American Rescue Plan
State & Local Fiscal Recovery Funds (SLFRF)

How to use these funds for affordable housing

May 3, 2022
Sponsored by the
Florida Housing Finance Corporation
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Webinar Logistics

• All participants are on mute
• Please type in your questions and comments into the question box on the side panel
• We will not identify who has asked a question
• Webinar is recorded
• PPT is provided as a handout
• For follow-up information or problems downloading handouts, please contact glazer@flhousing.org
Agenda

I. ABCs of SLFRF – Introduction to the Program
   • Carmen Smith, Executive Director, Chipola Area Habitat for Humanity

II. Advocacy & Education Tools
   • Stephanie Lampe, Sr. Housing Development Coordinator, City of St. Petersburg

III. Local Government Spotlight
   • Mark Hendrickson, President, The Hendrickson Company

IV. Into the weeds: LIHTC, Long-Term Loans, & Blending Subsidy
   • Shawn Wilson, President/CEO, Blue Sky Communities

V. Multifamily Developer Perspective
I. ABCs of SLFRF
American Rescue Plan –
Coronavirus State & Local Fiscal Recovery Fund (SLFRF)

• All counties and 77 larger cities in Florida received SLFRF dollars directly from U.S. Treasury
• 335 smaller cities & towns may apply to FL Division of Emergency Management
• If your community refers to the “ARPA dollars” or “American Rescue Plan funds,” this is probably the program being referred to
• Treasury issued its Final Rule providing good clarity on affordable housing uses that went into effect on April 1
• Bottom line: this program provides a once-in-a-generation opportunity to address the affordable housing crisis
How much $$$ are we talking about?

<table>
<thead>
<tr>
<th>County</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Broward County</td>
<td>$379.3 million</td>
</tr>
<tr>
<td>Collier County</td>
<td>$74.7 million</td>
</tr>
<tr>
<td>Duval County</td>
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</tr>
<tr>
<td>Hialeah</td>
<td>$66.8 million</td>
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<tr>
<td>Leon County</td>
<td>$57.0 million</td>
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<tr>
<td>Ocala</td>
<td>$12.2 million</td>
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<tr>
<td>Kissimmee</td>
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<td>Flagler County</td>
<td>$22.4 million</td>
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<tr>
<td>Miami-Dade County</td>
<td>$527.7 million</td>
</tr>
<tr>
<td>Sarasota County</td>
<td>$84.2 million</td>
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<tr>
<td>Lee County</td>
<td>$149.6 million</td>
</tr>
<tr>
<td>Osceola County</td>
<td>$72.9 million</td>
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<tr>
<td>Coral Springs</td>
<td>$20.0 million</td>
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<tr>
<td>Port St. Lucie</td>
<td>$24.7 million</td>
</tr>
<tr>
<td>Tampa</td>
<td>$80.3 million</td>
</tr>
</tbody>
</table>
The Opportunity

- For some communities, these ARPA dollars provide **10-40 times more** than what they would receive annually through SHIP or HUD funding (CDBG+HOME+ESG)

<table>
<thead>
<tr>
<th>Local Government</th>
<th>SHIP Estimate 22/23 + FY 21 HUD funding</th>
<th>ARPA SLFRF Allocation</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broward County</td>
<td>$11.8 million</td>
<td>$379.3 million</td>
<td>32x</td>
</tr>
<tr>
<td>Miami-Dade County</td>
<td>$30 million</td>
<td>$527.7 million</td>
<td>17x</td>
</tr>
<tr>
<td>Hillsborough County</td>
<td>$21.4 million</td>
<td>$285.9 million</td>
<td>13x</td>
</tr>
<tr>
<td>Panama City</td>
<td>$737,967</td>
<td>$10.0 million</td>
<td>13x</td>
</tr>
<tr>
<td>Fort Pierce</td>
<td>$1.0 million</td>
<td>$13.5 million</td>
<td>13x</td>
</tr>
<tr>
<td>Gainesville</td>
<td>$3.1 million</td>
<td>$32.4 million</td>
<td>10x</td>
</tr>
<tr>
<td>Fort Myers</td>
<td>$1.5 million</td>
<td>$15.7 million</td>
<td>10x</td>
</tr>
<tr>
<td>Orlando</td>
<td>$6.9 million</td>
<td>$58.0 million</td>
<td>8x</td>
</tr>
</tbody>
</table>
Eligible Uses & Timelines under SLFRF

