

# Deutsche Bank

## Supportive Housing Acquisition and Rehabilitation Effort (SHARE) - **Round IV**

### *Request for Letters of Interest*

June 2007

Deutsche Bank first established SHARE (Supportive Housing Acquisition and Rehabilitation Effort) in 1998 as a resource to expedite the production of new, permanent housing for the homeless with special needs within New York City. Through the first three rounds of the program 25 organizations received awards, facilitating the creation of nearly two thousand units of supportive housing while simultaneously advancing the capabilities of NYC's supportive housing providers.

As you are aware, the mayor and governor announced in November 2005 the New York / New York III commitment to develop 9,000 units of supportive housing over the following 10 years. This is a tremendous validation of the impact and centrality of supportive housing in the city's efforts to end homelessness. We applaud this success, and credit your hard work as developers and advocates in achieving this commitment.

However, new and serious challenges face the supportive housing sector. Supportive housing developers can no longer rely upon the City's diminished portfolio of *in rem* properties to source new development sites. In addition, market-based real estate pressures are remaking neighborhoods in ways not seen since the 1950's. Enhanced retail and cultural activity, higher densities, greater service demands, and increased needs for public space and infrastructure are now common issues competing with supportive housing for sites and support. Many community planning boards, overwhelmed by this wave of new development, are increasingly resisting supportive housing, viewing it as placing further demands on their neighborhoods.

But supportive housing developers are rising to these challenges. These pressures have combined to drive both advocates and builders to become more sophisticated in their approaches to gaining support, resources and building sites. New strategies can include early and frequent engagement of community boards and other stakeholders to win allies; looking to the private acquisition of land where development can occur as-of-right; seeking partnerships with other for-profit and nonprofit developers to create mixed use development that offers community amenities and affordability to local low-income residents; and creating buildings of exceptional design quality that add value through sustainability measures and aesthetic appeal.

In the midst of these challenges, supportive housing providers have maintained their mission-driven commitment to projects which benefit both those currently homeless and

those at high risk of homelessness. Indeed, NY / NY III recognizes for the first time not just the homeless mentally ill, but the long-term homeless, as well as many individuals who are a “bad day away” from homelessness: the working poor, young adults leaving foster care, HIV / AIDS sufferers, individuals with substance abuse disorders, and many others. While this presents a remarkable opportunity to stabilize new at-risk populations, it also requires that providers yet again re-envision how facilities and programs will be designed to meet the new and sometimes daunting needs of these special populations.

In DB SHARE, Round IV, we are seeking to support those efforts on the cutting edge of providing permanent solutions to end homelessness, while implementing new concepts in vision, design, integration, and use. We are requesting the submission of a Letter of Interest (LOI) for supportive housing developers seeking early stage, pre-development support for new brick and mortar projects. Possible uses of the funds include but are not limited to: project management, site options and acquisition, design, environmental assessment, developing community support strategies and service program methodologies, property carrying costs, and so on.

LOIs will be most competitive if the applicant has obtained (or is very near to obtaining) site control. LOIs should evidence resources (land, funding, development partnerships, etc.) which are committed or very likely to be committed in support of achieving plan objectives. Organizations with less experience and capacity who are working in established partnership with stronger for-profit or non-profit development associates will have a higher likelihood of receiving support for their projects.

**The LOIs will be reviewed and narrowed down to a smaller field of applicants who will then be invited to submit a formal proposal. The deadline for this formal proposal has not yet been determined (although it is likely that it will be in mid September). Among these finalists, awardees will be determined.**

As in prior rounds of the DB SHARE Program, the structure will remain the same: a three-year award in the amount of up to \$225,000 per recipient. Annual awards of up to \$75,000 would consist of a \$50,000 project specific grant, and a \$25,000 soft loan (0% interest). These amounts may vary at the discretion of the Deutsche Bank Americas Foundation. All loans are made general recourse to the awardee. Deutsche Bank expects the developers to manage the level of risk associated with using the loan proceeds, and will expect to be repaid regardless of each particular project's outcome. Each loan disbursement will effectively have a three-year maturity date.

In order to compete for funding under DB SHARE IV, applicants must meet the following eligibility criteria.

- The organization must have a history of sound financial management.
- The organization must have proof of New York State not-for-profit and tax exempt status.

- The organization and the proposed development must be located within the five boroughs of New York City.

Letters of Interest must meet the following format to be accepted:

- Name and address of organization
- Mission statement
- Executive Director (name, phone, fax, email)
- Project contact person (name, phone, fax, email)
- Special populations served (1/4 page)
- Brief history of organization and notable projects (1/2 page)
- Project summary (maximum 200 words)
- Project proposal following the above-stated criteria (1 1/2 page)
- Project budget totaling \$225 thousand (\$75 thousand per year; \$50 thousand grant and \$25 thousand 0% loan for 3 years) (1 page)
- Organization's current operating budget
- Organization's most recent financial statement (audited if available)

Applicants should highlight best practices, innovation and design quality as they pertain to their LOI.

As in past rounds of the DB SHARE Program, there will be an information session prior to the submission deadline. Once the final proposals have been received and reviewed, we plan to follow up with ongoing support of SHARE awardees in achieving their development goals.

Our **informational meeting** is planned for the morning of **Thursday, July 12<sup>th</sup>, from 8:30 a.m. to 12:30 p.m.** Participation is optional, though highly recommended. In an effort to spur the communication and adoption of best practices we will be introducing policy advocates, former program awardees, and development and design leaders in an plenary as part of the information session. **This will be followed by an in-depth review of the LOI process and a question and answer period.**

**If you wish to attend please RSVP to Massandje Bamba via email at [massandje.bamba@db.com](mailto:massandje.bamba@db.com) by Monday, July 10<sup>th</sup>. Further information on the location and agenda will be available when you RSVP.**

Letters of Interest **MUST** be received in **DUPLICATE** by 3:00 p.m. on Thursday **August 6th**. No LOIs will be accepted after this time.

**By mail or overnight delivery:**

Attn: Michael Hickey  
DB SHARE IV – LOI  
Deutsche Bank Americas Foundation  
60 Wall St, NYC60-2110  
New York, NY 10005  
212.250.0535

**By hand:**

Attn: Michael Hickey  
DB SHARE IV – LOI  
Deutsche Bank Americas Foundation  
Messenger Center  
Pine Street Entrance (Located between Pearl St & William St next to the Deutsche Bank loading dock)

Deutsche Bank is pleased to continue to support the work of supportive housing providers, and we look forward to reviewing your Letters of Interest. If you have any questions, please contact **Michael Hickey** at **212.250.0535**, or **michael.hickey@db.com**.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Hickey', enclosed within a simple oval outline.

Michael Hickey  
Vice President