

Special Needs RFA's: An Introduction for Non Profit Developers

Presented by:
Florida Housing Coalition

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Poll #1: Who Are You?

- Nonprofit
- For profit developer
- Property Manager
- Local Government
- Other – tell us in the Questions tab

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Poll #2: How knowledgeable are you of FHFC's RFA Process?

- Knowledgeable through previous application experience
- Familiar, though have not submitted an application
- Limited knowledge, but would like to learn

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Webinar Agenda and Logistics

- **Agenda:**
 - FHFC RFA Process
 - Overview of Special Needs Housing
 - Recent RFA Results and Other Considerations
 - Detailed Look at a Special Needs RFA
 - Considerations for Nonprofit Developers
- **Logistics**
 - Handouts can be downloaded from panel
 - Questions are welcome! Use question box.

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FHFC's RFA Process

Timeline and Tips

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History of FHFC Application Process

- **Pre 2013: Universal Cycle**
 - All funding through one application
 - Highly competitive
- **2013 to present: RFA process**
 - Specialized/Targeted Funding
 - Benefits nonprofits

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RFA Timeline

- Rulemaking Workshops
- Preliminary description, amounts and timeline for each RFA released
- **For each RFA**
 - Workshop
 - RFA Release
 - Applications Due and Reviewed
 - Recommendations for Funding
 - FHFC Board Approval of recommendations

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A Few Tips on the RFA Process

- Join the FHFC listserv
- Participate in the rulemaking process via public comments
- Participate in RFA workshops
- Read the RFA and Rules Carefully

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Big Picture Planning

- What is your mission?
- Do you have Board consensus?
- Is your concept fully explored?
- Do you understand the development process for permanent supportive housing?
- Are you prepared to own and manage permanent supportive housing?

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Overview of Special Needs Housing

A look at who qualifies as special needs

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Who qualifies for “special needs” housing?

- An adult person requiring independent living services in order to maintain housing or develop independent living skills and who has a disabling condition;
- a young adult formerly in foster care who is eligible for services under s. 409.1451(5);
- a survivor of domestic violence as defined in s. 741.28; or a
- person receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans’ disability benefits. (Section 420.0004 (13), Florida Statutes)

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“Homeless,” applied to an individual, or “individual experiencing homelessness”

means an individual who lacks a fixed, regular, and adequate nighttime residence and includes an individual who:

- Is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;
- Is living in a motel, hotel, travel trailer park, or camping ground due to a lack of alternative adequate accommodations;
- Is living in an emergency or transitional shelter;
- Has a primary nighttime residence that is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings;
- Is living in a car, park, public space, abandoned building, bus or train station, or similar setting; or
- Is a migratory individual who qualifies as homeless because he or she is living in circumstances described in paragraphs (a)-(e). (Section 420.621(4), F.S.)

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What does “disabling condition” mean?

“a diagnosable substance abuse disorder, serious mental illness, developmental disability, or chronic physical illness or disability, or the co-occurrence of two or more of these conditions, and a determination that the condition is:

- Expected to be of long-continued and indefinite duration; and
- Not expected to impair the ability of the person with special needs to live independently with appropriate supports. (420.0004(7), F.S.)

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What is definition of “developmental disability”?

F.S. 393.063(12) “Developmental disability” means a disorder or syndrome that is attributable to intellectual disability, cerebral palsy, autism, spina bifida, Down syndrome, Phelan-McDermid syndrome, or Prader-Willi syndrome; that manifests before the age of 18; and that constitutes a substantial handicap that can reasonably be expected to continue indefinitely.

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Survivors of Domestic Violence

- Emergency shelter use is reported to the Florida Department of Children and Families by the state’s 42 certified domestic violence centers.
- In the 2014-2015 fiscal year, these centers provided residential services to an estimated 8,295 households.

