



# State of Florida Annual Action Plan

July 1, 2010 – June 30, 2011

Florida Small Cities Community Development Block Grant (CDBG)  
Emergency Shelter Grant (ESG)  
HOME Investment Partnerships (HOME)  
Housing Opportunities for Persons with AIDS (HOPWA)



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## Executive Summary

The One-Year Action Plan or Annual Action Plan is a document submitted to the U. S. Department of Housing and Urban Development (HUD) annually which describes the method used by the State of Florida to distribute HUD funds. It also contains information on priorities to be addressed and program objectives. The Plan covers one state fiscal and one allocation of federal funding.

The Annual Action Plan for Federal Fiscal Year 2010 outlines application and administrative requirements of the Florida Small Cities Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The Plan covers a one-year period from July 1, 2010 to June 30, 2011.

During the 2010 fiscal year, the Small Cities CDBG Program will receive \$29,656,984 for housing rehabilitation, neighborhood and commercial area improvements, and economic development activities. The ESG Program will receive \$2,977,209 to provide services to homeless persons, and the HOPWA Program will receive \$3,655,741 to help families with housing expenses so that they are not displaced due to illness. The HOME Program will receive \$22,660,919 to make home ownership a reality for many Floridians and to provide rental housing.

The State followed its citizen participation plan during the development of the Plan. A notice was published in the Florida Administrative Weekly (FAW) announcing two meetings open to the public. The notice was also posted to the Department's website and emailed to eligible applicants and interested parties. The first workgroup conference call comprised of representatives from the different agencies was conducted on March 24, 2010. A public hearing on the draft was held on April 16, 2010 at the Department of Community Affairs. Aside from the agency workgroup members, the only other attendees with staff from the Department of Health that administer the lead-based paint program. A comment period was provided so that interested parties could comment on the proposed Action Plan. The comment period began April 16, 2010 and was scheduled to end on May 15, 2010. Because the draft was not available on April 16, 2010, the Department extended the end date for the comment period to May 31. The Department did not wish to post the draft Action Plan until all changes were made to the CDBG Rule Chapter 9B-43, Florida Administrative Code. While the Action Plan will be submitted to HUD on May 15, 2010, the Department will amend the Plan should significant concerns be raised following that date. The Department does not expect a need to amend the Plan since it conforms to applicable statutory authority and administrative rules.

Each of the four programs covered by the Action Plan are funded by HUD, but are administered by separate state agencies. Therefore, each agency prepared the portion of the Plan that relates to the program it administers. The narratives include performance measures and other program-specific information.

The focus of Florida's housing and community development goals are:

- affordable housing, including addressing the needs of persons with HIV/AIDS and the homeless
- building or improving infrastructure and public facilities within local communities
- creating economic opportunities that create or retain jobs

Each year, these programs provide housing opportunities by building new, affordable housing for low and moderate income (LMI) residents and rehabilitating deteriorating housing units. Housing assistance is also provided to persons with HIV/AIDS, and shelters for homeless persons are provided funding to continue services and to build or expand the facilities. The CDBG program also revitalizes neighborhoods by improving or building new infrastructure (such as water and sewer systems) and public facilities. Performance can also be measured by the number of requests, or applications, for assistance that are received by the programs. The State receives more requests for assistance than can be provided.

The State reports on its performance in HUD's online reporting system as well as in a written performance report. The performance report clearly indicates effective administration of the programs. In addition, each program tracks accomplishments and beneficiaries in state agency reporting systems.

**Sources of Funds**

As previously mentioned, funding for the Florida Small Cities CDBG, ESG, HOME, and HOPWA programs is provided by the U.S. Department of Housing and Urban Development (HUD). For Federal Fiscal Year 2010, the state will receive a total of \$58,859,853.00.

Florida Small Cities Community Development Block Grant (CDBG)	\$29,565,984
Emergency Shelter Grant (ESG)	\$2,977,209
HOME Investment Partnerships (HOME)	\$22,660,919
Housing Opportunities for Persons with AIDS (HOPWA)	\$3,655,741

For additional information, you may contact the following offices:

- Department of Community Affairs - (Florida Small Cities CDBG Program) 850/487-3644
- Department of Children and Families - (ESG Program) 850/922-9850
- Florida Housing Finance Corporation - (HOME Program) 850/488-4197
- Department of Health - (HOPWA Program) 850/413-0736

**FLORIDA SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

The Florida Small Cities CDBG Program is administered in accordance with Sections 290.0401-290.049, Florida Statutes; Rule 9B-43, Florida Administrative Code; and 24 CFR 570, Subpart I. These laws and regulations state the objectives of the program and the activities that are eligible for funding. They also provide administrative guidance relating to the application for, and administration of, CDBG projects. Additional statutes, rules and regulations also affect how activities are carried out under the program.

**Rule and Application Revision**

The Department began the rule revision process in 2009 and will have the final rule in place by the end of May 2010. The revised rule will apply to the Federal Fiscal Year 2009-2010 Small Cities CDBG funding and to subsequent years. Many of the changes were made in response to local government and consultant comments, and most of the changes were related to the competitive scoring process.

In the Commercial Revitalization category the activity goal score for water and sewer facilities were increased from 30 to 60 points. LMI benefit points were increased from single tier to two tiers. A "commercial reinvestment need" score based on number of vacant commercial spaces, and a History score, were added. The minimum 400 program impact score was eliminated.

In the Economic Development category the method for scoring leverage (non-CDBG funds) was changed from the amount per job created to the amount contributed. The "average cost per beneficiary" score was tiered with a maximum of 175 maximum points. The "full-time LMI jobs ratio" score was eliminated and the "full-time equivalent LMI jobs" score tiers were increased a maximum of 175 points. An "unemployment level" score was added to provide points for projects in a county with a higher unemployment rate than the statewide rate. The "full-time LMI jobs" score and the minimum 400 program impact points for funding was eliminated.

Revisions were made to the Housing Rehabilitation category, including increasing the water and sewer hookup activity goal score from 60 to 75 points. The definition of "very low income" beneficiary scoring was revised from the percentage of total homes addressed to number of homes addressed. The "low income" beneficiary score based on number of low income households assisted was added. Points were eliminated for "code enforcement" and points were added for adopting "green rehabilitation standards" (two tiers).

In the Neighborhood Revitalization category, the "LMI beneficiary impact" score was revised by raising percentage of LMI benefit from 62.5% to 70% for maximum points.

### **Categories of Funding and National Objective**

The CDBG Program is composed of four major components: Commercial Revitalization (CR), Economic Development (ED), Housing (H), and Neighborhood Revitalization (NR). Local governments can apply for a Planning and Design Specifications grant for architectural and engineering plans and specifications associated with Commercial or Neighborhood Revitalization projects. Construction funding will be made from the first federal allocation cycle following completion of biddable plans and specifications or from deobligated funds or program income. (Deobligated funds are funds left over from grants that close out at amounts lower than the original funding.)

Local governments applying for CDBG funds must consider national and state goals and objectives when developing applications for funding. Applications may reflect more than one activity, but each activity must meet at least one of the following three national objectives:

- △ benefit low- and moderate-income persons
- △ aid in the prevention or elimination of slums or blight
- △ address community development needs having a particular urgency, because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available

Communities are encouraged to submit applications for activities for which no other funds are available and to leverage other funds if possible. Local governments that participate in the Small Cities CDBG Program are also encouraged to attend application and implementation workshops. Staff makes every effort to ensure that local governments have all the information they need to prepare a grant application that meets the required criteria. The CDBG 2010 application cycle will open in October and close in November 2010. Staff provides ongoing technical assistance during the administration of grants and conduct workshops on CDBG issues as needed. In addition, eligible applicants and grant recipients are provided with materials that assist with the application and grant administration process.

Although not specifically identified in this Action Plan, the Florida Small Cities CDBG Program is administered in accordance with federal and state rules and regulations that pertain to accounting, audits, building codes, conflicts of interests, the environment, fair housing, civil rights, labor standards, procurement, lead-based paint, etc. Information on each of these topics is made available via the Department's website, HUD's website, and in written materials provided to subgrantees.

### **Sources of Funds**

The Florida Small Cities CDBG Program relies on HUD funds to carry out the activities in the cities and counties it serves. Although no match is required, local governments are encouraged to use funding from other sources (i.e., local general revenue, other federal and state loan and grant funds, and private commitments) to make a greater impact in the community. The Department does not know the extent of the other funds committed to a project until applications from eligible jurisdictions are received and

approved for funding. The competitive scoring process favors applications that make use of other funds.

### **Fund Distribution, Allocation, Priorities and Specific Objectives**

The following chart reflects the planned distribution of Federal Fiscal Year 2010 CDBG funds.

<b>2010 Allocation</b>	\$29,565,984
State Administration (unmatched)	\$100,000.00
2% State Administration (matched with GR)	\$591,319.68
5% Emergency Set-Aside	\$1,478,299.20
1% Training/TA	\$295,659.84
.5% Planning Grants	\$147,829.92
<b>TOTAL PASS THROUGH</b>	\$26,952,875.36
NR (40%)	\$10,781,150.14
HR (30%)	\$8,085,862.61
ED (20%)	\$5,390,575.07
CR (10%)	\$2,695,287.54

These percentages place an emphasis, or priority, on public facility and infrastructure projects, followed by activities that provide safe and decent housing, economic development activities that will create or retain jobs, and projects that revitalize commercial areas, respectively. Should eligible requests for funds be insufficient to fully utilize all funds allocated to a category, the balance of the funds in that category may be reallocated to the category receiving the greatest number of applications or to economic development activities. Grant category funding levels may also be increased and/or decreased by reallocated funds. (Please see the section on CDBG Program Income and Deobligated Funds.)

### **Annual Objectives and Outcome Measures**

Performance objectives for the communities served by the Florida Small Cities CDBG Program are entered into HUD's IDIS system when awards are made, and final accomplishments and beneficiaries are reported when the project is completed. The composite objectives of subgrantees comprise the state's overall objectives.

The Florida Small Cities CDBG Program will address three primary objectives with its Federal Fiscal Year 2010 allocation:

1. Creating a suitable living environment
2. Providing decent housing
3. Creating economic opportunities

These objectives will result in three major outcomes:

1. Improving availability or accessibility of units or services
2. Improving affordability, not just of housing but also of other services
3. Improving sustainability by promoting viable communities

The Department has developed a matrix that can be used as a guide to associate performance measures and outcomes to eligible activities. Until applications are scored and funded, the Department cannot adequately outline performance objectives since community needs are evidenced by the applications submitted for funding. *(Therefore, the Department does not submit Table 3A and Table 3B, mentioned in the submission requirements.)*

All activities funded with federal fiscal year 2010 CDBG funds will meet one of the following performance objectives:

### **Commercial Revitalization (including Planning and Design Specifications Grants)**

Performance Measure: Creating economic opportunities

Outcome: Improving sustainability by promoting viable communities

Commercial revitalization projects target declining commercial areas, particularly those with slum and blight. The anticipated outcome is that existing businesses will remain in the commercial area and new business will be attracted to the area. This results in economic viability that positively impacts the community. Outcome measures may include improvements to building facades, parking, sidewalks, streets, etc.

### **Economic Development**

Performance Measure: Creating economic opportunities

Outcome: Improving availability or accessibility of units or services

Economic development projects must create or retain jobs for low and moderate income persons. The activities also stimulate the economy since businesses are retained or brought into a community as a result of the activities. Outcome measures may include construction or expansion to infrastructure to allow a business to locate or expand in a community.

### **Housing**

Performance Measure: Providing decent housing

Outcome: Improving sustainability by promoting viable communities

Outcome measures include housing units rehabilitated or replaced as well as households permanently or temporarily relocated.

### **Neighborhood Revitalization (including Planning and Design Specifications Grants)**

Performance Measure: Creating a suitable living environment

Outcome(s): Improving availability or accessibility of units or services

Improving sustainability by promoting viable communities

Neighborhood revitalization projects make improvements to declining residential areas or provide new or improved infrastructure and public facilities. Outcome measures may include construction or improvements to infrastructure (water and sewer systems, flood and drainage systems, street paving, neighborhood centers, parks, etc.)

### **Emergency Set-Aside**

Performance Measure: Creating a suitable living environment

Outcome: Improving sustainability by promoting viable communities

Emergency set-aside funds are used to address situations within communities that have resulted in the Governor declaring a state of emergency. The funds are typically used for recovery from weather events that cause significant devastation. Outcome measures may include construction or improvements and may address housing, infrastructure, public facilities, businesses, or commercial areas.

### **Administration, Planning and Technical Assistance**

The state, as well as its subgrantees, cannot expend more than 20 percent of the aggregate amount of the annual grant for planning, management and administrative costs. The Department will use one percent of its 2010 funding for training and technical assistance. In many cases, planning activities that support CDBG activities enable a local government to more efficiently and effectively administer grant funds.

## Grant Ceilings

Florida sets grant ceilings that correspond to the low and moderate-income population of the community. Population groupings are based on HUD modified census figures summarizing low and moderate-income population.

<b>LMI Population</b>	<b>Grant Ceiling</b>
1-499	\$600,000
500-1,249	\$650,000
1,250-3,999	\$700,000
4,000-10,499	\$750,000
10,500 and above	\$750,000

## Fiscal Year 2010 Funding Cycle

Notices relating to the application funding cycle will be published in the Florida Administrative Weekly (FAW), emailed to eligible local governments and interested parties, and posted to the Department's website. It is anticipated that the 2010 funding cycle for Commercial Revitalization, Housing, and Neighborhood Revitalization will open in October and close in November. Applications will be competitively scored, and site visits will be made to each community within the fundable range. Awards should be finalized by March 2011.

The initial application due date for 2010 Economic Development (ED) applications will be in October 2010. Notice of the ED application cycle will be advertised in the funding cycle notice for the above-mentioned grant categories (Commercial Revitalization, Housing, and Neighborhood Revitalization). The ED process will be covered at the application workshop.

## Eligible Communities (Geographic Distribution)

The Florida Small Cities CDBG Program serves small and rural communities throughout the state. Funding is competitive and there are no "targeted" areas. The following communities are eligible to apply for 2010 funding:

Alachua	Bonifay
Alachua County	Bowling Green
Alford	Bradford County
Altha	Branford
Apalachicola	Bristol
Apopka	Bronson
Arcadia	Brooker
Archer	Brooksville
Avon Park	Bunnell
Baker County	Bushnell
Baldwin	Calhoun County
Bascom	Callahan
Bay County	Callaway
Bay Lake	Campbellton
Bell	Cape Canaveral
Belle Isle	Carrabelle
Belleair Shores	Caryville
Belleview	Cedar Grove
Beverly Beach	Cedar Key
Blountstown	Center Hill

Century  
Charlotte County  
Chattahoochee  
Chiefland  
Chipley  
Cinco Bayou  
Citrus County  
Clay County  
Clermont  
Clewiston  
Coleman  
Columbia County  
Cottdale  
Crescent City  
Crestview  
Cross City  
Crystal River  
Dade City  
Davenport  
DeFuniak Springs  
DeSoto County  
Dixie County  
Dunnellon  
Eagle Lake  
Eatonville  
Ebro  
Edgewood  
Esto  
Eustis  
Everglades  
Fanning Springs  
Fellsmere  
Fernandina Beach  
Flagler Beach  
Flagler County  
Florida City  
Fort Meade  
Fort White  
Franklin County  
Freeport  
Frostproof  
Fruitland Park  
Gadsden County  
Gilchrist County  
Glades County  
Glen St. Mary  
Golf  
Graceville  
Grand Ridge  
Grant-Valkaria  
Green Cove Springs  
Greensboro  
Greenville

Greenwood  
Gretna  
Groveland  
Gulf Breeze  
Gulf County  
Haines City  
Hamilton County  
Hampton  
Hardee County  
Hastings  
Havana  
Hawthorne  
Hendry County  
Hernando County  
High Springs  
Highland Park  
Highlands County  
Hilliard  
Holmes County  
Horseshoe Beach  
Indian River County  
Indian River Shores  
Inglis  
Interlachen  
Inverness  
Islamorada  
Jackson County  
Jacob  
Jasper  
Jay  
Jefferson County  
Jennings  
Jupiter Inlet Colony  
Jupiter Island  
Key Colony Beach  
Key West  
Keystone Heights  
LaBelle  
LaCrosse  
Lafayette County  
Lake Buena Vista  
Lake Butler  
Lake City  
Lake Hamilton  
Lake Placid  
Lake Wales  
Laurel Hill  
Lawtey  
Layton  
Lee  
Leesburg  
Leon County  
Levy County

Liberty County  
Live Oak  
Lynn Haven  
Macclenny  
Madison  
Madison County  
Malone  
Marathon  
Marianna  
Marineland  
Martin County  
Mary Esther  
Mascotte  
Mayo  
McIntosh  
Melbourne Beach  
Mexico Beach  
Micanopy  
Midway  
Milton  
Monroe County  
Monticello  
Moore Haven  
Mount Dora  
Nassau County  
Newberry  
Niceville  
Noma  
Oak Hill  
Oakland  
Ocean Breeze Park  
Ocean Ridge  
Okaloosa County  
Okeechobee  
Okeechobee County  
Orange Park  
Orchid  
Osceola County  
Otter Creek  
Palatka  
Palm Beach  
Palm Coast  
Palmetto  
Panama City Beach  
Parker  
Paxton  
Penney Farms  
Perry  
Polk City  
Pomona Park  
Ponce de Leon

Ponce Inlet  
Port St. Joe  
Putnam County  
Quincy  
Raiford  
Reddick  
Santa Rosa County  
Sebastian  
Sebring  
Sewall's Point  
Shalimar  
Sneads  
Sopchoppy  
Springfield  
St. Augustine  
St. Augustine Beach  
St. Cloud  
St. Johns County  
St. Lucie  
St. Lucie County  
St. Marks  
Starke  
Stuart  
Sumter County  
Suwannee County  
Taylor County  
Trenton  
Umatilla  
Union County  
Valparaiso  
Vernon  
Vero Beach  
Wakulla County  
Waldo  
Walton County  
Washington County  
Wauchula  
Webster  
Weeki Wachee  
Welaka  
Westville  
Wewahitchka  
White Springs  
Wildwood  
Williston  
Windermere  
Worthington Springs  
Yankeetown  
Zephyrhills  
Zolfo Springs

## **National Objective and Overall Benefit**

Because the Small Cities CDBG Program is a competitive program potentially serving 245 local governments, no specific area can be targeted for funding. However, overall, 70 percent of the funds provide benefit low and moderate income persons. Also, the Department requires that the low and moderate income (LMI) population of each service area be 51 percent or more. The competitive scoring process places an emphasis on serving the most vulnerable residents and ensures that funds target diverse neighborhoods that are primarily low and moderate income.

