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LETTER OF INTENT TO SUBMIT AN APPLICATION
Permanent Supportive Housing Development Initiative

Name of Applicant (Not for Profit Corporation)	Interfaith Residence d/b/a DOORWAYS		
Mailing Address	4385 Maryland Ave St. Louis, MO 63108		
Agency Executive Authorizing Submission	Opal M. Jones President & CEO		
Signature of Executive			
Primary Contact	Lucas Delort	Title	Project Manager, Rise Community Development
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Please complete each section below, leaving the question intact, and return via email to Tom Giles, tgiles@stlmhb.com, with "Supportive Housing Development Letter of Intent" in the subject. Feel free to include attachments to this Letter of Intent; however, keep the complete LOI package to no more than 10 pages.

1. Project Summary Description – Provide a basic description of your proposed housing development (property location, status of site control, number and size of units, etc.) and the proposed behavioral health services. Please note that site control will be required before a full application (which is the next step after the LOI) will be accepted.

Elliott Place is the second phase of housing on the DOORWAYS 2.0 campus. Elliott Place consists of 39 units of permanent supportive housing (32,619 sq. ft.) and will provide new homes for 54 people. The building will include a community room, management offices, maintenance space, and off-street parking. The 36 one-bedroom and 3 two-bedroom units will serve a mix of household incomes, with units targeted at 30% AMI, 50% AMI, 60% AMI, and market rate. In part, Elliott Place will replace an 11-unit permanent housing building that is no longer suitable.

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Phase I, immediately adjacent to the Elliott Place site, is currently under construction and will include 50 units of flexible housing (41,000 sq. ft.), to accommodate approximately 80 people in one- and two-bedroom units. Units will meet the needs of both market rate and affordable tenants, with 15 units at market rate, 10 below 60% AMI, 10 below 50% AMI, and a further 15 below 30% AMI. Over 18,000 sq. ft. of the development will serve as an integrated headquarters, to serve as a new office for DOORWAYS' staff and site for coordinated supportive services and care. Additionally, Phase I will include 1,482 sq. ft. of retail space, with the intended commercial tenant being a pharmacy to serve the residents and surrounding neighborhoods.

Once complete, the DOORWAYS 2.0 campus will provide a wide range of housing and social service opportunities, professional landscaping, outdoor recreation, and relaxation opportunities, on-site and on-street parking, and security and site lighting to keep residents and staff safe.

Interfaith Residence d/b/a DOORWAYS has control of the entire Elliott Place site via an affiliate entity. The entire parcel will be subdivided from the under-construction Administration site.

2. Target Population - Briefly describe the expected target population for the proposed housing development and explain how the proposed supportive housing will address their needs.

DOORWAYS serves families and individuals impacted by the HIV/AIDS epidemic, which has disproportionately impacted poor urban areas. Of the over 14,500 people living in Missouri with HIV/AIDS, 6,500 live in St. Louis. The need is growing, with an estimated 450 new diagnoses per year in Missouri. As the sole provider of HIV-related emergency housing in the metropolitan St. Louis area, DOORWAYS' resources and capacity have been stretched. Since 2014, service use has increased by almost 80%, necessitating a growth in staff from 48 in 2009 to 80 at present. Providing emergency housing to up to 95 people per night, with 3,400 people served in FY2020, DOORWAYS' need for expansion is dire and ever-growing.

Elliott Place will serve individuals struggling with homelessness and HIV/AIDS, who need permanent, supportive housing. Indeed, nine units are set aside to serve individuals living with HIV with a co-occurring serious mental illness or substance use disorder. DOORWAYS currently operates 139 permanent housing units using a scattered-site model and supports hundreds more units through the Jumpstart and HUD Tenant-Based Rental Assistance programs. Permanent units are at capacity, with an overflow demand of approximately 30 households per month, or over 300 per year. DOORWAYS staff regularly receive up to 50 calls per day requesting referrals for all housing related



services. While other organizations in the region serve homeless or near homeless households more generally, DOORWAYS is one of the only organizations that provides supportive housing specifically for clients with HIV/AIDS.

Elliott Place will offer a permanent solution to homelessness: families' access to behavioral health services, nutritional support, enhanced social connections, a sense of community, opportunities for employment support, and self-development programming will provide the stability needed for a better quality of life, personal growth, and the recovery of mental and physical health. Offering a doorway to a better life, Elliott Place's 39 units of permanent supportive housing are desperately needed by homeless families impacted by HIV/AIDS in the St. Louis region.

