

The Rehabilitation Emergency Repair Process Part 1

Sponsored by the
Florida Housing Finance Corporation's
Affordable Housing *Catalyst Program*

Florida Housing Coalition
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This 3-part webinar series replaces the Rehabilitation Emergency Repair Process workshop scheduled for April 9 in Palm Beach County which was cancelled.

The Rehabilitation/Emergency Repair Process: PART 1 April 9 at 10:00 am
REGISTER: <https://attendee.gotowebinar.com/register/1143447418711292428>
The rehabilitation process requires housing administrators and their staff work with homeowners, contractors, building inspectors, local officials, and funders. Understanding each of these groups and learning to work with them helps to avoid some of the problems that are commonly encountered in rehabilitation programs. **This webinar will focus on the rehabilitation process, program design, policies and procedures, staffing and partners.**

The Rehabilitation/Emergency Repair Process: PART 2 April 13 at 2:00 pm
REGISTER: <https://attendee.gotowebinar.com/register/6425705787710000140>
Understanding each of these groups and learning to work with them helps to avoid some of the problems that are commonly encountered in rehabilitation programs. **This webinar will focus on the pre-bid process, the scope of work, and the inspection process.**

The Rehabilitation/Emergency Repair Process: PART 3 April 14 at 2:00 pm
REGISTER: <https://attendee.gotowebinar.com/register/5246698369735841547>
This webinar will focus on change orders, finding qualified contractors, the importance of written agreements, recordkeeping, compliance, monitoring, and program pitfalls.

Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

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Webinar Logistics

- Participants are muted
- Enter your questions in the box in your webinar panel
- Forgot to ask a question or want to ask privately?

Email andujar@flhousing.org

This webinar is being recorded and will be available at
www.flhousing.org

- A survey will immediately follow the webinar; ***please*** complete it!
- Thanks!

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Catalyst Training Schedule

A banner for SHIP Catalyst Training. On the left, a group of diverse people are smiling and looking at a laptop. On the right, a teal background contains white text. The SHIP logo is on the left side of the banner.

Fine Tune Your SHIP Program
REGISTER NOW FOR
**CATALYST
TRAINING**

Register Now for SHIP Catalyst Training!

The Coalition is Florida's affordable housing training and technical assistance provider.

www.flhousing.org

1-800-677-4548

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Catalyst Trainings



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Trainings ▾

COVID-19

Advocacy

Publications

Resources



Trainings

2020

Creating a Paperless SHIP Program – [Recording](#) – [PowerPoint](#) – Feb. 27, 2020

The Credit Underwriting Process – [Recording](#) – [PowerPoint](#) – Feb. 10, 2020

Financing and Monitoring Rental Housing with SHIP – [Recording](#) – [PowerPoint](#) – Feb. 3, 2020

SHIP File Documentation Part 2 – [Recording](#) – [PowerPoint](#) – Jan. 22, 2020

SHIP File Documentation Part 1 – [Recording](#) – [PowerPoint](#) – Jan. 9, 2020

2019

New Construction Strategies and Partnerships – [Recording](#) – [PowerPoint](#) – CLT Homebuyer Education Module – Model CLT DPA

