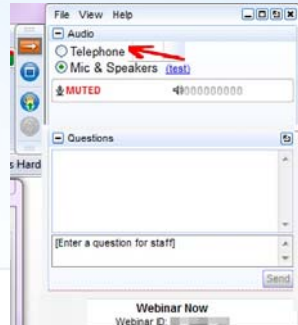


All Participants Call In with Telephones

FIRST: Click Telephone

- Dial Number
- Enter Access Code
- Provide Audio Pin



Catalyst Training Schedule



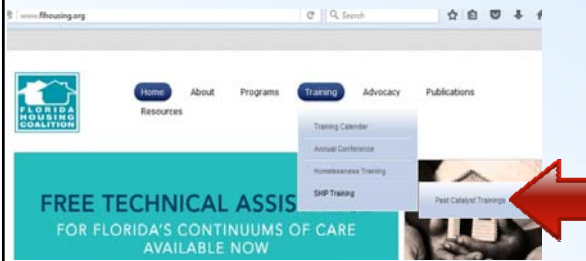
The Coalition is Florida's affordable housing training and technical assistance provider.

*Florida Housing Coalition is commonly acknowledged as the foremost authority in Florida on affordable housing, community development and related issues, as a watchdog for information, a provider of training and technical assistance, and an advocate at the state and national levels for people in need of affordable housing.

www.flhousing.org



Library of Catalyst Trainings



'Past Catalyst Trainings'



Working with Nonprofits, Sponsors and Subrecipients

sponsored by
Florida Housing Finance
Corporation's Catalyst Program

Aida Andujar



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 to partially assist in the *acquisition, construction, rehabilitation, or financing of eligible housing* or to provide the cost of tenant or ownership qualifications.

420.9075 Local housing assistance plans; partnerships.--



Owner/Sponsor

As a condition of receipt of an award, the eligible sponsor or eligible person must **contractually** commit to comply with the affordable housing criteria provided under ss. 420.907-420.9079 applicable to the affordable housing objective of the award. The plan criteria adopted by the county or eligible municipality must prescribe the **contractual** obligations required to ensure compliance with award conditions.

420.9075 Local housing assistance plans; partnerships.



Owner example

- An income eligible homeowner receives an award letter for \$20,000 in SHIP to repair their house. The owner also signs a contract with a general contractor (likely selected from a pool of pre screened General Contractors) to complete the work.
- A family of four wants down payment and closing cost assistance to purchase a home. The local government will provide a maximum of \$20,000 in assistance to help them buy the home.



Developer/Sponsor example

- A SHIP community issues an RFA for a developer to construct 10 rental units for low income tenants. The RFA requires the developer has site control and the project is "shovel ready".
- A nonprofit sponsor responds to an RFP to use SHIP funding to buy 5 single family homes, rehab them and sell the homes to SHIP eligible buyers. The nonprofit and SHIP office executes an agreement stating the work that is entailed and the responsibility of the Nonprofit Sponsor.



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.

67-37.002 Definitions.



Sub Recipient

Any local government receiving SHIP funds which administers any portion of the SHIP program through a Sub Recipient shall bear responsibility for actions of the sub recipient and shall monitor all sub recipients to insure compliance is maintained on all SHIP funded activities. Any **contract or agreement** between the local government and sub recipient shall detail the **policies and procedures that shall be adhered to in the management of the SHIP activities.**

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



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.



Sub Recipient Example

- A SHIP jurisdiction enters into a contract/agreement with a Sub recipient to implement the SHIP Purchase Assistance Program.
- The responsibilities include advertising, keeping a waiting list, processing applications, tracking, and annual reports.
- The sub recipient will perform applicant intake, counseling, income qualification, issuing award letters, underwriting, agreements and coordinating closing with the first mortgage lender.