• General categories:
  • Replace lost public sector revenue
  • Respond to public health and negative economic impacts of COVID-19
  • Provide premium pay for essential workers
  • Invest in water, sewer, and broadband infrastructure
• Local governments received first half of total allocation in mid-2021, and should receive second half in the coming weeks.
  • Why is this important? Majority of local governments have only planned expenses for the first half of their allocation, if at all
• Funds must be obligated by 12/31/24 & expended by 12/31/26
• Advocacy challenge – affordable housing is just one of many uses for these funds
Justification for Affordable Housing Uses

• 31 C.F.R. § 35.6 – Eligible Uses
  • 31 C.F.R. § 35.6(b)(2): granting presumed income eligibility for affordable housing programs
  • 31 C.F.R. § 35.6(b)(3)(ii): providing non-exhaustive list of eligible uses to respond to the negative economic impacts of COVID-19 including:
    • Assistance to households/individuals for emergency housing needs, home repairs, weatherization (§ 35.6(b)(3)(ii)(A)(1))
    • Development, repair and operation of affordable housing and services or programs to increase long-term housing security (§ 35.6(b)(3)(ii)(A)(5))
    • Housing vouchers & relocation assistance ((§ 35.6(b)(3)(ii)(A)(11)(ii))
    • Capital expenditures and other services to address vacant or abandoned properties (§ 35.6(b)(3)(ii)(A)(11)(iv))
<table>
<thead>
<tr>
<th>Eligible affordable housing uses include:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction costs (new construction, rehab, renovation)</td>
</tr>
<tr>
<td>Land acquisition</td>
</tr>
<tr>
<td>Down payment assistance</td>
</tr>
<tr>
<td>Environmental remediation</td>
</tr>
<tr>
<td>Rent and mortgage assistance</td>
</tr>
<tr>
<td>Housing vouchers and relocation assistance</td>
</tr>
<tr>
<td>Supportive housing services to improve access to housing for individuals who are homeless</td>
</tr>
<tr>
<td>Housing counseling &amp; legal aid</td>
</tr>
<tr>
<td>Demolition or deconstruction of vacant or abandoned buildings as part of neighborhood revitalization strategy</td>
</tr>
<tr>
<td>Conversion of vacant or abandoned properties into affordable housing</td>
</tr>
<tr>
<td>Inspection fees</td>
</tr>
<tr>
<td>Title clearing</td>
</tr>
<tr>
<td>Preservation &amp; weatherization</td>
</tr>
<tr>
<td>Gap financing</td>
</tr>
<tr>
<td>Operating support to a nonprofit or other impacted business</td>
</tr>
</tbody>
</table>
Ineligible uses

• **No debt service.** SLFRF cannot be used to pay principal or interest on outstanding debt instruments.

• **No contributions to a reserve fund.** SLFRF cannot be used to replenish financial reserves which could include a local affordable housing trust fund.

• **No offsetting a reduction in net tax revenue.** A local government cannot cut taxes and then use SLFRF to fill the gap.

• **No satisfaction of settlements and judgements.**

• **No deposit into a pension fund.**

• **No project that conflicts with the purpose of the American Rescue Plan.**
Income eligibility

- A SLFRF-use is eligible depending on if it serves a household or population that was either “impacted” or “disproportionately impacted” by COVID-19.
- Most affordable housing uses can be for “impacted” populations – a more lenient threshold.
- Only three uses can be only for “disproportionately impacted” populations.
- Treasury’s Final Rule provides a set of households and communities that are presumed eligible by being “impacted” and “disproportionately impacted” by the pandemic.
When does a household have to be “Impacted” vs. “Disproportionally Impacted?”

<table>
<thead>
<tr>
<th>Household/population must be “disproportionally impacted” by COVID</th>
<th>Household/population must only be “impacted” by COVID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing vouchers</td>
<td>Emergency housing assistance (rental, mortgage, utility, property tax assistance)</td>
</tr>
<tr>
<td>Relocation services</td>
<td>Counseling &amp; legal aid to prevent eviction</td>
</tr>
<tr>
<td>Improvements to vacant and abandoned properties</td>
<td>Homeless services including transitional housing &amp; emergency funding</td>
</tr>
<tr>
<td></td>
<td>Home repair &amp; weatherization</td>
</tr>
<tr>
<td></td>
<td>Development of affordable housing</td>
</tr>
<tr>
<td></td>
<td>Development of permanent supportive housing</td>
</tr>
</tbody>
</table>
Presumed eligibility for “impacted” households and communities

• Up to moderate-income households (<300% of federal poverty guidelines or 65% AMI)
• Households, adjusted for household size, that make an annual income below these amounts are presumed to be “impacted” by COVID-19, and thus eligible for most SLFRF-eligible affordable housing uses
• This does not apply to housing vouchers, relocation assistance, and improving vacant and abandoned properties (the exceptions!)

