

**Florida Housing Finance Corporation
227 N. Bronough Street, 6th Floor Seltzer Room
Tallahassee, Florida 32301**

**CDBG-DR Workforce Affordable New Construction and Land Acquisition Program Workshop Agenda
September 24, 2018, 2:00 p.m. Eastern Time
Call-In: 1 (888) 339-2688, Passcode: 925 971 05**

1. Background

- a. The state of Florida will receive funding to support long term hurricane recovery efforts through the Florida Department of Economic Opportunity (DEO’s) CDBG-DR Program. Among other aspects of the funding, DEO has chosen to fund programs for the creation of workforce affordable rental new construction housing as well as to support the acquisition of land to build workforce affordable rental housing. FHFC will be DEO’s partner to administer these programs. The programs are set forth in detail in DEO’s State of Florida Action Plan for Disaster Recovery (Action Plan), which can be found at: <http://www.floridajobs.org/docs/default-source/2015-community-development/community-revitalization/dr/stateofflactionplanfordr.pdf?sfvrsn=2>

This workshop is intended to provide high-level preliminary information about the programs so potential applicants and stakeholders can prepare for what to expect, and to seek feedback on the proposed process and to answer questions. There will be additional future workshops scheduled for each individual program.

- b. Programs & Funding Amounts

Workforce Affordable Rental New Construction: Leveraging CDBG-DR Funds With Other Sources of Financing	Total \$80 Million \$20 Million Dedicated to Monroe County \$60 Million Dedicated other MID ¹ s Maximum individual award limit \$8 Million
Workforce Affordable Rental New Construction: Funding for Small Rental Developments	\$20 Million to specific MID Zip Codes Maximum individual award limit \$5 Million
Land Acquisition for Affordable Workforce Rental Housing	\$20 Million Split- <ul style="list-style-type: none"> • \$10 Million Monroe • \$10 Million other MIDs with scarcity of land Maximum individual award limit \$5 Million

¹ MIDs are specifically identified most-impacted and distressed communities that have been designated by HUD and/or the State of Florida for hurricane recovery.

2. Information

What is CDBG-DR Funding? Zero-interest, non-amortizing loans (including forgivable loans).

How is the Funding Being Allocated? Competitive Solicitation through Requests for Applications (RFAs).

Where is the Funding Going?

The Action Plan sets forth that 80% of each program will be spent within the HUD-identified most-impacted and distressed communities (HUD MID):

Counties

Monroe County
Miami-Dade County
Duval County
Lee County
Polk County
Collier County
Brevard County
Broward County
Orange County
Volusia County

Zip Codes

32068 (Clay County)
34266 (DeSoto County)
32136 (Flagler County)
32091 (Bradford County)

The remaining 20% will be spent in state-identified most-impacted and distressed communities (State MID):

Alachua	Flagler	Levy	Polk
Baker	Gilchrist	Manatee	Putnam
Bradford	Glades	Marion	Sarasota
Brevard	Hamilton	Martin	Seminole
Broward	Hardee	Miami-Dade	St. Johns
Charlotte	Hendry	Monroe	St. Lucie
Citrus	Hernando	Nassau	Sumter
Clay	Highlands	Okeechobee	Suwannee
Collier	Hillsborough	Orange	Union
Columbia	Indian River	Osceola	Volusia
DeSoto	Lafayette	Palm Beach	
Dixie	Lake	Pasco	

Who is Eligible to Apply for RFAs?

- Non-Profit/ For-Profit /PHAs and local government/land trust partners.
- Developer Experience Requirements for new construction programs.

What Type of Developments Will Be Funded and What Requirements are Necessary?