Project Delivery Costs

- “Detail any Project Delivery Costs (PDC) that will be charged to an applicant.”
- “Cannot be any that would normally be included as administrative expenses”
- **Reasonable** Costs related to
 - Cost of the project, and
 - Type of strategy



Project Delivery Cost Examples

Rehabilitation:

- Initial Inspection
- Work Write Up/Cost Estimate
- Construction inspections/oversight



Outsource to 3rd Party:

- Service Delivery Fee



Examples of Administrative Costs

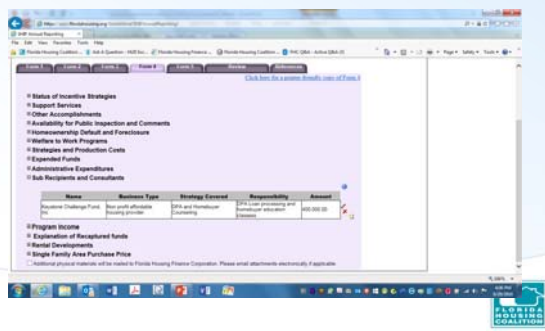
- Advertising
- Outreach and Pre-screening
- LHAP Work
- Office space, Utilities, Copier, Computers
- Tracking and Reporting
- Prep for the Monitor



Read Technical Bulletin



Annual Report



Contractors are not Sponsors

- Persons /firms entering into a written agreement/contract to perform a specific task.
 - Appraisal firm
 - Lead based paint testing firm
 - Title insurance company
 - Construction work
- They generally have no ownership or other ongoing interest in the project/job once their task is completed.



Okaloosa County BCC and Okaloosa Community Development Corp.

<p>Abra L. McGill Grant Manager Okaloosa County BCC 850-609-70245 amcgill@co.okaloosa.fl.us</p>	<p>Sheri Albright Director of Programs Okaloosa Community Development Corp. 850-863-1969 serialbright@embarqmail.com</p>
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State Housing Initiatives Program
Okaloosa County

Abra McGill
Okaloosa County BCC
Grant Specialist

Sheri Albright
Okaloosa Community Development Corp
SHIP Administrator
Director of Programs




Okaloosa County's State Housing Initiatives Program
Non- Profit Administrator Background

Okaloosa Community Development Corporation (OCDC) has been the preeminent affordable housing coordinating entity within its local area. Working through an Interlocal Agreement between Okaloosa County and the City of Fort Walton Beach. Initiated in 1992, OCDC began utilizing State Housing Initiative Partnership (SHIP) funds to provide access to affordable housing for the most underserved populations, and specifically those whose income falls below 80% of the median area income.

DOWN PAYMENT ASSISTANCE

 897 HIAWATHA ST., HOLT, FL	 1113 S. CEDAR AVE., NICEVILLE, FL
 362 CANTURBURY CIR. NW, FORT WALTON BEACH, FL	 727 RIVA RIDGE DR., CRESTVIEW, FL

REHABILITATION PROJECTS

 BEFORE	 AFTER
OAK ST., FORT WALTON BEACH, FL	
 OLD ROOF	 NEW ROOF
SMITH DR., FORT WALTON BEACH, FL	

SPECIAL NEEDS HOUSING REHAB

	
	
HORIZONS - BEAR ROAD PROJECT	



Minority Builders Coalition, Inc.

- Janice Hayes
- Director of Business Development and Housing Manager
- 954-792-1211 ext. 25
- Janice.hayes@minoritybuilders.org



Over 45 Years of Housing Related Experience

- ✓ New Construction of Single family residences
- ✓ Home Rehabilitation Programs serving low-to-moderate income residents
- ✓ Minor Home Repairs, Special Needs and Barrier Free home rehabilitation of homes for elderly and disabled
- ✓ More than 10,000 homes remodeled
- ✓ Nearly 30 years of Weatherization Assistance Programs
- ✓ More than 5,000 homes retrofitted for increased energy efficiency
- ✓ Worked directly with HUD Field Office to enhance opportunities and compliance with Section 3 and the Pilot Registry

Successful Implementation of Local, State, Federal, and Privately Funded Projects

- Since completing its first construction project in 1975 (new construction of twenty (20) single family homes), the BCMBC has successfully administered more than \$175 million worth of housing and community development, economic development, small business procurement activities in Broward County including, but not limited to:
 - FHA 235
 - CDBG
 - SHIP
 - HOME
 - DRI
 - Home Touch (senior home repairs)
 - Weatherization Assistance Program
 - Energy Training Partnership



Summary of Scope of Services...

