

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
September 20, 2019
Action Items



HOME RENTAL

Action

I. HOME RENTAL

A. Request Approval for a One Year Extension of the Santa Rosa County Pilot to Serve Homeless Schoolchildren and their Families Living in Rural and Small Communities

1. Background

- a) In 2016, the Board authorized the use of up to \$1.5 million in HOME funds to demonstrate the use of short-term rental assistance to assist homeless families with school age children in rural and small communities. This pilot is to study one strategy for effectively distributing and utilizing its affordable housing resources in small counties and rural communities that have different housing needs and capacities than larger counties and communities. The Pilot's objective is to evaluate the use of HOME funds for short-term tenant-based rental assistance (TBRA) paired with Department of Education homeless education resources and community-based supportive services to help these families regain stability and self-sufficiency, as well as keep the children on track with their education.
- b) Staff found it difficult to find small counties with the interest and capacity of all the local primary partners required to meet the Pilot's objectives. In early 2017, Santa Rosa County was identified as a promising Pilot site that had four key local partners interested in participating in the Pilot. The four local partners are the Santa Rosa County School District, the EscaRosa Coalition for the Homeless, Family Matters of Santa Rosa and the Milton Housing Authority (MHA).
- c) It took the local partners and staff nearly a year to develop and establish a set of policies and procedures for implementing a comprehensive and coordinated approach to identify intended families, prioritize their need and appropriateness for the short-term rental assistance, as well as help the families access and sustain permanent housing. Florida Housing signed a memorandum of understanding with the local partners that described the roles and responsibilities of each partner.
- d) In December 2017, Florida Housing executed an agreement with MHA to administer the HOME TBRA for the pilot. The agreement required the MHA to administer up to \$750,000 in HOME TBRA for the use of rental deposits and short-term rental assistance. The agreement is for a period of two years, with a one-year extension permitted if both parties agree. It is the intent of both Florida Housing and MHA to utilize the extension period to expend the \$750,000. The goal was to serve up to 25 families each year, for a total of up to 75 unduplicated families over the three-year period. The first families moved into rental units January 2018.
- e) A total of 19 families were in housing after the first year of implementation. At that time, an additional three families held a TBRA voucher, but were having difficulty finding a rental unit. The moving of families into housing was more staggered than first anticipated. Finding affordable and suitable rental housing and landlords willing to accept the voucher was the biggest challenge in the first

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year. Growing community awareness and support has helped recruit more landlords, but finding housing is still a big challenge for the Pilot.

- f) The Pilot, to date, has served more than 25 families, including those families that have completed the Pilot and the two families that did not complete it. The preliminary results have been promising. The coordinated approach between the local partners is resulting in best practices for helping the families leave homelessness and prevent further homelessness episodes. The Pilot will not meet the original goal of serving 50 households by the end of the second year of implementation. As stated earlier, the primary reason has been the lack of affordable and suitable housing stock available for the families to rent.
- g) At the end of 2018-19 school year, all but one of the families that completed the Pilot program were still stably housed. The head of the family was employed in 93 percent of the families, and more than a third (39%) experienced an increase in their incomes during their participation in the Pilot. In July, the Pilot site compiled year-end academic data on the Pilot's students. Preliminary evaluation of the data indicates that 98 percent of the 60 students in the study were promoted to the next grade or graduated. Every senior earned their diploma. As anticipated, attendance increased significantly, and 18 percent of the students increased their overall grade point average.

2. **Present Situation**

- a) The Pilot is nearing its twenty-first month of implementation and is into its second full school year. Due to the challenges related to available rental housing, the Pilot has not served as many families as the partners hoped. But, more importantly the Pilot is meeting its objectives of evaluating the benefits of the use of HOME funds for short-term rental assistance paired with Department of Education homeless education resources and community-based supportive services to help these families regain stability and self-sufficiency, as well as keep the children on track with their education.
- b) The two-year Home TBRA agreement between Florida Housing and the Milton Housing Authority will terminate in early January 2020. The agreement may be extended for one year if both parties agree. The Milton Housing Authority has indicated it will approve the agreement extension.

3. **Recommendation**

- a) Authorize Florida Housing to execute a one-year extension to the agreement with the Milton Housing Authority to continue to administer the HOME TBRA funds, as originally agreed upon, for the continued implementation of the Pilot in Santa Rosa County through the end of December 2020.

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B. Request Approval to Add Hernando County to the Pilot to Serve Homeless Schoolchildren and their Families Living in Rural and Small Communities

1. Background

- a) In 2016, the Board authorized the use of up to \$1.5 million in HOME funds to demonstrate the use of short-term rental assistance to assist homeless families with school age children in rural and small communities. This pilot is to study one strategy for effectively distributing and utilizing its affordable housing resources in small counties and rural communities that have different housing needs and capacities than larger counties and communities. The Pilot's objective is to evaluate the use of HOME funds for short-term tenant-based rental assistance (TBRA) paired with Department of Education homeless education resources and community-based supportive services to help these families regain stability and self-sufficiency, as well as keep the children on track with their education. The goal was to have at least two small counties participating as pilot sites to evaluate how variances in each affect the implementation and results of the model.
- b) The early challenge for staff was to find public housing agencies in rural counties that administer federal rental assistance and that would be interested in and able to administer HOME TBRA. The next challenge was to identify school districts in these areas interested in being a lead partner in developing and implementing the Pilot. The third and equally important variable in selecting a Pilot site was the capacity of local providers to provide case management and other housing stability services to the homeless families with schoolchildren.
- c) As indicated in the Santa Rosa County agenda item preceding this, all the local partners that were key to developing and implementing a comprehensive housing stability model for homeless families agreed to participate in the Pilot. After almost a year of work with the local partners to develop the roles and procedures to create a seamless system to implement the program, the first homeless families moved into rental housing in January 2018.

