



TN

Department of
**Mental Health &
Substance Abuse Services**



Announcement of Funding

Creating Homes Initiative 2.0 (CHI 2.0)

To serve Tennesseans living with substance use disorder, in particular opioid use disorder

Tennessee Department of Mental Health & Substance Abuse Services
Division of Mental Health Services

Completed Proposals Due: January 30, 2023



Introduction

Building on the 22-year history and success of the Tennessee Creating Homes Initiative (CHI), which has effectively leveraged over \$992 million to create more than 32,000 housing opportunities, the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS), Division of Mental Health Services (DMHS), is requesting proposals from agencies and organizations throughout the state of Tennessee to develop safe, quality and affordable permanent housing options, to provide ongoing operations for **newly** created housing options, and/or to provide recovery support services to benefit residents of **newly** developed safe, quality and affordable permanent housing **for Tennesseans living with substance use disorder, in particular opioid use disorder**.

Program Goals and Objectives

The purpose of the **CHI 2.0** grant is to develop and expand the number of safe, affordable, and quality permanent housing options for Tennesseans living with substance use disorder, in particular opioid use disorder. CHI 2.0 employs strategic collaboration and assertive partnering to leverage and secure funds and resources to create these housing options for the stated focus population. CHI 2.0 incorporates regionally based professionals, known as CHI 2.0 Regional Substance Use Housing Facilitators, to serve as “hands on” collaborators with community partners and stakeholders to stimulate the preservation, development, and enhancement of housing options. Their knowledge, skill and expertise in housing development, financing strategies, funding sources, and grant writing are vital to the success of CHI 2.0.

The intent of this funding opportunity is to:

- Provide grant funding for development, **new** construction, acquisition, rehabilitation, and/or conversion of infrastructure to create **new** housing options for Tennesseans living with substance use disorder, in particular opioid use disorder; and/or
- Provide grant funding for ongoing operational costs (i.e., utility costs, property maintenance) for **newly** created housing options in for Tennesseans living with substance use disorder, in particular opioid use disorder; and/or
- Provide grant funding toward operational costs for recovery support services (i.e., professional fees, staffing, services) to benefit residents of **newly** developed safe, quality and affordable permanent housing for Tennesseans living with substance use disorder, in particular opioid use disorder.

TDMHSAS is seeking the creation of safe, quality, affordable permanent housing options and services under this funding opportunity that support the substance use, in particular opioid

use, recovery of prospective residents following four dimensions as identified by the Substance Abuse and Mental Health Services Administration (SAMHSA):

1. Health: Overcoming or managing one's disease(s) or symptoms and making informed, healthy choices that support physical and emotional well-being.
2. Home: A stable and safe place to live.
3. Purpose: Conducting meaningful daily activities and having the independence, income, and resources to participate in society.
4. Community: Having relationships and social networks that provide support, friendship, love and hope.

TDMHSAS and the Creating Homes Initiative supports SAMHSA's working definition of recovery from mental illness and substance use disorders as well as SAMHSA's 10 guiding principles of recovery, as indicated in SAMHSA-published document found on the following link: [Ten Guiding Principles of Recovery.pdf \(wa.gov\)](#)

Housing options supported under this grant funding are expected to have the following defining characteristics:

- Program participation is self-initiated (there may be exceptions for court ordered participation) and residents have expressed a preference for living in a housing setting targeted to people in substance use recovery.
- Minimal barriers exist to entry to housing options, so that long periods of sobriety, clean criminal records, or clear eviction histories are not required for program entry.
- Residents have personal privacy and 24/7 access to the housing.
- Peer-based recovery supports are available and accessible to all residents.
- Behavioral health and wrap-around services and supports available to residents employ a trauma-informed approach to foster safety (physical, mental, and emotional) and trust, as well as promote choice, empowerment, and collaboration.
- Along with services to help achieve goals focused on permanent housing placement and stability, as well as income and employment, residents have access to services that align with residents' choice and prioritization of goals of sustained recovery from substance use.
- Eviction from affordable permanent housing should only occur when a resident's behavior substantially disrupts or impacts the welfare of the recovery community in which the resident lives; however, the resident may apply to reenter available housing if

they express a renewed commitment to living in a housing setting targeted to people in substance use recovery.

- Residents who determine that they are no longer interested in living in a housing setting with a recovery focus, or who are evicted from the housing, are offered assistance in accessing other housing and services options, including options operated with harm reduction principles.

Affordable permanent housing types that are considered eligible for this funding opportunity include, but are not limited to, the following:

- Peer Run Recovery Residence
 - Democratically run
 - Implementation of Manual or Policy and Procedures
 - Drug Screening
 - House meetings
 - Self-help meetings encouraged
 - No paid positions within the residence
- Monitored Recovery Residence
 - House manager or senior resident
 - Implementation of Policy and Procedures
 - House rules provide structure
 - Peer run groups
 - Drug Screening
 - House meetings
 - Involvement in self-help and/or treatment services
 - Possibly apartments or other dwelling types
 - At least 1 compensated position
- Supervised Recovery Residence
 - Organizational hierarchy
 - Administrative oversight for service providers
 - Implementation of Policy and Procedures
 - Emphasis on life skill development
 - Clinical services utilized in outside community
 - Service hours provided in house
 - All types of residential settings

- Facility manager
- Certified staff or case managers

To benefit residents of **newly** developed safe, quality and affordable permanent supportive housing for people in opioid use recovery, the following recovery support services are considered eligible for this funding opportunity:

- Recovery Support Services Assessment: Implementation of intake screening tool and needs assessment.
- Case Management: Coordination of care services which assist a service recipient in identifying, accessing, and coordinating resources that are supportive in achieving the service recipient's treatment and recovery goals.
- Drug Testing: Random drug testing is used to determine the presence of substances, to be done in conjunction with other recovery services.
- Recovery Skills: Designed to assist the service recipient in obtaining the necessary skills to be a successful and productive member of the community and offers skill building topics such as budgeting, parenting, personal growth, and responsible decision making.
- Relapse Prevention: Designed to assist the service recipient in developing skills to recognize early signs that may lead to relapse and to develop methods to counteract these triggers.

Definitions

- **Affordability Period**: For the purposes of this Announcement, an affordability period refers to a set period of time, beginning at the date of closing or when State Grant monies are disbursed to a grantee, for which the State's interest in a given property and the covenant running with the land shall be binding upon Grantee, its successors and assigns. The duration/length of the affordability period is determined by the State.
- **Affordable housing**: For the purposes of this Announcement, "affordable housing" refers to housing that is available to all individuals, regardless of income.
- **Affordable housing-related services**: For the purposes of this Announcement, affordable housing-related services refers to services that will assist or sustain an individual in permanent affordable housing, including but not limited to, the provision of down payment assistance; the delivery of shelter or related services for individuals in opioid use recovery, homelessness, and other special needs populations which improve the housing stability of assisted households.

- **Mental Illness:** For purposes of this Announcement, mental illness refers to a condition diagnosed by a qualified professional using the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-V), or most current revision.
- **Opioid Use Disorder:** For the purposes of this Announcement, Opioid Use Disorder includes opioid, as well as opioid derivatives, use and dependence.
- **Permanent housing:** For the purposes of this Announcement and the Creating Homes Initiative 2.0 (CHI 2.0), permanent housing refers to safe, affordable, quality community-based residential options, for which Tennesseans living with substance use disorder, in particular opioid use disorder, have the opportunity to reside for as long as they choose and/or need. While implementation of effort to support or encourage residents to consider, seek, obtain and sustain housing at a higher level of independent living (if and when appropriate) is allowable, there is no set or specified time limit for when a resident is required to leave the housing. Any lease, rental agreement or sublease should be renewable, and should be terminable only for cause.
- **Recovery:** For the purposes of this Announcement, “recovery” refers to a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential. Opioid use recovery refers to this process where overuse, misuse and/or abuse of prescribed or illicit opioids is primary over any other substance used.
- **Recovery Housing:** For the purposes of this Announcement, “recovery housing” refers to quality, safe, healthy living environments that effectively support individuals in recovery from overuse, misuse or abuse of opioids and other substances. While recovery residences vary in structure, all are centered on peer support and a connection to services that promote long term recovery.
- **Recovery Support Services:** For the purposes of this Announcement, “recovery support services” refers to services provided to people in opioid use recovery to promote individual, program, and system-level approaches that foster health and resilience, increase permanent housing, employment, and other necessary supports, and reduce barriers to social inclusion.
- **Substance Use Disorder:** For the purposes of this Announcement, Substance Use Disorder includes substance use and substance dependence.