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Youth Aging Out of Foster Care

- Services are reported in 2014- 2015 under Florida’s Road to Independence (RTI), Extended Foster Care and Postsecondary Educational Support Services (PESS) programs.
- In 2014-2015, 3,173 young adults participated in services.
- Note that the Road to Independence program is being phased out and new applicants

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Persons Receiving Benefits

- Disability related benefits Low-income (<=60% AMI), cost burdened (>40%) renter households with at least one household member who is:
 - age 18- 64, with a disability, receiving Social Security;
 - age 18+, with a disability, receiving SSI;
 - age 18+ with a VA service-related disability rating of 10 percent or more = 107,856

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SSI Income and Rent Comparison

- 0 BR FMR \$741
- 1 BR FMR \$862
- Average Monthly Benefit \$735
- Maximum Affordable Rent \$221
- % of income needed for 0 BR 101%
- % of income needed for 1 BR 117%

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Poll #3: Who qualifies for special needs housing

- Survivors of domestic violence
- Youth aging out of foster care
- Persons receiving benefits
- Person with disabling condition
- All of the above

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Recent RFA Results and Other Considerations

Competitiveness, policy considerations, and some specific RFA requirements

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2016 RFAs

RFA #	Funding Available	Funding Requested	Funding Allocated
103 - Housing Credit and Gap Financing for Persons w/ a Disabling Condition	\$2,185,789 in Housing Credits/\$1,100,000 in Loan Fund	\$5,776,788	\$3,012,894

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Survey of 2017 RFAs

RFA #	Funding Available	Funding Requested	Funding Allocated
101 - Financing for Smaller Permanent Supportive Housing Properties (up to 6 units)	\$6,000,000	\$4,336,000	\$4,084,000
106 - Financing for Smaller Permanent Supportive Housing Properties (up to 6 units)	\$6,714,893	\$4,554,000	\$3,811,000
103 - Housing Credit and SAIL for Homeless	\$6,075,000 Housing Credits/ \$11,500,00 SAIL/ \$4,146,572 NHTF	\$32,974,600	\$16,900,000

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RFA 2017-103

- Received 5 applications; funded 3
- Regional preferences
- National Housing Trust Funding available for homeless deals

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2017-103 Scoring Rubric

Point Items	Maximum Points
General Development Experience	5
Management Company Experience with Permanent Supportive Housing	40
Tenant Selection for Intended Residents	25
Community-Based General Services and Amenities Accessible to Tenants	20
Access to Community-Based Resources and Services that Address Tenants' Needs	35
Approach Toward Income and Credit Status of Homeless Households Applying for Tenancy	20
Total Possible Points	145

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RFA 2017-106-


- New Construction or Renovation for Small DD
- There were 11 eligible applications and 2 ineligible submitted
- funded 8 group homes for new construction and 2 for renovations
 - Community Residential Home or
 - Supported Living Units
 - Awards ranged from \$252K to \$527K



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2017-106 Scoring Rubric


Items for which Points May Be Awarded	Maximum Points
Operating/Managing Permanent Supportive Housing Experience	40
Access to Community-Based Services and Resources:	--
Private Transportation (in Community Residential Homes only)	24
Groceries, education, household shopping, employment (in Community Residential Homes only)	12
Groceries, education, household shopping, employment (in Supported Living Units only)	24
Specific healthcare/supportive service needs of intended Residents (for both Community Residential Homes and Supported Living Units)	24
Other Best Practices that will be implemented (in Supported Living Units only)	12
Total Possible Points:	100



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Other selection criteria


- "Cash Funding" from local or other non-corporation sources will receive preference
- Job Creation- uses multiplier method to determine impact
- County preferences
- Amount of grant funding available



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Survey of 2018 RFAs


RFA #	Funding Available	Funding Requested	Funding Allocated
101 – SAIL for Smaller Developments for Special Needs and Homeless (4 to 30 units)	\$18,200,000	\$16,500,421.41	\$13,189,754
103 – Housing Credit and SAIL for Homeless	\$3,620,000 Housing Credits/ \$9,000,000 SAIL	\$16,197,700	\$12,589,500
104 – SAIL for Farmworkers and Commercial Fishing Workers	\$6,500,000	\$12,949,391	\$6,500,000



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Survey of 2018 RFAs


RFA #	Funding Available	Funding Requested	Funding Allocated
106 – Financing for Smaller Permanent Supportive Housing Developments	\$3,000,000	\$3,166,000	\$2,052,000
108 – Housing for Persons with Disabling Condition or Developmental Disabilities	\$2,465,000 Housing Credits/ \$4,000,000 SAIL/ \$4,000,000 Grant Funding	\$36,672,285	\$4,583,000



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RFA 2018-108 Financing for Development of Housing for Persons with a Disabling Condition or Developmental Disabilities


- Received 5 applications; awarded 2
- 1 ineligible- total development cost exceeded
- Property Management Experience an essential component



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Why are these RFAs Less Competitive or Undersubscribed?