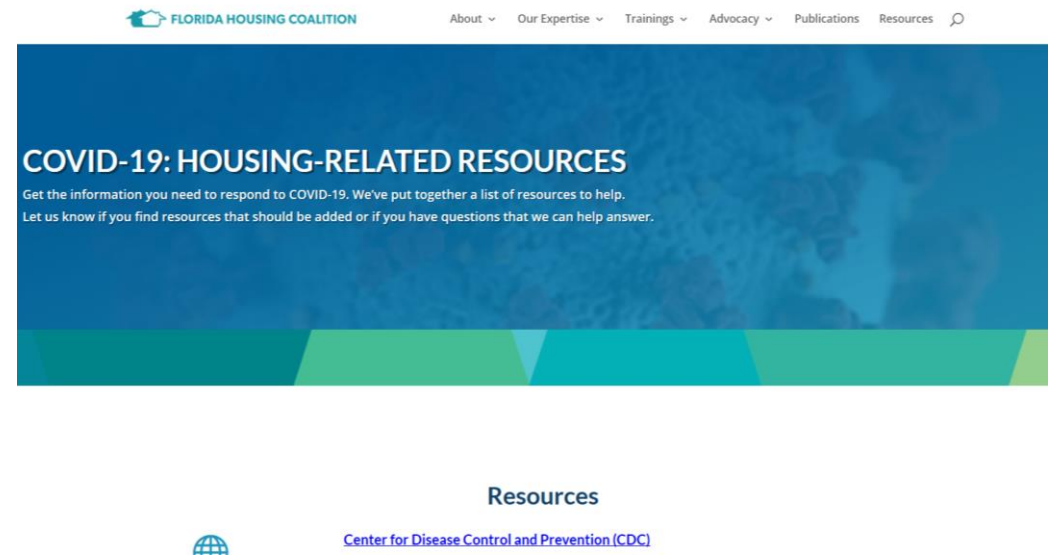
Affordable Housing Innovations in HB 7103 – [Recording](#) – [PowerPoint](#) – July 22, 2019

N



COVID-19 UPDATES

- Every Thursday from 1:30 pm to 2:30 pm.
- Go to this link to register:
<https://www.flhousing.org/covid-19-housing-related-resources/>



Webinars Replace Workshops

Pre- and Post- Disaster Recovery with SHIP

April 15 at 2 pm

<https://attendee.gotowebinar.com/register/3209746426652937227>

April 20 at 2 pm

<https://attendee.gotowebinar.com/register/5970069268672976907>

April 22 at 2 pm

<https://attendee.gotowebinar.com/register/3222575528325867787>

Preparing for the SHIP Monitor

May 21 at 2 pm

<https://attendee.gotowebinar.com/register/2930146117267720203>

May 26 at 2 pm

<https://attendee.gotowebinar.com/register/6562858868160656651>

May 27 at 2 pm

<https://attendee.gotowebinar.com/register/3224951572953691403>

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US Department of Homeland Security Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience In COVID-19 Response Version 2.0 (March 28, 2020)

Workers such as plumbers, electricians, exterminators, builders, contractors, HVAC Technicians, landscapers, and other service providers who provide services that are necessary to maintaining the safety, sanitation, and essential operation of residences, businesses and buildings such as hospitals, senior living facilities, any temporary construction required to support COVID-19 response.

<https://www.cisa.gov/publication/guidance-essential-critical-infrastructure-workforce>

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GOVERNOR'S EXECUTIVE ORDER 20-91

The Governor's Executive Order took effect Friday, April 3, 2020, at 12:01 a.m. It lasts until Thursday, April 30, 2020, unless extended.

Workers supporting the construction of housing, including those supporting government functions related to the building and development process, such as inspections, permitting and plan review services that can be modified to protect the public health, but fundamentally should continue and serve the construction of housing (e.g., allow qualified private third-party inspections in case of government shutdown).

https://www.flgov.com/wp-content/uploads/orders/2020/EO_20-91.pdf

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EXAMPLES OF ESSENTIAL SERVICES

- Contractors and other tradesmen, appliance repair personnel, exterminators and other services needed to maintain a residence.
- Open construction sites.
- Architectural, engineering or land surveying services.
- Workers who support the construction of housing, including those supporting government functions relating to the building process, such as inspections, permitting, and site review.
- Workers to ensure the continuity of building functions.
- Workers who support the supply chain of building materials.
- Workers in hardware and building material stores.

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COVID-19 and Rehabilitation Strategies

- Review current status of rehabilitation projects.
- Reach out to contractors and homeowners.
- Talk to your building inspectors and officials to determine if a new inspection process has been implemented.
- Determine if project will be completed on time or will be delayed?
- Based on the information received, can the work be completed on time to comply with statutory deadlines for expenditures and encumbrances?

Questions about Encumbered Funds

What Rehab and New Construction Encumbered Projects will be quickly completed?

