



## HUMAN SERVICES AND COMMUNITY PARTNERSHIP

**DATE:** June 20, 2018

**TO:** Chairman Tom Lewis and the Housing Finance Authority of Leon County

**FROM:** Shington Lamy, Director of Human Services and Community Partnerships

**SUBJECT:** County Staff Report for June 2018

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This County staff report is provided by the Leon County Division of Housing Services to the Housing Finance Authority of Leon County (HFA) for the June 20, 2018 HFA meeting. The items presented in this report include the following:

- Update on the Leon County-HFA Interlocal Agreement
- Request for the Maximum Award Increase in the Emergency Housing Repair Program
- Proposed HFA FY 2019 Budget Allocation to the County Housing Program
- Information on Community Land Trusts and Partnership with the City of Tallahassee
- Participation in the Tallahassee-Leon County Housing Leadership Council

### Update on the Leon County-HFA Interlocal Agreement (*For informational only*)

On May 22, 2018, the County Commission approved the Interlocal Agreement (Agreement) between Leon County and the HFA. County staff has routed the Agreement for execution by the County Administrator, County Attorney, and Clerk of Courts. The Agreement is expected to be executed and ready for the HFA's execution by the June 20<sup>th</sup> HFA meeting.

### Request for the Maximum Award Increase in the Emergency Housing Repair Program

For the past several years the HFA has provided funding to the County's Division of Housing Services to assist low-income residents with emergency home repair. The current maximum award for eligible residents is \$1,650. This maximum had been equivalent to the maximum award in the County's State Housing Initiative Partnership Local Housing Assistance Plan (SHIP-LHAP). The funding is utilized to provide immediate assistance for home emergencies that threaten the health and/or safety of the household. The assistance provided includes tarps for roof leaks and pump out services for failing septic systems.

On February 13, 2018, the County Commission approved amendments to the SHIP-LHAP which included increasing the Emergency Housing Repair Program maximum limit from \$1,650 to \$2,500. On June 19, 2018, County staff intends to recommend that the County Commission increase its Emergency Housing Repair Maximum Award Limit again from \$2,500 to \$15,000. This would allow the County to provide long term solutions to address the emergency needs of low-income homeowners. The HFA funds would continue to be utilized for immediate short-term repairs. It is important to note that "stick-built" homes will be the primary focus of the County's effort to provide long-term solutions for emergency needs through the SHIP program.

Many of the homeowners seeking assistance from the County reside in mobile homes. However, Florida Statutes mandates that no more than 20% of annual SHIP allocation can be expended on mobile homes. As a result, the County’s emergency housing assistance to homeowners in mobile homes through the SHIP program is significantly limited. There are currently 95 eligible low-income homeowners on the County’s waiting list that reside in mobile homes..

**Therefore, County staff recommends that the HFA increase the maximum award amount for certain mobile homes from \$1,650 to \$7,500 for long term repair of emergency needs.** As reflected in Table 1, the increase from \$1,650 to \$7,500 would be limited low-income mobile home households with seniors and/or persons with special needs in unincorporated Leon County. The current HFA maximum award amount of \$1,650 is appropriate for homeowners that reside in “stick-built” homes and would not change. For mobile homes, the funds would be utilized to provide long-term solutions to emergency needs such as permanent repair of a roof or replacement of a septic system. The funds provided by the HFA continue to be a critical resource in the HFA and County’s shared goal of promoting and maintaining affordable housing in the community.

<b>Table 1. Proposed Change to the HFA Emergency Funding Maximum</b>		
<b>Type of Home</b>	<b>Proposed Award Max.</b>	<b>Current Award Max.</b>
Stick-Built Homes	\$1,650	\$1,650
Mobile Homes	\$1,650	\$1,650
Mobile Homes (w/Seniors or Special Needs)	\$7,500	\$1,650

Proposed HFA FY 2019 Budget Allocation to the County Housing Program

Per the Interlocal Agreement approved by the County Commission and HFA, the HFA will adopt an estimated budget for County-adopted programs and/or HFA-adopted programs by June 15 prior to the start of each fiscal year. **County staff is requesting that the HFA allocate \$33,000 for Fiscal Year 2019 for the Emergency Housing Repair Program, Leon County Home Expo, and the Leon County 9/11 Day of Remembrance and Service.** Table 2 provides a breakdown of the funding request.