## **GRANT CATEGORIES**

### **Commercial Revitalization**

The objective of the Commercial Revitalization category is to revitalize commercial areas that are showing signs of decline by addressing problems cause deterioration or decline. Activities that achieve this objective include, but are not limited to:

- acquisition of substandard or blighted structures or real property in order to properly clear, develop or redevelop slum and blighted areas
- installation or reconstruction of streets, utilities, parks, playgrounds, public spaces, public parking facilities, pedestrian malls, and other necessary public improvements
- selling, leasing or otherwise making available land in commercial areas for public use
- correction of architectural barriers to handicap access
- carrying out plans for a program of voluntary or compulsory repair and rehabilitation of building facades or other exterior improvements and repair of code violations

All activities in this category must assist the local government in achieving the objectives of its community redevelopment plan. A proposal under the Commercial Revitalization category may involve a single type of activity, such as rehabilitation of commercial facades, or several activities designed to address various aspects of the local government's community redevelopment plan.

### **Economic Development**

There are several objectives associated with the Economic Development (ED) category:

1. promote investment of private capital
2. retain local economic enterprises
3. expand local tax bases
4. provide long-term jobs with growth potential, primarily for very low-, low- and moderate-income persons

Activities that achieve this objective include:

- acquisition of real property
- acquisition, construction or rehabilitation of commercial and industrial buildings and structures
- purchase of capitalized machinery and equipment with a useful life of at least five years
- energy conservation improvement designed to encourage the efficient use of energy resources
- public, commercial or industrial real property or infrastructure improvements, including railroad spurs or similar extensions, tied to a specific project in a public or private easement
- activities to remove barriers which restrict access for elderly or handicapped to publicly owned or privately owned buildings, facilities, and improvements; and
- activities designed to provide job training and placement and/or other employment support services on behalf of the participating party as outlined in 24 CFR 570.482(d)(2)

An ED project may involve a single activity, such as the installation or construction of public infrastructure or the provision of a loan to a private for-profit business for construction or expansion, or several activities, all of which facilitate the expansion of employment opportunities, primarily for very low-, low- and moderate-income persons.

Eligible local governments may apply up to three times in any annual funding cycle for a grant under the ED category. However, local governments with an open contract whose activities are on time may receive no more than one additional ED grant in each fiscal year. Contract performance is considered "on time" for open subgrants that have received an agreement period extension of less than twelve months. Performance is on schedule when expenditures and activity work plans stated in an award agreement have been met or surpassed.

## **Housing**

The objective of the Housing component of the CDBG Program is to improve housing conditions and expand housing opportunities for very low-, low- and moderate-income persons. Activities that achieve this objective include:

- rehabilitation of housing or publicly owned or acquired properties
- demolition of dilapidated housing and the relocation of residents to replacement housing
- code enforcement
- weatherization and energy-efficiency improvements
- installation of wells or septic tanks where water or sewer service is unavailable
- mitigation of future natural disaster hazards in housing

In the Housing category, complementary activities are water hookup and sewer hookup activities to provide service to units being rehabilitated or providing rehabilitation to the kitchen and/or bathroom plumbing of houses so that they can receive the benefits of water and/or sewer hook-ups.

Housing rehabilitation meets affordable housing needs by keeping housing units that are owned or occupied by LMI persons in place within the community. Substandard conditions can be addressed using CDBG Housing funds. Communities that do not have the capacity to undertake large scale affordable housing projects are able to maintain the stock of affordable housing by using CDBG and state housing funds for rehab and replacement.

## **Neighborhood Revitalization**

The objective of the Neighborhood Revitalization (NR) category is to revitalize declining neighborhoods and improve infrastructure by addressing the problems that influence neighborhood vitality. A Neighborhood Revitalization project may involve a single activity, such as street paving, or several different kinds of activities, designed to meet a particular community's needs. Activities, which achieve this objective include:

- improvements to deteriorating infrastructure (roads, water, sewer, drainage facilities, etc.)
- construction or rehabilitation of handicapped facilities and the removal of architectural barriers
- provision of roads and drainage facilities
- land assembly or site preparation for new housing construction
- mitigation of future natural disaster hazards
- construction or rehabilitation of neighborhood facilities which provide health, social, recreational or other community services for residents of service area neighborhoods

Addressing water and sewer needs continues to be a high priority for local governments in Florida.

Without CDBG funding, local governments could not make needed improvements and expansions to existing systems.

In the NR category, complementary activities for a housing unit is limited to rehabilitation of units to construct bathrooms where no bathrooms exist or to make plumbing repairs to meet local code prior to being hooked up to a sewer or water system. Because of the need for public facilities and infrastructure improvements, the Department places a priority on Neighborhood Revitalization projects.

### **Planning and Design Specifications Grants**

Planning and Design Specifications grants provide funds for engineering plans and design specifications for Commercial Revitalization and Neighborhood Revitalization projects. The maximum award is \$70,000. The requested amount of funding must be consistent with the design portion of the RUS fee schedule and any additional engineering costs. If engineering design costs exceed \$70,000, the local government must use other funds for the amount that exceeds the \$70,000 cap and cannot be reimbursed from the construction grant that is awarded upon completion of the plans and designs. The Department may choose not to fund Planning and Design Specification grants in fiscal year 2010 and, instead, award the funds under the Neighborhood Revitalization category.

Up to six percent of the grant can be used for administrative costs. The applicant must certify that a national objective will be met once the project (for which the plans were designed) has been completed. Threshold requirements are:

1. Planning and Design Specifications grants must be completed within two years. No extensions of the end date are granted.
2. Planning and Design Specifications grants are offered to applicants that request a planning grant in order of application score, including applicants below the fundable range, until the available funding has been depleted.
3. Applicants receiving a Planning and Design Specifications Grant will receive funding for construction (not to exceed the maximum for which they are eligible based on LMI population) if complete and biddable plans and specifications are submitted within the two-year Planning and Design Specifications grant period.
4. Construction funding will be made from the first federal allocation cycle following the Department's approval of biddable plans and specifications or from deobligated funds or program income.
5. Based on the availability of funding, preference is given to NR projects.

### **Emergency Set-aside Funding**

Applications for Emergency Set-aside funds are accepted from eligible applicants in accordance with the following criteria:

1. The maximum amount of emergency set-aside funds available from each federal fiscal year's allocation is five percent and is available from April 1 of the year for which they are allocated through the third quarter (March 31) of the next state fiscal year.
2. Any funds in the set-aside for which a notice of intent to submit an emergency application has not been received prior to March 31 will be reallocated in accordance with Section 290.044 (4), Florida Statutes. Any funds not allocated under the emergency set-aside will be used to fully fund applications which were partially funded due to inadequate funds in the most recently completed

Neighborhood Revitalization category funding cycle, and then any remaining funds will be distributed to the next unfunded applications. All awards are contingent upon state approved budget authority.

3. Applications will only be accepted from, and awards made to, eligible local governments, as defined in Section 290.042 (5), Florida Statutes, which have been declared by executive order of the Governor to be in a state of emergency as provided under Section 252.36, Florida Statutes, and any subsequent emergency rule criteria prepared by the Department.
4. The funds must meet serious, urgent community needs of LMI residents. Sufficient documentation must exist to show that the need for the activities is directly related to a specific disaster event covered by an executive order. The amount of funds requested must be limited to the amount necessary to address the emergency need.
5. Applicants under this category must demonstrate that no other federal, state or local funds are available to address the emergency.
6. All other provisions of Rule 9B-43 apply to the Emergency Assistance Set-aside unless otherwise stated.

### **GRANT SELECTION CRITERIA**

The state's priorities for the Florida Small Cities CDBG Program are communicated to potential applicants by program categories established by state law, through the percentage of funds allocated for each category, and through the establishment of funding priorities outlined in the program's administrative rule, application manual, and Consolidated Plan.

The rule ensures that applications from communities that are not in compliance with federal or state laws are not funded. Upon receipt of an application, an initial review is conducted to determine if threshold criteria have been met. This review is used as a screening method to ensure compliance with minimum application requirements. Seven specific criteria established by Section 290.0475, Florida Statutes, establish the basis upon which the Department of Community Affairs may reject an application without regard to scoring.

1. The application is not received by the specified deadline date.
2. The proposed project activities fail to meet one of the three national objectives.
3. The proposed activities are not eligible.
4. The proposed activities are not in compliance with the adopted local comprehensive plan, as approved by the Department.
5. The applicant has an open Housing, Neighborhood or Commercial Revitalization Community Development Block Grant.
6. The local government is not in compliance with citizen participation requirements.
7. Information provided in the application that affects eligibility or scoring is misrepresented.

The Department does not award a grant until it has determined, based upon a site visit, that the project and/or activities are eligible, in accordance with the description contained in the application, and that any open Economic Development grant is on time. If, based upon a site visit, the Department determines that any information in the application that affects scoring has been misrepresented, the application is

rejected.

## **Method of Distribution**

Major scoring components of the competitive evaluation process are community-wide needs, project impact, including benefit to very low-, low- and moderate-income persons, and outstanding performance in equal opportunity in employment and housing.

## **Community Need**

The overall need for assistance by an eligible community is assessed using three factors: the number of low and moderate income persons, the number of persons below poverty, and the number of year-round housing units with 1.01 or more persons per room. These factors are measured by whole numbers and make up what is referred to as the community-wide needs (CWN) score. Communities are compared within appropriate LMI population groups, with the most distressed jurisdiction(s) in each group being assigned the highest score for each factor. Accordingly, each jurisdiction having a score that falls below the highest ranked jurisdiction is assigned a proportion of the total points available for each factor.

The CWN score is reduced by five points for every \$100,000, or portion thereof, of CDBG funding awarded to local governments. This adjustment provides an update to the score and allows communities which have not received funding to stand a better chance of obtaining a grant. The CWN score is provided to all eligible communities and is incorporated in the scoring process.

## **Penalty Points**

Penalty points are deducted from an applicant's score if the applicant has not met administrative requirements of previously awarded grants. These include penalties for termination "for cause" of a previous grant and failure to meet levels of performance identified in the original application. Rule 9B-43, Florida Administrative Code, outlines the penalty point process.

## **Project Impact and Other Scoring Factors**

Project impact criteria are tailored to the objective established for each program category. Regardless of the type of activity the community is proposing, the impact that the project will have on the community is considered in the evaluation process. This project impact is evaluated within each of the program categories using measures specifically appropriate to the category of funding. Applications also receive points for efforts made in the areas of equal opportunity and fair housing, leverage of other funds, impact on low and moderate, and very low income beneficiaries, etc.

Eligible applicants are required to submit information on the community's practices relating to equal employment opportunity and fair housing for consideration in the scoring process. Maximum points are awarded when the minority employment percentage meets or exceeds the percentage of minority population in the county. Points are also awarded for outstanding performance in housing if the applicant has a local fair housing law covering all protected classes, has carried out educational programs for the general public, local elected officials, and professionals within the community that are involved in housing activities (i.e., realtors, bankers, etc.).

## **Matching Funds**

The Florida Small Cities CDBG Program does not require local governments to provide matching funds. However, the competitive scoring criteria favor applications that leverage other funds. Local government general revenue, as well as other loan and grant funds, may be counted as leveraged funds.

## Submission Requirements

Information presented in an application must be sufficient for the Department to determine the eligibility of the project and activities, the quality of the proposed project, and the ability of the local government to meet basic requirements. The applicant must describe the need for the project; the anticipated impact of the project on that need; and a budget. The capacity of a community to adequately manage the grant will be reviewed if the jurisdiction has not previously participated in the program.

In addition to submitting two copies of the application to the Department, copies are sent to the Florida State Clearinghouse. The Clearinghouse sends out the application to agencies with permitting or environmental regulatory authority for review. Comments are returned to the Clearinghouse where they are summarized in a Clearinghouse Review Letter that is provided to the applicant and to the Department.

The Department encourages local governments to use this “letter” in the environmental assessment that must be completed before funds are released since it typically notes potential historic preservation issues, whether or not work will take place in a floodplain or wetland, any special permits that are needed, etc. The Clearinghouse posts information about the projects to its website at: <http://appprod.dep.state.fl.us/clearinghouse/>. This allows federal and state agencies that have an interest in federally funded projects to access information about the projects.

## Summary

The Florida Small Cities CDBG application manual describes factors used to score applications. The following charts summarize the scoring factors used in the selection process and the maximum number of points that a local government can receive for each factor.

Scoring Factor	Maximum Points
<b>All Categories</b>	
Community Wide Needs	250
Special Designation	20
Grant History Score	100
Outstanding Performance in EEO- M/WBE	25
Outstanding Performance in EEO – Local Government Employment	60
Outstanding Performance in Fair Housing	15

<b>Commercial Revitalization</b>	
Leverage	25
CDBG Funds & Activity Goal Score	75
Commercial Reinvestment Need Score	50
Other Community Development Scores	85
Readiness to Proceed Score	100
Commercial Revitalization Grant History Score	50
LMI Benefit Score	145

<b>Economic Development</b>	
Leverage	125
Average Cost Per Beneficiary Score	175
Full-Time Equivalent LMI Jobs	175
Economic Development Element of Local Comp Plan	30
Unemployment Level Score	25
Investment Ratio	0

<b>Housing</b>	
Leverage	25
CDBG Funds & Activity Goal Score	75
LMI and VLI Impact Score	235
Average Cost Per LMI Housing Unit	120
Green Rehabilitation Standards	75

<b>Neighborhood Revitalization</b>	
Leverage	25
CDBG Funds & Activity Goal Score	50
VLI Beneficiary Impact Score	30
LMI Beneficiary Impact Score	135
Average Cost Per Unduplicated LMI Beneficiary Score	40
Average Cost Per unduplicated LMI Household Score	100
Readiness to Proceed Score	100
Health & Safety Score	50
<b>Total Common Score for all Categories</b>	<b>1000</b>

### **Local Government Citizen Participation Requirements**

Section 290.046, Florida Statutes, and federal regulations, set out the requirements local governments must follow to obtain citizen input. Local governments submitting a CDBG application must comply with citizen participation requirements (as provided in the Housing and Community Development Act of 1974, as amended). To ensure compliance, these provisions are incorporated in grant applications, the scoring system and award agreements. Prior to the submission of an application for funding, local governments must:

- Establish a Citizen's Advisory Task Force to provide input throughout the project process.
- Publicize information concerning the amount of funds available to the local government and the range of activities that may be undertaken.
- Hold at least one public hearing to obtain citizens' views on the neighborhood revitalization, housing needs or commercial revitalization and economic development needs of the community.
- Publish a notice concerning the proposed application advising citizens of its location and notifying them that it is available for inspection and comment.
- Publicly commit to use any grant funds received to the maximum feasible extent to benefit persons of very low-, low- and moderate-income.
- Publicly commit to minimize displacement of persons as a result of activities assisted with CDBG funds.
- Publicly state its plans to assist displaced persons should displacement occur.
- Hold at least one public hearing on the proposed application prior to its submission to the state.
- If appropriate, modify the proposed application to respond to citizens' comments.

## **Minority Business Enterprise (MBE) and Section 3 Employment**

The CDBG Program is administered in accordance with federal and state rules and regulations pertaining to equal opportunity. The Department reports to HUD twice a year on contracts that local governments have executed with minority business enterprises and women-owned businesses. The report also indicates which of the contractual obligations were to Section 3 businesses. Materials are provided to local governments that outline the Contractual Obligations and MBE process. In addition, presentations are made at grant implementation workshops. Unfortunately, many of the small, rural local governments served by the Florida Small Cities CDBG Program report that they often cannot contract with minority or women owned businesses because there are no businesses within the immediate area that can perform the particular job that is being requested.