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GENERAL CONDITIONS

1.1. *Funding Information*

1.1.1 Project Period: Funding term for selected proposals will be April 1, 2023 – June 30, 2024. Funding for infrastructural costs is one-time only and therefore not recurring. With regard to funds for ongoing operational costs and/or support services: As funds are available and subject to provider performance, there may be additional Grant Contract periods for this service. Subject to the availability of funds, the funds for operations and services for this project are expected to be recurring and future years of funding would follow the state fiscal year, July 1- June 30.

1.1.2 Funding Amount: State of Tennessee Cost Reimbursement Grant Contracts may be available to eligible proposers with a minimum of \$100,000 in requested funds for infrastructural costs; there is no set minimum amount of requested funds for recurring operations. TDMHSAS estimates that the total available funds for new CHI 2.0 awards will be \$5,000,000 in FY23. It is estimated that up to 15 awards will be made. If seeking funds for infrastructure, proposers should submit an infrastructure budget based upon the full funding term as indicated in section 1.1.1 of this Announcement. If also seeking funds for ongoing operations/support services, proposers should submit a second operational budget based upon a full year of program services implementation, for each year of contract service.

This grant is intended to fund projects for:

- The development, new construction, acquisition, rehabilitation, and/or conversion of infrastructure to create new housing options in Tennessee for individuals living with substance use disorder, in particular opioid use disorder; and/or
- Ongoing operational costs (i.e., utility costs, property maintenance) for newly created housing options in Tennessee for individuals living with substance use disorder, in particular opioid use disorder; and/or
- Operational costs for recovery support services to benefit residents of newly developed safe, quality, and affordable permanent housing in Tennessee for individuals living with substance use disorder, in particular opioid use disorder.

Unallowable uses of funding associated with this Announcement:

- Development of transitional housing; or
- Support for tax-exempt borrowing by local grantees; or
- Provision of off-site improvements or neighborhood infrastructure of public facility improvements; or
- Implementation of homeowner rehabilitation projects; or
- Implementation of homeownership related activities, including down payment assistance programs, development of units for homeownership, or homeowner rehabilitation projects; or
- Acquisition, rehabilitation, or construction of rental housing that is a treatment, hospice, nursing home or convalescent facility; or
- Costs incurred prior to the CHI 2.0 grant contract start date or after the end date of the contract.

1.1.3 Allocations: Funding allocations will be awarded on the basis of how well a Proposer addresses guidelines and criteria of this Announcement. The actual amount available for a Grant Contract may vary depending on the number and quality of proposals received.

1.1.4 Subject to Funds Availability: Grant contracts awarded as a result of this announcement of funding are subject to the appropriation and availability of funds. In the event funds are not appropriated or otherwise unavailable, the State reserves the right to terminate Grant Contracts upon written notice to the Grantee.

1.1.5 Grant Contract Requirements: Grant contracts awarded as a result of this announcement of funding must comply with all contract requirements and will be subject to both programmatic and fiscal monitoring. Proposers should review the TDMHSAS Grantee Manual located on the Grants Management section of the department's website, located [here](#). This manual includes resources about the grant contracting process, highlights key contract provisions, reviews the programmatic and fiscal requirements for grant contracts, outlines the department's monitoring process, and provides resources related to grant management. Any selected Grantee will be subject to monitoring by the Department as required by [Department of General Services, Central Procurement Office Policy 2013-007](#) and state and federal regulation.

1.1.6 Cost-Reimbursement Grant Contract: This award will result in a grant, cost-reimbursement contract between the State and awarded Grantee. All invoices paid or payments made by the State are to be cost reimbursed; specifically, awarded Grantees

must first pay for a given cost out-of-pocket first, and then the State reimburses the Grantee for such cost. Proposers are required to sign an attestation form acknowledging awareness that all invoices paid or payments made by the State to awarded Grantees are to be cost reimbursed (Attachment C).

1.1.7 Grant Note, Restrictive Covenant, and Property Deed: To protect State's interest in a property purchased and/or renovated using State funds provided through this grant, the following three (3) documents will be required from each awarded Grantee:

- Grant Note for the amount of State funding involved, signed by an authorized agent of Grantee and notarized, wherein the buyer acknowledges its obligation to assure the property is used to serve the specified service requirements, to be indicated in Scope of Services of the Grant Contract, for a specified Affordability Period; and
- Restrictive Covenant, signed by an authorized agent of Grantee and so notarized, and properly recorded in the appropriate county acknowledging the State's interest in the property, and to make the property available for service recipients for the duration of the Affordability Period; and
- A copy of the most recently filed property deed showing the property is owned by the Grantee.

Grant Note and Restrictive Covenant documents for each awarded property will be provided to the grantee during the contract development period for signature and notarization. See Attachment J for a sample template of the Grant Note and Restrictive Covenant documents.

In no case shall a grantee draw any funds from this grant prior to completion of the following:

- Signing a Grant Note with notarization; and
- Signing a Restrictive Covenant with notarization; and
- Submittal of the original signed and notarized Grant Note, the original signed and notarized Restrictive Covenant, and a copy of the most recently filed property deed to TDMHSAS.

The State's interest in a funded Property will be assigned upon award but the affordability period is typically from 5 – 25 years, depending on the capital investment.

1.1.8 Licensed Provider Requirements: As applicable, for projects that intend to serve individuals discharging from RMHIs, grant contracts awarded as a result of this announcement must be licensed by TDMHSAS or become licensed by TDMHSAS within the first year of the affordability period. More information about the TDMHSAS licensure process can be located on the Licensing section of the website <https://www.tn.gov/behavioral-health/licensing/become-a-licensed-provider.html>.

1.1.9 Property Standard Requirements: For any proposed project selected for grant award, one of the following is required:

- All contractors performing infrastructural work on TDMHSAS grant funded properties must be appropriately licensed for the type of work being performed; or
- Infrastructural work completed by contractors toward construction, renovation, rehabilitation, and/or conversion must be bonded and insured.

All housing must meet all applicable local codes, rehabilitation standards, and zoning ordinances at the time of project completion.

Following project completion, all assisted properties must meet Housing Quality Standards throughout the compliance period.

Building Permits. The Grantee must ensure that building permits are pulled on all new construction and rehabilitation projects as required by the state or local jurisdiction, including mechanical, plumbing, and or electrical permits.

Energy Code. New construction projects must also meet the current edition of the International Energy Conservation Code.

Inspections. All rehabilitation or new construction work must be inspected by a licensed inspector based on the rules applicable for the local jurisdiction in which the units are located. Licensed inspectors are certified by the Tennessee Department of Commerce and Insurance – State Fire Marshal’s Office.

If a building permit is issued by a local jurisdiction or the state, inspection by a state certified inspector of that jurisdiction is required.

If the work is exempted by the state or local code and a permit is not required, then documentation from state or local code officials must be provided confirming that exemption. If exempted, a qualified inspector may be used. A “qualified inspector” is defined as an individual with credentials appropriate for the type of work being performed, such as inspectors licensed by the State of Tennessee as Building, Mechanical, Plumbing, or Electrical Inspectors.

For an activity where the state or local code officials do not issue a building permit, a qualified inspector may include home inspectors as appropriate for the work performed, including individuals certified as a housing inspector by a national organization such as the International Code Council, the National Fire Protection Association, or the Standard Building Code Congress.

1.2. *Timelines*

The following schedule of events represents the State’s best estimate of the schedule that shall be followed. The State reserves the right in its sole discretion to adjust this schedule as it deems necessary. In the event such action is taken, notice of such action will be posted on the State’s website located [here](#) and notice of the posting will be distributed via the proposer e-mail list.

SCHEDULE OF EVENTS:

December 20, 2022 TDMHSAS Releases Announcement.

December 28, 2022 Proposers Written Questions Regarding the Announcement are due on 12/28/2022.

January 5, 2023 TDMHSAS hosts a conference call to respond to questions AND/OR TDMHSAS issues written responses to questions posted on [here](#).

January 30, 2023 Proposals are due via email on 1/30/2023.

February 17, 2023 TDMHSAS makes announcement of accepted proposals.

