



SHIP: HOME Funding for Affordable Housing Part 1

September 27, 2022

Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

Sponsored by the
Florida Housing Finance Corporation



we make housing affordable™

Catalyst Training Schedule

A promotional banner for SHIP Catalyst Training. The background shows a group of people in a meeting, with a woman in the foreground smiling. On the left is the SHIP logo, which consists of a green house icon with a blue cube inside, and the text 'SHIP' in bold blue letters with 'housing a stronger Florida' in smaller text below it. On the right, the text 'Fine Tune Your SHIP Program' is in white, followed by 'REGISTER NOW FOR' in smaller white letters, and 'CATALYST TRAINING' in large, bold, white letters. At the bottom left of the banner, it says 'Register Now for SHIP Catalyst Training!'. Below the banner is a white bar with four small circles, the first of which is filled.

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.

Hotline: 1-800-677-4548

www.flhousing.org

Catalyst Trainings

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TRAINING CALENDAR

If you would like to search by Workshops or Webinars, please use the search tool below. Click to view categories. **For questions, please contact the Florida Housing Coalition at 850-878-4219 or [info@floridahousingcoalition.org](#)**

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Upcoming Events

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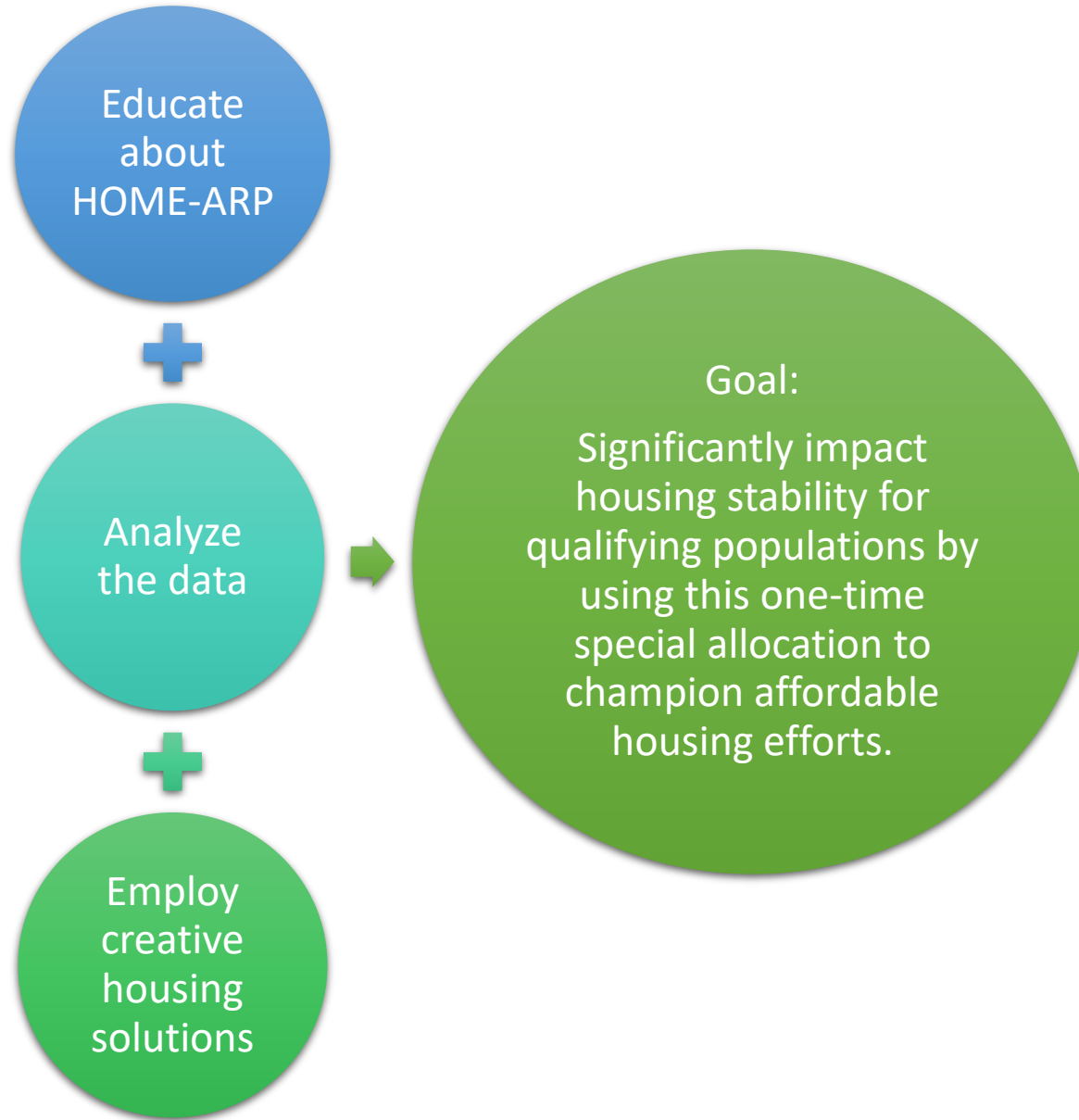
[List](#)[« Previous Events](#)