Beginning in 2008, local governments were required to submit an annual Section 3 report. This information is summarized and submitted to HUD with the Annual Performance Report. MBE and Section 3 compliance is also a monitoring issue.

## **Program Income and Deobligated Funds (Recaptured Funding)**

Federal regulations specify how program income must be handled. In addition, the Department has established guidelines for subgrantees: "Program income generated after closeout shall be returned to the Department. Program income generated prior to close out of a grant shall be returned to the Department unless:

(a) The program income is used to fund additional units of CDBG activities referenced in the grant agreement under which the program income was generated; and

(b) The recipient amends the grant agreement to encompass expenditure of that program income prior to administrative closeout; and

(c) The funds are to be expended pursuant to the provisions of 24 C.F.R. Part 570, as effective on March 28, 2002, Sections 290.046-.049, Florida Statutes, and this rule."

Grants may close out or be terminated with less than the full amount of the grant award having been expended. When this occurs, the Department has some amount of "deobligated" or "reallocated" funds available (funds that were awarded to local governments, but were not used by the recipient prior to the closeout of the grant).

The Department may utilize program income and deobligated funds in the following manner:

(a) At any time necessary for a Section 108 Loan repayment under 24 CFR 570.432;

(b) To fully fund partially funded grants from the most recent competitive application cycle, including funding the construction phase of a project for which a Planning and Design Specifications grant was awarded;

(c) To fund grants in categories that received a large number of requests that could not be funded during the applicable cycle in which the requests were received;

(d) Combined with emergency set-aside funds to address emergency needs;

(e) Re-allocated during the next annual allocation.

## **State Program Monitoring**

Each year, the Florida Auditor General and HUD monitor the state's administration of the programs covered in the Consolidated Plan, including the Florida Small Cities CDBG Program. In addition, from time to time, agency internal auditors perform audits of the programs. Each of these audits assesses the state's performance in administering the program in accordance with state and federal rules and regulations. When audit findings are noted, the programs take immediate steps to resolve the deficiency or prevent recurrence of the finding. Program management staff and job responsibilities facilitate internal monitoring to ensure that federal rules and regulations are being carried out. Checklists and grant manuals help staff ensure that appropriate procedures are being followed.

## **Regional Monitoring**

Staff with ongoing monitoring responsibilities has been assigned regional areas. This structure provides an opportunity for staff to become familiar with the special circumstances and urgent needs of communities within a region. Staff may work with the regional planning councils and local officials to develop strategies for meeting long-term needs and responding to urgent needs. This approach to monitoring strengthens the technical assistance aspect of the program.

## **Subgrantee Monitoring**

The Department monitors subgrantee compliance with federal and state rules and regulations. This monitoring begins at the time of project site visit before an award is made. Once applications are scored and ranked, site visits are made to potential recipients. At that time, staff confirms that required policies or procedures are in place. Audits from the previous two years are also reviewed to ensure that there are no unresolved audit findings that impact the administration of a project funded with CDBG dollars. Staff then verifies the data provided in the application for funds.

When an award is made, special conditions are included in the contract. These are preliminary administrative requirements with which the subgrantee must comply (i.e., items relating to procurement, environmental review, plans and specifications, etc.). Grant managers are responsible for ensuring that special conditions are satisfied within the given length of time. All contracts are monitored at least twice; a desk monitoring is completed when approximately 25 percent of the funds are drawn and an on-site visit is made immediately prior to closeout. Economic Development grants may be monitored three or more times, depending upon the need for technical assistance and upon the monitor's assessment of the subgrantee's administration of the project. Grantees that experience difficulties are monitored on-site as often as is necessary to ensure compliance with federal and state regulations.

Monitoring checklists that address federal and state rules and regulations are used during the monitoring process. These checklists ensure that all phases of grant administration are reviewed during the course of the grant. Following a monitoring visit, a monitoring report is mailed to the subgrantee that lists any deficiencies in the administration of the grant and the actions that the subgrantee needs to take to resolve the findings. If no findings are noted, but areas of potential concern are discovered, the Department advises the subgrantee of these concerns so that the local government can take steps to ensure that they do not become findings.

In addition to this monitoring, the Department's Office of the Inspector General reviews the annual audit of the subgrantee to ensure that no audit findings that impact the subgrantee's administration of the program exist. If the Department discovers that the local government's auditor has identified areas that need to be addressed, the local government is notified of the findings and the actions that should be taken to resolve the issue.

Finally, the Department uses a comprehensive closeout document that in some ways serves as a final

desktop monitoring of the project. Contracts are not closed until all funds have been appropriately accounted for and all requirements satisfied.

All monitoring is conducted in accordance with HUD guidelines as well as applicable federal and state rules and regulations. Grantees that appear to be experiencing administrative problems may be monitored more frequently than those whose activities are taking place in a timely manner without any difficulties in management or reporting to the Department.

### **Training and Technical Assistance**

Training priorities are identified by the CDBG Program and the eligible cities and counties it serves. Training needs may also be uncovered during the course of federal and state audits or monitoring.

The Department considers every telephone call, email or written request from a local government an opportunity to provide technical assistance. Technical assistance is also provided during site visits and monitoring. In addition, all public hearings on CDBG issues (i.e., hearings held in connection with rule changes, etc.) provide a forum for training and educating local governments and others interested in the program.

CDBG staff makes numerous visits to local governments and other state agencies to provide information on the Small Cities CDBG Program, the Section 108 Loan Guarantee Program, funding for infrastructure and housing. Technical assistance activities currently planned for 2009 include the following workshops: Project Planning, Grant Application, and Grant Implementation. The Florida Small Cities CDBG Program will continue to coordinate and to undertake technical assistance projects as outlined in CPD Notice 99-9.

During the 2010 federal fiscal year, the Department hopes to complete the following technical assistance initiatives:

- The Department has contracted with an organization to assist with the preparation of the 2001-2015 Consolidated Plan and a new Analysis of Impediments to Fair Housing.
- The Department has contracted with an organization to prepare training materials, including a webcast, on Section 3 and Equal Opportunity requirements.
- The Department has asked HUD to provide staff for training on environmental review requirements.
- The Department has asked HUD to provide training on issues related to Equal Opportunity.

### **Advocacy and Training**

The Department uses a limited amount of training and technical assistance funding to develop brochures and training materials that will be provided to local governments, other agencies, and the public during workshops and other events. Funds are also used to prepare training manuals for workshops.

### **Building Economic Development Capacity**

The Department participates in economic development initiatives that affect those communities that are eligible for CDBG funding. Representatives from the Department regularly meet with staff from the Governor's Office of Trade, Tourism and Economic Development, the Florida Redevelopment Association and the Florida Economic Development Council.

## **SECTION 108 LOAN GUARANTEE PROGRAM**

The Section 108 Loan Guarantee Program is authorized under Section 108 of the Housing and Community Development Act of 1974 (42 USC 5308) as part of the Community Development Block Grant Program. In 1997, the Florida Legislature passed changes to the Florida Small Cities CDBG Program which now allows up to \$160,000,000 in Section 108 Loans to be guaranteed by the state's CDBG allocation for loans made to small cities and counties on behalf of their needs for economic and community development.

The Section 108 Loan Guarantee Program offers local governments a source of financing for economic development, large-scale public facility projects, and public infrastructure. The U.S. Department of Housing and Urban Development (HUD) sells bonds on the private market and uses the proceeds to fund Section 108 loans through the state to local governments. The local government may loan the funds to third parties to undertake eligible CDBG activities (typically economic development) or use the funds for other eligible CDBG activities which must be repaid. CDBG future allocations are used as secondary security for the HUD loan to the local government (the loan guarantee).

Section 108 Loans are for activities that:

- Principally benefit very low-, low- and moderate-income people
- Assist in the elimination or prevention of slum and blight conditions
- Meet other community development needs that have a particular urgency and are of very recent origin

Examples of eligible activities:

Real property acquisition as part of an otherwise eligible activity  
Rehabilitation of publicly or privately owned real property  
Housing rehabilitation or replacement eligible under the CDBG program and related relocation  
Demolition, clearance, and site improvements for eligible CDBG activities  
Section 108 loan closing costs and issuance costs of related public offerings  
Public infrastructure  
Eligible economic development activities

### **Section 108 Funding Availability**

According to state and federal law, the maximum amount of loan guarantee commitment that any eligible local government may receive may be limited to \$7,000,000 pursuant to 24 CFR 570.705, and the maximum amount of loan guarantee commitments statewide may not exceed an amount equal to five times the amount of the most recent grant received by the Department under the Florida Small Cities CDBG Program (approximately \$165,000,000 in loan guarantees at the current allocation level). This level of funding allows the local government to participate in larger projects, avoid referendums for infrastructure financing, compete with larger local governments for business relocations, and provide smaller businesses the ability to access funds at approximately corporate AAA bond rates.

The Section 108 Loan guarantee process (for a loan to a third party):

1. The business or other third party approaches the local government with a proposal.
2. The local government sets up a "screening meeting" at DCA for review and comment on the eligibility and likely fundability by HUD of the proposal.

3. The local government packages the loan, has the loan underwriting analysis completed, pledges local government collateral based on the results of the underwriting process, signs the certifications, and sends the completed application to DCA.
4. DCA staff reviews the package for accuracy and eligibility, and then forwards the loan proposal to HUD when it is complete.
5. As part of this process, the state pledges future CDBG allocations as secondary collateral to secure the loan.
6. HUD approves the loan package or negotiates with the state, local government, and borrowers to overcome loan package deficiencies.
7. The sale of the bonds is closed (or interim financing is provided) by HUD's fiscal agent concurrently with the closing of the Section 108 loan to the local government, who then immediately closes its loan with the borrower.
8. The funds are released by HUD's fiscal agent to the local government's custodial agent (a local bank), who then releases the funds to the borrower based on the terms of the loan agreement.
9. The borrower makes monthly payments to the local government's custodial agent, who semi-annually remits to the HUD fiscal agent, who annually pays the bondholders.
10. The local government and DCA periodically monitor the ongoing project and deposits with the custodial agent to ensure that the borrower meets all CDBG requirements relating to labor standards, environmental assessments, acquisition and relocation, financial management, and national objective.

The process is straightforward when the local government is borrowing proceeds for activities such as public infrastructure or other public facilities. The local government must pledge a local revenue stream that is adequate to fund repayment of the Section 108 loan.

### **Loan Underwriting Requirements**

The Department requires that underwriting analysis be conducted in accordance with 24 C.F.R. 570.482 (e) (2) and Appendix A of 24 C.F.R. Part 570. The Department may, as necessary, require additional underwriting standards, criteria or review.

### **Summary**

Department staff continues to provide training and technical assistance relating to the Section 108 Loan Program and to promote it through the use of printed information and information posted to its website.

#### 4.4 Emergency Shelter Grants (ESG) Program

Homelessness is a national issue, which affects thousands of Americans each year. Critical to addressing this serious issue is an understanding that homelessness is not caused simply by a lack of shelter, but rather involves a complex set of circumstances and requires a comprehensive approach to its prevention and elimination. The Emergency Shelter Grants Program or ESG is one such program that addresses the needs of those who are homeless or at risk of homelessness. As part of the Stewart B. McKinney Homeless Assistance Act of 1987, the Emergency Shelter Grants Program is a formula based grant program, providing grants to both local governments and to the states to assist in providing safe shelters for the homeless and assistance to those about to become homeless. This action plan will address how the State of Florida will utilize the ESG funds to address the needs of its citizens who are homeless or at risk of becoming homeless.

In Florida, the Emergency Shelter Grant program total for the 2010 allocation is \$6,996,261. Direct formula grants will be provided to 21 units of local government, allocating \$4,019,052 to Florida's largest cities and urban counties. The state of Florida formula allocation of \$2,977,209 is based on the population and housing conditions that exist in the balance of counties that do not receive direct formula grants. ESG funds allocated to the state are administered through the state's Department of Children and Families, and are awarded competitively.

##### Florida Cities and Counties Receiving Formula ESG Awards in 2010

Community	Allocation
Ft. Lauderdale	\$ 90,928
Hialeah	\$ 184,969
Miami	\$ 363,411
Orlando	\$ 99,214
St. Petersburg	\$ 97,573
Tallahassee	\$ 84,775
Tampa	\$ 164,774
Broward County	\$ 161,578
Collier County	\$ 95,097
Jacksonville-Duval County	\$ 297,843
Escambia County	\$ 92,305
Hillsborough County	\$ 263,750
Lee County	\$ 95,005
Miami-Dade County	\$ 788,826
Orange County	\$ 270,749
Palm Beach County	\$ 299,384
Pasco County	\$ 115,093
Pinellas County	\$ 131,685
Polk County	\$ 130,429
Seminole County	\$ 106,003
Volusia County	\$ 85,661
<b>Total</b>	<b>\$4,019,052</b>

## Other Homeless Resources

Along with the Emergency Shelter Grants program, several other federal homeless assistance programs are available from the U. S. Department of Housing and Urban Development. Other programs include the Supportive Housing Program that creates transitional and permanent supportive housing, where services are linked to housing dedicated to the homeless. Another program, the Shelter Plus Care program, makes rental assistance available to house the homeless, when the rental assistance is matched with linked supportive services funded by other sources. The Section 8 Single Room Occupancy program also helps fund housing for the homeless. These three grants are made available in a competitive grant process on a national level. In 2009, grantees across Florida were awarded \$67,713,926, through the Continuum of Care competition, to renew existing housing projects.

The American Recovery and Reinvestment Act of 2009 provided \$65,297,986 to Florida for the Homelessness Prevention and Rapid Re-Housing Program (HPRP). These funds were awarded to Florida based on the Emergency Shelter Grant formula allocation. The State of Florida formula allocation is \$21,507,109. These state grant funds were awarded first to counties that did not receive direct formula grants from HUD. These funds are available for use through September, 2012.

### Florida Cities and Counties Receiving direct HPRP Awards in 2009

<u>Community</u>	<u>Allocation</u>
Brevard County	\$ 644,208
Broward County	\$1,579,569
Collier County	\$ 888,850
Escambia County	\$ 855,417
Ft. Lauderdale	\$ 852,872
Gainesville	\$ 567,404
Hialeah	\$1,734,021
Hillsborough County	\$2,458,811
Hollywood	\$ 625,671
Jacksonville-Duval County	\$2,779,039
Lee County	\$ 881,538
Manatee County	\$ 635,485
Marion County	\$ 727,072
Miami-Dade County	\$7,468,222
Miami	\$3,392,918
Miami Beach	\$ 715,418
Miami Gardens City	\$ 567,612
North Miami	\$ 507,641
Orange County	\$2,523,982
Orlando	\$ 921,665
Palm Beach County	\$2,823,871
Pasco County	\$1,055,241
Pinellas County	\$1,237,464
Polk County	\$1,222,920
Pompano Beach	\$ 507,694
Sarasota County	\$ 581,819
Seminole County	\$ 991,180
St. Petersburg	\$ 914,999
Tallahassee	\$ 784,267
Tampa	\$1,538,393
Volusia County	\$ 805,614
<b>Total</b>	<b>\$43,790,188</b>

Other homeless resources exist in other federal agencies. The McKinney-Vento Act and other federal laws include funding authorizations for these programs:

Homeless Veterans Reintegration  
Health Care for the Homeless  
Projects for Assistance in Transition from Homelessness  
Education for Homeless Children  
Emergency Food and Shelter  
Runaway and Homeless Youth Centers  
Homeless Veterans Grant and Per Diem Program  
Homeless Children Nutrition Program

At the state level, Florida has also committed funding targeted to serve the homeless. In the current, 2009-2010 state fiscal year, the following programs are funded:

Emergency Financial Assistance for Housing Provides one-time emergency payments to families at risk of eviction and homelessness to cover rent or mortgage payments to retain their housing.	\$1,800,000
Local Homeless Coalition Grants Assists 28 local coalitions to plan and coordinate homeless services.	\$ 345,729
Challenge Grant Funds projects and activities contained in local homeless assistance continuum of care plans.	\$2,031,384
Homeless Housing Assistance Grant Assists in building or repairing transitional and permanent housing reserved for homeless occupancy for ten years.	\$5,000,000
Total \$	\$9,177,113

Beyond these targeted homeless assistance programs at the federal and state level there are various other programs targeted to help the poor and indigent, and those needing affordable housing. The key to any successful strategy to overcome the root causes of homelessness (poverty and the lack of affordable housing) rests in finding creative solutions that use the full array of governmental assistance in concert with private resources to enable each person who is homeless to overcome their problems and become self-sufficient.