- **Outreach**
 - ✓ Engage existing waiting list from the Municipality
 - ✓ Marketing/promotion for new applicants
- **Application**
 - ✓ Interview applicants
 - ✓ Verify income eligibility
 - ✓ Create file folders
- **Due Diligence Process**
 - ✓ Title opinion
 - ✓ Recapture Documents recording (Mortgage, Promissory Note)
 - ✓ Home inspections/Specifications write-up
 - ✓ Drawings (for permitting if necessary)
 - ✓ Contractor Pre-qualification & Certification
 - ✓ Competitive bidding process



Summary of Scope of Services

- **Pre-Construction Process**
 - ✓ Homeowner and Contractor Introduction & Documentation
 - ✓ Liaison (Homeowner, Contractor, Municipality, Elected Officials)
 - ✓ Scope of Work, Managing Expectations
 - ✓ Permitting Processes, HOA, Condo Processes
- **Construction**
 - ✓ Monitoring Construction Schedules & Change Orders
 - ✓ Liaison (Homeowner, Contractor, Municipality, Elected Officials)
 - ✓ Managing Unexpected issues (weather, theft, accidents, death)
- **Close out Process**
 - ✓ Satisfaction Surveys
 - ✓ Final Home inspections and Photos
 - ✓ Release of Liens, Warranties, Wind Mitigation Reports, Etc.
 - ✓ Punch List
 - ✓ Contractor & Others Pay Requisitions
 - ✓ File Review and Archiving and Reporting



ADVANTAGES OF PARTNERING WITH NON-PROFIT ORGANIZAITONS

- Increase efficiency from combined experience of both entities
- More Cost-Effective savings than F/T Staff costs
- Continuity of Quality Services, Less time Training
- Added Staff Capacity
- More time and Productivity for other work activities
- Cohesive engagements with clients and Public Officials
- Assistance with reporting & compliance
- Access to NPO database (Contractor, Consultants, FHC Technical Asst.)
- Less likely to have conflicts of interest issues
- Less storage space
- Pre-organized files and folders
- Less need for office space, conference rooms, etc.
- Ability to serve more clients



THANK YOU

QUESTIONS???

Minority Builders Coalition, Inc.
Janice Hayes
 Director of Business, Workforce Development & Housing Manager
 665 SW 27th Avenue, Suite, # 12
 Fort Lauderdale, FL 33312
 Phone (954) 792-1121 Ext. 25 * Fax (954) 792-1175
 Janice.Hayes@MinorityBuilders.org

Suwannee River Economic Council, Inc.



- Stephanie Barrington
- SHIP Director
- 386-362-4115, ext. 242
- sbarrington@suwanneec.net



SUWANNEE RIVER ECONOMIC COUNCIL INC.
Celebrating 50 Years
 1965 - 2015

Local Governments Served

Columbia County
 Dixie County
 Gilchrist County
 Lafayette County
 Madison County
 Suwannee County
 Union County

SREC Staff for SHIP

- Executive Director, Matt Pearson
- Finance Director, Barbara Hamric
- SHIP Director, Stephanie Barrington
 - SHIP Coordinator
 - 2 Housing Estimators / Inspectors
 - Program Assistant



Affordable Housing Advisory Committee

- NOFA's
- Certifications
- Resolutions
- Public Notices



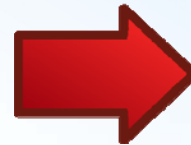
Specific Program Requirements

- Waiting List
- Priority List
- Records Management



The Process

- Application



Completion



SHIP Liens

- Releases
- Payoffs
- Subordinations



The Local Housing Assistance Plan

Suwannee County

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)



Questions?