August 2019

Agenda

- ✓ Welcome
- ✓ HOME-ARP Overview
- ✓ Using the Allocation Plan to Identify Needs
- ✓ Effectively Leveraging HOME-ARP Dollars
- ✓ Creative Housing Solutions to Consider
- ✓ Questions

Purpose



HOME-ARP Overview

HOME-American Rescue Plan

- **The American Rescue Plan (ARP)** provides \$5 billion to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations.
- Can provide housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability.
- Grant funds will be administered through HUD's **HOME Investment Partnerships Program (HOME)**.
- Budget period through September 30, 2030.

HOME-ARP Funding in Florida

- **\$71,903,340.00** awarded to **Florida Housing Finance Corporation** (State allocation)
- **\$179,676,633.00** awarded to **37 Florida local governments**
 - Awards range from \$1,088,181.00 to \$17,686,235.00
 - 14 Local Governments funded \$1 to \$3 million
 - 13 Local Governments funded \$3 to \$5 million
 - 4 Local Governments funded \$5 to \$10 million
 - 6 Local Governments funded over \$10 million
- **\$251,579,973 TOTAL HOME-ARP FUNDS FOR FLORIDA**

Qualifying Populations

- **Homeless**, as defined in 24 CFR 91.5 Homeless (1), (2), or (3).
 1. Literally homeless,
 2. Immanent risk of homelessness, or
 3. Unaccompanied youth under 25 years old
- **At risk of Homelessness**, as defined in 24 CFR 91.5 At risk of homelessness.
- Fleeing/Attempting to Flee, **Domestic Violence**, Dating Violence, Sexual Assault, Stalking, Human Trafficking, as defined by HUD.
- **Other Populations**
 - Other Families Requiring Services or Housing Assistance to Prevent Homelessness.
 - At Greatest Risk of Housing Instability.
- **Veterans** and families that include a veteran family member that meet one of the preceding criteria.

HOME-ARP Eligible Activities



**DEVELOPMENT OF
AFFORDABLE HOUSING**



**TENANT-BASED RENTAL
ASSISTANCE (TBRA)**



**SUPPORTIVE
SERVICES**



**ACQUISITION &
DEVELOPMENT OF
NON-CONGREGATE
SHELTER**



**NON-PROFIT
CAPACITY BUILDING**



**NON-PROFIT
OPERATING**



**ADMINISTRATION &
PLANNING**

Tenant-Based Rental Assistance

Must benefit individuals and families in qualifying populations
Can cover entire or partial rental assistance, security and utility deposits
Assistance attached to the household, not a specific unit
Can be paired with support services (covered by HOME-ARP)
Can be used to provide a Loan or Grant to participant for the security deposit
Cost of unit inspection is covered under TBRA

Tenant-Based Rental Assistance (cont.)

- Jurisdiction determines:
 - Term of rental assistance.
 - Maximum subsidy.
- Jurisdiction can contract with PHA (or other entity) to operate TBRA.
- Can use sponsor-based or master lease model paired with subleases.



Acquisition, Rehabilitation, & Construction

- At least 70% of units acquired, rehabilitated, or constructed with HOME-ARP funds must be occupied by households in qualifying populations.
- Units not restricted to occupancy by qualifying populations subject to income targeting.
- HOME-ARP does not impose income restrictions on units restricted for qualifying populations.

Acquisition, Rehabilitation, & Construction (cont.)

