

Housing Development Assistance 2019 Updates

DECEMBER 3, 2019 STAKEHOLDER MEETING

Agenda

- ▶ Welcome
- ▶ FY2018-19 Review
- ▶ Requests for Resolutions for 9% LIHTC
- ▶ Continuum of Care
- ▶ Housing Development Assistance Update
- ▶ Lease Addendum Update
- ▶ CHDO Operating/CDC Capacity Building
- ▶ Horizon
- ▶ Questions

WELCOME!!

FY2018-19 Review

FY2018-19 Awards

\$34M  770 Units

| Program | Development | Total Investment | Affordable Units |
|---------|--|---------------------|------------------|
| OHDA | Croslin Court | \$ 538,355 | 17 |
| OHDA | Mueller Townhomes | \$ 555,476 | 11 |
| RHDA | Bouldin Creek Alley Flats | \$ 514,835 | 3 |
| RHDA | Eastern Oaks | \$ 1,000,000 | 30 |
| OHDA | Scenic Point | \$ 1,020,000 | 67 |
| OHDA | Guadalupe-Saldana Net-Zero Subdivision | \$ 1,235,200 | 10 |
| RHDA | Lena Guerrero | \$ 3,950,000 | 96 |
| RHDA | Waterloo Terrace | \$ 3,200,000 | 132 |
| RHDA | Roosevelt Gardens | \$ 4,950,000 | 40 |
| RHDA | 9 unit infill | \$ 1,061,600 | 9 |
| RHDA | 21st Street Co-op | \$ 500,000 | 50 |
| RHDA | Ruth Schulze Cooperative | \$ 1,328,089 | 9 |
| OHDA | 4th and Onion | \$ 2,030,000 | 57 |
| OHDA | Springdale Crossing | \$ 240,000 | 2 |
| OHDA | 6711 Porter Street | \$ 240,000 | 2 |
| RHDA | Foundation Village | \$ 5,500,000 | 88 |
| RHDA | Talavera Lofts | \$ 2,000,000 | 61 |
| RHDA | The Abali | \$ 2,000,000 | 29 |
| RHDA | Burnet Place | \$ 2,901,992 | 55 |
| RHDA | 1140 Salina Street | \$ 100,000 | 2 |

FY2018-19 Challenges

- ▶ Volume
- ▶ Leverage
- ▶ Timing

9% LIHTC

2020 9% LIHTC Resolution Request

- ▶ The Application itself is largely the same, but slightly expands Application requirements.
- ▶ Primary Change to City of Austin Resolution Requests:
 - ▶ **Support** = applications that meet certain criteria
 - ▶ **No Objection** = applications that do not meet certain criteria

Support Resolution Criteria

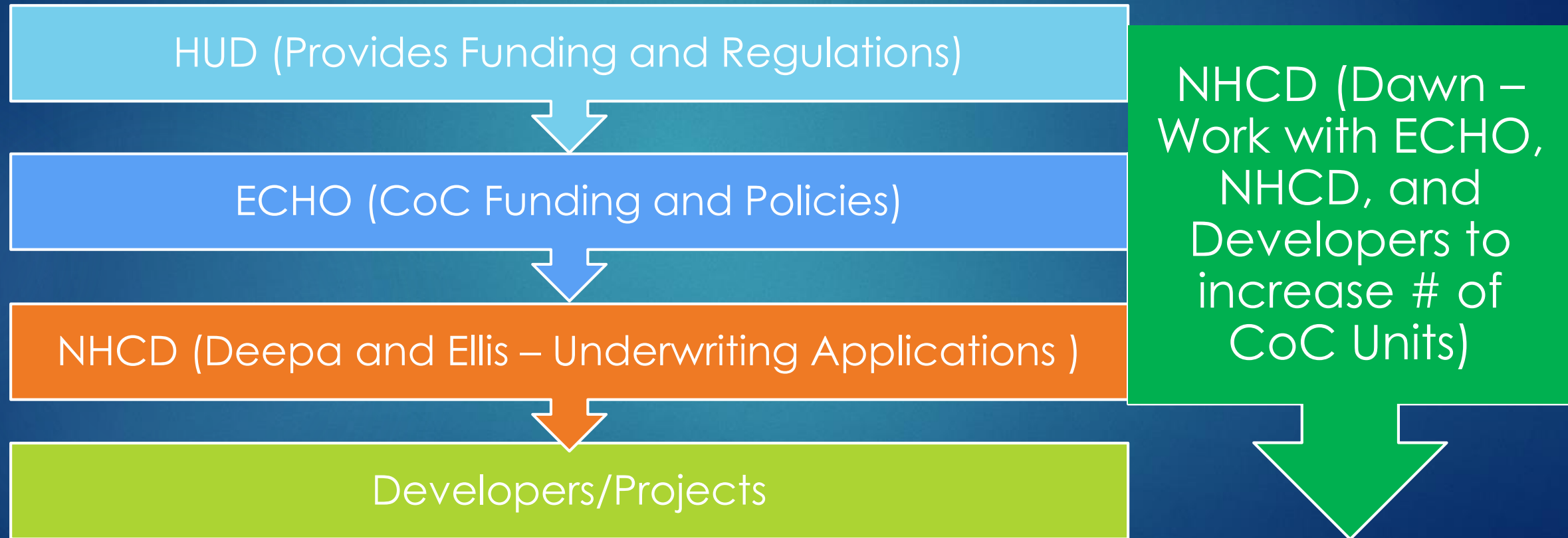
- ▶ To receive a Resolution of Support, the Requestor must submit a complete application on time and the Development must meet one of the following:
 - ▶ High Opportunity Area
 - ▶ Gentrification Area
 - ▶ 0.5 miles to Imagine Austin Center, Imagine Austin Corridor, or Mobility Bond Corridor.
 - ▶ TDHCA definition of “Supportive Housing”
 - ▶ 20% of units dedicated to local Continuum of Care