Permanently reducing homelessness is the most effective way to reduce the spread of HIV/AIDS. Only 54.7% of Americans with HIV are virally suppressed, with the main barrier to viral suppression being a lack of access to stable housing (www.hiv.gov). As the foundation of social, economic, and personal life, housing directly impacts the outcomes for people living with HIV through adherence to treatment regimens, viral suppression, reduced risk of transmission, the ability to stay employed, better nutrition, and avoidance of risky behaviors. DOORWAYS' provision of service-enriched housing and steady antiretroviral therapy to clients will ensure lower rates of spread. With costs of treating HIV/AIDS in Missouri reaching \$232,294,483 annually, preventing one new case alone would save the state \$493,660.

DOORWAYS provides housing and services with a Housing First philosophy, which places clients in housing regardless of mental health and substance use challenges. In most cases, services are provided off-site, and clients must travel to offices. With increasing use of opioids and untreated mental health conditions, DOORWAYS is finding that those in most need of services are unable to navigate the service system. To improve effectiveness and help clients attain undetectable status to stop transmission, the organization must provide housing with onsite wraparound services, breaking barriers for recovery.

Access to housing on its own is not enough to curb the spread of HIV/AIDS and improve quality of life for those individuals and families impacted by it. On-site support services, including intensive intake assessment, referrals to critical resources, individualized case management, medication delivery, and an emphasis on self-development, will encourage recovery and counter poverty by promoting job readiness and independence. The integrated model of treatment and housing reduces isolation through the formation of community ties within both DOORWAYS 2.0 and the North St. Louis community. By investing in an integrated headquarters, over the currently used scattered-site model, DOORWAYS will save an estimated \$320,000 per year in operating costs, while providing higher quality and more accessible services to clients.



3. Behavioral Health Services – Identify and provide a brief description of the behavioral health services provided for adults with serious mental illness and/or substance use disorders who will be tenants in the supportive housing project. In your response, address whether the behavioral health services will be provided by your organization and specify the staffing model, or whether the behavioral health services will be provided by one or more partner organizations identifying specifically which services each partner will offer.

Access to intensive case management with 360-degrees of assistance is vital to promoting and sustaining recovery. DOORWAYS' on-site services will be present to address physical health, mental health, and substance abuse needs, thereby removing access and navigational barriers to care and critical support services. On-site services will include 24-hour staff, pantry, behavioral health care, pharmacy and HIV/AIDS services, employment support, self-development programming for job readiness and education.

To reduce isolation, expanded programming will bring residents together from all DOORWAYS residences. Programs will include courses, social events, holiday programming, and events for families and children. Events and volunteer opportunities open to the broader neighborhood and community will be pivotal in reducing stigma against those diagnosed with HIV/AIDS. Programs and events will be planned and implemented collaboratively by DOORWAYS staff and coordinated by the services director. Additionally, DOORWAYS 2.0 will host an STD and HIV clinic to be open to residents and the community for testing.

More specifically, DOORWAYS will have two full-time behavioral health specialists on staff and MOUs with Saint Louis University Psychological Services Center and Behavioral Health Response to provide on-going and crisis services. The full-time DOORWAYS positions include the Director of Behavioral Health Services who sees clients and coordinates the interactions with SLU and BHR, and a therapist who mainly sees clients. Additionally, the agency has secured funding for a part-time position to schedule appointments and input data into our client databases.

Consumer Involvement – Briefly describe how behavioral health service consumers will be engaged or have been engaged in the planning process for the proposed housing development.

Elliott Place is the second phase of its intentional campus development. Consumers have been involved in the planning of the housing development since long before Phase I. DOORWAYS launched the first feasibility studies over five years ago. During the first year, clients, including residents, were part of this information gathering process to determine the need and value for expanded housing co-located with extensive supportive services.



Consumers were also involved in the next phase, meeting with the marketing firm to develop the message and materials. The agency held two focus groups specifically for residents and clients. Similarly, residents and clients have been included in the exploration meetings with the architects to determine facility design needs. Ultimately, these consumer meetings turned into the DOORWAYS 2.0 Housing Development, with a planned second phase of Housing. Elliott Place is that second phase.