- Reassign delayed projects to another allocation
- Shift funds to Rent/Mortgage Assistance

Waivers and Extensions

Request waivers on

- homeownership set asides
- construction set asides
- Advertising requirements

If Necessary: Request an expenditure deadline extension

- ✓ Amount of funds not expended or not encumbered
- ✓ Plan for how funds will be expended
- ✓ Anticipated completion date

Poll Question

As a result of COVID-19

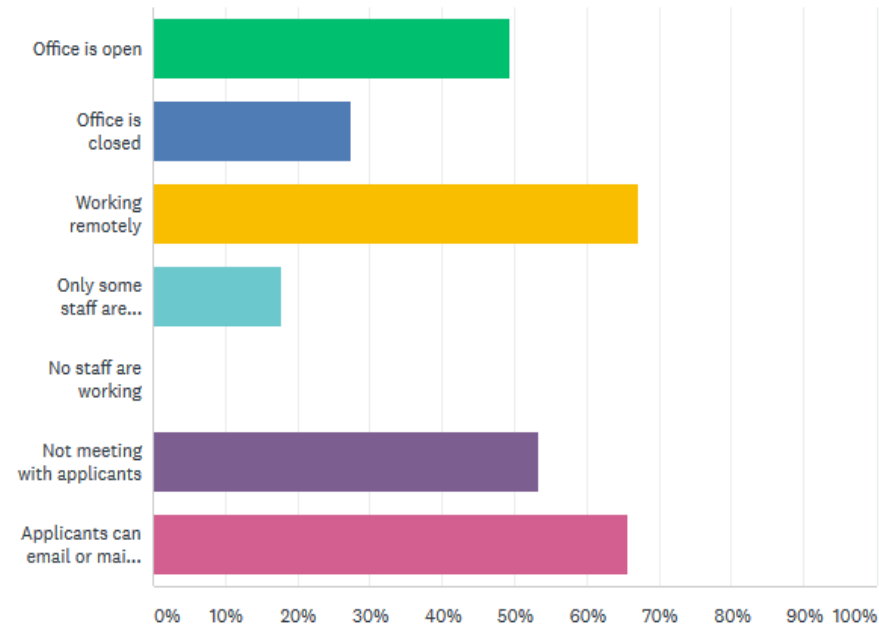
- a) We have stopped our rehabilitation program completely
- b) We are doing exterior repairs only and postponing interior repairs
- c) We have not made any change to our current rehabilitation program



SHIP Survey Responses

What is the status of your SHIP office? Check all the following that apply

Answered: 73 Skipped: 0

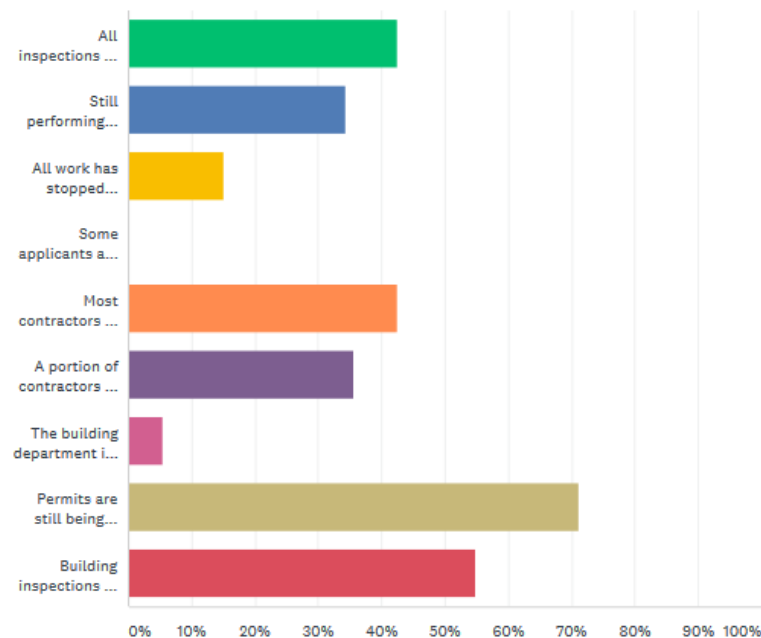


ANSWER CHOICES	RESPONSES	
Office is open	49.32%	36
Office is closed	27.40%	20
Working remotely	67.12%	49
Only some staff are working	17.81%	13
No staff are working	0.00%	0
Not meeting with applicants	53.42%	39
Applicants can email or mail applications and supporting documents	65.75%	48
Total Respondents: 73		