Selection of Sponsors and Subrecipients

- Establish a selection process
- Request for Application/Proposal/Project
- Advertisement
- Workshop
- Internal review

Selection process required for sponsors only but having a selection process for subrecipients is a best practice.



RFA criteria for Program Sponsor /Subrecipient

- Financially sound
- Experience
 - Funding source
 - Program
 - Staff/Board capacity
 - Reputation
 - Project team
- Program budget
- Program description
- Outcomes
- Timeline
- Other funding sources



The Importance of Written Agreements

- A written agreement serves as a legally binding contract between the local government and any other party
- Serves as a management, accountability and enforcement tool for the local government
- Should be executed whenever funds or services are exchanged



Effective written agreements

- Provide a budget
- Use of funds
- Activity and tasks to be performed
- Payment procedures and schedule
- Terms of enforcement
- Compliance, reporting and monitoring requirements
- Specify the activity to be carried out (who, what, where, when)
- What the funding source is
- How they are carried out
- Roles, responsibilities and options of all parties involved
- What changes are allowed and process to incorporate those changes



Local government provides

- Rent limits
- Income guidelines
- Maximum value limits
- Maximum subsidy limits
- Tenant/homebuyer selection
- Marketing requirements

Can be exhibits to the agreement and updates if applicable, are provided regularly.



Amendments

- Process should be outlined in the agreement and should be followed
- Should be executed by all parties who executed original agreement
- State that other provisions remain in effect
- Have the attorney review the amendment for legal sufficiency and form



Agreement Review and Updates

- Read it in its entirety
- Have staff and legal review regularly to ensure it complies with any program changes
- Update when program or LHAP changes
- Review in detail with affected party before it is executed and answer questions



Management Tool

- Written agreements are a management and enforcement tool
- It is legally binding
- It minimizes the risk of the local government
- Allows for corrective action
- Identifies specific requirements
- Allows for monitoring and compliance



Monitoring Regulations for SHIP

- Per rule annual monitoring of rental properties & tenant incomes throughout affordability period is required
 - For SHIP funding of more than \$10,000 per unit
 - Unless monitored by another gov't entity (per statute)
- Subrecipients must be monitored by City/County
 - Agreements should state monitoring policies and procedures



Monitoring Items to review

- Agreements
- Current rent limits
- Utility allowances
- Funding sources in project
- Advertising
- Marketing/ lease up plan
- Application
- Lease provisions
- Rules and regulations
- Conflict of interest policy
- Tenant selection policy
- Tenant dispute policy
- Income Verifications
- recertification
- Tracking systems
- Rent Roll
- Financial condition
- Property condition (site, common areas, unit sample)

Subrecipients must comply with program policies and procedures



Reporting Requirements

420.9075 Local housing assistance plans; partnerships.

- The number of households served by income category, age, family size, and race, and data regarding any special needs populations such as farmworkers, homeless persons, persons with disabilities, and the elderly.
- Counties shall report this information separately for households served in the unincorporated area and each municipality within the county.
- The number of units and the average cost of producing units under each local housing assistance strategy.
- The average area purchase price of single-family units and the amount of rent charged for a rental unit based on unit size.
- By income category, the number of mortgages made, the average mortgage amount, and the rate of default.



Best Practices

- Send letters and notify the third party of new income limits, rents, etc. that affect compliance.
- Have a system to ensure that organization provides annual report data required under the agreement.
- Regularly monitoring to ensure that the organization is complying.
- Provide training to facilitate compliance.
- Communicate with organization on a regular basis.



QUESTIONS?



Thank you for joining us

- Please e-mail your questions or ideas for future webinars, clinics and workshops to:
- Andujar@flhousing.org
- Please complete the online Survey!