<b>Table 2. Leon County Housing Program Funding Request for FY 2019</b>	
Leon County Emergency Housing Repair Program	\$30,000
Leon County Home Expo (2019)	\$1,500
Leon County 9/11 Day of Remembrance and Service (2019)	\$1,500
<b>Total</b>	<b>\$33,000</b>

*Leon County Emergency Housing Repair Program*

As presented in the previous section of this memo, the HFA has provided funding to the County’s Division of Housing Services to assist low-income residents with emergency home repair over the past several years. The annual HFA funding has been in the amount of \$30,000. The County is requesting level funding for FY 2019. Per the Interlocal Agreement, advance funding would be provided to the County semi-annually for the Emergency Housing Repair Program and the County would be allowed to retain unencumbered funding with the understanding that unencumbered amount would be subtracted in subsequent fiscal years.

### *Leon County Home Expo*

Historically, the HFA has been a financial sponsor of the Annual Home Expo which offers potential and existing homeowners down payment assistance information, minor home repair and home maintenance tips. The 2018 Home Expo was held on Saturday, April 28, 2018. Approximately 111 residents participated in this year's event. The HFA provided \$1,500 which assisted with promotion and advertising activities. County staff is requesting the same level of funding for FY 2019. Per the Interlocal Agreement, HFA funding would be provided as a reimbursement of expenses for the Home Expo. The Leon Home Expo would be held in the spring of 2019.

### *Leon County 9/11 Day of Remembrance and Service*

The County's 9/11 Day of Remembrance and Service event is held annually to help revitalize an area neighborhood. County staff, community partners and volunteers provide minor home rehabilitation and landscape projects to residents in commemoration of the spirit of community displayed following the tragic events of September 11, 2001. Each year, the 9/11 Day of Remembrance and Service is held on the third Thursday in the month of August. The next event will be held on Thursday, August 23, 2018 in the Deer Tree Hill neighborhood which is located on Highway 20 just west of the Capital Circle Northwest.

The HFA was an initial financial partner of the County's 9/11 Day of Remembrance and Service in 2011 in the amount of \$100,000. However, the HFA has not been a funding partner since 2015. County staff is requesting HFA funding in the amount of \$1,500 which would be utilized for supplies and materials purchased to make minor repairs to homes as part of the event. Per the Interlocal Agreement, HFA funding would be provided as a reimbursement of expenses for the 9/11 Day of Remembrance and Service. It is important to note that the request is for the August 2019 event not then event that will take place in the Deer Tree Hill neighborhood on August 23, 2018.

### Information on Community Land Trusts and Partnership with the City of Tallahassee

In October 2016 the County and City Commissions jointly established the Tallahassee-Leon County Affordable Housing Workgroup (Workgroup) comprised of community affordable housing stakeholders. Mike Rogers served on the Workgroup as the HFA representative. The purpose of the Workgroup was to provide recommendations to the County and City that would enhance greater collaboration and coordination of affordable housing efforts in the community.

In October 2017, the Workgroup presented 13 recommendations to the County and City Commissions. One of the recommendations is to assess the feasibility of using a community land trust as a strategy to increase the inventory of affordable housing in Tallahassee-Leon County. In a community land trust model a home and the land it sits on are separated which allows the sell and transfer of title of a home without selling the land. This allows the cost of the home to be more affordable. A non-profit organization which serves as the community land trust entity that holds title to the land and manages the ground lease which sets limitations on the resale of the home. This allows the property and home to remain affordable in perpetuity.

In March 2018, County and City staff participated in a community land trust training conducted by the Florida Housing Coalition. As part of the training, there was considerable discussion on

the role of local government in a community land trust which include providing down payment assistance to community land trust homebuyers; construction financing to build homes on properties owned by the community land trust; and providing land to the community land trust for affordable housing. Currently there is no community land trusts in Tallahassee-Leon County. The creation of a community land trust would be a critical resource for enhancing the inventory of affordable housing in the County. The City has a very active down payment assistance program and the County intends to provide down payment assistance with its SHIP funds later this summer. Additionally, the County and City have properties available that could be provided to a community land trust.

The next step is to identify an established non-profit organization that could serve as a community land trust. On June 6, 2018 the City Commission authorized City staff to work with the County to issue a request for qualifications (RFQ) to identify local organizations that are interested and have the capacity to serve as a community land trust. The County Commission is anticipated to take the same action on June 19, 2018 during its Board meeting. In recognition of the County and HFA's partnership in the cooperation in the sale and lease of County-owned land deemed suitable affordable housing, County staff suggested and the City has expressed interest in moving forward in the process of a RFQ as a tri-party effort of the County, City, and HFA. In this model the three parties would work in conjunction in identifying and evaluating a non-profit organization to serve as a community land trust as well as define the roles and scope of each partner. Additionally, a tri-party effort would align with another recommendation of the Workgroup which is to explore opportunities for the County, City, and HFA to partner collectively in addressing affordable housing needs.