- RFAs are open to New Construction. No Rehabilitation.
- Developments will serve Family demographic.
- Serving vulnerable populations via Link Strategy:

Special needs populations include persons with disabilities, youth aging out of foster care, frail elders and survivors of domestic violence. The Link Strategy targets those who require affordable, permanent housing, plus short-term or long-term community-based services to maintain optimal stability and self-sufficiency. Florida Housing requires developers to set aside a portion of a property's ELI units for homeless and/or special needs households that are receiving community-based supportive services and are referred by a recognized supportive services agency in the community where the property is located. Each participating development executes a memorandum of understanding (MOU) with at least one of the designated services agencies in that community. The MOU provides the responsibilities of each party in partnering to serve these households.

- Set Asides- 100% of units funded by CDBG-DR must be set aside for Low-Moderate Income (equal to or less than 80% Area Median Income (AMI)). If using Low Income Housing Tax Credits to leverage, set-asides must be compliant with IRS requirements (40% equal to or less than 60% AMI/ 20% equal to or less than 50% AMI/Income Averaging).
- Federal requirements (i.e., Davis-Bacon, environmental review, elevation requirements).
- Resiliency- Enhanced Structural Systems Construction (ESSC).
- Accessibility and Visitability Requirements.
- Green Building Features and Energy Efficiency Standards.
- Affordability Periods- If CDBG-DR is the only source of funding for new construction, new construction of multi-family rental projects with five or more units with require an affordability period of 20 years. If leveraging other funding sources, affordability period will run with whatever is the most restrictive source applicants use to leverage.
- Underwriting will be completed in accordance with FHFC standards.

What is the Land Acquisition Program and How Will It Work?

- Funding to purchase land for the development of affordable workforce rental housing where scarcity of land makes development of affordable housing difficult.
- This program is intended to foster a public-private partnership. Local governments/land trusts will be the end user of the acquisition dollars, to purchase land with long term affordability restrictions. They will partner with non-profit/for-profit/PHA developers to lease the land for the construction of affordable housing development. The highest priority approach will be local governments maintaining ownership of the land with affordability restrictions in perpetuity.
- All of Monroe County is eligible for land acquisition funding.

- In other MIDs of the state, applicants will be required to demonstrate that the availability of land to develop affordable housing is scarce due to cost or limited availability for other reasons. Florida Housing is working on how we will ask applicants to demonstrate this need in the application process.
- Properties will be underwritten through Florida Housing to ensure appropriate subsidy level is received.
- Discussion – How will Land Acquisition funding interact with Construction Programs?

2. Monroe County Programs

- a. Funding Available- \$20 Mil. New Construction, \$10 Mil Land Acquisition
- b. Funding Limits - \$8 Mil. New Construction, \$5 Mil Land Acquisition
- c. Funding Selection Process Discussion

3. Affordable Workforce New Construction-Leveraging 4% Low Income Housing Tax Credits and Tax-Exempt Bonds

- a. Funding Available – \$60 Mil. New Construction, \$10 Mil Land Acquisition
- b. Eligible MIDs – At least 80% HUD MIDs (see above) 20% State MIDs (see above)
- c. Funding Limits – \$8 Mil. New Construction, \$5 Mil. Land Acquisition
- d. Funding Selection Process Discussion

4. Affordable Workforce New Construction Smaller Developments (50 Units or Less)

- a. Funding Available - \$20 Mil. New Construction
- b. Eligible MIDs –HUD MID Zip Codes (see above)
- c. Funding Limits: Maximum Subsidy limits will follow HOME per unit limits and target low and moderate-income households.
- d. Funding Selection Process Discussion

5. Timeline

- a. Hold additional workshops mid-October
- b. Publish Draft RFAs
- c. Issue Date for all RFAs
- d. Application Deadlines
- e. Review Committee and Board Meeting

6. Other Discussion Items

7. Additional Resources

HUD Notice, February 2018

<https://www.gpo.gov/fdsys/pkg/FR-2018-02-09/pdf/2018-02693.pdf>

HUD Notice, August 2018

<https://www.gpo.gov/fdsys/pkg/FR-2018-08-14/pdf/2018-17365.pdf>