- The Applicant
 - Experience
 - Capacity
- The Proposal
 - Addressing all areas required in narratives
 - Site selection and site control
 - Local government and community support



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RFA Considerations


- Housing Credits
- Non-housing credits
- Grant for DD projects
- Housing Trust Funds



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RFA Considerations...

- Submission- will be electronic in future
- The parts of the RFA
 - The Application
 - The Development Cost Pro Forma
 - The Principals of the Applicant and Developers
 - Attachments
- Cures
- Non-interference period



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Persons with a disabling condition commitment- Homeless component

Applicants that commit to serve the Persons with a Disabling Condition Demographic Commitment will be required to make the following set-aside commitments for a minimum of 50 years:

- At least 70 percent of the units in the Development must consist of Permanent Supportive Housing for persons with a Disabling Condition as defined in Section 420.004(7), F.S., AND
- At least 20 percent of the units in the Development must consist of Permanent Supportive Housing for individuals and families that meet the definition of Homeless as defined in Section 420.624(5), F.S., (which may be the same units set aside for the persons with a Disabling Condition Demographic Commitment).

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Developmental Disabilities Commitment

Applicants that commit to serve the Persons with Developmental Disabilities will be required to make the following set-aside commitment for a minimum of 50 years:

At least 70 percent of the units in the Development (prior to IRO designation) must consist of Permanent Supportive Housing for Persons with Developmental Disabilities as defined in Section 393.063(12), F.S.

(b) Due to the likelihood that Persons with Developmental Disabilities may have Mobility Impairments, Applicants that select this Demographic Commitment must at a minimum meet the accessibility, adaptability, Includes the 3-29-18 and 4-6-18 Modification Page 9 of 122 RFA 2018-108 universal design and visibility features requirements outlined in Section Four A.8.c.(1) of the RFA, ("Level 1 Accessibility Requirements").

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Community Based Services and resources to address tenants' needs

- Healthcare and supportive services by community based resources
- Maintain optimal wellness, stability and self sufficiency
 - Narrative section is critical
 - Include proximity
 - Describe key services to be provided by applicant
- For transitioning tenants- a plan
- Partnerships with CoC and linkages

• ALL IN 3 PAGES

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Tenant Application and Selection Process

- Should screen In rather than screen out
- How will barriers be addressed in tenants income, credit, criminal and rental history
- Tenant Selection Plan to be provided during credit underwriting with policies and procedures

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HFHC Policy Considerations for Large DD projects

- Functions and Responsibilities of a new nonprofit established by family members
- Non-profit Board Structure and Governance
- Tenant Application and Selection
- Shared Housing Units
- Provision of Supportive services, amenities and activities

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A Look at a Recent Special Needs RFA

SAIL for Special Needs and Homeless

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RFA 2018-101 SAIL for Smaller Developments for Persons with Special Needs and Homeless Households

- Submission Deadline
 - Be sure to know the date AND time
- Developer Eligibility
 - Nonprofit applicants only (be sure to understand definition of "nonprofit")
- Developer Experience
 - Only need 1 affordable housing development within last 20 years! (since January 1, 1998)
 - Development needs to be at least 50% of size of current proposal
- COMPLETE PRINCIPAL DISCLOSURE FORM DURING ADVANCE REVIEW PROCESS (5 POINTS)

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RFA 2018-101 SAIL for Smaller Developments for Persons with Special Needs and Homeless Households

- Location
 - Know how the location affects
 - funding levels
 - minimum/maximum number of units
 - Income level set-asides
 - funding chances (funding targets)
- Single location v. scattered sites - must have site control for each site
- Latitude/Longitude for each site (Google Earth)
- Demographics and Required Set-Asides

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RFA 2018-101 SAIL for Smaller Developments for Persons with Special Needs and Homeless Households

- Types of units allowed
 - Know minimum/maximum bedroom sizes
 - Know the required unit mix (i.e. minimum number of 1-Bedroom units required)
- Ability/Readiness to Proceed
 - Site Control - know what constitutes
 - Site Plan Approval
 - Zoning
 - Utilities/Infrastructure