### **Continuum of Care Model**

At both the federal level and at the state level in Florida, a key strategy to guide funding commitments is the development of a homeless assistance plan at the community level. This plan is to coordinate various services for the homeless, and to require collaboration among a wide range of community organizations to address the entire range of needs of the homeless. This continuum of care plan should include local strategies to address:

Prevention of Homelessness  
Outreach, Assessment and Referral to Services  
Emergency Sheltering  
Transitional and Permanent Housing  
Supportive Services

Florida has enacted into state law this continuum of care planning model. All communities across the state are encouraged to develop service plans for the homeless, and several of the state homeless grants are linked to the plan. State funding commitments are to be made consistent with and to implement these plans. In 2010, there are 28 local continuums of care in Florida, covering 63 of our 67 counties. Consistent with state law, allocation of the ESG funds by the state seeks to link the ESG program to local continuum of care plans.

HUD has used the continuum of care model for several years to guide the competitive grants awarded in the Supportive Housing Program, Shelter Plus Care, and the Section 8 Single Room Occupancy (SRO) programs. While the existing federal regulations governing the Emergency Shelter Grant program do not address the continuum of care plan specifically, communities are encouraged to include the Emergency Shelter Grant resources in their continuum of care plans.

### **Homelessness in Florida - The Need**

According to information reported in the 2009 Exhibit 1 Continuum of Care Plans from the network of local homeless coalitions in Florida, an estimated 55,599 people are homeless on any given day.

Based on the estimated count of homeless in Florida, single adult males remain the largest single population group, but the numbers of families and children who are homeless is becoming more and more significant. Current reports suggest that households with dependent children make up 38 percent of the homeless population. It is clear that the number of homeless in the State of Florida (as well as the nation) continues to grow. With the growing number of homeless, providing services that help prevent individuals and families from ever entering into homelessness remains a great need in Florida. Likewise, the growing number of homeless necessitates a need for more shelter beds for those who are already homeless and targeted services to address individuals who have been chronically homeless.

In 2009, Florida reported an inventory of 37,225 emergency shelter, transitional and permanent housing beds. This is a 3% increase over the number of beds reported in 2008. This inventory only supports approximately 50% percent of the homeless population on any given night. Given the fact that a growing number of homeless are families, there is a need for shelters that house families together, such that spouses or parents and children do not have to be separated when they come into shelter. Additionally, there is a need for access to affordable housing in order to transition individuals out of shelters and into permanent homes. In 2009, there were reportedly 12,070 permanent housing beds targeted to house the homeless. In addition to utilizing the ESG funds to address these conditions and needs, the state has access to other resources to address homeless needs.

### **Emergency Shelter Grant - Program Purpose**

The purpose of the Federal Emergency Shelter Grants Program is:

- increase the number and the quality of emergency shelters and transitional facilities for homeless persons,
- to help cover the costs of operating emergency shelters,
- to provide essential supportive services to homeless individuals so that they have access not only to safe and sanitary shelter, but also to the services and other types of assistance they may need to improve their situations, and
- to help prevent homelessness.

## Eligible Applicants

Eligible applicants for the state ESG funding are limited to the following:

Units of local government: Any city or county in Florida that is a general-purpose political subdivision of the state.

Private nonprofit organizations: Any tax-exempt secular or religious organization described in section 501(c) of the Internal Revenue Code may apply, if the local government where the project is located certifies that it approves the project. Faith-based organizations are eligible for funding on an equal footing with other organizations and will be assessed on their merits and how well they perform eligible activities, not on their religious or secular character (*see 24 CFR Parts 92, 570, 572, 574, 576, 582, 583, and 585*).

Applicants statewide may apply for the State of Florida allocation, including those from formula communities that receive an ESG award directly from HUD. However, priority funding consideration for 2010 will be given to eligible applicants from non-formula communities upon which the state's grant amount is based.

## Eligible Services

Federal Emergency Shelter Grant Program funds may be used for the following:

The quality and quantity of emergency shelters and transitional housing may be increased with ESG funds through conversion, major rehabilitation or renovation of existing buildings, other than minor or routine repairs. Faith-based organizations may not use the funds to improve sanctuaries, chapels, and other rooms that the organization uses as its principal place of worship.

Conversion is defined as a change in the use of a building to an emergency shelter for the homeless where the cost of such conversion and any rehabilitation costs exceed 75 percent of the building's value after conversion. Buildings converted with ESG funds must be maintained as homeless shelters for not less than ten years.

Major rehabilitation is defined as costs in excess of 75 percent of the value of the building before such alterations were initiated. Buildings undergoing major rehabilitation through the use of ESG funds must be maintained as homeless shelters for not less than ten years.

Renovation is defined as structural repairs, improvements and alterations to a building that involve costs of 75 percent or less of the value of the structure before renovation. Buildings renovated with ESG funds must be maintained as homeless shelters for not less than three years.

Shelter Operating Expenses – ESG funds can cover a broad array of emergency shelter and transitional housing operating costs. Shelter operating expenses may include payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings. Not more than 10 percent of the grant amount may be used for costs of staff.

Florida law prohibits the purchase or continuous lease of vehicles. (*Ref. Section 287.14 Florida Statutes.*)

Essential Support Services – ESG funds can be used to provide essential services to address the needs of homeless persons living on the street, in emergency shelter or in transitional housing. Essential services can address the immediate needs of the homeless, and can help enable homeless persons to become more independent and to secure permanent housing.

Essential support services may include, but are not limited to, assistance in obtaining permanent housing, medical and psychological counseling and supervision, nutritional counseling, substance abuse treatment and counseling, assistance in obtaining other federal, state and local assistance, other services such as childcare, transportation, job placement and job training, and staff salaries necessary to provide these services.

Expenditures for essential support services are limited to 30 percent of the total grant award and are subject to provisions in 24 CFR 576.21 and 42 U.S.C. 11374. ESG funds may not be used to support inherently religious activities such as worship, religious instruction, or proselytization. However, a faith-based organization may still engage in such activities so long as they are voluntary for program participants and occur separately in time or location from the activities directly funded through the ESG.

Homeless Prevention Activities – ESG funds can be used to help prevent individuals and families from becoming homeless. The program may provide financial assistance to families or individuals who have received eviction notices or notices of termination of utility services. Another type of financial assistance could be to assist with security deposits or first month's rent to permit a homeless family to move into its own apartment. Mediation programs for landlord tenant disputes as well as legal services to represent indigent tenants in eviction proceedings could also be funded.

### **Eligible Homeless Populations**

The ESG serves a variety of homeless persons and families. For purposes of the ESG, homeless means an individual who lacks a fixed, regular, and adequate nighttime residence; or an individual who has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations; or an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not designed for, or ordinarily used as, regular sleeping accommodations for human beings. The term homeless does not include any individual imprisoned or otherwise detained pursuant to an act of Congress or a state law or in the custody of the state pursuant to a state or federal law.

### **Administration of Funds**

The Florida Department of Children and Families administers Florida's Emergency Shelter Grant Program and all resulting grant agreements. The Department reserves the right to award or terminate grants when it would be in the best interests of the state. The Office on Homelessness is the designated office within the Department of Children and Families that has the lead responsibility for the statewide management of the ESG program.

### **Match**

Recipients of Emergency Shelter Grants will be required to match federal ESG funds with an equal amount of funds from other sources. A grantee may use In-kind match that is not being used to match other grants or funds.

A grantee may comply with the matching requirement by 1) providing matching funds itself, or 2) through match funds or voluntary efforts provided by any recipient or project sponsor. The match used must be available during the grant period. Non-recurring match used as match for a previous ESG grant may not be used to match a subsequent grant award.

### **Additional Federal Requirements/Restrictions**

Federal funds may not be expended for the purchase or construction of a homeless shelter.

Administrative or indirect costs are not allowable grant expenditures, except where a local unit of government is making application for an eligible facility.

Receipt of ESG funds requires that the state make facilities and services available to all on a nondiscriminatory basis. The grantee must establish procedures that will ensure that facilities funded by the ESG are available to persons of any race, color, religion, sex, age, familial status or national origin. Some shelter facilities cannot be made handicap accessible. Those facilities must have procedures in place to refer handicapped individuals to nearby facilities that are accessible.

Nonprofit applicants must have their proposals approved by the chief executive officer or the governing body of the local governmental jurisdiction in which they reside. Proposals must also be consistent with local or state consolidated plans required by the United States Department of Housing and Urban Development.

Participation in the homeless management information system (HMIS) is a requirement for receipt of ESG funds. HMIS requirements are outlined in the U.S. Department of Housing and Urban Development rule notice filed July 30, 2004, as amended. Accordingly, only applicants who commit to participate in the HMIS will be considered for ESG funding in 2010. Section 605 of the Violence Against Women Act of 2005 amended the McKinney-Vento Homeless Assistance Act to prohibit victim services providers from entering personally-identifying information into an HMIS database. This law applies to providers receiving Violence Against Women Act and/or Family Violence Prevention and Services Act funding. Domestic violence services providers are not required to participate in HMIS, but shall provide aggregate service data on persons served and outcomes achieved. [See HUD Notice issued March 16, 2007, published in the Federal Register.]

There are additional federal and state assurances and certifications that applicants must comply with, including all ordinances, codes and statutes relating to buildings, health, fire, safety, sanitation, zoning and the environment.

### **Florida's Focus - Fund Distribution and Selection Criteria**

Out of the total \$2,977,209 in ESG allocated to the State of Florida in 2010, the state will make available \$2,828,349 (95 percent of the total) for grant awards to local applicants. The remaining **\$148,860** (5 percent) will be used by the state and/or local governments for program administration. Seventy percent of the \$2,828,349, or **\$1,979,844**, will be set aside for facilities grants. Thirty percent, **\$848,505**, will be set aside for prevention grants. Applicants statewide may apply for 2010 ESG funds including those from formula communities that receive an ESG award directly from HUD. [See list of formula communities on page 1.] However, priority-funding consideration for 2010 will be given to eligible applicants from non-formula communities upon which the state's grant amount is based.

The maximum amount to be awarded in 2010 for facility or prevention services is \$100,000. Applicants may apply for either a facility grant award or a prevention grant award, **but not both**.

### **Departmental priorities for awarding the 2010 Federal Emergency Shelter Grants**

For both the Facilities and Prevention grants, priority will be given to eligible applicants from non-formula communities upon which the state's grant amount is based. Applications from non-formula areas and applications from formula areas will be scored separately. Funding will be first given out to applicants from non-formula areas based on scoring rank. Remaining funding will be given out to applicants from formula areas based on scoring rank.

## **FACILITIES GRANT**

The Department will fund shelters or transitional housing recipients for renovations defined as structural repairs, improvements and alterations to a building that involve costs of 75 percent or less of the value of the structure before renovation. Buildings renovated with ESG funds must be maintained to serve the homeless for not less than three years.

The Department will fund shelters or transitional housing recipients for operating expenses that may include payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings. Not more than 10 percent of the grant amount may be used for costs of staff.

The Department will fund shelters or transitional housing recipients for essential services to address the needs of homeless persons living on the street, in emergency shelter or in transitional housing. Essential services can address the immediate needs of the homeless, and can help enable homeless persons to become more independent and to secure permanent housing. Case management is included in essential services. Not more than 30 percent of the total grant amount may be used for essential services.

Applicants will be asked to report on the number of beds serving the following target populations at a specific point in time. Priority scoring will be given to those serving the higher percentage of these priority populations.

1) Priority will be given to shelters and transitional housing programs that provide for the unique needs of unaccompanied homelessness youth (especially serving youth exiting foster care). A 2008 survey of former foster youth in Florida, ages 18 thru 22, found that 14% had spent at least one night homeless since leaving foster care in the last 12 months. Of those, two percent were currently homeless. As many as 24% of these youth had been arrested in the past 12 months. The needs of homeless youth are many and varied. Needs vary from basic food and shelter to applying for food stamps, to assistance completing college financial aid applications. Many youth will require assistance with money management, transportation, job search, various types of counseling, completing their high school education. Priority will be given to applicants with programs experienced with meeting the needs of these youth, with a goal of self-sufficiency.

2) Priority will be given to facilities that allow families with children to be housed together as a family unit, not including facilities that primarily serve individuals/families who are victims of domestic violence/domestic abuse.

3) ESG priority will be given in 2010 to facilities that provide transitional housing and other services needed by homeless veterans. Services provided could include referral to Veterans Affairs assistance programs for accessing disability benefits, education, health care, rehabilitation services, residential care, and compensated work therapy. Other services could include, but are not limited to: provision of or referral to substance abuse and mental health services; transportation to and from above services; assistance with accessing mainstream supports such as referral for food stamps; job training and counseling; assistance locating housing; money management; and case management including follow-up for above services. Veterans often respond more readily to programs for veterans that are operated by veterans. There is some evidence that programs which recognize and acknowledge veteran experience may be more successful in helping homeless veterans transition into stable housing. Veterans often need long-term transitional residential programs.

4) In 2010, ESG will include a focus on programs that serve chronically homeless single adults who also have a disabling condition. Chronically homeless adult is defined as: either (1) an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, OR (2) an unaccompanied individual with a disabling condition who has had at least four episodes of

homelessness in the past three years. A disabling condition is defined as: a diagnosable substance abuse disorder, a serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions. In addition, a disabling condition limits an individual's ability to work or perform one or more activities of daily living. Services provided could include, but are not limited to: provision of or referral to substance abuse and mental health services; provision or referral for medical services; transportation to and from above services; assistance with accessing mainstream supports such as referral for Medicaid, social security and food stamps; job training and counseling; assistance locating housing; money management; and case management including follow-up for above services.

Demonstrate successful outcomes in transitioning to permanent housing: Applicants who can demonstrate success in assisting clients to become permanently housed as evidenced by exit data from the homeless management information system (HMIS) or other comparable database that clearly reflects the percentage and numbers of clients from July 1, 2009 through June 30, 2010, who exited the shelter or transitional housing to permanent housing, will receive priority consideration.

Focus on provision of the following services: The applicant has the following services as part of their **on site** operations:

- a. case management to include assessment of individual conditions and need for services and referral to service providers
- b. health services (primary care with nurse or physician)
- c. transportation to community service providers
- d. is an ACCESS partner to enroll clients served

A priority will be made for those facilities adding new shelter or transitional housing beds.

Priority will be given to applicants who are members of a local homeless coalition.

Funding for new shelter or transitional housing facilities: Florida will give preference to facilities that have never received an ESG award from the Department, as well as those that did not receive an award in the 2009 award cycle.

For those entities which received a 2008 Emergency Shelter Grant, the Department will assess the performance of the grantee under that grant award. The failure to meet the following performance expectations shall be reflected in a negative score adjustment to the grantee's 2010 application. For applicants who did not receive a 2008 ESG award, there will be no assessment required on the following performance criteria.

For 2008 ESG grantees, were the following performance expectations achieved and accomplished?

- A. The final grant performance report was submitted to the Department by July 15, 2010.
- B. The grantee served a total number of persons that equalled or exceeded the number of people proposed to be served as stated in their 2008 grant application.
- C. The grantee fully expended their grant award amount by June 30, 2010.
- D. The grantee was able to provide a higher level of essential services that was above simply addressing the individual's physical needs, such as food and clothing.

## **PREVENTION GRANT**

The Department will fund agencies providing homelessness prevention that includes: intake assessment that includes wrap-around service needs; referral for accessing mainstream systems; one time or short term (maximum three months) rent and utility subsidies or cash assistance to cover arrears in rent, mortgage, or utility payments to avoid eviction, security deposits and first month rent for rehousing; and monthly follow-up case management to help ensure sustainability.

Case Management - Priority will be given to agencies with the greater number of professional case management staff existing on payroll July 1, 2010.

Priority will be given to agencies with programs to assist with wrap-around services such as: money management, job finding, referral to job readiness educational programs, assistance with accessing benefits such as food stamps and Medicaid, referrals for mental health/substance abuse treatment.

Demonstrate successful outcomes - Applicants who can demonstrate success in assisting clients to remain housed as evidenced by data from the homeless management information system (HMIS) or other comparable database that clearly reflects the percentage and numbers of clients from July 1, 2009 through June 30, 2010, who remain housed for at least three months following last receipt of aid.

Number of households to be assisted - Priority will be given to applicants who project serving the greater number of households.

Target Population - Households with children under the age of 18, veterans, and unaccompanied youth.

Priority will be given to those agencies with the larger percentage of the grant going toward payment of rent, utilities, deposits and other expenses to directly retain housing, such as:

- Past due rental/mortgage and/or utility assistance
- Short term rental/mortgage and/or utility assistance
- Security deposits for homeless households
- Case management staff providing wrap-around services

Priority will be given to those agencies that did not receive a prevention grant in 2008.

Priority will be given to applicants who are members of a local homeless coalition.

For those entities which received a 2008 Emergency Shelter Grant, the Department will assess the performance of the grantee under that grant award. The failure to meet the following performance expectations shall be reflected in a negative score adjustment to the grantee's 2010 application. For applicants who did not receive a 2008 ESG award, there will be no assessment required on the following performance criteria.

For 2008 ESG grantees, were the following performance expectations achieved and accomplished?

- A. The final grant performance report was submitted to the Department by July 15, 2010.
- B. The grantee served a total number of persons that equalled or exceeded the number of people proposed to be served as stated in their 2008 grant application.
- C. The grantee fully expended their grant award amount by June 30, 2010.

D. The 2008 grantee under a Prevention award provided mediation with case management services to the households assisted under the grant.