SHIP Survey Responses

What is the status of your SHIP home rehabilitation work? Check all the following that apply

Answered: 73 Skipped: 0



ANSWER CHOICES	RESPONSES	
▼ All inspections and pre-bids meetings temporarily cancelled	42.47%	31
▼ Still performing inspections and pre-bids	34.25%	25
▼ All work has stopped temporarily	15.07%	11
▼ Some applicants are displaced from their homes	0.00%	0
▼ Most contractors are still working	42.47%	31
▼ A portion of contractors are still working	35.62%	26
▼ The building department is closed, no permits or inspections	5.48%	4
▼ Permits are still being processed	71.23%	52
▼ Building inspections are still being performed	54.79%	40
Total Respondents: 73		



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Webinar Series Training Objectives

Learn the steps to running a successful rehabilitation program process

- Evaluate your program design
- Improve relationships between owners, contractors and SHIP staff
- Use best practices to improve program performance
- Learn the importance of work write ups, agreements, and policies and procedures
- Reduce program complaints



RESIDENTIAL REHABILITATION GUIDE



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Poll Question

Our biggest issue with your rehabilitation program is

- a) Homeowner complaints
- b) Bad contractors
- c) Bids coming in too high
- d) Poor workmanship
- e) Project delays
- f) All of the above



The Rehabilitation Process



SHIP Definition of Rehabilitation

67-37.002 Definitions

(26) "Rehabilitation" means repairs or improvements which are needed for safe or sanitary habitation, correction of substantial code violations, or the creation of additional living space.

75% of SHIP distribution must be used for construction, rehabilitation or emergency repairs

NOTE: The expenditure of program income is exempt from this requirement.

- Construction, rehabilitation, or emergency repairs completed 12 months before or after the closing date regardless of who paid for the repairs;
- Construction soft costs such as engineering studies and appraisals, if directly related to housing construction, rehabilitation or emergency repairs;
- Relocation costs associated with rehabilitation of the residence;

Steps in the Process

- LHAP program Description
- Policies and Procedures manual
- Advertise
- Waiting list
- Application processed
- Award letter/Income certification
- Initial Inspection
- Due diligence
- Prepare work write up & cost estimate
- Bid process
- Contractor approval and selection
- Sign contracts

Rehab Process

- Permits issued
- Start Repair Work
- Partial payments
- Inspections
- Final Payment
- Releases and warranties
- Certificate of Completion
- Project evaluation
- Reports and Audits
- monitoring