Application Submission Requirements

- ▶ **DEADLINE:** Friday, December 20, 2019, 5 P.M.
- ▶ PDF must include:
 - ▶ The Application form, checked boxes on needed resolutions, and certification.
 - ▶ Project Summary Form (submit original Excel worksheet as well)
 - ▶ Info on CRP area (if applicable)
 - ▶ Map info on nearest transit stop
 - ▶ Map info on flood plain
 - ▶ Developer experience and development history
- ▶ Additional CRP information due Monday, February 3, 2020
- ▶ S.M.A.R.T. Housing Applications due to Sandra Harkins on January 6, 2020

Continuum of Care

Continuum of Care Process



Continuum of Care

PSH or CoC?

▶ **What is Permanent Supportive Housing (PSH)?**

- ▶ PSH is an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people.
- ▶ Rent should not exceed 30% of client's income.

▶ **What is the Continuum of Care (CoC)?**

- ▶ The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness;
- ▶ Provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families;
- ▶ Promote access to mainstream programs by homeless individuals and families;
- ▶ Optimize self-sufficiency among individuals and families experiencing homelessness.

Continuum of Care

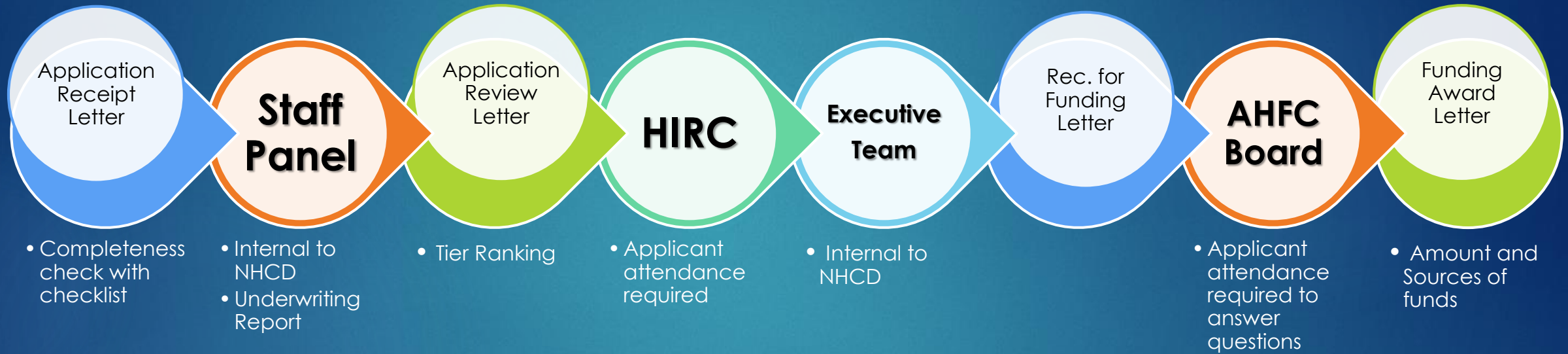
CoC Units

- ▶ Why CoC?
 - ▶ CoC Units *include* PSH, Rapid Rehousing, VASH, HACA Vouchers, etc
 - ▶ PSH is specific type of intervention for a specific population – the appropriate client, services and rental subsidies are required to meet definition
 - ▶ CoC is more inclusive and still helps NHCD achieve its goals of creating deeply affordable units
- ▶ CoC units will be secured and monitored by an MOU with ECHO
 - ▶ Adopted from a HUD document
 - ▶ Managed through the Coordinated Entry System
- ▶ RHDA Application Scoring