Priority is given to 2008 ESG recipients that spent down their grant award by the June 30, 2010 deadline.

### **Completeness Review**

Proposals must be received by the time, date, and location specified in the grant application instructions.

Proposals from not-for-profit applicants must contain a signed Certification of Local Government Approval for Nonprofit Organizations.

Prior to the evaluation of grant applications based on the selection criteria listed above, all applications are reviewed to determine completeness of the submission. If any of the required information is missing from the application, the applicants will be contacted and given 72 hours to supply the missing information. Applications not received within the noticed time period for accepting applications will not be scored.

### **Grant Award**

The grant awards shall be made to the applicants whose proposals are determined, in writing by the Secretary or his designee, to be most advantageous to the State. The Secretary, or designee, will award grants based on the criteria set forth in this plan, taking into consideration the following:

- a. the recommended ranking by the Department's evaluator(s), and
- b. the recommendation of the Department's grant manager relative to applicants who may be deemed ineligible in accordance with federal regulations or the application solicitation criteria.

The Secretary reserves the right to make grant awards at an amount less than the applicant's request, or the maximum award amount stated in the plan, in order to maximize the number of grant awards to be offered to the pool of eligible applicants. In making reduced award offers, the reductions shall be based on a written methodology that treats each applicant equitably.

The grant awards shall be noticed in writing to all applicants. The notice shall include notice of the applicants' right to appeal the award decision

### **Outcome Measures**

The HUD outcome measures will be reported at the completion of the grant period as follows:

For those grantees receiving funding for existing or new emergency or transitional housing shelters, the state will measure outcome performance in the following manner:

#### Objective and Outcome

Accessibility and availability for the purpose of creating suitable living environments

#### Required Outcome Indicators

Amount of money leveraged or ESG match  
Number of persons, households, units or beds assisted  
Income levels of persons/households assisted  
Race, ethnicity and disability of persons served

Specific Outcome Indicators

Number of homeless persons given overnight shelter

Number of new beds created in overnight shelter or other emergency housing

The State outcomes will be reported as follows:

Objective and Outcome

Promote Personal and Family Recovery and Resiliency

Specific Outcome Indicators

1. Number and percent of clients sheltered who were referred to the following supportive services

- a. mental health services
- b. substance abuse addictions treatment
- c. physical health services
- d. education, training and job placement
- e. financial and budget counseling

2. Number and percent of clients sheltered who exit and move to permanent housing

3. Length of stay in the sheltering facility for each client served, and the overall average length of stay (all clients served)

4. Number and percent of clients who were sheltered and exited, who return to the shelter or other homeless service agencies within six months of exit.

5. Number and percent who exit with employment income.

For homeless prevention activities funded by the state, the HUD outcome measures will be reported as follows:

Objective and Outcome

Affordability for the purpose of providing decent affordable housing

Required Outcome Indicators

Amount of money leveraged or ESG match

Number of persons/households assisted

Income level of persons/households served

Race, ethnicity and disability of persons served

Specific Outcome Indicators

1. Homeless Prevention

- a. The number of households receiving emergency financial assistance to prevent homelessness
- b. The number of households that receive emergency legal assistance to prevent homelessness

2. State Outcome Measure

- a. The number and percentage of clients who received assistance who remained housed following assistance, as tracked for a period of 12 months following assistance.

## Reporting Requirements

Grantees will report semi-annually using the semi-annual status report form. These reports will also include reporting on the match requirement. Semi-annual reports will be filed with **both** the Department of Children and Families circuit contract manager and the Office on Homelessness within 15 days of the end of the reporting period. A final report will be filed with **both** the Department of Children and Families region contract manager and the Office on Homelessness within 15 days of the end of the grant period. Included with the final report will be an HMIS report of individuals and/or households served during the grant period.

## Program Management and Direction

In order to improve management and direction for the Federal Emergency Shelter Grants program, the Department of Children and Families has adopted a number of initiatives specifically intended to enhance program direction, accountability and performance outcomes. The most important of these are:

Grant Management Assistance - The Office on Homelessness provides direction and technical assistance in the development of Emergency Shelter Grant contracts for use by circuit contract managers that are responsible for the local oversight of Emergency Shelter Grant recipients. The purpose of this initiative is to help ensure that contracts ultimately implemented by the circuits satisfactorily address all federal and Departmental regulatory requirements that are to be adhered to by Emergency Shelter grantees.

Grant Monitoring – The Department uses contract manager positions located in the Department's circuits to manage contracts with grantees of ESG funds. It is the contract manager's responsibility to manage all aspects of each contract, including, but not limited to: review of and processing requests for payments, ensuring there is adequate back-up documentation for expenditures, ensuring expenditures are allowable under the ESG grant, ensuring expenditures meet ESG category requirements, determining whether reported match is allowable and sufficient and has not been used elsewhere as match, and maintaining the contract file, including all payment information and required quarterly reports. (Reference DCF CFOP 75-2.)

The Department's Contract Oversight Unit performs contract monitoring. In addition, Office on Homelessness staff responsible for the management and oversight of the Emergency Shelter Grants Program periodically conduct on-site monitoring. This dual approach to monitoring facilitates improved grantee compliance with Emergency Shelter Grant regulations and Departmental performance standards.

Expenditure Controls – The Department's Office of Financial Management prepares quarterly expenditure reports for review by Office on Homelessness staff. In addition, Office on Homelessness staff reviews expenditure data on the Department's Information Delivery System (IDS). Based on these reports, contract managers are contacted when contract expenditures indicate that grant recipients may not expend all of their contracted funds. Grant recipients who do not spend all of their allocations within federally imposed time constraints may be denied eligibility for future grants.

Recapture of Funds – Funds for projects that fail to proceed or fall significantly behind in their project implementation schedule will be recaptured and used to fund other projects that were determined eligible for funding during the grant application review.

**HOME Investment Partnerships Program (HOME) AND AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI)**  
**Distribution of HOME Funds, Selection Procedures, Community Housing Development Organizations and Match**

**General**

Florida Housing Finance Corporation ("Florida Housing") was designated to administer the HOME Investment Partnerships Program (HOME) on behalf of the state of Florida. As a participating jurisdiction (PJ), Florida Housing administers the state's HOME program. The HOME program encourages public, private and nonprofit partnerships, and strengthens the abilities of the state as well as municipalities and community housing development organizations to design and implement innovative strategies for achieving adequate supplies of affordable housing throughout the state of Florida.

This program description sets forth guidelines and procedures by which Florida Housing administers the HOME program and distributes HOME funds in accordance with 24 CFR Part 92 and Rules 67-48, 67-50 and 67-57, Florida Administrative Code (F.A.C.). HOME funds allocated by Florida Housing provide the necessary financial support to assist various activities aimed at creating long-term affordable, safe, decent, and sanitary housing for very low and low-income persons and households. Florida Housing works with both the public and private sector throughout the state to help meet the needs of affordable housing in rural areas.

Florida Housing administers these programs either through a competitive application process or a reservation system. It monitors all HOME activities to ensure compliance with program guidelines and certifies that proposed program activities are consistent with the State Consolidated Plan approved by the U.S. Department of Housing and Urban Development. The state's HOME program activities will be directed in the areas of acquisition, rehabilitation and new construction of rental and homeownership housing. Additionally, HOME funds may be used for Tenant Based Rental Assistance to provide rent subsidy and security deposit assistance for very low and low-income households. Preference for Tenant Based Rental Assistance will be given to families that have been displaced as a result of a natural disaster. In addition, from time to time, Florida Housing may carry out demonstration projects to evaluate the use of HOME funds for new endeavors.

Finally, HOME funds may be used anywhere within the state to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME funds if refinancing is necessary to permit or continue affordability under CFR 24, Section 92.252, provided the following conditions are met:

1. The Development must demonstrate that rehabilitation is the primary eligible activity. This requirement is met if the rehabilitation accounts for at least 51 percent of the total refinancing cost.
2. Review of management practices demonstrates that disinvestments in the property have not occurred, that the long term needs of the project can be met and the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
3. The refinance must provide that the new investment is being made to maintain current affordable units, create additional affordable units, or both.
4. The minimum affordability period will be 15 years.
5. The existing debt to be refinanced shall not be a multifamily loan made or insured by any federal program, including CDBG.

With the exception of demonstration projects, Florida Housing will administer the HOME program funds, under three separate state rule chapters, directly to eligible participants / borrowers for qualified rental and homeownership projects. HOME program funds are allocated as follows:

- \_ Administrative Costs
- \_ Community Housing Development Organization (CHDO) Rental and Other Rental Developments
- \_ Community Housing Development Organization (CHDO) Homeownership and Other Homeownership Developments
- \_ Remaining funds not used for CHDO or Administration costs are available for eligible HOME activities

As a participating jurisdiction, Florida Housing has been allocated \$22,660,919 in HOME funds. There is not an allocation of American Dream Downpayment Initiative (ADDI) funds for 2010. The allocation for 2010 will be released by HUD in July 2010. The allocation and set-aside process is anticipated as follows:

- \_ Florida Housing will utilize up to ten percent of the 2010 HOME allocation or \$2,266,091 for administrative costs pursuant to 24 CFR Part 92.207.
- \_ A minimum of 15 percent of the 2010 HOME allocation, or \$3,399,137, will be reserved for developments that are sponsored by qualified CHDO applicants within the timeframes permitted by 24 CFR 92 300 (a)(1). Florida Housing has historically exceeded the 15% CHDO requirement between rental and homeownership activities. In the event insufficient applications meeting threshold are received to allocate this amount to rental developments, the remaining unallocated funds (including CHDO reservation amount) may be shifted to homeownership activities. The same applies to homeownership developments, so the remaining unallocated funds may be shifted to rental activities.
- \_ Remaining allocated funds will be awarded via a competitive application process or a reservation system based on the appropriate rule chapters, or through one or more demonstration projects.
- \_ Additionally, Florida Housing periodically experiences development fallouts which may cause funds that have been initially committed to be de-obligated and returned for future program use. Furthermore, loans are consistently repaid and returned to the program fund for other eligible HOME activities. For the 2010-2011 fiscal year, it is anticipated that Florida Housing will utilize approximately \$3,000,000 in program income and \$1,622,000 in de-obligations either through the competitive application process for homeownership and rental activities, disaster recovery or down payment assistance alternatives. To mitigate factors related to development fallouts, Florida Housing may pair the developer with a technical assistance provider to facilitate and expedite the application and construction process. This increased education and technical assistance should prevent some development delays and fallout.

Prior to funding a development, the state will certify CHDO compliance and eligibility. CHDOs will be certified only in cases where they are actually awarded funds from the state. While neither the rental nor homeownership applications provide additional points for organizing as a CHDO, CHDO applicants with competitive applications are given preferential status when awarding funds to the extent necessary to meet the set aside (not less than 15% and in accordance with the applicable rule and application) for developments by qualified CHDOs.

In order to be certified, CHDOs must meet or demonstrate the following minimum requirements:

- \_ Organized under state or local law;
- \_ Certify that the structure of their organization and their Board meet the requirements of 24 CFR Part 92;
- \_ Possess appropriate legal status: 501(c)(3), 501(c)(4), or Section 905 of the Internal Revenue Code of 1986;
- \_ Maintain legal accountability to low-income community/neighborhood residents;
- \_ Display staff capacity and standards of financial accountability;
- \_ Demonstrate a minimum of one year of experience serving the community; and,
- \_ Propose projects that the organization will own, develop or sponsor.

For 2010, \$20,394,828 (\$22,660,919 – 10% Admin set aside) will be split between rental and homeownership activities based on the demand of the respective programs

## **Selection Procedures and Loan Terms for the Statewide Competitive Application of HOME Funds**

### **Florida Housing's HOME Rental Program**

HOME loan recipients for Rental developments are selected through a statewide, competitive application process. Eligible housing providers [non-profits, for-profit developers, local governments, public housing authorities and CHDOs are encouraged to apply for HOME funding. Three primary criteria applicants must demonstrate are: (1) ability to proceed with construction or rehabilitation; (2) experience in developing affordable housing; and, (3) ability to leverage HOME funds.

The HOME Rental program offers first or subordinate mortgage, low-interest rate loans to eligible housing providers for the acquisition/rehabilitation, rehabilitation, new construction, conversion of non-residential units to residential units, and reconstruction of multifamily housing. The HOME loan may be the primary source of financing or may bridge the gap between the development's primary financing and the total development costs. At least 15 percent of the annual allocation is set aside for CHDO developments with the remaining funds being allocated to both CHDO and other developments depending on the ranking.

Applicants may request up to 60 percent of the HUD established maximum subsidy limits based on the number of bedrooms per unit and the county in which they are located. Applicants may request refinancing of a first mortgage when borrowing HOME funds to rehabilitate units if refinancing is necessary to permit or continue affordability and all other requirements as described in HUD Rule 92.206(b) are met. For-profit applicants selected for funding receive a one and a half (1.5%) percent interest rate loan and non-profits receive a zero percent interest rate loan. For applicants owned by both for-profit and non-profit entities, the interest rate will be determined based upon the relative percentage of ownership of the general partner. The minimum term of the HOME loan is 15 years for rehabilitation and 20 years for new construction.

Applications received by the published application cycle closing date are reviewed, scored and ranked by Florida Housing staff. Based on the outcome of the competitive scoring, the applications are ranked in accordance with the application ranking and scoring criteria. Florida Housing provides an appeal process at which time the applicants may contest their score and/or the scores of competing developers.

Upon completion of the appeal process, applicants within funding range are notified of their ranking by way of a preliminary commitment letter. The applicant then advances through the credit underwriting process and, if the loan is approved by Florida Housing's Board of Directors, a firm commitment (or Written Commitment) is issued and then proceeds to closing.

### **Tenant Based Rental Assistance**

Florida Housing awarded \$21,630,000 for temporary rental assistance for emergency housing in response to the destruction of the 2004 and 2005 hurricanes. The HOME Tenant-Based Rental Assistance (TBRA) funds were granted to 22 qualifying Public Housing Authorities (PHA) that currently administer the HUD Section 8 Housing Choice Voucher Program. Funding began in 2005 and over \$18,000,000 has already been disbursed to approximately 1,985 qualifying families including 78 families that were displaced as a result of Hurricane Katrina. TBRA provides decent, safe and sanitary housing to eligible families with preference given to those that were displaced by the hurricanes. Funding will continue in 2010-11.

The maximum amount of funding for each PHA was \$500,000, although they could request additional funding once the initial \$500,000 was committed or expended, if backup was provided showing the need for the funds. Additionally, each PHA has been receiving an administrative fee of 10% of the funds drawn. Each PHA will also received an initial \$5,000 advance for operating expenses. The funds may be used to pay for security deposits, utility deposits and the tenants' initial month's pro-rated rent subsidy.

Eligible households include those who have incomes at or below 80 percent of area median income, adjusted for family size, as established by HUD. For each fiscal year, at least 90 percent of the eligible households assisted through HOME TBRA must be at or below 60 percent of area median income. Rental assistance is limited to an initial twelve month period.

### **Florida Housing's HOME Homeownership Programs**

#### **Homeownership Loan Program**

Florida Housing has not had a cycle under this program in the last five years due to utilizing HOME funds for hurricane relief in 2004 and an extensive program review in 2005. The result of the review is a new program, Homeownership Pool (HOP) Program, which has replaced the Homeownership Loan Program and is described below.

#### **Homeownership Pool Program**

Florida Housing Finance Corporation's Homeownership Pool ("HOP") Program, under rule 67-57, F.A.C., is designed to be a non-competitive and on-going program, with Developers reserving funds for eligible homebuyers to provide purchase assistance on a first-come, first-served basis.

The HOP program is available to non-profit and for-profit organizations, Community Housing Development Organizations (CHDOs), counties and eligible municipalities that are recipients of SHIP funding and the United States Department of Agriculture - Rural Development (USDA-RD).

Traditionally, American Dream Downpayment Initiative ("ADDI") funds are used in conjunction with the HOP program for eligible first time homebuyers, but in 2010 no ADDI funds were allocated. ADDI funds, if allocated, and HOME funds, both administered through the HOP program, are used to financially support families of low to moderate incomes with down payment and closing costs assistance up to the amounts stipulated in the HUD regulations. These zero percent, deferred principal loans require repayment if the homebuyer ceases to occupy the property as their primary residence during the affordability period, sells or transfer ownership or rents the property. Repayments are re-invested in the HOME program.

## Homebuyers:

Eligible homebuyers, whose adjusted income does not exceed 80% AMI, receive a zero percent deferred second mortgage loan for the lesser of 25% of the purchase price of the home or \$70,000, or the amount necessary to meet underwriting criteria (with the exception of Eligible Homebuyers with disabilities and Eligible Homebuyers at 50% AMI or below, who are limited to 35% of the purchase price or \$80,000). The second mortgage for loans to homebuyers will be a zero percent, non-amortizing loan with principal deferment until maturity. Principal payments on the second mortgage loans shall be deferred until the owner sells, transfers or disposes of the home or the owner ceases to occupy the home as a principal residence.

All families receiving HOP funding are required to undergo homebuyer education and counseling as a precursor to receiving a second mortgage loan.