Beyond these interactions, consumers serve on our Board of Directors as part of the governance group. The new case management system is collecting more and more feedback from clients immediately upon service delivery, and clients have a voice every year through the annual consumer satisfaction survey that informs decisions about service scope and quality. All of this data is reviewed to assure DOORWAYS is adequately meeting the needs of the community.



4. Project Team – Identify and provide brief descriptions of the development team members (e.g., co-developer, architects, contractors, property manager, etc.) and explain why your organization or team is well qualified to undertake the proposed supportive housing project.

DOORWAYS is an interfaith non-profit organization that provides housing and related supportive services to improve quality of life and health outcomes for people affected by HIV/AIDS. DOORWAYS is the largest HIV-serving housing organization in Missouri, serving the 15-county St. Louis metropolitan area and 117 surrounding under-served rural counties. Operating with 80 employees and 566 volunteers, DOORWAYS is a recognized leader and trusted resource in the field of HIV-related housing and support services. DOORWAYS receives government funding annually through HIV/AIDS and homeless programs on the federal, state, and city levels, such as Ryan White, Housing Opportunities for Persons with AIDS (HOPWA), and the Community Development Block Grant, to name a few.

DOORWAYS provides housing and supportive services to anyone who is affected by HIV/AIDS and homeless or at imminent risk of homelessness. DOORWAYS has developed 139 units for its use, with an additional 50 units currently under construction, as well as 18 units for Places for People using HUD 811 and other funding, including several Federal Home Loan Bank of Des Moines projects that were completed on time and within budget.

Rise Community Development – Development Consultant

Rise partners with communities to build stronger, more equitable St. Louis area neighborhoods. By providing consulting, real estate development, and loan services, Rise allows partners to redevelop their communities. Rise develops both market-rate and quality affordable housing for working families and has developed over \$400 million in affordable housing or similar developments. Rise also serves as consultant to the 50-unit DOORWAYS 2.0 LIHTC development adjacent to the proposed Elliott Place site.

BSI Constructors – General Contractor

BSI Constructors has a long list of successfully completed housing projects for not-for-profit agencies, as well as market-rate multifamily developments, with the majority of similar developments taking place in the City of St. Louis. BSI has constructed over \$100 million in housing developed with the use of low-income housing tax credits. They have a particularly strong track record working with mission driven not-for-profits. Most recently, they built Covenant Place, St. John Neuman Apartments, and Garfield Place for St. Peter and Paul Ministries.



Trivers – Project Architect

With over 40 years of housing experience, Trivers has worked on dozens of affordable developments, with total development exceeding \$1 billion, and has received numerous awards for their work. Previous clients include Salvation Army, McCormack Baron, Rise, and the American Cancer Society. DOORWAYS has prior experience with Trivers, having utilized them to design the organization’s first new construction development, Jefferson Park.

Other Development Team Professionals

The balance of the development professionals assembled for Elliott Place have an abundance of experience with affordable housing development. Rosenblum Goldenhersh will serve as developer/borrower’s counsel. RubinBrown will provide consulting services and prepare the tax credit cost certification. Maurice-Benjamin will provide environmental services. EcoCentrix will provide sustainable design work. Vatterott will provide professional property management.



5. Project Financing – Attach a preliminary budget showing sources and uses of funds for your proposed housing development. Describe below the status of any applications for, or commitments of, funding sources that are identified in your sources and uses of funds statement.

DOORWAYS has received a Federal LIHTC Allocation of \$460,000/year over 10 years, and a state LIHTC Allocation of \$322,000/year over 10 years. Those numbers inform the expected equity amounts outlined below. DOORWAYS has also request an additional allocation of MHDC sources.

Given its current funding gap, DOORWAYS would greatly appreciate consideration of additional Mental Health Board resources, if they are available.