Eligibility

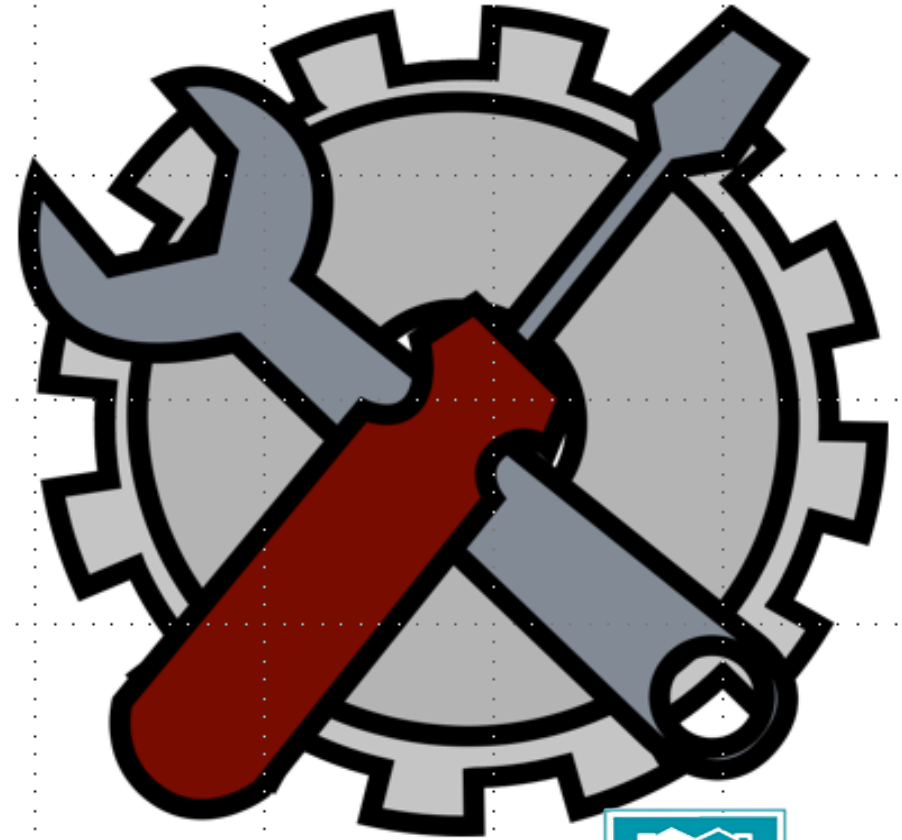
Applicant

- Application
- Household Size
- Income
- Assets
- Income Certification
- Award letter

Property

- Location
- Type
- Ownership
- Owner occupied
- Condition
- Open permits
- Illegal structures
- Insurance

Program Design



Program Design Considerations



- Housing Stock
- Housing Needs
- Housing Cost
- Funding
- Staff

Understand your Community's Needs

Know the condition of the housing stock

- Owner occupied
- Renter occupied
- Availability of standard units

Review Consolidated Plans

- Conduct windshield surveys
- Listen to program participants, partners, residents, leaders about needs, concerns and objectives.

Create clear objectives and goals

- Only carry out rehabilitation that meets your objectives and program goals

Community Data Resources

- **Basic data on local housing stock and housing needs may be obtained from the following sources:**
- Shimberg Center for Housing Studies, University of Florida
 - <http://www.shimberg.ufl.edu/>
- U.S. Census Bureau (American Community Survey and Decennial Census)
 - <http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>
- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS)
 - <https://www.huduser.gov/portal/datasets/cp.html>
- Consolidated Plans submitted to HUD by local government recipients of Community Planning & Development (CPD) grants, including the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds
 - <https://www.hudexchange.info/consolidated-plan/con-plans-aaps-capers/>

Program Design

Type of Repairs

- Code violations
- Energy Efficiency Improvements
- Incipient violations
- Accessibility Improvements
- Universal design
- Mitigation improvements
- Cosmetic improvements

Program Design

Feasibility testing

- Maximum award
- Use other funding sources
- Leveraging
- Owner Contribution



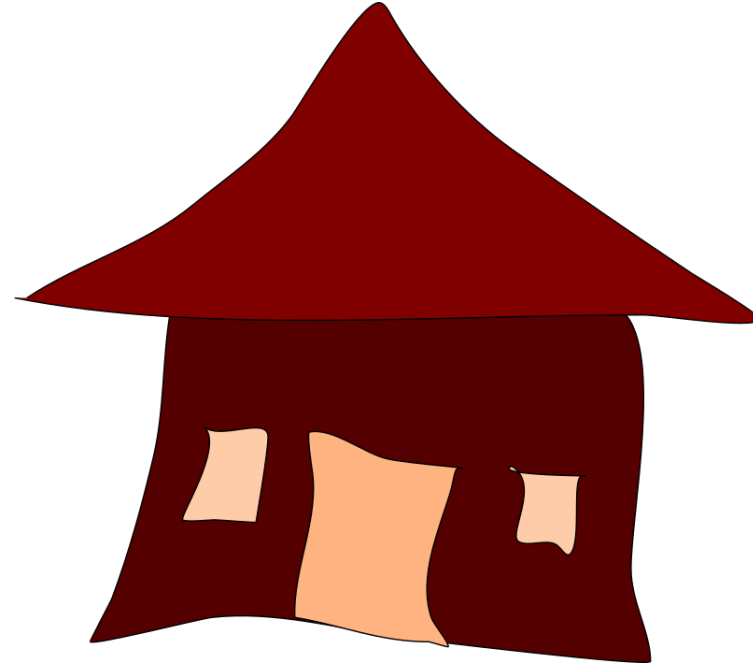
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Program Design

What units will you repair?