## How It Works:

- An eligible organization becomes a "Member" of the Loan Pool by completing a HOP Membership Application.
- Members can reserve financing for qualified homebuyers, on a loan-by-loan basis, by submitting a HOP Reservation, Environmental Checklist and a copy of the foundation inspection once the home is under construction.
- As homes near completion, a Borrower Analysis for each contracted Eligible Homebuyer is required.

Florida Housing will provide funds in the amount necessary to reduce the purchase price to an affordable amount and closing costs assistance at homebuyer closing.

## Program Parameters:

- Funds may be reserved for a maximum of 180 days with no more than 10 homebuyer reservations in the system at one time per HOP Member.
- Members shall be limited to 60 units closed per year.
- Set-Asides: It is anticipated that any allocated HOP funds would be set aside as follows:
  - 15% Community Housing Development Organizations (CHDOs)
  - 15% Self-Help Housing
  - 50% Non-Participating Jurisdictions (Non PJs)
  - 20% Participating Jurisdictions (PJs)

Any unreserved funds remaining at the time a new Notice of Funding Availability is made for this program will be reallocated for use with the new funding amount.

## **First Time Homebuyer Program**

Beginning in 2007, Florida Housing discontinued its use of HOME funds as second mortgage loans to eligible homebuyers in conjunction with the Single Family Mortgage Revenue Bond Program.

## **Additional Homeownership Program Considerations**

Florida Housing would like to reserve the right to revise the terms of the programs set forth herein and in the program rules to address market changes, special needs populations and certain natural disasters. Market changes such as changes in interest rates or construction costs may necessitate additional assistance to maintain affordability of the homes. Oftentimes, incomes alone are not sufficient to support the sales prices. Florida Housing routinely explores ways to address special needs populations such as those with disabilities. These potential borrowers often need more assistance to qualify for a home due to limited incomes and the need for supportive services. Addressing the needs associated with the events above may require program parameters different than what is identified above. Assistance may be provided in the form of low interest rate loans, deferred interests loans or grants.

## **Needs of Public Housing**

Florida Housing works closely with Public Housing Authorities in many of our programs. Florida Housing awarded over \$21 million in HOME Tenant-Based Rental Assistance (TBRA) funds to 22 qualifying Public Housing Authorities (PHA) that currently administer the HUD Section 8 Housing Choice Voucher Program for emergency housing in response to the destruction of the 2004 and 2005 hurricanes.

Also, HOME loan recipients for Rental developments are selected through a statewide, competitive application process. Eligible housing providers [non-profits, for-profit developers, local governments, public housing authorities and Community Housing Development Organizations (CHDOs)] are encouraged to apply for HOME funding.

Florida Housing believes that its close ties with the housing authorities create the requisite knowledge by the housing authorities of Florida Housing's homeownership programs for the authorities to help eligible families with our programs. The ADDI funds, when received, were rolled into our HOP program, as we found many families at the 80% and below required more than \$10,000 to achieve homeownership. Additionally, many of our homeownership programs, including HOME Again and the HOP program allow funds to be used for the purchase of new manufactured homes, as they are viable options for affordable housing.

Florida Housing continues to strengthen our relationship with Public Housing Authorities through our program design and the inclusion of Public Housing Authorities as eligible recipients of both Federal and State funding. Florida Housing has worked closely with many housing authorities through our various programs in the past and will continue to strengthen our relationship in the future.

## **Match**

The creation of public-private partnerships is essential to the goal of providing affordable housing to Florida's citizens. The HOME program encourages creative and streamlined partnerships tailored to meet Florida's housing needs while complying with applicable federal guidelines. Florida Housing uses other available sources of match to meet this HUD requirement.

State funds may be provided by the William E. Sadowski Affordable Housing Act, a state of Florida law enacted in 1992. This landmark housing legislation established a dedicated revenue source for affordable housing. In 1992, the Sadowski Act increased the documentary stamp tax on deeds from 60 cents per \$100 to 70 cents per \$100 of real estate transferred. In 1995, an additional 10 cents of the original 60 cents was reallocated to fund affordable housing. Of the 70 cents collected, approximately 3.1 cents goes to state housing programs and 7.3 cents goes to local governments for affordable housing.

The State of Florida is confident that it will effectively meet and exceed the match requirements of the HOME program through the issuance of Multifamily Mortgage Revenue Bonds and , the availability of the State Apartment Incentive Loan (SAIL) program.

### HOME Homebuyer Recapture

Funds loaned to an eligible borrower in conjunction with the Homeownership Loan Program competitive cycle and the Homeownership Pool Program will conform to the following guidelines:

- A. At the time of purchase, the initial buyer must satisfy the two following criteria:
  - 1. Must be a low-income family (have an income of 80% or less of the median income for the area); and
  - 2. Must occupy the acquired property as the principal residence.
- B. HOME-assisted units shall comply with the purchase price limitation requirements established by HUD in Part 92.254 of the HOME Rule. Eligible homebuyers can receive a 0% interest rate, deferred payment, second mortgage loan. Repayment of the loan is due should (1) the borrower sell, transfer or dispose of the assisted unit (either by sale transfer, bankruptcy or foreclosure, etc.); (2) the borrower no longer occupies the unit as a principal residence during the affordability period; or (3) the borrower dies, or if the borrower is married, the borrower's surviving spouse dies.

Florida Housing elected to utilize option (ii) under 24 CFR 92.254(a)(5)(ii), as its method of recapturing HOME funds under any Homebuyer Program the State administers.

- A. The following methods of recapture would be acceptable to Florida Housing and will be identified in the down payment assistance note prior to closing:
  - 1. Recapture the entire amount of the net proceeds (i.e., the sales price minus loan repayment, other than HOME funds, and closing costs) not to exceed the amount of the HOME investment, except that the HOME investment amount may be reduced or prorated based on the time the homeowner has owned and occupied the unit measured against the required affordability period.
  - 2. If the net proceeds (i.e., the sales price minus loan repayment, other than HOME funds, and closing costs) are not sufficient to recapture the full (or a reduced amount as provided for in 24 CFR 92.254(a)(5)(ii)(A)(5)) HOME investment and enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment, the participating jurisdiction's recapture provisions may share the net proceeds. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:  
  
$$\frac{\text{(HOME investment)}}{\text{(HOME investment + homeowner investment)}} \times \text{Net Proceeds} = \text{HOME amount to be recaptured}$$
  
$$\frac{\text{(Homeowner investment)}}{\text{(HOME investment + homeowner investment)}} \times \text{Net Proceeds} = \text{Amount to Homeowner}$$
  - 3. Alternatively, Florida Housing may also allow the homebuyer to recover all the homebuyer's investment (down payment and capital improvements) first before recapturing the HOME investment.

- B. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This is also the amount upon which the affordability period is based. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property. The recaptured funds must be used to carry out HOME-eligible activities. If HOME funds were used for development subsidy and therefore not subject to recapture, the resale provisions at 24CFR 92.254(a)(5)(i) apply.
- C. Upon the recapture of the HOME funds used in a single family homebuyer project with more than one unit, the affordability period on the rental units may be terminated at the discretion of Florida Housing.

In certain instances, Florida Housing may choose to utilize the resale provision at 24 CFR 92.254(a)(5)(i) and will identify this provision in the down payment assistance note prior to closing. Resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low or very low income family, 80% AMI and below, and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment. The purchase price at resale will be the lesser of the formula price calculation below or the value of the improvements determined by an Appraisal. The formula price may be calculated as the amount of initial equity provided by the HOME-assisted owner at original acquisition plus any documented capital improvements made to the home by the HOME-assisted owner and a share in the amount of increased market value of the home based on the following table:

<u>Years HOME-assisted owner in House</u>	<u>Amount of Increase in Market Value</u>
Year 1 – 3	5%
Year 4 – 6	15%
Year 7 – 10	25%
Year 10+	50%

Variations in the calculation of the resale price may be considered based on local conditions and will be identified in the down payment assistance note prior to closing.

Except as provided in paragraph 24 CFR 92.254(a)(5)(i)(B), deed restrictions, covenants running with the land, or other similar mechanisms must be used as the mechanism to impose the resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA-insured mortgage to HUD. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights, to purchase the housing before foreclosure in an effort to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

### **Demonstration Projects**

From time to time, as Florida Housing determines there is a new or changing need for rental or homeownership housing assistance that cannot be handled adequately through existing programs, Florida Housing may decide to develop one or more demonstration projects. The purpose of these projects will be to evaluate the feasibility of using HOME funds for the purposes designated in the demonstration

projects.

Any proposed demonstration will be approved by Florida Housing's Board of Directors. Funds will be awarded through a Request for Proposal process that outlines criteria to be used in evaluating and selecting proposals for funding. Examples of projects that may be considered for funding in this manner include, but are not limited to: tenant based rental assistance, home modification, affordable assisted living facilities and independent senior housing in targeted rural areas, housing targeted to people with disabilities, manufactured housing, farmworkers, homeless persons, those at risk of homelessness, victims of domestic violence, persons with disabilities, frail elderly, and preservation of existing affordable housing developments.

Current Demonstration Projects utilizing HOME funds include:

RFP 2005-05 and 2006-03 Provide Affordable Housing through Community Land Trusts

RFP 2005-05 for the Development of Migrant Farmworker Housing

RFP 2006-02 for the Development and/or Rehabilitation of Housing for Special Needs Populations

RFP 2009-06 for HOME funds in conjunction with Multifamily Mortgage Revenue Bonds (MMRB)

### **Lease-Purchase Activities**

Florida Housing does not currently use HOME funds for lease-purchase activities. In light of current economic situation in the housing market, Florida Housing may consider using HOME funds for lease-purchase activities through a Demonstration Project.

### **Monitoring**

All HOME rental developments receive on-site Management Review and Physical Inspection on an ongoing basis. Written reports are compiled and distributed as described in the following information. The compliance monitoring Agents under contract with Florida Housing are professionals who are diligent in their duties and perform as an extension of Florida Housing's Asset Management section. In addition, the Florida Housing Quality Assurance and Asset Management departments conduct reviews of each firm under contract for compliance monitoring with Florida Housing. The Florida Housing Staff maintains daily telephone contact and conducts roundtable discussions with the monitoring agents on an ongoing basis. Procedures and responsibilities are described below.

Management Company Approval: The owner/developer must submit information regarding selection of a management company, and the developer's selection of the management company must be approved by Florida Housing prior to the company assuming development management responsibilities. This is in addition to the review of the management company information by the underwriter.

The steps for obtaining management company approval are as follows:

- A. Florida Housing Asset Management Staff review of company information including key management personnel, management plan, management experience procedures and Florida Brokers license.
- B. Florida Housing Asset Management Staff review of company management plan, company forms such as applications for apartment residence, income verification forms, lease, etc.
- C. Key management company representative attendance at a Florida Housing Compliance Workshop.
- D. A meeting between Florida Housing Asset Management Staff and a management company

representative after the Compliance Workshop or via conference call.

- E. Florida Housing documentation of approval to the owner and management company.

Compliance Monitoring Agent: The compliance monitoring agent can be Florida Housing or an agent under contract with Florida Housing. The agent:

- A. Receives and reviews Program Reports and Income Certification from each development monitored.
- B. Conducts Compliance Training conferences and workshops.
- C. Conducts Pre-Occupancy Conferences.
- D. Conducts Management Review and Physical Inspections and necessary Follow-up Reviews.
- E. Provides continuing education to the owners/developers, management company personnel, and on-site management as needed.
- F. Copies Florida Housing on all correspondence, including Management Reviews, and keeps Florida Housing advised regarding developments monitored.
- G. Performs additional Miscellaneous Duties
  - 1. Daily availability to on-site staff to answer any questions concerning compliance.
  - 2. Keeping Florida Housing advised of regularly scheduled activity, of problems and of changes.
  - 3. Any change in ownership and/or management company may require additional reviews.
  - 4. Training to instruct owners/management personnel on compliance requirements shall be conducted as deemed necessary by Florida Housing.
  - 5. Participation in conducting regional training workshops for owners and management personnel to assure compliance with federal regulations, State laws and Florida Housing rules and policies concerning tenant income restrictions. Workshops are conducted approximately four times annually.

### **Compliance Monitoring**

Pre-Occupancy Conference/Training. Prior to the leasing of any Development units, the compliance monitor shall conduct a pre-occupancy conference/training with the developer and management company personnel to provide complete instructions on items A. through Q., below. Upon completion of the conference/training, the compliance monitor must provide written confirmation to Florida Housing that the items specified below have been addressed:

- A. Federal requirements including, but not limited to, the minimum number of set aside units, certification and recertification of tenants, and next available unit documentation.
- B. State laws including, but not limited to, additional set aside units and any program requirements as may be required by Section 420, Fla. Stat., as may be amended from time to time.

- C. Florida Housing rules concerning tenant income restrictions.
- D. Resident Programs/Public Purpose Requirement/Public Policy Criteria.
- E. The Fair Housing and Equal Opportunity law and the Federal Fair Housing Act, as amended.
- F. Affirmative Fair Housing Marketing requirements, as may be amended from time to time.
- G. Tenant applications - specific information necessary for continued program compliance.
- H. Income limits.
- I. Rent Limits, as may be amended from time to time.
- J. Income verifications.
- K. Utility allowances.
- L. Annual income and assets.
- M. Tenant Income Certifications.
- N. Leases.
- O. Program Reports.
- P. Management units, and
- Q. Developer's responsibilities including, but not limited to:
  - 1. Notifying the compliance monitor of any change in management personnel; and,
  - 2. Notifying Florida Housing of any change in ownership of the management company.

#### Program Reports

The initial HOME Program Report is prepared as of the last day of the calendar month during which the loan closing occurs, if the development is occupied; or the rental of the initial unit in the development occurs, whichever is later. Subsequent HOME Program Reports shall be prepared as of the last day of each calendar month. HOME Program Reports are due no later than the 15th of each month throughout the regulatory period. Annually, on dates assigned by the Corporation, the monitoring agent's copy of each Program Report will be accompanied by Tenant Income Certification copies for ten (10) percent of the executed Tenant Income Certifications that were effective during the reporting year.

#### Management Review

The purpose of the Management Review is to evaluate management of the development and to conduct an onsite inspection of the premises. Follow-up reviews may be required, based on the quantity and nature of file errors or a poor physical condition found by the compliance monitor.

- A. Management Reviews will be conducted as follows:

1. Developments which have units occupied at the time of loan closing - the compliance monitor shall conduct the initial review on or before the 120th day after loan closing, and subsequent reviews will be conducted throughout the period of affordability as listed in the Subsequent Review Schedule below.
2. Developments with no tenants at the time of loan closing - the compliance monitor shall conduct the initial review on or before the 120th day after the leasing of any HOME-assisted unit, and subsequent reviews will be conducted throughout the period of affordability as listed in the Subsequent Review Schedule below.
3. Subsequent Review Schedule

Total Units in Development	Frequency of Reviews
1-4	Within 3 years of the previous review
5-25	Within 2 years of the previous review
26+	Within 1 year of the previous review

4. A follow up review may be conducted onsite or as a desk review and shall be scheduled on or before the 90th day after the response due date. Files and/or units with previous findings shall be re-examined to evaluate the corrections. An additional sample of files and/or units shall be reviewed to confirm that current procedures are acceptable.

B. Management Review procedures include the following:

1. Tenant Files and Records. The compliance monitor shall:
  - a. Select at random and inspect tenant files equivalent to a minimum of 15% of the set-aside units in the development. Within each tenant file reviewed, the compliance monitor shall perform the following evaluations:
    1. Application(s) - check for completeness and inclusion of total income from all sources, including assets.
    2. Tenant Income Certification (initial and/or current) - check for completeness and confirm the amount of income documented in the tenant file.
    3. Verification(s) of income - examine for completeness and compare to the application and the initial and/or current Tenant Income Certification for agreement.
    4. Lease (initial and current) - examine to ensure that all occupants of the unit are listed, the lease is fully executed, the terms of the lease meet LURA requirements, and confirm that the current rent for the unit does not exceed applicable rent limits.
    5. The sequence of the certification procedure to ensure that no person or family occupies a development unit prior to being properly certified.
  - b. The compliance monitor shall have the option of a desk review. If a Desk Top Audit is performed, the physical inspection of the property shall be conducted within 60 days of completion of the Desk Top Audit.