<table>
<thead>
<tr>
<th>300% of 2022 Federal Poverty Guidelines</th>
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</thead>
<tbody>
<tr>
<td>Household Size</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
</tbody>
</table>
Presumed eligibility for “impacted” households and communities (continued)

- Households or projects that qualify for the HOME Investment Partnerships Program (HOME)
- Households that qualify for National Housing Trust Fund (HTF) programs
- Households that experienced unemployment, increased housing insecurity, or qualify for Medicaid
Presumed eligibility for “disproportionally impacted” households and communities

- Low-income households (<185% of federal poverty guidelines or 40% AMI)
- This only applies to housing vouchers, relocation assistance, and improving vacant and abandoned properties (the exceptions!)

<table>
<thead>
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<th>Household Size</th>
<th>Annual Income Limit</th>
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<tbody>
<tr>
<td>1</td>
<td>$23,828</td>
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<tr>
<td>2</td>
<td>$32,227</td>
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<tr>
<td>3</td>
<td>$40,626</td>
</tr>
<tr>
<td>4</td>
<td>$49,025</td>
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<tr>
<td>5</td>
<td>$57,424</td>
</tr>
<tr>
<td>6</td>
<td>$65,823</td>
</tr>
</tbody>
</table>

185% of 2022 Federal Poverty Guidelines
Presumed eligibility for “disproportionally impacted” households and communities (continued)

- Households that qualify for Section 8 Vouchers
- Households that reside in a Qualified Census Tract (QCT)
- Households that qualify for the Low-Income Home Energy Assistance Program (LIHEAP)
- Households eligible for TANF, SNAP, SSI, Head Start, and more
If not presumed eligible . . .

- Grantee must justify that a household or population served was impacted or disproportionately impacted by the pandemic
- If a grantee wants to serve above “low-income” and “moderate-income” households as defined in the Rule, its decision must be reasonable and must be justified
- Treasury has released guidance titled “Framework for Eligible Uses Beyond those Enumerated” to help identify eligible households
- Guidance can be found at the link below and Treasury’s website for the Coronavirus State and Local Fiscal Recovery Fund

Recap: Eligible Affordable Housing Uses & Income Eligibility

- There are many eligible affordable housing uses – this is an extremely flexible program
- Income eligibility depends on the use
- Most affordable housing activities can serve households and populations “impacted” by the pandemic (up to moderate-income as defined by Treasury)
- Only housing vouchers, relocation assistance, and improvements to vacant and abandoned structures can only serve “disproportionally impacted” households and populations
Terms of assistance

- **Grant, loan, or in-kind assistance.** SLFRF can be used as a grant, loan, or for in-kind assistance
- **Grants are ideal.** Structuring assistance as a grant is easier than a loan based on several factors, including expenditure deadlines
- **Long-term loans are possible but with caveats.** Treasury has released in-depth guidance for how to treat loans (more on this later)
- **Affordability periods.** No required affordability period under federal rule; **best practice** – devote these funds for permanently affordable housing
- **Set-asides.** No required set-asides due to presumed eligibility requirements or justification that development, as a whole, serves impacted populations
- **Monitoring.** A Land Use Restriction Agreement (LURA) is not explicitly required by rule, but local governments should strive for one to ensure long-term affordability
II. Advocacy & Education Tools
Advocacy Tips & Talking Points

• These ARPA dollars are a once-in-a-generation opportunity to fund affordable housing initiatives & local governments are planning **now** for these funds

• **Message:** While these ARPA dollars can be used on a variety of different programs, **there are few issues as urgent as the affordable housing crisis**

• Check local agenda items or contact your local government for funding plans

• Affordable housing developers could propose specific projects that will be well-served by SLFRF

• Budgets are all about **priorities**
Ideas for Funding

• Shovel-ready projects that were delayed due to increased costs, labor, or material shortages due to COVID-19
• Land acquisition for affordable housing
• Development costs to produce permanently affordable units
• Ongoing rental assistance & housing vouchers
• Down payment & closing cost assistance
• Site prep & pre-development activities
• Legal aid to prevent evictions
• Operating support grant for organizations that suffered a COVID economic hardship
SLFRF Affordable Housing Highlights in Florida

