proposed project intends to serve individuals discharging from one or more of the RMHIs. Include property site information including the size and configuration of the facility, and the number of bedrooms (including square footage), bathrooms, and common rooms. Specify whether the proposed project is for new construction, acquisition, renovation, rehabilitation, or conversion of infrastructure to create new housing for the targeted population. Projects must be compliant with the American with Disabilities Act (ADA) of 1990.

**B: Timeline** for project completion detailing when the project will begin and anticipated time for completion, including any licensure projected timeframes. Awarded grant contracts will be for a 12-month term. The timeline should indicate how the project will be completed within that timeframe.

**C: Affordability to Residents** information including the monthly rent cost to residents and how this

amount was determined, what rent payments will cover for the benefit of residents (example: does the rent payments cover utilities, or whether residents be expected to pay utilities in addition to rent payments). In addition to rent, will residents be required to pay an initial deposit, fee, or other additional expense (such as first month's and/or last month's rent) to move in? Additionally, will there be opportunities to provide housing to persons who are unable to pay rent due to lack of income or insufficient income?

D: **Services Overview** including what support services will be offered to residents by the agency. Explain how and where these services will be made accessible and delivered to residents. Please include information about your agency's experience supporting client services for individuals with Mandatory Outpatient Treatment (MOT). Additional consideration given to proposals for projects that can serve individuals on the sex offender registry.

E: **Project Costs** including a detailed budget, information related to any agency or other entity match funds, etc. Proposers should complete the TDMHSAS budget [https://www.tn.gov/content/dam/tn/mentalhealth/documents/FY25\\_Budget\\_Cost\\_Reimbursed.xlsx](https://www.tn.gov/content/dam/tn/mentalhealth/documents/FY25_Budget_Cost_Reimbursed.xlsx) to submit with their proposal. Proposers should also include a budget justification narrative to provide detail to support the requested grant funds included in each line-item. All grants awarded from this opportunity will be cost reimburse contracts. Grantees may only seek reimbursement for actual, reasonable, and necessary costs related to the completion of the project. The State will not reimburse costs unless it is an expenditure that the grantee actually incurred. The grantee must provide documentation that project work was purchased prior to invoicing the State.

Proposals can be submitted at any time through March 31<sup>st</sup>, 2025; TDMHSAS intends to review and make selections from received proposals on a quarterly basis throughout FY2025 while funds are available. The project/property owner must be the same entity that submits the proposal. Proposals should be submitted, via e-mail, to the Office of Housing and Homeless Services Director Neru Gobin at [MHSAS.Housing.Homeless@tn.gov](mailto:MHSAS.Housing.Homeless@tn.gov). If you have any questions regarding this solicitation, please contact Director Gobin and Assistant Director Shay Grier at [MHSAS.Housing.Homeless@tn.gov](mailto:MHSAS.Housing.Homeless@tn.gov).

This letter of opportunity is NOT an acceptance of any offer/proposal, and the State retains the right to reject any proposal. In accordance with the subject procurement process and state law, this notice shall NOT create rights, interests, or claims of entitlement. No proposer shall acquire any such right unless and until a Grant Contract is fully signed by the Grant Contract parties and approved, in accordance with applicable Tennessee laws and regulations.

As always, we so value your passion for service in behavioral health and your commitment to serve Tennessee's most vulnerable.

Most sincerely,

Neru Gobin, Director, Office of Housing and Homeless Services

Shay Grier, Assistant Director Office of Housing and Homeless Services