- Single family
- Townhomes
- Condos
- Mobile homes
- Rental units



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Program Design

Household income

- 30%, 50%, 80%, 120% or 140% of median

Special populations

- Elderly
- Special needs
- Persons with disabilities
- Workforce housing

Terms of Assistance

Loan Terms

- Grants
 - Loans
 - Deferred loans
 - Combination
 - Shared Equity
- Forgivable?
 - Deferred over what length of time?
 - Assumable?
 - Owner's ability to refinance?
 - What is a default?

Policies and Procedures

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Written Documents

- LHAP
- Policies/Procedures
- Standards/Specifications
- Agreements/Contracts



Policies and Procedures

- Provides guiding principles to the staff so it can make programmatic decisions on a day-to-day basis
- Describes the workflow so staff knows what steps to carry out and in what order
- Procedures save the organization time and support efficient performance

Policies and Procedures

Policies and Procedures Manual adds more program detail than the LHAP:

- Intake Process
- Inspection Process
- Dispute resolution
- Contractor selection/removal
- Bid process
- Change orders

Policies and Procedures

- Hazard and flood insurance requirements
- Conflict of interest
- Record Retention requirements
- Monitoring and reporting
- Warranties/Guarantees
- Relocation
- Subordination policy

Needs to be updated regularly

Be Prepared to Make Changes

Consider both met and unmet needs

- Understand the political climate
- Be aware of limitations
- Educate leaders and residents (NIMBY and Fair Housing Laws)
- Understand the market (how you design your program affects participation and demand)
- Consider long term goals

Staffing and Partners

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Program Staffing

Receptionist

- Should know details of the program
- Screens potential applicants
- Keeps waiting list

Intake counselor/loan specialist

- Income eligibility
- Good communication and writing skills
- Maintains files

Program Staffing

Inspector

- Knowledgeable in construction and cost estimating
- Works well with public
- Good communication skills

SHIP Administrator

- Knows program rules
- Oversees staff
- Tracks expenditures, reporting and program compliance

Sponsor or Subrecipient

- 67-37.002 (28) "**Sub Recipient**" means a person or non-state organization contracted by a SHIP eligible local government and compensated with SHIP funds to provide administration of any portion of the SHIP program.
- 420.9071 (11) "**Eligible sponsor**" means a person or a private or public for-profit or not-for-profit entity that applies for an award under the local housing assistance plan for the purpose of providing eligible housing for eligible persons.