- Can cover up to 100% of eligible costs:
 - Development hard costs
 - Refinancing for rehab projects covered with HOME-ARP
 - Acquisition
 - Related soft costs
 - Relocation costs
 - Costs relating to payment of loans
 - Operating costs

**Minimum compliance period 15 years,
BUT you can make it longer to ensure affordability.**

Supportive Services

- Can be administered as a separate activity or in combination with other HOME-ARP Activities.
- Supportive services include:
 - Services listed in section 401(29) of the McKinney Vento Homeless Assistance Act (“McKinney-Vento Supportive Services”)1 (42 U.S.C. 11360(29));
 - Homelessness prevention services, as described in Section VI.D.3. and D.4 below; and
 - Housing counseling services.

Supportive Services (cont.)

Supportive Services



- Must be used for qualifying populations.
- Can not be receiving same assistance/service covered by another source (USE OF HMIS helps ensure no duplication of services).
- Enter contracts with service providers for amounts that include actual total program costs and admin overhead.

Supportive Services Include

- Childcare
- Education services
- Employment assistance and job training
- Food
- Housing search and counseling services
- Legal services
- Life skills training
- Mental health services
- Outpatient health services
- Outreach services
- Substance abuse treatment services
- Transportation
- Case management
- Mediation
- Credit repair
- Landlord/Tenant Liaison
- Victim services
- Financial assistance costs

Acquisition and Development of Non-Congregate Shelter

High rate of unsheltered homelessness or no shelter for a segment of the qualifying populations?

Consider investing in affordable housing

HOME-ARP can not cover operational costs of NCS

HOME-ARP can not cover the cost of conversion of a NCS to permanent housing

Larger HOME-ARP investment in NCS = longer minimum use period (ranges from 3-10 years years)

Non-Congregate Shelter (NCS)

➤ Eligible Activities and Costs

- Acquisition
- Demolition
- Development Hard Costs
- Related Soft Costs
- Replacement Reserve

➤ Admission and Occupancy

- Only occupied by individuals or families meeting criteria for one or more Qualifying Populations.
- Participants may not be charged occupancy fees or other charges unless the PJ determines fees and charges are customary and reasonable.
- Encouraged to incorporate HOME-ARP NCS units into the Coordinated Entry System established by the CoC(s).
- Supportive services may also be provided, if needed, to Qualifying Populations served by the NCS.

Non-Congregate Shelter (cont.)

➤ Restricted Use Period:

- HOME-ARP NCS projects must comply with HOME-ARP requirements during the restricted use period established in the HOME-ARP Notice.
 - **New Construction: 15 years**
 - **Rehabilitation: 10 years**
 - **Acquisition Only: 10 years**

➤ Use as NCS:

- The NCS may remain as HOME-ARP NCS for the restricted use period or may be used as NCS under the Emergency Shelter Grant (ESG) program.

➤ Conversion to Housing:

- HOME-ARP NCS units can be converted into permanent housing under the CoC program or permanent affordable housing during the restricted use period in accordance with requirements established in the Notice. ***No HOME-ARP funds may be used for conversion.***

Non-Profit Capacity Building – 5%

➤ Capacity Building Assistance:

- May be used to provide capacity-building **assistance to CHDOs** and other **nonprofit organizations**.
- Defined as reasonable and necessary general operating resulting in **expansion or improvement** of an organization's ability to successfully carry out for eligible HOME-ARP activities.

➤ Eligible costs:

- Salaries for new hires including wages and other employee compensation and benefits.
- Employee training or other staff development.
- Equipment (e.g. computer software or programs that improve organizational processes), upgrades to materials, and supplies.
- Contracts for technical assistance or for consultants with expertise related to the HOME-ARP qualifying populations.

➤ Limitations:

- In any fiscal year, capacity-building assistance provided to a nonprofit organization may not exceed the **greater of 50 percent of the general operating expenses** of the organization, or **\$50,000**.

Non-Profit Operating – 5%

➤ Operating Expense Assistance:

- Funds to CHDOs and other nonprofit organizations.
- Defined as reasonable and necessary costs of operating the nonprofit organization.

➤ Eligible Costs:

- Employee salaries/wages/compensation/benefits
- Employee education/training/travel
- Rent and Utilities
- Communication costs
- Taxes and Insurance
- Equipment/materials/supplies

➤ Limitations:

- In any fiscal year, operating assistance provided to a nonprofit may not exceed the **greater of 50% of the general operating expenses** of the organization for that fiscal year, as described above, or **\$50,000**.
- If an organization **receives both operating assistance & capacity-building assistance** in any fiscal year, the **aggregate total amount of assistance** it may receive is the **greater 50% of the organization's total operating expenses** for that fiscal year or **\$75,000**.