April 1, 2023

Contract shall be effective upon gathering all required signatures and approvals from the State in accordance with grant contract section D.1. Required Approvals.

1.3 Proposer Eligibility

1.3.1 The proposer, for purposes of this Announcement, must:

- Be registered with the Tennessee Secretary of State as a legal business entity in active status; must submit a copy of documentation verifying registration as an attachment to the proposal; documentation must include the entity's SOS control number;
- Have IRS Form 990 (Return of Organization Exempt from Income Tax); must submit most recently filed form as an attachment to the proposal;
- For nonprofit or 501(c)(3) organizations, must be registered with TN Department of Revenue for sales tax exemption – TDMHSAS does not reimburse sales tax expenses with grant funds to a nonprofit or 501(c)(3) organization; must submit documentation to verify registration as an attachment to the proposal. More information can be found using the following link:
<https://www.tn.gov/revenue/taxes/sales-and-use-tax/exemptions-certificates-credits.html>
- Demonstrate experience providing affordable housing or affordable housing-related services in the state of Tennessee. Affordable housing-related services are services that will assist or sustain an individual in permanent housing, including but not limited to, provision of rental or utility payment assistance; delivery of shelter and related services for individuals recovering from substance use disorders, homelessness or other special needs which improve the housing stability of assisted households.
- Demonstrate good relational standing with TDMHSAS as well as stakeholders, including, but not limited to, substance use treatment and/or substance use recovery services providing entities within Tennessee.
- For proposers intending to develop new housing options for individuals ready for discharge from the RMHIs, the proposed residential facility(ies) must be either currently licensed by TDMHSAS or will become licensed by TDMHSAS within the first year of the affordability period.
- Demonstrate a history of successful programmatic and financial responsibility.

- Be the owner* of the proposed project by no later than the contract start date.

Program funds for this grant may be expended for:

- Capital purchase and/or professional fees for the purpose of development, **new** construction, acquisition, rehabilitation, and/or conversion of infrastructure to create safe, quality, affordable permanent housing for Tennesseans living with substance use disorder, in particular opioid use disorder
- Ongoing operational costs for **newly** created housing options for Tennesseans living with substance use disorder, in particular opioid use disorder; and/or
- Operational costs for recovery support services to benefit residents of **newly** developed safe, quality and affordable permanent housing for Tennesseans living with substance use disorder, in particular opioid use disorder.

*The project owner must be the same entity that submits the proposal for this Announcement. Frequently, there are various community stakeholders involved in a housing project. TDMHSAS will contract only with entities that intend to own, not lease, all capital projects included in the proposal. This includes any property purchased and/or renovated using State funds provided through this grant. Be advised that TDMHSAS will not disburse any grant funds prior to obtaining documentation confirming property ownership by the proposing entity.

Inclusion of Regional Housing Facilitators and CHI 2.0 Regional Substance Use Housing Facilitators: It is the intent of the State to ensure utilization of the Regional Housing Facilitators and/or the CHI 2.0 Regional Substance Use Housing Facilitators in some capacity (i.e., consultation, review, writing, etc.) for all eligible proposals. Regional Housing Facilitators and CHI 2.0 Regional Substance Use Housing Facilitators serve as valued resources to solidify and expand new and existing partnerships within the respective regions to educate, inform and expand quality, safe, affordable, and permanent housing options for Tennesseans living with substance use disorder. Regional Housing Facilitators' and CHI 2.0 Regional Substance Use Housing Facilitators' contact information and respective regions are identified on the Creating Homes Initiative map found on the TDMHSAS website: https://www.tn.gov/content/dam/tn/mentalhealth/documents/CHI_RHF_Map_Mar_22.pdf

Questions specific to eligibility for this Announcement may be asked in writing at any time. Please email MHSAS.Housing.Homeless@tn.gov for all eligibility-related questions.

1.3.2 A proposer, for purposes of this Announcement, must not be:

- An entity which employs an individual who is, or within the past six (6) months has been, an employee or official of the State of Tennessee in a position that would allow the direct or indirect use or disclosure of information, which was obtained through or in connection with his or her employment and not made available to the general public, for the purposes of furthering the private interest or personal profit of any person; and
- For purposes of applying the requirements above, the State will deem an individual to be an employee or official of the State of Tennessee until such time as all compensation for salary, termination pay, and annual leave has been paid.

1.4 *Scope of Services*

See Attachment I for this program's proposed Scope of Services, which is Section A. of a State Grant Contract. Please note that the State reserves the right to make any changes to the scope of services as deemed necessary before issuing the final Grant Contract.

1.5 *Communications*

1.5.1 The following Coordinator shall be the main point of contact for this Announcement of Funding:

Neru Gobin

Email Address: MHSAS.Housing.Homeless@tn.gov

All proposer communications concerning this procurement must be directed to the Coordinator listed immediately above. Unauthorized contact regarding this Announcement of Funding with other state employees of TDMHSAS may result in disqualification.

1.5.2 Proposer E-Mail List: The State will create an e-mail list to be used for sending communications related to this Announcement. **If you wish to be added to this list,**

please promptly send your contact information, including e-mail address, to MHSAS.Housing.Homeless@tn.gov. Any delay in sending such information may result in some communications not being received. The State assumes no responsibility for delays in being placed on the list.

1.5.3 Questions and Requests for Clarification: Questions and requests for clarification regarding this announcement must be submitted in writing on or before 12/28/2022 to MHSAS.Housing.Homeless@tn.gov. The grant name ("Creating Homes Initiative 2.0") or acronym ("CHI 2.0") must be included in the subject line of the email. A conference call will be held on 1/5/2023 to respond to questions submitted by 12/28/2022.

1.5.4 State's Response to Questions and Requests for Clarification: Questions and requests for clarification regarding this Announcement should be submitted in writing on or before 12/28/2022 to MHSAS.Housing.Homeless@tn.gov. A conference call will be held on 1/5/2023 to respond to questions submitted. During the call, proposers can request clarification or additional feedback. The State will offer responses to additional requests on the call as appropriate and will add this to the official, written responses.

1.6 *Proposal Preparation, Formatting, Submission, Withdrawal, and Rejection*

1.6.1 Proposal Preparation: The Proposer accepts full responsibility for all costs incurred in the preparation, submission, and other activities undertaken by the Proposer associated with the proposal.

1.6.2 Proposal Formatting Requirements: The State's goal to review all proposals submitted must be balanced against the obligation to ensure equitable treatment of all proposals. For this reason, formatting and content requirements have been established for proposals.

- Proposals must be received via e-mail by the deadline of 1/30/2023.
- Proposals must address all applicable project narrative questions and label the sections accordingly within the proposal.

- Proposals must be typed, single-spaced on standard 8 ½ inch x. 11 inch paper, in font size twelve (12), with 1 inch margins. The spacing and margin requirements do not apply when preparing the attachment worksheets.
- The combined proposal length is limited to ten (10) pages. This limitation does not include the required proposal attachments.
- The proposed budget should include the summary, detail, salary, and budget justification. This may be sent as PDF or Excel. The budget narrative is limited to one page.

1.6.3 Proposal Submission: Proposals should be submitted to the State via email to MHSAS.Housing.Homeless@tn.gov by January 30, 2023. The proposal's file name must include both the grant name and the agency's name using the following format: "FY23 CHI 2.0 Grant_Proposal_Agency Name". When submitting the proposal via email, the subject line must use the same naming format: "FY23 CHI 2.0 Grant_Proposal_Agency Name". Proposals must be complete and comply with all requirements of this Announcement in order to be eligible for review.

1.6.4 Proposal Withdrawal: Proposals submitted prior to the due date may be withdrawn, modified, and resubmitted by the Proposer so long as any resubmission is made in accordance with all requirements and all deadlines of this Announcement.

1.6.5 State's Right to Reject Proposals: The State reserves the right to reject, in whole or in part, any and all proposals; to advertise new proposals; to arrange to perform the services herein, to abandon the need for such services, and to cancel this Announcement if it is in the best interest of the State as determined in the State's sole discretion. In the event such action is taken, notice of such action will be posted on [TN.gov at this link](https://www.tn.gov), and notice of the posting will be distributed via the proposer e-mail list.