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RFA 2018-101 SAIL for Smaller Developments for Persons with Special Needs and Homeless Households

- For the big points: Narrative Section (this is where you shine!)
 - Operating/Managing Experience (40 Points)
 - If no property management experience, partner with manager and combine with service provision experience
 - Access to Community-Based Services and Resources (55 Points)
 - Specific to demographic
 - General services
 - Tenant application and screening procedures for special needs applicants (20 points)

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RFA 2018-101 SAIL for Smaller Developments for Persons with Special Needs and Homeless Households

- Construction features and amenities
 - Know accessibility requirements based on demographics
- Required Resident Programs
- Funding and Pro Forma
 - Understand how to calculate max
 - Understand how to qualify other funding
 - Understand how to calculate developer fees and reserves

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Considerations for Nonprofit Developers

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Considerations for the Nonprofit Developer

- What is Identified Need for this type of special needs housing?
- What are best practices for serving that need?
- What is current supply of this type of housing?
- Does the applicant have the capacity to qualify for the funding source?
- Is the project feasible?
- Is the project ready to proceed?

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What best practices are known for serving that need?

- Example- does the proposed project utilize the Housing First philosophy?
- Does the proposed project provide the maximum independence and community inclusion for its intended residents?
- Does the project have community support and committed partners?
- Discussion?

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What is current supply of this type of housing?

- Consider unmet needs
- Review Consolidated Plan
- Review ALICE Report
- What is occupancy rate for similar projects?
- Is this part of a community initiative?

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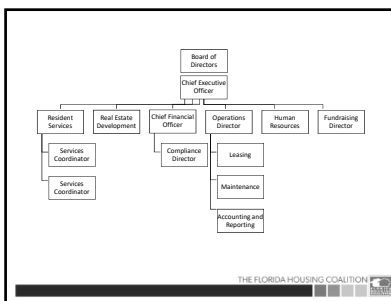
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What is the Applicant's Capacity?

- Experience
 - Has applicant completed other similar projects successfully?
- Partners
 - What other entities is the applicant coordinating with?
 - Is there sufficient community support?
- Financial capacity
 - Does the applicant have the financial resources needed to develop and operate permanent supportive housing?
- Management capacity
 - Who will manage the property?
 - Who will provide the support services?

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Is the project feasible?

- Financial
 - Sources and Uses
 - Public Benefit test
- Long term property management plan
 - Is applicant prepared?
 - Is local govt prepared for monitoring if needed?
- Does project need technical assistance?

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Is the project ready to proceed?

- Site Control
- Site Plan
- Environmental
- Infrastructure
- Zoning and Land use
- Special permits
- Neighborhood

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What is need from the local government?

- Land use/Zoning- permissions, expedited review, special requests
- Surplus Land
- Funding
- Other?

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What is process for Local Government Support or Contribution?

- Request from applicant
- Review project feasibility
- Consider source of funding
- Do not award until project is awarded in RFA process- ok to commit but do not encumber
- Check if administrative approvals will be required
- Understand RFA schedule and timeframe
- Prepare agreement and long term affordability


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Poll #4:

What are some considerations for nonprofit developers?

- Unmet need
- Project feasibility
- Organizational capacity
- Project's ability to proceed
- All of the above



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2019 Requests for Applications

- RFA 2019-109 HOME Financing for Rental Developments for Hurricane Michael Recovery and in Rural Areas
- RFA 2019-107 Financing to Develop Housing for Persons with Disabling Conditions/Developmental Disabilities
- RFA 2019-106 Housing Credit and SAIL financing for Housing for Homeless Persons
- RFA 2019-104 SAIL Financing for Smaller Permanent Supportive Housing Dev for persons with Developmental Disabilities

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The Predevelopment Loan Program

- Low interest loan (1%), non-amortizing, for three years
- Covers pre-development soft-costs
- Can be used for property acquisition (requires underwriting)
- Rolling application period
- Comes with technical assistance

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The Nonprofit Capacity-Building Team

Our Vision: At least one active, viable community-based organization plays an important role in delivering affordable housing and related services in each community.


Meet the Team!



Ashon Nesbitt



Gladys Cook




Jaimie Ross


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FHC Resources



Affordable Housing Resource Guide



Permanent Supportive Housing Property Management

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