• **St. Petersburg** - $34 million (76%) for “housing affordability/support”
• **Sarasota County** – $25 million (30%) for “affordable housing projects”
• **Palm Beach County** - $60 million (20%) to “Increase retention and supply of affordable and workforce housing”
• **Tampa** - $16 million (20%) for owner-occupied rehabilitation, homeless outreach, first time home buyers, and project-based assistance
• **Manatee County** - $15 million (19%) for transitional housing & service center for homeless veterans
• **Broward County** – Up to $49 million (13%) for affordable housing development
• **Collier County** - $7.5 million (10%) for rent and mortgage assistance
SLFRF Affordable Housing Highlights in Florida

- **Hillsborough County** - $25-92 million for affordable housing
- **Jacksonville** - $4 million (2.5%) in operating support for two local affordable housing organizations
- **Miami-Dade County** - $15 million (2.8%) to increase supply of affordable housing in Qualified Census Tracts
- **Orange County** - $2 million (.7%) total for homeless prevention
- **Alachua County** - $6 million (11%) for affordable housing development & energy efficient upgrades
- **Leon County** - $3.4 million (6%) to enhance homelessness support infrastructure
AMERICAN RESCUE PLAN

ACHIEVING SUCCESS IN FUNDING REQUESTS

Chipola Area Habitat for Humanity

CHIPOLA AREA HABITAT FOR HUMANITY, PO BOX 6114, MARIANNA FL 32446
OVERVIEW

Service Area: Washington & Jackson Counties, approximately 73,000 residents

History: 81 homes built in service area to date

Staff: 4 full-time office employees; 2 full-time construction employees
STRATEGY

APPROACH TO REQUEST

1. Gather information.
   1. Municipality Comprehensive Plans
   2. League of Cities
   3. Habitat International Government Relations
   4. Florida Housing Coalition
2. Schedule meeting with municipal administration.
3. Confirm community housing needs and introduce ask.
4. Formal ask via letter and presentation to municipality.

LOCAL AWARDS

City of Chipley: Funding of land acquisition ($75,000).

City of Marianna: Funding direct construction of ten homes ($200,000).

Consider potential contractual variances to meet request.
ADVICE

- Leverage existing resources.
- Assist with planning when possible.
- Outline benefits to key stakeholders.
- Be flexible.

“If there is one thing I might have done differently, it’s that I would have asked for more.” – Carmen D. Smith, CAHFH Executive Director
Chipola Area Habitat for Humanity®

CARMEN D. SMITH, EXECUTIVE DIRECTOR

EXECUTIVEDIRECTOR@CHIPOLAHABITAT.ORG

850-482-2187, EXTENSION 101
III. Local Government Spotlight
ARPA - SLFRF
CITY OF ST. PETERSBURG
ARPA FUNDING RECAP

St. Petersburg’s Share $45,413,871

FY21 $22,706,935
FY22 (next summer) $22,706,935

Timing of Spending

Generally, resources must be invested/encumbered by December 31, 2024

If resources are encumbered in a capital project by December 31, 2024, they must be spent by December 31, 2026.
## Affordable Housing and Health & Social Equity

<table>
<thead>
<tr>
<th>Area of Impact</th>
<th>Previous Allocation 8/19/21</th>
<th>Proposed Allocation 11/29/21</th>
<th>Proposed Allocation -- Affordable Housing and Health &amp; Social Equity</th>
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</thead>
<tbody>
<tr>
<td>1) Housing Affordability &amp; Support</td>
<td>$15,137,957</td>
<td>$20,000,000</td>
<td>$34,303,505</td>
</tr>
<tr>
<td>2) Health &amp; Social Equity</td>
<td>$12,110,365</td>
<td>$11,110,365</td>
<td>$11,110,365</td>
</tr>
<tr>
<td>3) Infrastructure</td>
<td>$9,082,774</td>
<td>$8,082,774</td>
<td>$0</td>
</tr>
<tr>
<td>4) Economic Recovery/Resilience</td>
<td>$6,055,183</td>
<td>$5,568,831</td>
<td>$0</td>
</tr>
<tr>
<td>5) Public Health &amp; Safety</td>
<td>$3,027,591</td>
<td>$651,900</td>
<td>$0</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$45,413,870</strong></td>
<td><strong>$45,413,870</strong></td>
<td><strong>$45,413,870</strong></td>
</tr>
</tbody>
</table>
Final Rule Update – January 2022

• Major simplification which allows for a “standard allowance” of $10 Million in revenue loss. Legislative action (3/03/2022 resolution) needed to appropriately account for the exercise of this standard allowance.