1.7 *Proposal Review, Components, Scoring, and Selection*

1.7.1 Proposal Review: Proposals will be scored based on the ability to demonstrate the intended success of the project. Incomplete and noncompliant proposals will not be reviewed. The State recognizes the need to ensure that funding provided for the Creating Homes Initiative 2.0 (CHI 2.0) grant program provides the maximum benefit to the citizens of Tennessee. Grantees are selected in accordance with state policy,

department duties, department powers, and commissioner duties and powers as related to service as the state's mental health and substance abuse authority responsible for planning for and promoting the availability of a comprehensive array of high-quality prevention, early intervention, treatment, and habilitation services and supports that meets the needs of service recipients in a community-based, family-oriented system.

1.7.2 Proposal Components: Each proposal should contain the following sections. Please note, incomplete proposals will not be reviewed:

- Cover letter
- Cover sheet (Attachment A, signed by authorized representative)
- Table of Contents
- Project Narrative
- Organizational Chart(s) (Attachment B)
- Attestation of Acknowledgement of Cost Reimbursed Budget (Attachment C)
- Proposed Budget (Attachment D)
- Budget Justification (Attachment E)
- Existing Agreements and Third-Party Revenue Source (Attachment F)
- Letters of Support (Attachment G)

1.7.3 Proposal Scoring: Each proposal is allocated a maximum point value that determines a range within which reviewers will assign specific points. The number of points allocated to each component below is the maximum number of points the reviewer may assign. Reviewed proposals may receive a total score between zero (0) and one hundred (100).

Proposal Component	Score
Cover Letter	0 points, but essential
Cover Sheet (Attachment A)	0 points, but essential
Table of Contents	0 points, but essential
Project Narrative	70 points
• Relevant Experience (5 points)	

<ul style="list-style-type: none"> • Project Design (15 points) • Affordability to Residents (10 points) • Services Available (10 points) • Community Integration/Participation (10 points) • Community/Key Partners (10 points) • Safety Measures (5 points) • Project Sustainability (5 points) 	
Organizational Chart(s) (Attachment B) <i>Organizational chart for the entity submitting the proposal, demonstrating where the CHI 2.0 grant program fits within the overall structural organization of the entity submitting the proposal.</i>	0 points, but essential
Attestation of Acknowledgement of Cost Reimbursed Budget (Attachment C)	0 points, but essential
Proposed Budget and Budget Justification (Attachments D and E) <i>Appropriate and realistic budget must be submitted along with a narrative justifying the budget.</i>	25 points
Existing Agreements and Third Party Revenue Source (Attachment F) <i>Provide documentation of any existing agreements with community stakeholders that provide additional resources to the CHI 2.0 grant program. List any current third party revenue sources that contribute to the long term sustainability of the Proposing entity.</i>	0 points, but essential
Letters of Support (Attachment G)	5 points

1.7.4 Proposal Selection: The State will notify all Proposers selected for contracting by close of business February 17, 2023.

All grant proposals are reviewed and evaluated by a group of state employees selected by TDMHSAS. Based upon the evaluations, proposal selections will be made and submitted for final approval to the Commissioner of the Department of Mental Health and Substance Abuse Services and/or Commissioner's designee.

The State reserves the right to further negotiate proposals selected to be awarded funds. Prior to the execution of any Grant Contract, the State reserves the right to consider past performance under other Tennessee contracts.

1.8 *State's rights and obligations under this Announcement*

1.8.1 The State reserves the right to make any changes to this Announcement of Funding, timeline of events, proposals selected, the scope of services, the amount of funding, and any other aspect of this process as deemed necessary before issuing the final Grant Contract. In the event the State decides to amend, add to, or delete any part of this Announcement, a written amendment will be posted on TN.gov at this link, and notice of this posting will be distributed via the proposer email list.

1.8.2 The State reserves the right to cancel, or to cancel and re-issue, this Announcement. In the event such action is taken, notice of such action will be posted on TN.gov at this link, and notice of the posting will be distributed via the proposer email list.

1.8.3 The State reserves the right to make any changes to the scope of services as deemed necessary before issuing the final Grant Contract.

1.8.4 The State reserves the right to not issue any Grant Contracts in response to this Announcement.

1.8.5 The State reserves the right to further negotiate proposals selected to be awarded funds prior to entering into a Grant Contract.

1.8.6 State obligations pursuant to a Grant Contract shall commence only after the Grant Contract is signed by the Grantee and the State and after the Grant Contract is approved by all other Tennessee officials in accordance with applicable laws and regulations. The State shall have no obligation for services rendered by the Grantee which are not period within the specified Grant Contract term.

1.8.7 Grant contracts awarded as a result of this announcement of funding are subject to the appropriation and availability of funds. In the event funds are not appropriated or otherwise unavailable, the State reserves the right to terminate Grant Contracts upon written notice to the Grantee.

2. *PROPOSAL NARRATIVE*

Proposal narrative responses should address each of the following items, as applicable. The narrative should be structured and titled consistently according to these narrative selections. There is a maximum of ten (10) pages for the proposal narrative section. If selected for award, the proposal narrative will be added as an attachment to the grant contract.

2.1. Relevant Experience: Briefly describe your organization's experience, capacity and commitment to provide safe, quality, and affordable permanent housing opportunities to Tennesseans living with substance use disorders, in particular opioid use disorder. Additionally, describe your organization's experience, capacity and commitment to provide quality recovery support services to Tennesseans living with substance use disorders, in particular opioid use disorder.

2.2. Project Design: Specify the address, county, and region (see Attachment H for regional map) of the proposed project site and the proposed number of beds to be made available for the purposes of this grant. Please include property site information (e.g., appraisal documentation, floor plan, renderings, etc.) as attachments (NOTE: these attachments will not be counted toward the 10-page limit for the narrative section). Please include any information about the proposed property and if it will be able to support housing for individuals with restrictions on housing (ex: individuals on sex offender registry).

If the proposing entity currently owns the property, please include a copy of the property deed as an attachment to the proposal. If the proposing entity does not currently own the property, please explain the plan for property acquisition and ownership, including a timeline through property acquisition and closing. Additionally, specify whether the proposed project is for either: new construction; acquisition; rehabilitation; or conversion of infrastructure to create **new** housing options for the targeted population.

Also, describe ADA accessibility features (including but not limited to features to support vision and hearing impairment) to be included in the project design. Also, identify the anticipated start date for service provision. All expenses related to infrastructure must be completed by licensed, bonded, and insured contractors and subcontractors.

2.3. Affordability to Residents: TDMHSAS intends to support opportunities to provide affordable housing to the targeted population indicated in this Announcement. Indicate whether residents of the newly developed housing will be expected to pay rent, and indicate the amount and frequency (e.g., monthly, weekly, etc.) of rent payments. Describe in detail what these rent payments will cover for the benefit of residents (as an example: does the rent payments cover utilities, or will 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? Explain how the grantee will ensure residents are able to cover other essential needs to sustain quality living and self-care in the community after they've paid rent from their limited income, if any. Additionally, indicate whether the newly developed housing will provide residential opportunities for qualifying individuals who may not have the means to pay rent, and describe how this would be implemented.

2.4. Services Available: List and describe the array of recovery support services to be offered and made available to residents of the **newly** developed recovery housing, and explain how these services will be implemented, made accessible, and delivered to residents. Explain how services will significantly reduce residents' risk for relapse and increase residents' ability to retain housing in the community. Please include information about your agency experience supporting client services for individuals with Mandatory Outpatient Treatment (MOT).

2.5. Community Integration & Participation: Describe, with detail, the availability, accessibility, and proximity to community resources that sustain successful community living and recovery, including but not limited to employment opportunities, community activities, primary healthcare, grocery and retail stores, transportation, etc. Additionally, describe the strategy/plan to encourage residents to participate in and ensure successful integration with the community.

2.6. Community/Key Partners: Please describe all local organizational and referral agencies committed to providing residents supported with funding from this project with prompt access to substance use/abuse, mental health, employment, peer wellness, peer support, SSI/SSDI, Outreach, Access and Recovery (SOAR), and other related housing services in the proposed service region. Additionally, please identify any key partnerships and third-party resources, existing or otherwise, that would positively impact the competitiveness and quality of this project. Include any relevant letters of

support from regional community stakeholders, including housing development entities, affordable housing providers, funding source entities and substance use service providers. Letters of support are to be included as Attachment G, and its documentation does not count toward the ten (10) page limit of the Proposal Narrative.

2.7. Safety Measures: Please describe your plan to implement features, amenities, standard operating procedures, and practices that help to ensure the safety and wellbeing of residents. How will your project utilize these resources and community partners to enhance safety and optimize wellbeing of all residents?