**In order to provide the HFA a greater understanding of community land trusts, County staff recommends that the HFA invite the Florida Housing Coalition to a future meeting to provide a presentation on community land trust. Additionally, it is recommended that the HFA Financial Advisor participate in the evaluation process of the organizations that respond to the RFQ.**

#### Participation in the Tallahassee-Leon County Housing Leadership Council

Over the past two year the County and City Commission held two joint workshops to discuss mutual affordable housing efforts and to receive recommendations from the joint Tallahassee-Leon County Affordable Housing Workgroup (Workgroup) that was established by the Commissions. One of the recommendations of the Workgroup was to explore the viability of establishing an Affordable Housing Leadership Council (Leadership Council) that strengthen and encourage greater collaboration and coordination among local affordable housing stakeholders.

Over the past six months County and City staff have been meeting with several partners to plan and research the development of an Affordable Housing Leadership Council. The partners included representatives from the United Partners for Human Services (UPHS), Big Bend Habitat for Humanity, Tallahassee Lenders Consortium, Tallahassee Housing Authority, Big Bend Continuum of Care, Big Bend Homeless Coalition, Graceful Solutions, University Lending, and the Tallahassee Builders Association. The group identified and met with representatives from the Housing Leadership Council of Palm Beach County, which serves as a network for advocating the area's affordable housing issues, as a potential model that could be replicated in Leon County. The group also evaluated similar organizations in California.

Following discussions at various meetings, the representatives determined that a Leadership Council is viable and would like to move forward with a formal concept. A Leadership Council model comprised of affordable housing stakeholders from a cross-section of industries, including government, nonprofits, lenders, developers, and realtors, would align the Workgroup's overall objective of improving the coordination and collaboration of the affordable housing efforts.

The Leadership Council's primary functions would include:

- Holding bi-monthly and/or quarterly meetings with all affordable housing stakeholders to share data, best practices, and leverage resources.
- Collecting, maintaining, and promoting local affordable housing data, including an inventory of affordable rental housing units, the percentage of County and City residents that are cost burdened by housing; and work with Big Bend Continuum of Care to collect and maintain data on the homeless population.
- Promoting affordable housing programs and services by operating as the clearinghouse for public information including down-payment assistance programs, home rehabilitation programs, emergency housing repair programs, rapid rehousing programs, homebuyer education programs, etc.

Rather than create an entirely new organization to fulfill the functions of the Leadership Council, the participants agreed that UPHS should provide administrative support to the Leadership Council. Most of the nonprofit organizations that provide affordable housing programs and services are currently members of UPHS. Additionally, both the County and City currently provide annual funding to UPHS. The County provides annual funding in the amount of \$23,750 to UPHS. UPHS has requested one-time funding of \$10,000 for a part-time position that would provide the administrative support required for the initial phase. The County and City will each provide one-time funding of \$5,000 for the first year of support.

The administrative functions to be provided by UPHS for the Leadership Council include:

- Staff and coordinate the meetings of the Leadership Council
- Develop the charter and bylaws for the Leadership Council
- Serve as the fiscal agent for the Leadership Council
- Collect and synthesize data on affordable housing in Tallahassee-Leon County
- Establish and maintain a list of affordable housing programs and services in Tallahassee-Leon County
- Promote affordable housing programs and services to the public as well as human services agencies

The first year will focus on establishing a formal structure for the Leadership Council and recruiting additional organizations to participate. Eventually a participation fee would be established as part of the development of the organizational structure.

**County staff is recommending that the HFA participate in the Leadership Council and appoint the HFA Financial Advisor to serve on the Leadership Council.** No funding is required to participate in the first year of the organization (October 1, 2018 – September 30, 2019). The Leadership Council is expected to meet bi-monthly during the first year. The following agencies have expressed interest and will participate in the Leadership Council as formal members:

- Leon County
- City of Tallahassee
- Big Bend Continuum of Care
- Tallahassee Lenders Consortium
- Big Bend Homeless Coalition
- Big Bend Habitat for Humanity
- Bethel Community Development Corporation
- Graceful Solutions
- Ability 1<sup>st</sup>
- Tallahassee Housing Authority
- 2-1-1 Big Bend

CC: Mark Hendrickson, Financial Advisor to the Housing Finance Authority of Leon County