2. The administrative procedures of the developer/management company. Review the following administrative procedures at a minimum and indicate findings on the Management Review and Physical Inspection Summary:
  - a. Tenant selection and orientation
  - b. Maintenance program
  - c. Security program
  - d. Organization and supervision
  - e. Training
  - f. Advertising and Affirmative Fair Marketing
  - g. Tenant programs and services
  
3. Physical inspection of units. The compliance monitor shall inspect development's units to determine if those units meet the HUD Uniform Physical Condition Standards and/or local and state codes. Management must provide notice pursuant to Section 83.53, Fla. Stat., to tenants for unit inspections. Physical inspection includes:

- a. Inspection of the buildings including unit features, development amenities and the grounds (including landscaping) to evaluate overall appearance and compliance with LURA requirements and indicate findings on the Management Summary.
- b. Quantity of units to be inspected:

Set-aside Units	Quantity of Units Inspected
1 – 50	5 + 1 random
51 – 200	8 + 2 random
200 +	10 + 2 random

4. Transmittal of Management Review and Physical Inspection Summary
  - a. The compliance monitor must prepare and send the Management Review Summary to the developer, the management company representative, the onsite manager and Florida Housing. The developer must acknowledge receipt of the Management Review and Physical Inspection Summary to the compliance monitor within 10 Days from the date the Summary was mailed and respond in writing to the compliance monitor and Florida Housing within 30 Days of the date the Summary was mailed. The response must address all noted discrepancies and indicate the manner in which corrective action has been made. The compliance monitor shall review the response to determine whether all discrepancies have been satisfactorily corrected and follow up with the developer or management company representative until resolved.
  - b. If a response has not been received by the due date, the compliance monitor shall follow up with the owner and management company until the response is received.

5. Close-Out Letters

The compliance monitor shall provide the owner, management company, and Florida Housing with a closeout letter when all discrepancies have been corrected satisfactorily.

**Monitoring of Expenditures**

Florida Housing administers the HOME program and distributes HOME funds in accordance with 24 CFR Part 92 and Rules 67-48, 67-50 and 67-57, Florida Administrative Code (F.A.C.). HOME funds allocated by Florida Housing provide the necessary financial support to assist various activities aimed at creating long-term affordable, safe, decent, and sanitary housing for very low and low-income persons and households. Florida Housing administers these programs either through a competitive application process or a reservation system. It monitors all HOME activities to ensure compliance with program guidelines and certifies that proposed program activities are consistent with the State Consolidated Plan approved by the U.S. Department of Housing and Urban Development.

**Federal Labor Standards**

In order to ensure the requirements of the Davis-Bacon Act, 40 United States Code 276a - 276a-5, as required by HUD, the Contract Work Hours and Safety Standards Act, 40 United States Code 327-333, and the Copeland Act, 40 United States Code 276c, are being met on any Development receiving a HOME Loan, Florida Housing will receive documentation sufficient for Florida Housing to certify to HUD that these requirements are being met.

- A. To aid in this process, Florida Housing shall perform the following functions:
  - 1. Provide compliance procedure guidelines regarding Federal Labor Standards monitoring.
  - 2. Have certification signed regarding debarment, suspension, ineligibility and voluntary exclusion.
- B. The Servicer of the HOME Loan, or its designee, shall be required to perform functions including, but not limited to, the following:
  - 1. Verify the general contractor's eligibility for contract award.
  - 2. Forward information regarding Federal labor standards to the identified general contractor and all subcontractors.
  - 3. Conduct a pre-construction conference to review the Federal labor standards. At a minimum, the developer and the general contractor shall attend. A Florida Housing representative may be in attendance.
  - 4. Prepare and issue pre-construction conference minutes to Florida Housing and all attendees.
  - 5. Re-verify wage rates of anticipated worker classifications using Davis-Bacon Act forms.
  - 6. Verify authenticity of any apprenticeship programs and proper registration of identified apprentices.
  - 7. Verify authenticity of any training programs and proper registration of identified trainees.

8. Conduct interviews of employees of the developer, general contractor or subcontractors using form HUD-11. This will include site interviews once a month, and mail interviews (postage paid return envelope provided) once a month.
9. Review the certified weekly payrolls from the developer, general contractor and all subcontractors to monitor compliance as follows:
  - a. The payroll report is complete.
  - b. Classifications and wage rates are equal to or exceed the rates required by HUD.
  - c. Overtime hours and wages are properly calculated.
  - d. Fringe benefits have been paid in cash to an approved third party plan, fund, or program.
  - e. The ratio of apprentices to journeymen does not exceed the ratio stipulated under the approved program.
  - f. The ratio of trainees to journeymen does not exceed the ratio stipulated under the approved program.
10. Recommend withholding draw request disbursements to developers if certified payrolls have not been forwarded when due or if outstanding discrepancies have not been resolved.
11. Each month, prepare and forward a Federal Labor Standards Report to Florida Housing including the following:
  - a. Summaries of payroll reviews including all discrepancies and status of the resolution, including details of any restitution payments.
  - b. Dates of all monthly site and mail interviews, and summary of issues resulting from the interviews.
  - c. Any further information required for Florida Housing Finance Corporation to complete the HUD Semi-Annual Labor Standards Enforcement Report (SL/9804(1)).

### **Affirmative Marketing Program**

The Florida Housing Finance Corporation, as a state participating jurisdiction, certifies that, in accordance with Section 281 of the National Affordable Housing Act and 24 CFR Part 92.352, Department of Housing and Urban Development's Rules, prescribed procedures are acceptable to the Secretary and are established to oversee its affirmative marketing program.

The affirmative marketing steps shall consist of actions to provide information and otherwise attract eligible persons in the housing market area to the availability of housing without regard to race, color, national origin, sex, religion, familial status, or disability.

The state will require an affirmative marketing policy in conjunction with the state's commitment for HOME funds. The affirmative marketing policy shall consist of the following elements:

- A. Informing the Public, Owners and Potential Tenants about Federal Fair Housing Laws:  
Recipients shall utilize acceptable methods for communicating affirmative marketing

requirements which may include, but are not limited to, providing a copy of this policy to be used in all media releases, using the Equal Housing Opportunity logo and slogan in all media releases, and explaining the general policy to the media, property owners, and tenants involved with the HOME program.

- B. Requirements and Practices Recipients Must Adhere to When Advertising Vacant Units: When advertising for a HOME property, recipients may use commercial media (newspaper or television) or local community contacts, but should utilize the Equal Housing Opportunity logo or slogan and always use caution when documenting affordable housing (income and rent restrictions).
- C. Recipients' Outreach Requirements: Recipients shall solicit applications from persons in the housing market area who are not likely to apply. Persons not likely to apply are defined as those who are not the race/ethnicity of the residents of the neighborhood in which the unit is located. Examples of procedures to be adopted by all recipients may include, for example, selecting of community organizations, churches, employment centers, fair housing groups, public housing authorities, or housing counseling agencies that provide services to, or have as members or persons in the group or groups least likely to apply to advertise the availability of housing.
- D. Record Keeping and Corrective Action (If Necessary): Recipients shall be required to maintain records that describe efforts taken to affirmatively market units. The state will review such records annually and if found unacceptable will provide the proper technical assistance to ensure appropriate affirmative marketing steps are being followed pursuant to 24 CFR 92.351. In addition, an agreement that shall be binding for specific period of time (during the affordability period of the units) shall be executed which will require compliance with 24 CFR 92.351.

### **Minority and Women Business Outreach**

The state will carry out activities and procedures in accordance with 24 CFR 92.350(b) under the Minority and Women's Business Enterprises (MBE/WBE) Outreach Program to further the objectives of Executive Orders 11625, 1232, and 12138.

Under the MBE/WBE Outreach Program, the state will make efforts to encourage recipients defined as state recipients, subrecipients, prime contractors and owners of HOME-assisted housing, to use minority and women-owned business enterprises that recipients may contact will include, but are not limited to the following: real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, and accountants. In addition, the state gives priority to outside environmental review and credit underwriting consultants who are associated with minority firms.

### **Section 3**

The state will carry out activities and procedures in accordance with 24 CFR Part 135 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. State recipients, sub recipients and prime contractors will be encouraged to make efforts to reach section 3 residents and business concerns through employment, training opportunities, and contracting.

## HOME Program Goal, Activities, and Outcomes

<b>GOAL: TO INCREASE AND PRESERVE THE SUSTAINABILITY AND AVAILABILITY OF SAFE, DECENT AND AFFORDABLE HOUSING FOR VERY LOW AND LOW INCOME PERSONS AND FAMILIES</b>
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**ACTIVITY 1:** Rental Housing Rehabilitation – To provide funding through the HOME program for the rehabilitation of housing for low income families. Expected Outcome: Enhance suitable living environment through improved sustainability.

**ACTIVITY 2:** Rental Housing Development – To provide funding through the HOME program for the construction of housing for low income families. Expected Outcome: Create decent housing with improved affordability.

**ACTIVITY 3:** Tenant Based Rental Assistance – To provide decent, safe and sanitary housing to eligible families with preference given to those that have been displaced as a result of a natural disaster. Expected Outcome: Enhance suitable living environment through improved accessibility.

**ACTIVITY 4:** Owner Occupied Housing Rehabilitation – To assist current homeowners with repair or reconstruction with preference given to those impacted by a natural disaster. Expected Outcome: Enhance suitable living environment through improved sustainability.

**ACTIVITY 5:** Direct Homebuyer Assistance – To assist homebuyers with financing of a home purchase of new construction. Also, to facilitate the provision of safe, decent, sanitary, and affordable housing stock throughout the state of Florida. Expected Outcome: Create decent housing with improved affordability and availability.

## **Housing Opportunities for Persons with AIDS (HOPWA)**

### **Executive Summary**

The Florida Department of Health administers the state Housing Opportunities for Persons with AIDS (HOPWA) program. The Bureau of HIV/AIDS, Patient Care Resources Section is the designated office within the department, which has the lead responsibility for management of the program. The Department of Health contracts with local community agencies and organizations as project sponsors. The project sponsors provide HOPWA services in ten Ryan White Part B consortium geographical areas throughout the state. These areas receive state HOPWA funds at the local level for services in 48 of Florida's 67 counties.

This federally funded state program serves those areas of the state that do not directly qualify for HOPWA funding as an eligible metropolitan statistical area (EMSA). There are currently ten EMSAs in Florida. The Department of Health may administer grant funds designated by the Department of Housing and Urban Development (HUD) to a new EMSA under an annual re-designation agreement. These funds are managed at the local level as stated above.

The goals of Florida's housing initiative are: (1) to prevent the condition of homelessness from occurring to an individual or family with HIV disease, or if already homeless, to transition the individual or family back into stable housing as soon as possible, and (2) to create a strategy for long-term housing stability for persons with HIV/AIDS. Florida's program provides resources for meeting the emergency short-term and long-term housing needs of persons with HIV/AIDS and their families. State HOPWA funds are used in tandem with other HUD programs and other federal, state and local housing and community development resources. The program places emphasis on the connection between housing assistance and appropriate supportive services available through the HOPWA and other funding sources such as Ryan White Part B and state general revenue. Therefore, support services that contribute to stable housing will be readily available to HOPWA clients.

Florida's HOPWA program establishes the Ryan White HIV/AIDS Treatment Extension Act of 2009, Part B state and local planning bodies with the responsibility for providing recommendations to the department relating to HOPWA enrollment requirements. This includes requirements which may be more restrictive than those outlined in the federal regulations and state guidelines. Since the Department of Health, as the state HOPWA grantee, is ultimately responsible and accountable to HUD for the state program activities, the department reviews the recommendations within the parameters of the state and federal requirements before implementation.

Florida allocates new funds annually based on the cumulative number of reported living HIV/AIDS cases in the ten geographical areas through January 31 of the calendar year. A minimum of 97% of state HOPWA funds is allocated statewide through contracts with ten project sponsors under a one-year contract (July 1 to June 30) to carry out eligible program services and activities. These contracts are managed at the local level.

State HOPWA program staff participates on advisory groups and coalitions including the Florida Community Agencies Providing Resources for Ex-Offenders Network and the Florida Supportive Housing Coalition. The Network's mission is to assist community-based agencies interested in serving HIV positive ex-offenders leaving local jails and Department of Corrections prison facilities and returning to their communities. The coalition brings together necessary resources and advocates with housing and service providers to promote supportive housing opportunities in Florida that foster stability, independence, and self-sufficiency for people with special needs.

## **Resources and Objectives**

### *Federal and Other Resources*

The high cost of health care contributes to the large number of individuals who are homeless or are on the verge of becoming homeless. Therefore, in addition to \$5,405,369 HOPWA funds expected for the upcoming program year, other funds available for care and support services for Florida's HIV/AIDS population include: State of Florida general revenue and Ryan White Part B. The total amount of funding expected from these two sources is \$174,403,775. The state program project sponsors will leverage other public and private resources to address needs identified in client housing service plans and to reduce the cost of services whenever possible.

### *Annual objectives*

The state program will provide financial resources to assist clients in stabilizing their living situations and increasing their chances of maintaining and achieving self-sufficiency, ultimately preventing homelessness. The estimated number of clients/households to be assisted is 2,889.

## **Activities**

### *Distribution of Funds*

Florida distributes funds annually based on the cumulative number of reported living HIV and AIDS cases in ten geographical service areas through January 31 of the calendar year. The allocation is based on each area's proportionate share of the cumulative number of living HIV and AIDS cases, utilization rates, and available funds. The allocation methodology is reviewed periodically and the Department of Health takes recommendations into account prior to making final annual allocation decisions. Metropolitan Statistical Areas (MSAs) of the state that qualify for direct HOPWA funding from HUD may be eligible to receive state HOPWA program funds only when funds exist beyond the amount required to meet 100% of the need of the state program service area. Florida will consider the allowance of a percentage of the state HOPWA funds to be used by the MSAs to address identified unmet need in those areas.

A minimum of 97% of the state HOPWA grant award will be allocated statewide to ten project sponsors under a one-year contract, July 1 to June 30, to carry out eligible services and activities for the state program. The state is preparing to contract for fiscal year 2010-2011 HOPWA services and activities to begin July 1, 2010. Funds will be allocated in accordance with the methodology described. Approximately \$5,243,208 (97%) of the federal fiscal year 2010 grant award will be used to benefit eligible persons whose income does not exceed 80% of the median family income for the area served. The remaining 3% of the grant award will be used to cover grantee administrative costs. City HOPWA (EMSA) funds re-designated to the state HOPWA program will be administered by the department in the same manner and for the same activities as the state HOPWA program.

In addition to federal fiscal year 2010 grant award funds, unspent funds from prior fiscal years will be used to address priority needs during the program year. Therefore, approximately \$4,958,582 will be contracted for the provision of state program services and activities.

If the state program grant amount is more or less than the estimated amount of grant funds to be received, the difference will be added to or subtracted from appropriate budget categories.

### *Activities and Services (Priorities)*

Housing services will be provided to income eligible individuals with documented HIV disease and their families. Currently, an eligible person for enrollment in the state program is a person who meets the

following minimum requirements: enrollment through a case manager; documented HIV positive status; documented income that does not exceed 80% of the median income for the area; and verifiable documentation of need. The following state HOPWA program eligible activities are planned to help households achieve stable housing:

	<b>Activities</b>	<b>Number of Household Planned to Serve (HOPWA Funds)</b>	<b>Number of Household Planned to Serve (Non-HOPWA)</b>
1.	Short-Term Rent, Mortgage and Utility Payments - <ul style="list-style-type: none"> <li>To prevent homelessness of the tenant or mortgagor of a dwelling</li> </ul>	2,378	141
2.	Short-Term Supported Housing Facility Assistance – <ul style="list-style-type: none"> <li>To provide temporary shelter to eligible individuals</li> </ul>	165	45
3.	Supportive Services – <ul style="list-style-type: none"> <li>Housing Case Management ----- <i>(in conjunction with HOPWA-funded housing)</i></li> <li>Housing Case Management----- <i>(not in conjunction with HOPWA-funded housing)</i></li> <li>Permanent Housing Placement-----</li> <li>Other Services ----- <i>(described in 574.300 (b)(7))</i></li> </ul>	2,889 50 366 10	50 100 32 328
4.	Resource Identification – <ul style="list-style-type: none"> <li>To establish, coordinate and develop housing assistance resources for eligible persons</li> <li>To enable referrals to other needed services</li> </ul>	N/A	N/A
5.	Long-Term Tenant-Based Rental Assistance (TBRA)*	43	101
6.	Housing Information Services	474	187
7.	Grantee and Project Sponsors' Administrative Services	N/A	N/A

\*Tenant-Based Rental Assistance was approved as a part of the housing continuum to provide a permanent housing option for the Monroe County service area, effective July 1, 2008. This project will continue in fiscal year 2010, consistent with 24 CFR Part 574.300(5) and the Division of Disease Control, Bureau of HIV/AIDS, Patient Care Program's Tenant-Based Rental Assistance Guidelines, July 1, 2008.

The state HOPWA contract for fiscal year 2010-2011 includes TBRA as an allowable activity for use in all state HOPWA program service areas. Upon completion of revised policies and procedures for implementation of the long-term housing option, TBRA may be added during the program year to other service areas through the contract amendment process.

The types of state HOPWA program benefits include but are not limited to: rent or mortgage payments, utility payments, security deposits, credit checks, utility hookup and processing costs, supportive services such as case management, counseling to help develop a housing service plan, support to enable access to care and treatment and help to complete public housing applications and referrals to other needed services.

Activities under the HOPWA program will be carried out in a manner that addresses the program's intent to devise long-term strategies for meeting the housing needs of persons with HIV disease and their families. The state program will allow resource identification activities to establish, coordinate and develop housing assistance resources for eligible persons. This includes conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives.