2.8. Project Sustainability: Please detail any organizational plans for sustainment of this project once project-funding has been extinguished. Further, please detail any additional funding sources that will be used for the planning, construction, rehabilitation, services, and/or sustainment of this project. For information regarding the Grant Note, Restrictive Covenant and Affordability Period, refer to Section 1.1.7 of this Announcement.

Attachment A

COVER SHEET | Creating Homes Initiative 2.0 (CHI 2.0)

Legal Name of Proposer	
Federal ID#	
Edison Vendor ID#	
Targeted Coverage of Program (County/Counties and Region)	
CONTACT INFORMATION	
Name of Contact Person	
Title of Contact Person	
Address of Contact Person	
E-mail Address of Contact Person	
Phone Number of Contact Person	
AUTHORIZED REPRESENTATIVE INFORMATION	
Name of Authorized Representative <i>(For Non-Profit, if someone other than the Board Chairperson is named as the Authorized Representative, a signed copy of the resolution of appointment must be submitted.)</i>	
Title of Authorized Representative	
Address of Authorized Representative	
E-mail Address of Authorized Representative	
Phone Number of Authorized Representative	

Signature of Authorized Representative

Date

Attachment B

ORGANIZATIONAL CHART AND BOARD OF DIRECTORS

Provide an organizational chart for the entity submitting a proposal, demonstrating where the Creating Homes Initiative 2.0 (CHI 2.0) grant will fit into the overall structural organization of the entity submitting the proposal.

Provide an updated list naming each member of the entity's board of directors and their contact information.

Attachment C

ATTESTATION FOR ACKNOWLEDGEMENT OF COST REIMBURSED BUDGET

Provide a signed letter of attestation to confirm acknowledgement that all invoices paid or payments made by the State to awarded FY23 Creating Homes Initiative 2.0 (CHI 2.0) Grantees are to be cost reimbursed. The letter of attestation must include the language specified below:

To the Tennessee Department of Mental Health and Substance Abuse Services,

As an authorized representative of _____ (*legal name of proposing entity*), I hereby attest that I understand and acknowledge that all invoices paid or payments made by the State toward the FY 2023 Creating Homes Initiative 2.0 (CHI 2.0) Grant will be cost reimbursed. I acknowledge that submission of documentation confirming and verifying proof of payment by the awarded grantee for all expenses associated with a grant contract will be required and will be subject to review by TDMHSAS prior to approval for reimbursement.

I also affirm that, as referenced in the Announcement of Funding for the FY 2023 Creating Homes Initiative 2.0 (CHI 2.0) Grant, I have been encouraged to review the TDMHSAS Grantee Manual, located on the Grants Management section on the website <https://www.tn.gov/behavioral-health/for-providers/grants-management.html> for additional information regarding cost reimbursement budgets and other grant contract requirements.

Signature of Authorized Representative

Date

Printed Name of Authorized Representative

Legal Name of Proposing Entity

Attachment D

PROPOSED BUDGET | Creating Homes Initiative 2.0 (CHI 2.0)

Please download the Excel budget template available at [this link](#) to complete a proposed budget. The budget template has four tabs: Instructions, Summary, Detail, and Salaries. Summary, Detail and Salaries tabs must be included. Please review the Instructions tab before completing the proposed budget. Proposers may submit up to two budgets: 1) based on infrastructure and 2) based on a full year of program implementation, if requesting ongoing operational funds for support services. The budget for operations may be prorated based on the funding period if selected for contracting.

GRANT BUDGET SUMMARY				
Agency Name: Enter on Detail Tab				
Program Code Name: Enter on Detail Tab				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period: BEGIN: Enter on Detail Tab END: Enter on Detail Tab				
POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes ²	\$0.00	\$0.00	\$0.00
4, 15	Professional Fee, Grant & Award ²	\$0.00	\$0.00	\$0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications ²	\$0.00	\$0.00	\$0.00
11, 12	Travel, Conferences & Meetings ²	\$0.00	\$0.00	\$0.00
13	Interest ²	\$0.00	\$0.00	\$0.00
14	Insurance ²	\$0.00	\$0.00	\$0.00
16	Specific Assistance To Individuals ²	\$0.00	\$0.00	\$0.00
17	Depreciation ²	\$0.00	\$0.00	\$0.00
18	Other Non-Personnel ²	\$0.00	\$0.00	\$0.00
20	Capital Purchase ²	\$0.00	\$0.00	\$0.00
22	Indirect Cost ²	\$0.00	\$0.00	\$0.00
24	In-Kind Expense ²	\$0.00	\$0.00	\$0.00
25	GRAND TOTAL	\$0.00	\$0.00	\$0.00

¹ Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies*, Appendix A. (posted on the Internet at: <http://www.tn.gov/assets/entities/finance/attachments/policy3.pdf>)

² Applicable detail follows this page if line-item is funded.

Attachment E

BUDGET JUSTIFICATION | Creating Homes Initiative 2.0 (CHI 2.0)

Please include a written budget justification of funds needed to support the Creating Homes Initiative 2.0 (CHI 2.0) grant proposal.

The justification summary should provide detail to support the Grant Contract funds included in each line-item.

The budget justification should be no longer than one page, single spaced.

Attachment F

EXISTING AGREEMENTS AND THIRD-PARTY REVENUE SOURCE(S)

Provide documentation of any existing agreements with community stakeholders that provide additional resources to support the Creating Homes Initiative 2.0 (CHI 2.0) grant.

List any current third-party revenue sources that contribute to the long-term sustainability of the Proposing entity.

Attachment G

LETTERS OF SUPPORT

Include any relevant letters of support from regional community stakeholders, including housing development entities, affordable housing providers, funding source entities and mental health and/or co-occurring service providers. This attachment and its documentation do not count toward the ten (10) page limit of the Proposal Narrative.

Attachment H

CHI REGIONAL MAP

Creating Homes Initiative Regional Housing Facilitators



Region 6

Regional Housing Facilitator
Dena Zipp | 731-571-4072
Dena.Zipp@careyinc.org
CHI 2.0 Regional Substance
Use Housing Facilitator
Jason Postlethwait | 731-499-3952
jason@aspellrecovery.com

Region 4

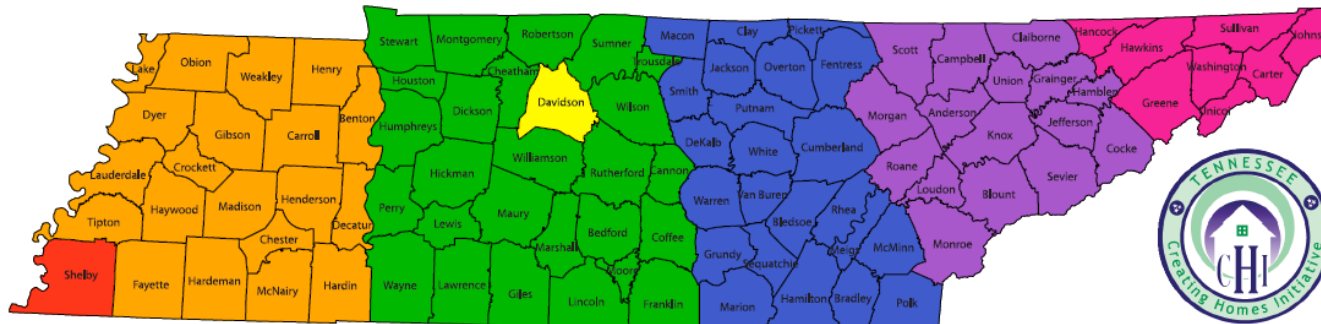
Regional Housing Facilitator
Bill Friskics-Warren | 615-637-6345
bill.friskics-warren@parkcenter
nashville.org
CHI 2.0 Regional Substance
Use Housing Facilitator
Jack Blum | 615-878-1970
Jack.Blum@parkcenternashville.org

Region 2

Regional Housing Facilitator
Allie Cohn | 865-399-3144
cohnab@ridgeview.com
CHI 2.0 Regional Substance
Use Housing Facilitator
Sascha Henderson | 865-255-7001
Sascha.henderson@mcnabb.org

Region 1

Regional Housing Facilitator
Stephanie Bullock | 423-483-8606
sbullock@frontierhealth.org
CHI 2.0 Regional Substance
Use Housing Facilitator
Wendy Ramsey | 423-534-6809
wrramsey@frontierhealth.org