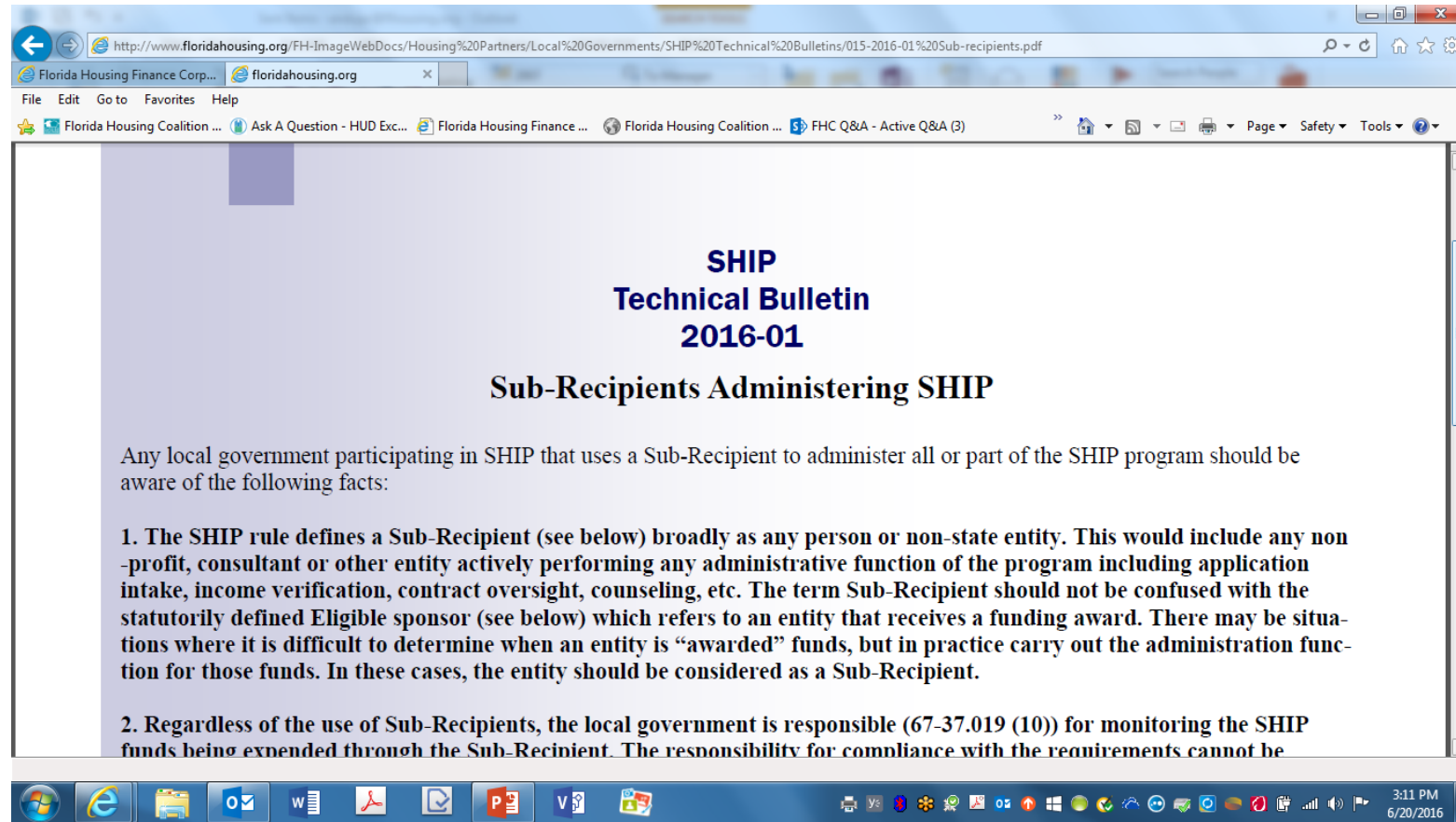
Sub Recipient

Any **contract** or document establishing the relationship between a SHIP eligible local government and a non-state organization which is a Sub Recipient receiving SHIP funds shall contain the standard audit language on Form DFS-A2-CL (Effective 7/05) of the **Florida Single Audit Act** in the document.

<https://apps.fldfs.com/fsaa/statutes.aspx>

67-37.019 Compliance Monitoring for Housing Developed With SHIP Local Housing Distribution Funds.

Read Technical Bulletin



<http://www.floridahousing.org/FH-ImageWebDocs/Housing%20Partners/Local%20Governments/SHIP%20Technical%20Bulletins/015-2016-01%20Sub-recipients.pdf>

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Finding Partners

Subrecipients

- Do not need a formal selection process, but a best practice
- Subject to single audit act
- Must be monitored
- Must follow policies and procedures
- Paid with admin funds

Sponsors/Developers

- Must outline selection process in LHAP
- Must provide eligible persons with eligible housing
- Must execute a contract
- Paid with project funds

Contractors are not Subrecipients or Sponsors

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Best Practice

- Hold regular meetings with staff/subrecipients to discuss program timeline, changes, expenditures, deadlines.
- Give staff/subrecipients an opportunity to share experiences, issues and concerns.
- Require staff/subrecipients to attend regular training.
- Provide staff/subrecipients copies of policies and procedures, LHAP, updates.



Questions?

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