HOME-ARP Resources

HOME-ARP Eligible Activity Guide/Program
Fact Sheet

[HOME-ARP Program Fact Sheet: Non-Congregate Shelter
\(amazonaws.com\)](https://www.amazonaws.com/home-arp-program-fact-sheet-non-congregate-shelter)

HOME-ARP FAQs

[HOME-ARP FAQs | HUD.gov / U.S. Department of Housing
and Urban Development \(HUD\)](https://www.hud.gov/faq/home-arp)

HOME-ARP Program Resources HUD Exchange

[HOME-ARP Program - HUD Exchange](https://www.hudexchange.info/home-arp-program)

HOME-ARP Allocation Plan

What is the Allocation Plan?

- All HOME-ARP recipients are required to submit an allocation plan for approval by HUD to gain access to full funding.
- Contains a Needs Assessment and Gaps Analysis for qualifying populations.
- Details how HOME-ARP funds will be allocated.



Using the Allocation Plan to Identify Need

- Closely review your homeless needs and housing needs inventory tables to identify:
 - Target population
 - Types of housing needed
 - Production needs

Homeless Needs Inventory and Gap Analysis Table													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	152	N/A	148	N/A	26								
Transitional Housing	29	13	0	N/A	74								
Permanent Supportive Housing	0	N/A	104	N/A	904								
Other Permanent Housing	0	N/A	0	N/A	0								
Sheltered Homeless						83	248	81	59				
Unsheltered Homeless						39	546	54	57				
Current Gap										+142	N/A	-294	N/A

- Analyze the data to identify **long-term** solutions.

- Look to see if there is a surplus in beds.

294 # of beds needed
 - 142 surplus beds
 = 152 beds needed

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consolidated Plan; 4. Consultation

Using the Allocation Plan to Identify Need (cont.)

- Identify rental housing needs by income category.

Housing Needs Inventory and Gap Analysis Table			
Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	#		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	#		
Rental Units Affordable to HH at 50% AMI (Other Populations)	#		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		#	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		#	
<i>Current Gaps</i>			#

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consolidated Plan; 4. Consultation

Look to Qualitative Data

- Community engagement provides valuable qualitative data:
 - Public / stakeholder meetings
 - Online surveys
 - Agency consultations
 - Public hearings / public comment period
- Direct consultation with service providers can reveal:
 - High priority needs that differ from public opinion
 - Organizational capacity to administer additional programs
 - Potential loss of programs leading to unmet needs



HUD Approved Allocation Plans

➤ How are PJs allocating these funds?


	FL/FHFC	Ft. Lauderdale	North Miami	Hillsborough	Miami Dade	Osceola	Tallahassee
Development Affordable Rentals	\$62.5 mil (87%)	\$1.1 mil (44%)	-	\$1.8 mil (17%)	\$10 mil (57%)	\$1.8 mil (53%)	\$3 mil (88%)
TBRA	\$5 mil	\$150 k	\$700 k	\$3 mil	-	\$360 k	-
Support Services	-	\$100 k	\$225 k	-	-	\$544 k	\$350 k
Non-Congregate Shelter	-	\$750 k	-	\$4 mil	\$5 mil	-	-
Non-Profit Capacity Building (5%)	-	-	-	-	-	-	-
Non-Profit Operating (5%)	-	\$129.4 k	-	-	-	173.9 k	-
Admin. & Planning	\$4.4 mil	\$388.3 k	\$163 k	\$1.5 mil	\$2.6 mil	521.7 k	\$62.4 k
Total by PJ	\$71.9 mil	\$2.5 mil	\$1 mil	\$10.3 mil	\$17.6 mil	\$3.4 mil	\$3.4 mil

Resource: [HOME-ARP Allocation Plans - Florida](#) | [HUD.gov](#) / [U.S. Department of Housing and Urban Development \(HUD\)](#)

Draft Allocation Plans

- 11 other PJs have draft plans in the process of being developed to include the following activities:
- Support Services - 4
 - Non-Congregate Shelter - 1
 - TBRA - 2
 - Non-Profit Capacity Building - 4
 - Non-Profit Operating - 4