Region 7

Regional Housing Facilitator
Lawrence Wilson | 901-277-6101
lawrence.e.wilson@gmail.com
CHI 2.0 Regional Substance
Use Housing Facilitator
Erin Gillylen | 901-598-3942
egillylen@caapincorporated.com

Region 5

Regional Housing Facilitator
Shanley Deignan | 615-517-2896
Shanley.Deignan@parkcenternashville.org
CHI 2.0 Regional Substance
Use Housing Facilitator
Greg Keeling | 931-800-9248
g.keeling.ccdcf@bellsouth.net

Region 3

Regional Housing Facilitator
Susan H. Greene | 423-648-1003
susangreene@aimcenterinc.org
CHI 2.0 Regional Substance
Use Housing Facilitator
Trish Cunningham | 423-876-9291
Patricia.Cunningham@mcnabb.org

Director of Housing & Homeless Services

Neru Gobin | 615-741-9259
Neru.Gobin@tn.gov

Director of Regional Housing Facilitators

Jeanne Price
423-578-4010 | 423-306-2149
jprice@frontierhealth.org

Attachment I

SCOPE OF SERVICES

[PLEASE NOTE: The State reserves the right to make any changes to the scope of services as deemed necessary before issuing the final Grant Contract.]

- A.1. The Grantee shall provide the Scope of Services and Deliverables (“Scope”) as required, described, and detailed in this Grant Contract.
- A.2. This Grant Contract shall be performed in accordance with the Project Application Summary (incorporated into this contract as Attachment #_) which identifies all projects, including Scope of Work, as approved by the State, to carry out activities under the Creating Affordable Housing grant to support safe, quality, and affordable permanent housing options for people experiencing mental illness, substance use disorders (including opioid use disorder) or co-occurring disorders.
- A.3. Services and supports under this Contract shall be delivered in a manner that promotes resiliency, recovery, and independence for individuals and families served. The Division of Mental Health Services prioritizes key values critical to serving Tennesseans with behavioral health needs including programs and practices focused on promotion, intervention, and recovery support services which:
- Encourage co-occurring competent and co-occurring friendly programs;
 - Support culturally responsive and linguistically competent services;
 - Uphold System of Care core values and principles;
 - Aim to prevent and mitigate the impact of adverse childhood experiences (ACEs);
 - Promote trauma informed approaches; and
 - Prioritize evidence-based and/or evidence-informed services resulting in strong outcomes.
- A.4. Service Definitions:
The Tennessee Creating Homes Initiative 2.0 (CHI 2.0) seeks to assertively and strategically partner with local communities to educate, inform, and expand quality, safe, affordable, and permanent housing options for Tennesseans in recovery from substance use disorder, including opioid use disorder.

The purpose of this CHI 2.0 Grant Contract is to develop and expand the number of quality, safe, affordable permanent housing options for Tennesseans living with substance use disorder, in particular opioid use disorder. Quality, safe and affordable permanent housing options and services under this Grant Contract shall support the substance use, in particular

opioid use, recovery of prospective residents following four dimensions as identified by the Substance Abuse and Mental Health Services Administration (SAMHSA):

- Health: Overcoming or managing one's disease(s) or symptoms and making informed, healthy choices that support physical and emotional well-being.
 - Home: A stable and safe place to live.
 - Purpose: Conducting meaningful daily activities and having the independence, income and resources to participate in society.
 - Community: Having relationships and social networks that provide support, friendship, love and hope.
-
- a. The Grantee shall, in collaboration with the State, provide and maintain quality, safe, and affordable permanent housing and recovery support services to service recipients as specified in A.5. and pursuant to the terms and obligations specified in the Grant Note (Attachment __) and Restrictive Covenant (Attachment __).
 - b. The term "affordable housing", for the purposes of this Grant Contract, refers to housing that is available to all individuals, regardless of income.
 - c. The term "affordability period" means the period of time during which the Grantee is held accountable to meet the terms and obligations specified in the Grant Note (Attachment __) and Restrictive Covenant (Attachment __) associated with this property.
 - d. The term "substance use disorder", for purposes of this Grant Contract, includes substance use and substance dependence.
 - e. The term "opioid use disorder", for purposes of this Grant Contract, includes opioid, as well as opioid derivatives, use and dependence.
 - f. The term "permanent housing", for purposes of this Grant Contract refers to quality, safe, affordable community-based residential options, for which Tennesseans living with substance use disorder, in particular opioid use disorder, have the opportunity to reside for as long as they choose and/or need. While implementation of effort to support or encourage residents to consider, seek, obtain and sustain housing at a higher level of independent living (if and when appropriate) is allowable, there is no set or specified time limit for when a resident is required to leave the housing. Any lease, rental agreement or sublease should be renewable, and should be terminable only for cause.
 - g. The term "recovery", for the purposes of this Grant Contract, refers to a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential. Opioid use recovery refers to this process where overuse, misuse and/or abuse of prescribed or illicit opioids is primary over any other substance used.
 - h. The term "recovery housing", for the purposes of this Grant Contract, refers to quality, safe, affordable, healthy living environments that effectively support individuals in recovery from overuse, misuse or abuse of opioids and other substances. While recovery residences vary in structure, all are centered on peer support and a connection to services that promote long term recovery.

- i. The term “recovery support services”, for the purposes of this Grant Contract, refers to services provided to people in substance use, in particular opioid use, recovery to promote individual, program, and system-level approaches that foster health and resilience, increase permanent housing, employment and other necessary supports, and reduce barriers to social inclusion.
- j. The term “Certified Peer Recovery Specialists (CPRS’s),” for purposes of this grant, are individuals who work with persons who have received treatment for mental illness to develop their own recovery-based programs to supplement existing mental health services, address issues such as social isolation and discrimination, experience opportunities for socialization and recovery education, and acquire the necessary skills for the utilization of resources within the community.
- k. The term “Individual Placement and Support/Supported Employment (IPS/SE),” for purposes of this grant, is an evidence-based practice that was developed by the Dartmouth Psychiatric Research Institute to help promote the recovery of people who have serious mental illness through work. This model is well defined by eight (8) practice principles and a twenty-five (25)-item fidelity scale, found at <https://ipsworks.org/wp-content/uploads/2017/08/IPSFidelity-Scale-Eng1.pdf>.
- l. The term “SOAR”, for purposes of this Grant Contract, means SSI / SSDI Outreach, Access, and Recovery. This nation-wide program, designated by the United States Department of Health and Human Services' (DHHS') Substance Abuse and Mental Health Services Administration (SAMHSA) as a best practice, is designed to increase access to the disability income benefit programs administered by the Social Security Administration (SSA) for eligible adults who are homeless or at risk of homelessness and have a mental illness and/or a co-occurring substance use disorder. The process used to implement this program is described in Stepping Stones to Recovery, DHHS publication number SMA 05-4051, and available online at <http://www.prainc.com/soar/toolbox>.

A.5. Service Recipients:

Permanent supportive housing and recovery support services shall be made available to:

- (1) Any Tennessee adult (18 years of age and over); and
- (2) Who is living with substance use disorder, in particular opioid use disorder; and
- (3) Who expresses desire and/or interest in recovering from use of substances, in particular opioids and/or opioid derivatives; and
- (4) Who expresses a preference and/or willingness for living in a housing setting targeted to people in substance use, in particular opioid use, recovery.

A.6. Service Goal(s):

The service goal of this Grant Contract is to develop newly created quality, safe, affordable permanent housing options with access to an array of quality recovery support services to all residents, to be made available to Tennesseans living with substance use disorder, in particular opioid use disorder. Quality, safe and affordable permanent housing options and services under this Grant Contract shall support the substance use, in particular opioid use, recovery of prospective residents following four dimensions as identified by the Substance Abuse and Mental Health Services Administration (SAMHSA):

- Health: Overcoming or managing one's disease(s) or symptoms and making informed, healthy choices that support physical and emotional well-being.
- Home: A stable and safe place to live.
- Purpose: Conducting meaningful daily activities and having the independence, income and resources to participate in society.
- Community: Having relationships and social networks that provide support, friendship, love and hope.