2. Present Situation

- a) As indicated to the Board in 2016, the Florida Housing has had an objective to include more than one county participating in the Pilot. The intent is to evaluate how differences in communities and their local resources and systems may affect the impact of providing short-term rental assistance and comprehensive services to help homeless families regain housing stability and positively impact their lives. Staff focused on implementing the model in the first Pilot site before searching for a second site. Last year, staff continued its due diligence to find a second small county that had the key local partners with the interest and capacity to meet the intent of model and requirements for implementing the Pilot's model. That county is Hernando County. Its communities, officials and key stakeholders have demonstrated that they are dedicated to addressing family homelessness and are providing leadership and resources to meet the intent of the Pilot. Accessing housing in Hernando County that will accept rental assistance will be much easier than it has been for families in Santa Rosa. The

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inventory of rental housing that is permanent and affordable is much greater, more varied, and in more communities than in Santa Rosa County.

- b) Hernando County has experienced a steady increase in the number of known homeless schoolchildren in its communities. The Florida Department of Education reports that its most recent formal count of homeless students in the Hernando County School District is 656 students. That is an increase of 210 students since the end of 2014. The next formal count will be published in December.
- c) The Pilot's primary partners will be the Hernando County School District, Hernando County Housing Authority, the Hernando County Health and Human Services Division and the Mid-Florida Homeless Coalition. As in Santa Rosa County, the partners have formally committed to provide services and resources to assist eligible homeless families access rental housing, obtain housing stability and to prevent future homelessness.
- d) The Hernando County Board of Commissioners has authorized the Housing Authority to administer the HOME TBRA funding provided by Florida Housing. If approved, Florida Housing will execute an agreement with the Housing Authority to administer up to \$750,000 in HOME TBRA for the use of rental deposits and rental assistance for eligible families for up to 24 months. It is anticipated that up to 60 families will be assisted in the first two years of implementation.

3. Recommendation

- a) Authorize Florida Housing to execute a two-year agreement with the Hernando County Housing Authority to administer up to \$750,000 in HOME TBRA funds for the implementation of the Hernando County Homeless Schoolchildren Pilot, with a one-year extension permitted if both parties agree.

LEGAL

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II. LEGAL

A. Casa Amigos EHT, LLC v. Florida Housing Finance Corporation, FHFC 2019-058BP

1. Background

- a) This case regards a protest filed against the funding awarded under Request for Applications 2019-108 SAIL Financing Farmworker and Commercial Fishing Worker Housing (the “RFA”). Casa Amigos EHT, LLC (“Casa Amigos”), the sole applicant for the RFA, was deemed ineligible. Casa Amigos timely filed a Notice of Intent to Protest and a Formal Written Protest and Petition for Administrative Hearing (the “Petition”) challenging its ineligibility.

2. Present Situation

- a) Florida Housing deemed Casa Amigos ineligible for funding for failure to designate the correct Development Type for new construction developments. During settlement discussions, Casa Amigos pointed out that it had in fact selected the correct Development Type in its Development Cost Pro Forma. Upon further review, Florida Housing determined that, when considering the Application as a whole, Casa Amigos had in fact designated the correct Development Type and should have been scored as an eligible application and selected for funding.
- b) In the interest of avoiding the time, expense, and uncertainty of litigation, Casa Amigos and Florida Housing entered into a Consent Agreement, attached as [Exhibit A](#). The Consent Agreement results in Casa Amigos being an eligible application and selected for funding. Since Casa Amigos was the only applicant in the RFA, the Consent Agreement does not affect any other applicants.

3. Recommendation

- a) Staff recommends that the Board adopt the Consent Agreement and issue a Final Order in accordance with the Consent Agreement.

MULTIFAMILY PROGRAMS – ALLOCATIONS

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III. MULTIFAMILY PROGRAMS - ALLOCATIONS

A. Request for Applications (RFA) 2019-101 Community Development Block Grant-Disaster Recovery (CDBG-DR) In Monroe County

1. Background

- a) On July 2, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-101 offering \$25,000,000 of CDBG-DR Program funding for the construction of Workforce Housing (Development Funding) in Monroe County, plus an additional \$10 million in CDBG-DR Funding for acquiring land for those Developments that help address the un-met Workforce Housing need in Monroe County (Land Acquisition Program Funding).
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, August 6, 2019.

2. Present Situation

- a) Florida Housing received 4 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Elizabeth Crane, Multifamily Programs Manager (Chair), Lisa Nickerson, Multifamily Programs Administrator, and David Woodward, Federal Loans Program Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its September 4, 2019 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA.
- c) The 2019-101 All Applications chart (provided as [Exhibit A](#)) lists the Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on Exhibit A:
 - (2) A motion to recommend to the Board that the Board approve the scoring results and recommendations for funding, as set out on Exhibit A.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

MULTIFAMILY PROGRAMS – ALLOCATIONS

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3. Recommendation

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the four Applications (set out on Exhibit A) and authorize the tentative selection of the one Application (set out on Exhibit A) for funding.
- b) There is an unallocated balance of \$1,076,011 in land acquisition program funding and \$2,123,983 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit A.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.