NOT YET APPROVED



**All 11 are committing
to the Development of
Affordable Rental
Housing**

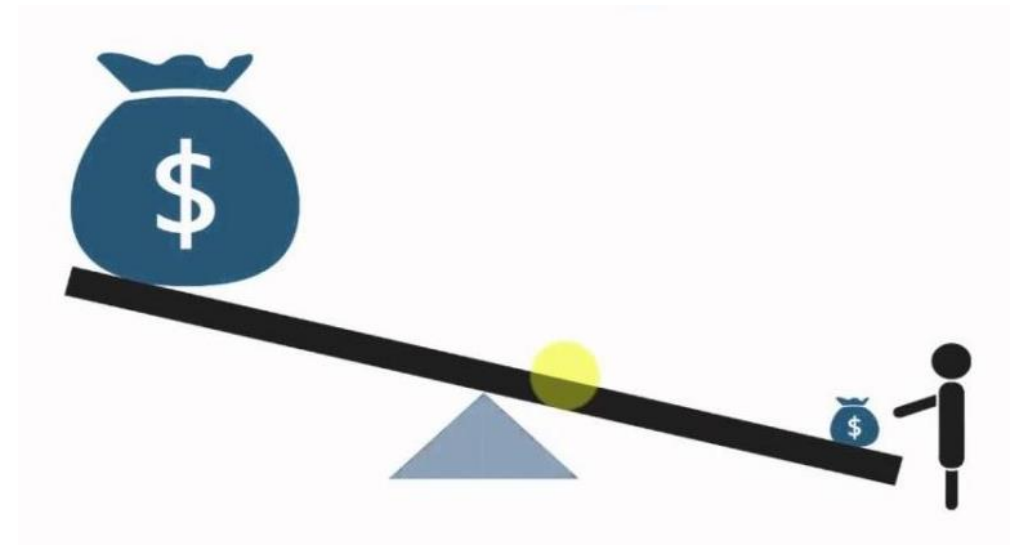
Effectively Leveraging HOME-ARP

Layered Financing

- Blending resources offers benefits including:
 - Powerful access to capital.
 - Provides the opportunity to fund larger projects
 - Can fill funding gaps to achieve project goals
 - Has the potential to drive innovation.
 - Addresses priority needs quicker.
 - Supports inclusion and integration when producing units.
 - Supports agency collaboration, strengthening project buy-in.
- Ideal for acquisition and construction projects.
- Leveraging produces tangible assets that support **long-term** housing solutions.

Maximize Impact

- Braid funds for maximum impact.
- What to consider when leveraging HOME-ARP?
 - Your total allocation amount.
 - Existing projects and activities being funded and allocation amounts.
 - Local, state, or federal restrictions and regulations tied to each funding source.
 - Total project costs.



Indirect Leverage

- Other ways to provide leverage beyond direct funding for development:
 - Pairing programs and resources:
 - Funding a rental assistance activity for newly constructed affordable housing units
 - Funding supportive services



Leveraging Resources



- Funding resources to consider leveraging:
 - HOME Investment Partnership Program (HOME)
 - Community Development Block Grant (CDBG)
 - State Housing Initiatives Partnership Program (SHIP)
 - Low Income Housing Tax Credits (LIHTC)
 - State and Fiscal Local Recovery Funds (SFLRF)
 - General Funds

Creative Housing Solutions

Promoting Best Practices

Example: Florida Housing Finance Corporation

- RFA 2022-201 Permanent Supportive Housing Focusing on Best Practices and Funding for Tenancy Supports and Resident Services Coordination for High Utilizers of Public Behavioral Health Systems.
- Provide permanent supportive housing for individuals facing housing instability due to behavioral health care but may not meet definition of literally homeless.
- Additional units for homeless households and qualifying populations under HOME-ARP Program.
- Funding in RFA includes competitive housing credits, HOME-ARP, and National Housing Trust Funds.
- Foster partnerships of housing and service providers and braiding of funding.
- Current status: 2 developments selected for funding; RFA undersubscribed

Utilizing Land Use Flexibility

Example: Accessory Dwelling Units

- Potential advantages:
 - Cost effectiveness
 - Community participation
 - Community integration
- Options for financing:
 - Full construction costs
 - Partial construction costs
 - Incentivize participation through fee waivers and rental assistance



Photo Source: City of St. Petersburg

ADUs are common in older (desirable) neighborhoods and many other locations, though they may not be expressly allowed by land development regulations

Utilizing Land Use Flexibility

Example: Accessory Dwelling Units (cont.)