A.7. Structure:

- a. Grantee shall develop, construct, acquire, rehabilitate, or convert infrastructure, and make available properties that provide quality, safe, affordable permanent housing opportunities for service recipients as indicated in A.5., for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __) and recorded with the Office of the Register of Deeds in the county where the permanent housing is located.
- b. Grantee shall ensure housing options supported under this Grant Contract have the following defining characteristics:
 - (1) Program participation is self-initiated (there may be exceptions for court ordered participation) and residents have expressed a preference for living in a housing setting targeted to people in substance use recovery;
 - (2) Minimal barriers exist to entry to housing options, so that long periods of sobriety, clean criminal records, or clear eviction histories are not required for program entry;
 - (3) Residents have personal privacy and 24/7 access to the housing;
 - (4) Peer-based recovery supports are available and accessible to all residents;
 - (5) Along with services to help achieve goals focused on permanent housing placement and stability, as well as income and employment, residents have access to services that align with residents' choice and prioritization of goals of sustained recovery from substance use;
 - (6) Eviction from affordable permanent housing should only occur when a resident's behavior substantially disrupts or impacts the welfare of the recovery community in which the resident lives; however, the resident may apply to reenter available

housing if they express a renewed commitment to living in a housing setting targeted to serve people in substance use recovery;

- (7) Residents who determine that they are no longer interested in living in a housing setting with a recovery focus, or who are evicted from the housing, are offered assistance in accessing other housing and services options, including options operated with harm reduction principles.
- c. Grantee shall ensure, for the benefit of service recipients, an array of quality recovery support services are made available and accessible to all service recipients as indicated in A.5. Available and accessible quality recovery support services may include, but may not be limited to, the following:
- (1) Recovery Support Services Assessment: Implementation of intake screening tool and needs assessment.
 - (2) Case Management: Coordination of care services which assist a service recipient in identifying, accessing, and coordinating resources that are supportive in achieving the service recipient's treatment and recovery goals.
 - (3) Drug Testing: Random drug testing is used to determine the presence of substances, to be done in conjunction with other recovery services.
 - (4) Recovery Skills: Designed to assist the service recipient in obtaining the necessary skills to be a successful and productive member of the community and offers skill building topics such as budgeting, parenting, personal growth, and responsible decision making.
 - (5) Relapse Prevention: Designed to assist the service recipient in developing skills to recognize early signs that may lead to relapse and to develop methods to counteract these triggers.
- d. Grantee shall inform, encourage, and provide or effectively connect as appropriate, service recipients with Individual Placement and Support/Supported Employment (IPS/SE), Certified Peer Recovery Support (CPRS), or SSI/SSDI, Outreach, Access and Recovery (SOAR) services in the local community. The term "as appropriate", for the purposes of A.7.d., refers to a given resident's choice whether to participate in the identified service(s), and the resident's potential benefit from participating in the identified service(s) towards their resiliency, recovery and/or independence in the community.
- e. The Grantee shall encourage service recipients to engage in planning and preparation of meals, housekeeping duties, laundry and other matters that constitute activities of daily living to promote the development or enhancement of independent living skills. Documentation reflecting these efforts shall be maintained for the duration of the Affordability Period indicated in the attached Restrictive Covenant (Attachment _) and shall be made available upon request of the State.
- f. Grantee shall make known to all service recipients current, available and accessible community resources to encourage and foster successful community integration, healthy interpersonal relationships and positive social networking. Such community resources may include, but are not limited to, employment opportunities, local social events and activities, primary healthcare, grocery and retail stores, recreational

facilities, worship services, banks, etc. Documentation verifying routine provision of this information to service recipients, and the number of times each service recipient engaged in a community resource each month, shall be maintained for the duration of the Affordability Period indicated in the attached Restrictive Covenant (Attachment __) and shall be made available upon request of the State.

- g. Grantee shall complete all infrastructural development and execute all service provision components identified in the Grantee's awarded CHI 2.0 grant proposal as submitted to the State (Attachment __).

A.8. Process:

- a. Grantee shall develop, construct, acquire, rehabilitate or convert infrastructure, and make available the properties as described in the following matrix, within the contract term specified in Section B of this contract:

Funding Source(s)	Street Address	City	ZIP Code	Number of Beds	Number of Units
State					

- b. Before requesting reimbursement for funds under this Grant Contract, Grantee shall ensure the following executed documentation (as applicable) is provided to the State to protect State's interest in the property or properties purchased and/or renovated using State funds provided through this contract:

- (1) Housing and Urban Development (HUD) 1 closing statement (if new acquisition) showing Grantee as buyer of the property;
- (2) Grant note(s), provided by State (Attachment __), for the amount of State funding involved, signed by an authorized agent of Grantee and so notarized, wherein buyer acknowledges its obligation to assure the property is used to serve specified service recipients for the specified period and the consequences if this obligation is not met;
- (3) A copy of the Restrictive Covenant(s), provided by State (Attachment __), signed by an authorized agent of Grantee and so notarized, and properly recorded in the appropriate county acknowledging the State's interest in the property or properties;
- (4) A copy of the most recently filed property deed showing the property is owned by Grantee (if contract is for acquisition, new construction or renovation).

- c. When requesting reimbursement for funds under this Grant Contract, Grantee shall submit the following documentation to the State:

- The completed and signed State-issued invoice form, reflecting incurred expenses related to the Grant Contract for the month of invoicing; and
- For Capital Purchase expenditures incurred during the month of invoicing (if any): submit documentation confirming and verifying proof of purchase and ownership; and
- For Professional Fees expenditures incurred during the month of invoicing as a result of contractual work completed toward construction, rehabilitation and/or conversion of infrastructure, and infrastructural needs* (if any): submit documentation from the contractor(s) confirming and verifying payment.

*Infrastructural needs may include, but may not be limited to: sprinkler system, heating/cooling system, roof repair, flooring repair, electrical wiring, plumbing repair, insulation, foundation repair, etc.

- d. Grantee is advised to review the TDMHSAS Grantee Manual located on the Grants Management section on the website <https://www.tn.gov/behavioral-health/providers/grants-management.html>. This manual includes resources about the grant contracting process, highlights key contract provisions, reviews the programmatic and fiscal requirements for grant contracts, outlines the monitoring process, and provides resources related to grant management.
- e. Grantee shall adhere to the expectations and requirements specified in the Grant Note and Restrictive Covenant(s), as identified in Section A.8.b.(2) and Section A.8.b.(3), respectively, for the duration of the specified Affordability Period.
- f. Grantee shall make necessary repairs as needed to these properties to assure they meet and are maintained at applicable codes and reasonable housing quality standards throughout the Affordability Period.
- g. Grantee shall provide at least [# of beds] housing opportunities for service recipients at the address identified in A.8.a. Grantee shall ensure recovery support services are available and accessible to all services recipients as needed.
- h. Within ten (10) business days of the start date of occupancy, the Grantee shall submit a request to the TDMHSAS Office of Housing and Homeless Services via email to have the residential site(s) listed on the Housing Within Reach search database, which can be found on the Recovery Within Reach website using the following URL: <https://recoverywithinreach.org/housing/>.
- i. Grantee shall provide the housing opportunities identified in A.8.a. at a rent affordable to the service recipients.
- j. The Grantee shall request that each service recipient completes one (1) State-approved satisfaction survey, or survey prescribed by the State, by the end of each year of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __), and when the resident leaves the program. Copies of these completed satisfaction surveys shall be maintained for at least two (2) years and shall be made available upon request of the State. It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Grant Contract as specifically indicated herein.

- k. Grantee shall accumulate and maintain documentation at Grantee's offices necessary to demonstrate the terms of this Scope of Service are met and make such documentation available for onsite review when requested by the State. Grantee acknowledges this documentation shall be maintained for the duration of the Affordability Period.
- l. Grantee shall submit monthly reports to the Tennessee Department of Mental Health and Substance Abuse Services, Office of Housing and Homeless services by the last day of each month on the status of acquisition, construction, rehabilitation, renovation and/or conversion of property using report guidelines provided by the State until the property is fully occupied.
- m. Beginning one month after the start of occupancy, and continually throughout the duration of the Affordability Period, Grantee shall submit monthly occupancy status reports to the Tennessee Department of Mental Health and Substance Abuse Services, Office of Housing and Homeless Services via email by the fifteenth (15th) of the month following the end of each month being reported. The monthly occupancy status report shall provide the current occupancy status and service recipient eligibility for each bed identified in Section A.8.a. of this contract, to meet the requirements of this contract, the Grant Note and the Restrictive Covenant(s), using report guidelines provided by the State. Occupancy status reports shall continue to be submitted for each month for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __) and recorded with the Office of the Register of Deeds in the county where the permanent housing is located.
- n. The Grantee shall ensure, for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __), all residential vacancies in the property identified in A.8.a. will be filled within thirty (30) days of the date of vacancy. This data shall be indicated in the monthly occupancy reports submitted in compliance with Section A.8.m. Service recipient records shall be made available upon request of the State to verify these reports.