By focusing on short-term and long-term rental assistance rather than construction or housing rehabilitation, persons will not be displaced. The Department of Health may approve the use of state HOPWA funds for non-traditional supportive services such as pharmaceuticals and other health care services described in 24 CFR 574.300(b)(7). Clients will also be afforded access to supportive services funded under Ryan White Part B and state general revenue programs including but not limited to medical care, transportation, insurance, dental and counseling services.

Project sponsors may use up to 7% of the total contract amount to cover administrative costs. Costs for Resource Identification activities are limited to no more than 5% of the total direct care budget. The state program housing case management expenditures are limited to no more than 20% of the total amount budgeted for direct care services. The cost for short-term and long-term rent is based on the fair market rent value for the area, while payments for mortgage and utilities may be at the specified amount. Local areas are permitted to apply caps or limitations on the amount of assistance that will be provided in the area. These caps or limits will be applied in a uniform, consistent and non-discriminatory manner. Costs for short-term supported housing facilities shall not exceed costs applied to the unassisted market. All services provided by HOPWA will comply with requirements pursuant to 24 CFR, Part 574.310.

Time limitations for short-term housing in many areas of the state are sometimes too brief to enable clients to achieve financial independence and establish permanent living arrangements. In order to ensure that homelessness does not occur when clients are confronted with time constraints, wait lists for public housing and high costs of local permanent housing, the Department of Health will seek HUD's approval to waive the current time limitations for short-term housing. Waivers will be requested on a case-by-case basis in accordance with 24 CFR, Part 574.330. Project sponsors will be required to provide documentation of individual circumstances that justify requests for waiver of time limitations.

The bureau's Patient Care Resources section has utilized several mechanisms that have undergone continuous improvement over the years to determine the needs of persons living with HIV disease. The bureau requires all 14 geographical areas of the state to provide service delivery and demographic usage data in order to assess statewide utilization of services and to evaluate program effectiveness. This information is utilized to develop a Statewide Coordinated Statement of Need that addresses the core services every client is intended to receive. Local planning bodies are required to conduct a comprehensive needs assessment of their communities every three years and provide an annual update. The planning bodies are required to review HIV/AIDS epidemiological data, demographic information from clients served and from communities, conduct focus groups and surveys, develop resource inventory, review provider capacity needs and provider capacity profiles, assess service gaps and conduct client satisfaction surveys. This needs assessment process is coordinated with other funding streams. To maximize the efficient expenditure of scarce resources, the state will provide a continuum of care by planning for a variety of services and will continue to utilize the planning bodies to provide the Department of Health with needs assessment outcomes, planning and prioritization recommendations for the state HOPWA program.

The bureau communicates to the planning bodies and project sponsors through local contract manager and HIV/AIDS program coordinator positions that are located in the respective geographical areas (mostly state county health departments). These local positions have direct communications with the state HOPWA program coordinator in the bureau, headquartered in Tallahassee.

Established in 1994, the Florida HIV/AIDS Comprehensive Planning Network (FCPN) (formerly Florida Community Planning Group) exemplifies the coordinated and integrated approach to HIV/AIDS in the state of Florida. Acknowledging the complexity and challenges involved in mounting an effective response to a growing problem, FCPN channels the energies of its members through a process that ensures the broadest representation and client input. It is comprised of representatives from each of the 14 geographical areas of the state. The FCPN brings together a diverse group of individuals and entities infected and affected by HIV/AIDS into an integrated process of community planning. This Planning Network has been highly successful in creating a forum for discussion and follow-up action and instrumental in initiating a comprehensive strategic planning process. The lack of stable, available and affordable housing continues to be stated in the top five barriers to care that generally apply to the majority of clients served by the 14 geographical areas identified through the community planning process.

The following chart reflects a regional breakout of the statewide and local planning bodies including the total reported HIV and AIDS cases in the state program service area. It also includes, the ten state program local planning bodies, counties served within each service area and the reported number of living HIV and AIDS cases, excluding the Department of Corrections, based on the Florida Department of Health, 2009 HIV/AIDS Surveillance Data Report:

HIV/AIDS Florida Community Planning

<p><b>Statewide</b>  <b><u>Florida Comprehensive Planning Network (FCPN)</u></b>          Meet up to three times a year and provide guidance to local planning bodies.</p>	<p><u>Cases:</u> 17,155  <u>Service Area:</u> Florida</p>
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HIV/AIDS Local Planning Bodies

<p><b>Area 1 – Pensacola</b>  <b><u>Northwest Florida AIDS Consortium</u></b></p>	<p><u>Cases:</u> 1,477  <u>Service Area:</u> Escambia, Okaloosa, Santa Rosa &amp; Walton Counties</p>
<p><b>Area 2A – Panama City</b>  <b><u>Central Panhandle AIDS Network</u></b></p>	<p><u>Cases:</u> 484  <u>Service Area:</u> Bay, Calhoun, Gulf, Holmes, Jackson &amp; Washington Counties</p>
<p><b>Area 2B – Tallahassee</b>  <b><u>Red Ribbon Alliance of the Big Bend Area</u></b></p>	<p><u>Cases:</u> 1,212  <u>Service Area:</u> Leon, Franklin, Gadsden, Jefferson, Madison, Taylor, Liberty &amp; Wakulla Counties</p>
<p><b>Area 3/13 – Gainesville</b>  <b><u>North Central Florida CARE Consortium</u></b></p>	<p><u>Cases:</u> 2,627  <u>Service Area:</u> Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee &amp; Union Counties</p>

<b>Area 6/14 – Tampa</b> <u><b>West Central Florida Ryan White Care Council</b></u>	<u>Cases:</u> 2,571 <u>Service Area*:</u> Manatee, Polk, Highlands & Hardee Counties
<b>Area 7 – Orlando</b> <u><b>Central Florida AIDS Partnership</b></u>	<u>Cases:</u> 1,159 <u>Service Area*:</u> Brevard County
<b>Area 8 – Ft. Myers</b> <u><b>Regional HIV/AIDS Council</b></u>	<u>Cases:</u> 3,529 <u>Service Area*:</u> Sarasota, Charlotte, Collier, DeSoto, Glades, Hendry & Lee Counties
<b>Area 11B – Key West</b> <u><b>Florida Keys HIV/AIDS Community Planning Partnership</b></u>	<u>Cases:</u> 681 <u>Service Area:</u> Monroe County
<b>Area 12 – Daytona Beach</b> <u><b>Partnership for Comprehensive HIV/AIDS Planning</b></u>	<u>Cases:</u> 1,361 <u>Service Area:</u> Volusia & Flagler Counties
<b>Area 15 – Ft. Pierce</b> <u><b>Care Network of the Treasure Coast</b></u>	<u>Cases:</u> 2,054 <u>Service Area:</u> St. Lucie, Martin, Indian River & Okeechobee Counties

\*Polk, Brevard, Lee and Sarasota/Bradenton-Manatee Counties are HOPWA EMSAs administered through the state HOPWA program. Cases for these counties are included within their respective service areas.

### **Performance Outcomes**

The department will follow the reporting system established by HUD for the HOPWA program and report program outcomes according to the following outcome measures:

Increase the percentage of eligible clients/households able to establish and better maintain suitable stable housing.

Improve accessibility to health care and other support services for eligible clients/households.

Reduce the risk of homelessness among individuals and families living with HIV/AIDS.

### **Geographic Distribution**

*Geographic areas of the state in which assistance will be directed during the program year*

The Department of Health contracts with ten project sponsors to administer the state HOPWA program in a designated geographical area, the majority of which are mainly rural. Ten of Florida's 14 Ryan White Part B consortia/planning bodies provide recommendations for needs assessments, planning and

prioritization for the state HOPWA funds. The four (4) consortium/planning body areas not listed are EMSAs that receive funding directly from HUD. The state program provides funds for HOPWA services in 48 of Florida's 67 counties. The EMSAs, including those administered by the state, provide services for remaining 19 counties. The following service areas will be funded by the 2010-2011 state HOPWA grant program:

PROJECT SPONSORS	SERVICE AREAS
<p><b>Area 1</b>  <b><u>Lutheran Services Florida, Inc. Northwest</u></b></p> <p>Address: <u>4610 W. Fairfield Drive</u>  City: <u>Pensacola, FL 32506</u>  Telephone: <u>(850) 453-2772</u></p>	<p><u>Service Area:</u> Escambia, Okaloosa, Santa Rosa &amp; Walton Counties</p>
<p><b>Area 2A</b>  <b><u>BASIC NWFL, Inc.</u></b></p> <p>Address: <u>432 Magnolia Avenue, P.O. Box 805</u>  City: <u>Panama City, FL 32402</u>  Telephone: <u>(850) 785-1088</u></p>	<p><u>Service Area:</u> Bay, Calhoun, Gulf, Holmes, Jackson &amp; Washington Counties</p>
<p><b>Area 2B</b>  <b><u>Big Bend Cares, Inc.</u></b></p> <p>Address: <u>2201 S. Monroe Street</u>  City: <u>Tallahassee, FL 32301</u>  Telephone: <u>(850) 656-2437, X 240</u></p>	<p><u>Service Area:</u> Leon, Franklin, Gadsden, Jefferson, Madison, Taylor, Liberty &amp; Wakulla Counties</p>
<p><b>Area 3/13</b>  <b><u>Well Florida Council, Inc.</u></b></p> <p>Address: <u>1785 N.W. 80<sup>th</sup> Boulevard</u>  City: <u>Gainesville, FL 32606</u>  Telephone: <u>(352) 313-6500</u></p>	<p><u>Service Area:</u> Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee &amp; Union Counties</p>
<p><b>Area 6/14</b>  <b><u>Hillsborough County Health and Social Services</u></b></p> <p>Address: <u>601 E. Kennedy Blvd.</u>  City: <u>Tampa, FL 33602</u>  Telephone: <u>(813) 272-6935</u></p> <hr/> <p><b><u>Highlands County Health Department</u></b></p> <p>Address: <u>7205 S. George Boulevard</u>  City: <u>Sebring, FL 33875</u>  Telephone: <u>(863) 328-7254</u></p>	<p><u>Service Area:</u> Manatee &amp; Polk Counties</p> <hr/> <p><u>Service Area:</u> Highlands and Hardee Counties</p>

<p><b>Area 7</b> <b><u>United Way of Brevard County, Inc.</u></b></p> <p>Address: <u>937 Dixon Boulevard</u> City: <u>Cocoa, FL 32922</u> Telephone: <u>(321) 631-2740</u></p>	<p><u>Service Area:</u> Brevard County</p>
<p><b>Area 8</b> <b><u>Health Planning Council of Southwest Florida, Inc.</u></b></p> <p>Address: <u>8961 Daniel Center Drive, Suite 401</u> City: <u>Ft. Myers, FL 33912</u> Telephone: <u>(239) 433-6700</u></p>	<p><u>Service Area:</u> Sarasota, Charlotte, Collier, DeSoto, Glades, Hendry &amp; Lee Counties</p>
<p><b>Area 11B</b> <b><u>A. H. of Monroe County, Inc.</u></b></p> <p>Address: <u>1434 Kennedy Drive, P.O. Box 4374</u> City: <u>Key West, FL 33040</u> Telephone: <u>(305) 296-6196</u></p>	<p><u>Service Area:</u> Monroe County</p>
<p><b>Area 12</b> <b><u>Health Planning Council of Northeast Florida, Inc.</u></b></p> <p>Address: <u>644 Cesery Boulevard, Suite 210</u> City: <u>Jacksonville, FL 32211</u> Telephone: <u>(904) 723-2162</u></p>	<p><u>Service Area:</u> Volusia &amp; Flagler Counties</p>
<p><b>Area 15</b> <b><u>Treasure Coast Health Council, Inc.</u></b></p> <p>Address: <u>4152 West Blue Heron Boulevard, Suite 229</u> City: <u>Riviera Beach, FL 33404</u> Telephone: <u>(561) 844-4220 X25</u></p>	<p><u>Service Area:</u> St. Lucie, Martin Indian River &amp; Okeechobee Counties</p>

**Homeless and Other Special Needs Activities**

*Plans during the program year to address transitional housing needs of homeless individuals and families or to prevent low-income individuals and families from becoming homeless, to help persons make the transition to permanent housing and independent living*

Refer to the foregoing section on “Activities and Services (Priorities)” for activities and plans to prevent individuals and families from becoming homeless.

**Other Actions**

*Plans during the program year to address underserved needs, foster and maintain affordable housing and enhance coordination between the public and private housing and social services agencies*

The Department of Health will remain active and involved in the board activities of the Florida Supportive Housing Coalition. The coalition and the Department of Health are committed to creating long-term housing solutions for people with special needs, including persons living with HIV disease in Florida.

The board promotes the development of partnerships to create effective approaches to ending homelessness and solving the housing crisis. The coalition will work to implement a supportive housing agenda to expand supportive housing opportunities across the state based on findings of the Resource Mapping Study of Housing and Services.

Eligibility requirements are established by Chapter 64D-4 Florida Administrative Code to improve the management of HIV/AIDS patient care programs statewide. The programs include: HOPWA, the AIDS Drug Assistance Program, the AIDS Insurance Continuation Program, the Part B Consortia Patient Care Programs and other state patient care programs administered by the Bureau of HIV/AIDS. All of these programs are intended for low-income persons with HIV disease. The state HOPWA program's current income requirements of 80% of the median income will remain unchanged, except in a very few counties in which 80% of the median income for the area is more than 400% of the Federal Poverty Level. To address specific program income requirements for HOPWA, language is included in the eligibility procedures manual to read "80% of the median income or 400% of the Federal Poverty Level, whichever is less." The standardized eligibility requirements are within HUD regulations that allow the state program to be more restrictive, not more lenient.

State HOPWA Program Guidelines are used to ensure uniformity and consistency statewide to all of Florida's project sponsors. The standardization of HOPWA policies and procedures will improve service delivery, provide for fair and equitable access to services, and alleviate problems of inconsistency associated with local program guidelines. With the department's prior approval, project sponsors may outline program requirements that are more restrictive at the local level than the state guidelines.

The HOPWA advisory workgroup will convene periodically to address local needs and work to improve Florida's HOPWA program. An action plan will be used to ensure a step-by-step process to achieve objectives of the workgroup. Telephone conferences and site meetings will be held throughout the year.

Local Community Resources - Project sponsors will be encouraged to develop relationships with local community based organizations, shelters, homeless coalitions and other charitable organizations to facilitate information and referrals to clients in order to meet the additional needs not available through the state HOPWA program. Project sponsors will also be encouraged to utilize public and community resources to address the critical housing needs of HOPWA clients, prevent homelessness, and to reduce the cost of services whenever possible to enhance client integration into the community. Project sponsors will assign a representative to participate in the local Continuum of Care homeless planning process. Information gathered through the annual report and the HIV/AIDS planning process about needs and barriers of persons living with HIV/AIDS will be disseminated to the local continuum of care coordinators.

In accordance with the request of Florida's Ryan White grantees, the HOPWA program will participate at the Florida Ryan White Program annual meeting generally held in the spring of each year.

### **Program-Specific Requirements**

*Goals for the number of households to be provided housing assistance and the method used to select project sponsors*

The goal of the state program is to increase housing stability and improve the quality of life for clients and their families. Refer to the foregoing section on "Activities and Services (Priorities)" for the plan on number of households to be assisted during the program year.

Project sponsors are selected in compliance with the State of Florida's procurement statutes and regulations. Funding for housing assistance is made available through contracts with project sponsors, most of whom are Ryan White Part B agencies, in ten geographical areas of the state.

**Monitoring** - The Department of Health has a comprehensive contract management process that ensures contracting methods are administratively efficient and clear to contract managers. Department contract managers, at the local level, are responsible for enforcing the contract terms and conditions including monitoring service providers for compliance with performance standards, Florida Statutes, federal regulations and departmental policy. The department's process encourages optimal project sponsor performance. Project sponsors are required to have an on-site monitoring at least once annually. A written report is submitted to project sponsors clearly identifying strengths, weaknesses and areas of concern. Adverse findings are addressed with corrective action plans or other appropriate measures. Corrective action requirements are specific with timeframes and suggested methods for correction. The Department of Health staff provides follow-up site visits and technical assistance. Non-compliance with required corrective action may result in delayed or no reimbursements for project sponsor services or termination, if non-compliance issues remain beyond the corrective action timeline indicated. The Department of Health currently utilizes a standardized monitoring tool for programmatic monitoring of HOPWA project sponsors.

The department is redeveloping the quality management program to assess and build capacity within Ryan White-funded agencies statewide. The program will provide valid and reliable outcome data that can support policies, decision-making and priority setting and also, improve quality in meeting the service and housing needs of people infected with HIV/AIDS. Comments and recommendations on the department's performance in meeting its stated goals and objectives as well as measuring strengths and weaknesses in the delivery of HIV/AIDS patient care services and housing services will continue to be solicited through consumer satisfaction surveys. Recommendations and observations will provide insightful and important information specifically relating to client services, case management, full participation/full access, minority issues and client rights. Recommendations resulting from quality management activities will be incorporated into the strategic plan; this will guide future activities to ultimately standardize programs to have a built-in mechanism for quality management.

### **Certifications**

Signed certifications for the state HOPWA program will be transmitted under separate cover.