• Once we exercise the $10 million allowance and report how it was used to recapture prior expense during the pandemic, we have no additional reporting requirements.

• Proposed investments:
  
  • $6.5 million for the Deuces Rising Townhome Development
  • $3.5 million to the Housing Capital Improvement Fund to invest in affordable housing to construct new units at 60% AMI.
HOUSING AFFORDABILITY & SUPPORT -- UPDATE
Housing Affordability and Support

3/03/2022 City Council Action:

• $6.5M for Deuces Rising Townhome development – construction is expected to begin summer of 2023 and completion in Summer 2024.

• $3.5M for contributions to developers to construct units at 60% AMI
## Housing Affordability and Support

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>34,303,505.00</td>
</tr>
<tr>
<td>-6,500,000.00 HCIP - (DEUCES)</td>
<td></td>
</tr>
<tr>
<td>-3,500,000.00 HCIP - (GAP multi-family match)</td>
<td></td>
</tr>
<tr>
<td>-16,500,000.00 Multi-family</td>
<td></td>
</tr>
<tr>
<td>-2,500,000.00 Family Shelter</td>
<td></td>
</tr>
<tr>
<td>-1,000,000.00 Support Services</td>
<td></td>
</tr>
<tr>
<td>-500,000.00 Admin</td>
<td></td>
</tr>
<tr>
<td>-3,500,000.00 Emergency Rental - (reserved +303,505)</td>
<td></td>
</tr>
</tbody>
</table>
Housing Affordability and Support

Scattered Site Family Shelter - $2,500,000 - UPDATE

• RFP Issued & evaluated.

• *Contract award approved by City Council 3/24/2022.*

• Anticipate capacity for 25 homeless families at one time.

• Contract would be for estimated 2-year period.

• Family shelter capacity during COVID 19 has decreased dramatically – significant need currently in our community.
RFP for service provider was issued on **March 1, 2022**.

Bring to City Council the award of this contract on **May 19, 2022**.

Many very low-income households require permanent supportive housing services.

Case management is a significant component of permanent supportive housing.

Providers have a need for this funding, but it is typically not available.

Work with other jurisdictions to leverage/maximize funding.
Housing Affordability and Support

Multi-Family, affordable and workforce housing investments - $24M

- $20M for Affordable Multi-family ($16.5 M ARPA and $3.5 M pass through to General Fund)
- $3.5M for Rental Assistance (back up to ERA plus admin)
- $500K administrative expenses.
- RFP/Notice of Funding Availability $20M will be issued in May 2022.
- Awards will be brought to City Council for appropriations when investments are agreed upon.
- Provide gap financing for the construction of multi-family affordable housing
Housing Affordability and Support

Multi-Family affordable and workforce housing investments - $24M

• Will focus on 60% AMI and below to comply with ARPA Regulations

• Working with multiple developers currently and it is feasible to commit this amount of funding within the ARPA timeframes provided

• This financing will allow the City to be more aggressive in pursuing projects with larger gap needs that would otherwise not be feasible

• Financing considerations – other funding sources will be required due to the issue of structuring ARPA funds as a long-term loan vs. a grant. This issue has been an issue nationwide and there is a national advocacy push for changes to the SLFRF program to be more kind to long-term loans for affordable housing developments.
IV. Into the weeds: LIHTC, Long-Term Loans, & Blending Subsidy
Part 200 – Uniform Guidance Real Property Standards

- Part 200 of the Uniform Guidance has presented an issue for local governments when using SLFRF for land acquisition

- 2 C.F.R. § 200.311 – Real Property (typically waived for HUD programs)
  - (a) **Title.** Title to real property acquired w/SLFRF shall vest in non-Federal entity.
  - (b) **Use.** Real property will be used only for the originally authorized purpose as long as needed for that purpose.
  - (c) **Disposition.** When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency.
    - Treasury may require the grantee to retain title and compensate Treasury; sell the property and compensate Treasury; or transfer title to Treasury

- **Solution:** property acquired with SLFRF should be affordable in perpetuity
- **Contact your Treasury representative for guidance**
Structuring Loans with SLFRF

• SLFRF is primarily intended to be used as a grant
• Treasury’s FAQs provide how grantees can structure assistance as a loan
• For loans that mature or are forgiven on or before 12/31/26 (short-term):
  • Grantees may use SLFRF to fund principal of the loan and report the principal as an expense.
  • Repayment of principal may be re-used only for eligible uses and subject to expenditure deadlines.
  • Interest payments will be considered an addition to the total award and also subject to program deadlines.
Mark Hendrickson,
President
The Hendrickson Company
mark@thehendricksoncompany.com
Leveraging SLFRF - Why it’s worth the work