➤ Considerations:

- Land use and zoning
- Permitting processes
- Construction style, costs and financing
- Makeup of homeless/at-risk population
- Matching homeowners and tenants
- Master leasing
- Supportive services
- Terms of affordability and ongoing participation by homeowners
- Political will



Source: Multnomah County <https://www.multco.us/multnomah-county/news/only-thing-we-lacked-was-home-place-you-pilot-project-houses-four-families>

In 2018, Multnomah County piloted a program, A Place For You, utilizing ADUs to address homelessness. The pilot program builds ADUs on a homeowner's property. The ADUs are owned and managed by the County for 5 years, and the homeowner agrees to host a homeless family in the ADU. After 5 years, the homeowners can purchase the ADU from the County. The program had over 1,000 interested homeowners.

Utilizing Land Use Flexibility

Example: Accessory Dwelling Units (cont.)

- Look at location of properties eligible for ADUs to understand the general potential of ADUs to address the shortage of housing.
- Determine what portion of ADU production could potentially address housing for homeless/at-risk population.
- Determine structure for program:
 - Construction subsidy may be best for incentivizing initial production
 - Need to consider incentives for long-term homeowner participation
 - Ability to select tenants
 - Property tax reductions
 - Rental assistance

Supporting Housing Preservation

Example: Multi-Family Units with Blended Use

- Mixed units of permanent housing and non-congregate shelter.
- Small/medium scale project.
- Funding for acquisition, demolition, rehabilitation.
- Ideal housing types:
 - Duplexes
 - Quadraplexes
 - Small scale apartment complexes (for larger allocations)



Photo source: Florida Housing Coalition

Example of a small apartment building in Jacksonville

Catalyzing Redevelopment

Example: Adaptive Reuse

- Potential opportunities
 - Vacant hotels
 - Vacant office
 - Vacant retail
- Benefits
 - Existing infrastructure
 - Waste reduction
 - Historic preservation/cultural value
 - Catalyst or expansion of redevelopment efforts



Photo Source: Florida Housing Coalition, Rendering by: bndr, llc

Conceptual rendering for the conversion of a vacant big box retail space into mix of housing, co-working and other commercial space.

Catalyzing Redevelopment

Example: Adaptive Reuse (cont.)

- Land use flexibility afforded through F.S. 125.01055(6)/166.04151(6) can expedite the conversion of underutilized or vacant structures into affordable housing.
- A vacant hotel, office building, school or strip mall could be converted into affordable housing without needing a re-zoning or comprehensive plan amendment.
- City or County could set development criteria on a case-by-case basis.
- This tool could save months on an adaptive reuse project.

Catalyzing Redevelopment

Example: Adaptive Reuse (cont.)

- Considerations:
 - Location
 - Design
 - Cost comparison – reuse or rebuild
- Other funding sources that can be layered:
 - Community Development Block Grant (CDBG)
 - State Housing Initiatives Partnership Program (SHIP)
 - State Apartment Incentive Loan (SAIL)
 - Low Income Housing Tax Credit (LIHTC)
 - Tax Increment Financing (TIF)



Source: City of Tallahassee

A former hotel is being converted to housing under City's new ordinance. This project is unsubsidized, indicating a market response that could be incentivized to provide greater affordability.

The word "QUESTIONS" is written in a large, white, bold, sans-serif font. It is centered horizontally and has a slight 3D effect with a drop shadow. The text is overlaid on a white rectangular background. Surrounding the text are numerous squares of various sizes in shades of blue and green. Some squares are solid, while others are semi-transparent, creating a layered, abstract effect. The entire composition is set against a dark teal background.

QUESTIONS

HOME-ARP SPECIAL ALLOCATION PLANNING



“

Partnering with the Florida Housing Coalition (FHC) to develop your HOME-ARP Allocation Plan means investing in community-based planning that goes beyond regulatory compliance and shows commitment to reducing homelessness for vulnerable residents. The Coalition provides its partners with strategic plans that identify viable solutions and aligns goals community-wide.

”

Our team of experts can help determine how to effectively spend your HOME-ARP dollars for maximum community impact.

Services include:



Allocation Plan
Preparation



Regulatory
Compliance



Community
Engagement



Direct
Consultation



Funding
Advisement



Strategy
Implementation

For more information on partnering with the Coalition for your HOME-ARP Allocation Plan, contact Carter Burton at (407) 864-5424

FLORIDA HOUSING COALITION PUBLICATIONS

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



Thank
You!



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