Sources:

\$ 4,001,600	Federal LIHTC Equity (SECURED)
\$ 2,093,000	State LIHTC Equity (SECURED)
\$ 400,160	Federal LIHTC Equity Increase (Additional Credit REQUESTED)
\$ 209,300	State LIHTC Equity Increase (Additional Credit REQUESTED)
\$ 1,848,000	HUD 811 Award
\$ 25,000	AHAP Loan (PLEDGED)
\$ 600,000	NHTF Loan (SECURED)
\$ 60,000	NHTF Loan Increased (REQUESTED)
\$ 1,200,000	MHDC HOME Loan (SECURED)
\$ 120,000	MHDC HOME Loan Increase (REQUESTED)
\$ 750,000	City of St. Louis Affordable Housing Trust Fund Loan (SECURED)
\$ 750,000	Federal Home Loan Bank of Des Moines Loan (REQUESTED)
\$ 250,000	Mental Health Board Grant (REQUESTED)
<u>\$ 736,013</u>	FUNDING GAP
\$13,043,073	TOTAL

Uses:

\$10,190,273	Construction Costs
\$ 510,000	Contingency
\$ 488,260	Architect, Engineering, and Environmental
\$ 384,140	Finance and Tax Credit Costs
\$ 137,000	Legal and Accounting
\$ 780,000	Developer Fee
\$ 300,000	Land Acquisition
<u>\$ 253,400</u>	Reserves & FF&E
\$13,043,073	TOTAL



6. Project Operations - Briefly describe what financial resources your organization has or expects to obtain to ensure day-to-day operations and behavioral health services for the long-term sustainability of the project over the 10-year term of the agreement.

Awarded through a national competition, DOORWAYS will receive HUD 811 Project Rental Assistance Contracts (PRAC) for 9 of the 39 units at Elliott Place. The 811 PRAC contract will provide significant rental subsidy for the 30% and 50% AMI units. Beyond the PRAC contract, DOORWAYS plans to move its 11 unit CoC project “Delmar” into Elliott Place. With it comes an annual \$100K+ operating budget. The agency also has annually renewable funding to support units through the Missouri Housing Trust Fund, Affordable Housing Trust Fund and Housing Opportunities for Persons Living with AIDS (HOPWA) grants.

Additionally, DOORWAYS received a \$1.4MM grant through the Missouri Foundation for Health to launch its behavioral health program. With this funding, the department will be wholly supported for at least another two years. Beyond that, MHDC awarded DOORWAYS through its LIHTC application \$800K to support a half-time supportive services position, dedicated exclusively for Elliott Place through the life of the project. DOORWAYS has a robust fundraising capability and will continue to seek new opportunities to fund Elliott Place and its other buildings and programs.

Finally, Elliott Place’s central location, near economic opportunities in Downtown and Midtown St. Louis, will provide residents with increased access to employment, thereby promoting financial independence.



7. Organizational Experience – Briefly describe your organization’s experience and expertise in providing permanent support housing services. In your response, indicate the length of time your organization has provided PSH services.

The largest HIV housing services agency in Missouri, Interfaith Residence (dba DOORWAYS) started in 1988 to provide housing for people dying alone and homeless from the frightening new disease AIDS. While medications now deliver viral suppression and undetectable status, HIV is at epidemic levels in urban, poor areas where it is nearly impossible to manage an antiretroviral therapy program for improved health and reduced transmission.

The situation worsens when battling homelessness, substance/mental health burdens, hunger, physical deterioration, no (or very low) income, abuse, neglect, and a sense of hopelessness. According to HIV.GOV, only a bit more than 50% of those with HIV are virally suppressed. The reason? Lack of stable housing. But housing alone is not enough to reverse the effects of poverty and life-limiting challenges such as physical illness, mental health conditions, and substance use. Intensive case management with 360-degrees of assistance is needed to begin the path to stabilization.

Over the years, DOORWAYS responded by developing a comprehensive mix of housing for varying needs (emergency housing, residential care, permanent housing, and housing subsidies) paired with an array of supportive services (intensive intake assessment, referrals to critical resources, individualized case management, and an emphasis on self-development) that **addresses physical, mental, social, and overall wellbeing** through six platforms of service:

1. A 36-bed assisted living center, *Cooper House* provides 24-hour care and social services for those unable to live independently.
2. Our *Residential Program* manages 103 permanent housing units in seven developments in St. Louis City.
3. The *Jumpstart Program* provides accelerated permanent housing for homeless single parents with young children.
4. *Emergency Housing* responds to clients who are homeless and in desperate situations. They receive 60-90 days of housing and work closely with our housing coordinators to secure permanent housing.
5. The *Own Home Subsidies Program* clients have their own accommodations but are in need of temporary rent/utility subsidies to establish permanent housing or remain permanently housed.
6. The *OutState Program* provides subsidies in rural, underserved communities across Missouri.