<table>
<thead>
<tr>
<th>Hypothetical 100-unit affordable rental development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Development Cost</td>
</tr>
<tr>
<td>Required Local Contribution for Gap Financing</td>
</tr>
</tbody>
</table>

In this example, Local/ARPA funds are leveraged by more than 4 to 1. New affordable rental units can be built for ARPA/local investment of only $60,000 per unit.
Structuring Long-term Loans with SLFRF

• For loans that mature or are forgiven after 12/31/26 (long-term):
  • Grantees may use SLFRF only for the projected cost of the loan which can be done by estimating the subsidy cost. This requires defining a recipient’s “cost of funding.”
  • Treasury’s FAQs provide two ways to estimate this cost: 1) net present value analysis; 2) Current Expected Credit Cost (CECL) standard
  • Loan blending will be required. For long-term loans, a non-SLFRF portion will need to be provided.
Sample Net Present Value Analyses – Long Term Loans

<table>
<thead>
<tr>
<th>Scenario #1 – 40 years, no-interest</th>
<th>Scenario #2 – 30 years, 1% interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Amount</td>
<td>$1,000,000</td>
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<tr>
<td>Term (years)</td>
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<tr>
<td>Interest Rate</td>
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<tr>
<td>Discount Rate*</td>
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<tr>
<td>Present Value</td>
<td>$117,463</td>
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<tr>
<td>ARPA SLFRF</td>
<td>$882,537</td>
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<tr>
<td>Other Funds</td>
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<tr>
<td>Loan Amount</td>
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<tr>
<td>Term (years)</td>
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<tr>
<td>Interest Rate</td>
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<tr>
<td>Discount Rate*</td>
<td>5.50%</td>
</tr>
<tr>
<td>Present Value</td>
<td>$345,981</td>
</tr>
<tr>
<td>ARPA SLFRF</td>
<td>$654,019</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$345,981</td>
</tr>
</tbody>
</table>

*Discount rate can be set based on the interest rates of securities with a similar maturity to the cash flow being discounted that were either (i) recently issued by the recipient or (ii) recently issued by a unit of state, local, or Tribal government similar to the recipient.
Providing SLFRF for long-term loans & LIHTC deals

• For LIHTC deals, grants are bad and therefore SLFRF assistance should be structured as a long-term loan
• Long-term loans will require non-SLFRF funds based on the net present value.
• How to structure loans to require less in non-SLFRF funds:
  • Longer-term. 40-year loan will require less local match than a 30-year loan.
  • Lower or no interest rate. The lower the interest rate, the less in local match required.
  • Higher discount rate. Higher the discount rate, less local match.
• Best structure is a 30-50 year, no-interest loan with no payment until maturity.
• Contact us for guidance on how to structure SLFRF assistance.
V. Multifamily Developer Perspective
Multifamily Affordable Housing Developers

- How developers such as Blue Sky are approaching these ARPA SLFRF dollars
- Using SLFRF for gap financing, land acquisition and why these dollars are important to making certain deals work
- How Blue Sky is working with places such as Sarasota and Manatee County to use SLFRF dollars towards affordable housing projects
FLORIDA HOUSING COALITION

PUBLICATIONS

Access these valuable resources and more under the Publications tab at Flhousing.org

- Housing News Network Journal
- Florida Home Matters Report
- Accessory Dwelling Unit (ADU) Guidebook
- Adaptive Reuse of Vacant Rentals
- Affordable Housing Resource Guide
- Affordable Housing Incentive Strategies
- CLT (Community Land Trust) Primer
- CLT Homebuyer Education – Teacher’s Guide
- CLT Homebuyer Education – Buyer’s Guide
- Community Allies Guide to Opportunity Zones
- Community-Based Planning Guide
- Creating a Local Housing Disaster Recovery
- Creating Inclusive Communities in Florida
- Credit Underwriting Guide for Multi-Family
- Affordable Housing in Florida
- Developing & Operating Small Scale Rental Properties
- Disaster Management Guide for Housing
- Landlord Collaboration Guidebook
- PSH Property Management Guidebook
- Residential Rehabilitation Guide
- SHIP Administrators Guidebook
- Surplus Lands Guidebook
- Supporting Households Moving Out of Homelessness
- Using SHIP For Rental Housing
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