A.9. Outcome – Access:

Permanent supportive housing opportunities and recovery support services described in A.7. and A.8. shall be available to service recipients as described in A.5. for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __) and shall be added to the Housing Within Reach database located on the Recovery Within Reach website, as described in Section A.8.h.

A.10. Outcome – Capacity:

- a. Permanent housing opportunities and recovery support services for [# of beds] service recipients shall be provided at the locations identified in A.8.a, for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __).

- b. All residential vacancies in the property identified in A.8.a., for the duration of the Affordability Period as specified in the attached Restrictive Covenant (Attachment __), shall be filled within thirty (30) days of the date of vacancy.

A.10. Outcome – Effectiveness:

Effectiveness of providing quality, safe and affordable permanent housing options and recovery support services under this Grant Contract is defined as achieving each of the following measures related to the four recovery dimensions identified in Section A.6.:

- a. Health: One hundred percent (100%) of service recipients shall be encouraged to access and participate in one or more recovery support services made available.
- b. Home: Completed satisfaction surveys reflect at least an overall seventy-five percent (75%) satisfaction rate.
- c. Purpose: One hundred percent (100%) of service recipients shall be informed of, encouraged to enroll or participate in, or actually enroll or participate in IPS/SE, CPRS, SOAR, or other services and resources that facilitate opportunities for increased resiliency and independence.
- d. Community: One hundred percent (100%) service recipients actively participate in at least one community engagement activity/opportunity per month to encourage and foster successful community integration, healthy interpersonal relationships and positive social networking, as described in A.7.f.

Attachment J

SAMPLE OF GRANT NOTE AND RESTRICTIVE COVENANT DOCUMENTS

1 OF 2

SAMPLE GRANT NOTE

Prepared by Tennessee Department of Mental Health and Substance Abuse Services

GRANT NOTE

AMOUNT: _____ (\$_____)

On demand after date, for value received and hereby acknowledged, _____ ("Grant Recipient"), promises to pay to the order of Tennessee Department of Mental Health and Substance Abuse Services ("TDMHSAS") the principal sum of ____ dollars (\$___), in legal tender, with interest thereon from this date at zero percent (0%) per annum. Principal shall be payable at the offices of TDMHSAS or such other place as TDMHSAS may designate.

- A. So long as there is no default with respect to the conditions set forth herein, or as set forth in the Restrictive Covenant executed by ____ (AGENCY NAME) related to the properties at _____ (location) (herein after referred to as "the properties"), the principal sum due and payable under this Grant Note shall be forgiven at the end of the Affordability Period (as defined herein).
- B. TDMHSAS agrees not to make demand for payment under this Grant Note so long as the following conditions are met:
1. The Affordability Period for this grant is ____ years from the date that the state funds are disbursed to the Grant Recipient.
 2. All funds advanced hereunder are used for the purpose of defraying acquisition, closing, and rehabilitation costs on the Properties
 3. The Property units are maintained for Tennessee adults (18 and over) behavioral health consumer(s) or family households that include at least one adult who has a Diagnostic and Statistical Manual, Version V (DSM-V) (or current revision) mental illness diagnosis or mental illness and co-occurring substance use disorder diagnosis and have very low income according to definition of U.S. Department of Housing and Urban Development (HUD) at the time of moving into the unit. The Grant Recipient agrees to maintain documentation that tenant households meet these criteria for the Affordability Period, including attestation by a licensed behavioral health professional regarding diagnosis and documentation of income verification compared to HUD local very low income standard at time of move-in.

4. Neither the Properties, nor any part thereof or interest therein, is sold, leased or otherwise transferred, conveyed or encumbered and no interest in the Grant Recipient is sold or otherwise transferred, conveyed or encumbered during the Affordability Period.
5. The Grant Recipient agrees to all terms and conditions set forth in this Grant Note, the Restrictive Covenants, and the Deed of Trust.

In the event of default hereunder, TDMHSAS shall, at any time thereafter, be entitled, but not required, to immediately demand payment of all amounts due under this Grant Note as of the date of default. Amounts not paid upon demand shall bear interest at the maximum lawful rate from the date of demand until the date payment is received. Should efforts be made to collect this Grant Note, or any part of the indebtedness evidenced hereby, by law or through an attorney, Grant Recipient shall pay all reasonable attorneys' fees, all court costs and all costs of collection upon demand. Any failure on the part of TDMHSAS to exercise its rights hereunder shall not, in any event, be considered a waiver of any such rights nor shall such failure preclude TDMHSAS from exercising such rights at any time. Grant Recipient hereby waives all rights of protest, notice of demand, protest and demand, notice of protest, presentment, demand, dishonor and non-payment.

GRANTEE

BY: _____ (signature)

_____ (printed name)

Title: _____

Date: _____

NOTARY PUBLIC

The individual appeared before me _____, a Notary

Public for _____ County, State of Tennessee, on the _____ day of

_____, 2023, and affixed his/her signature.

My commission expires on _____.

Attachment J

SAMPLE OF GRANT NOTE AND RESTRICTIVE COVENANT DOCUMENTS

2 OF 2

SAMPLE RESTRICTIVE COVENANT

Prepared by Tennessee Department of Mental Health and Substance Abuse Services

RESTRICTIVE COVENANT

This Restrictive Covenant is made and entered into by and between the Tennessee Department of Mental Health and Substance Abuse Services (hereinafter referred to as “State”) and _____ (hereinafter referred to as “Grantee”).

1. Grantee, for and in consideration of _____ dollars (\$_____) (hereinafter referred to as the “State Grant monies”) provided to Grantee for the purchase and/or renovation of real property located at _____ (hereinafter referred to as “the Property”), hereby grants the State of Tennessee an equitable interest in the property and covenants that the restrictions set forth below shall constitute a covenant running with the land benefitting and appurtenant to the real estate and any part thereof:

_____(address) and

recorded in Book _____, Page _____, Register’s Office of

_____ County, Tennessee

2. The State’s interest in the Property and the covenant running with the land shall be binding upon Grantee, its successors and assigns, for _____ years from the date of the closing or when State Grant monies are disbursed to the Grantee (Affordability Period).
3. Grantee covenants that the Property is maintained with number (#) beds as the primary residence for a Tennessee adult (or a family household that includes such adult), eighteen (18) years of age and older, who is receiving treatment or recovery services for a mental illness diagnosed using the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-V), or current revision, or is diagnosed with co-occurring mental and substance abuse or dependency disorders, and has been certified at the time of closing as falling below the U.S. Department of Housing and Urban Development’s (HUD’s) “very low income” guideline for the area where the Property is located.
4. Grantee covenants that neither the State’s interest in the Property nor any part thereof or interest therein, shall be sold, leased, or otherwise transferred, conveyed or encumbered during the Affordability Period without written consent of the Commissioner of the Tennessee Department of Mental Health and Substance Abuse Services.

5. If Grantee fails to properly perform its obligations under this Restrictive Covenant, or if Grantee violates the covenants herein, the State shall have the right to immediately enter upon the above named Property and exercise all of its right, title and interest in the Property. Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Restrictive Covenant by Grantee.
6. Grantee agrees to be responsible for the accountability, maintenance, and management of the Property purchased or rehabilitated totally or in part with State Grant monies.
7. The validity, construction and interpretation of this Restrictive Covenant shall in all ways be governed and determined in accordance with the laws of the State of Tennessee.
8. Grantee shall file a copy of this Restrictive Covenant in the Office of the Register of Deeds in the county where the Property is located and assure a recorded copy is provided to the State.

IN WITNESS WHEREOF, this Restrictive Covenant has been signed and executed by Grantee and the State on date below their respective signatures hereto:

GRANTEE:

Signature

Date

Printed Name

NOTARY PUBLIC

This individual appeared before me _____, a Notary Public for _____ County, State of Tennessee, on the _____ day of _____, 2023, and affixed their signature.

My commission expires on _____.

Notary Public