HDA Update

HDA Update

Application Review Process



HDA Update

Proposed Changes

HDA Application

- ▶ Instruction Sheet
- ▶ Checklist/Information Form
- ▶ Sources and Uses in the Project Summary Form
- ▶ Scoring – District Factor

HDA Update

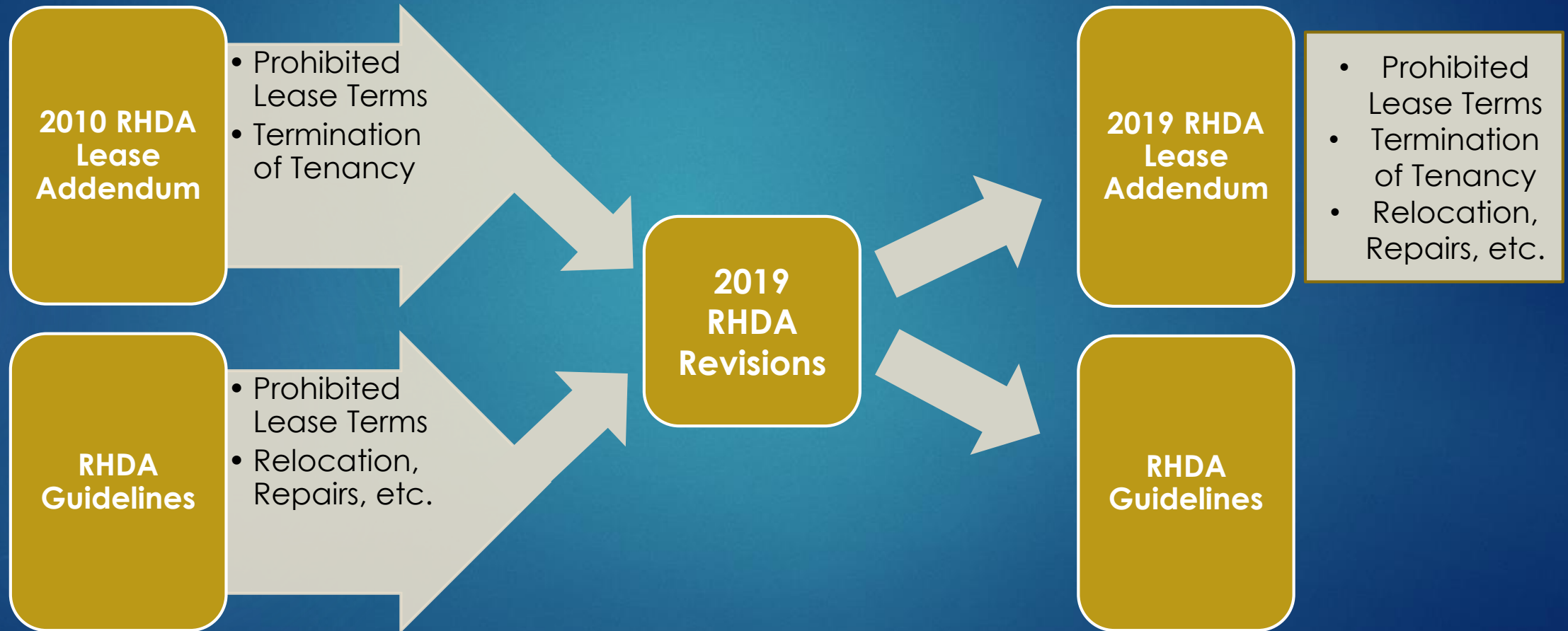
Tier Rating

- ▶ New process followed by Internal Staff Panel and the Housing Investment Review Committee
- ▶ Applications categorized into Tier I, Tier II or Tier III
- ▶ Panel rates application benefits - High, Medium or Low
- ▶ Panel rates application risks – High, Medium or Low
- ▶ The combined risk/return profile leads to a TIER rating

| BENEFITS OF FUNDING THE APPLICATION | RISKS INVOLVED IN FUNDING THE APPLICATION | | |
|-------------------------------------|---|----------|---------|
| | HIGH | MEDIUM | LOW |
| HIGH | TIER II | TIER I | TIER I |
| MEDIUM | TIER III | TIER II | TIER I |
| LOW | TIER III | TIER III | TIER II |

RHDA Lease Addendum

RHDA Lease Addendum Timeline



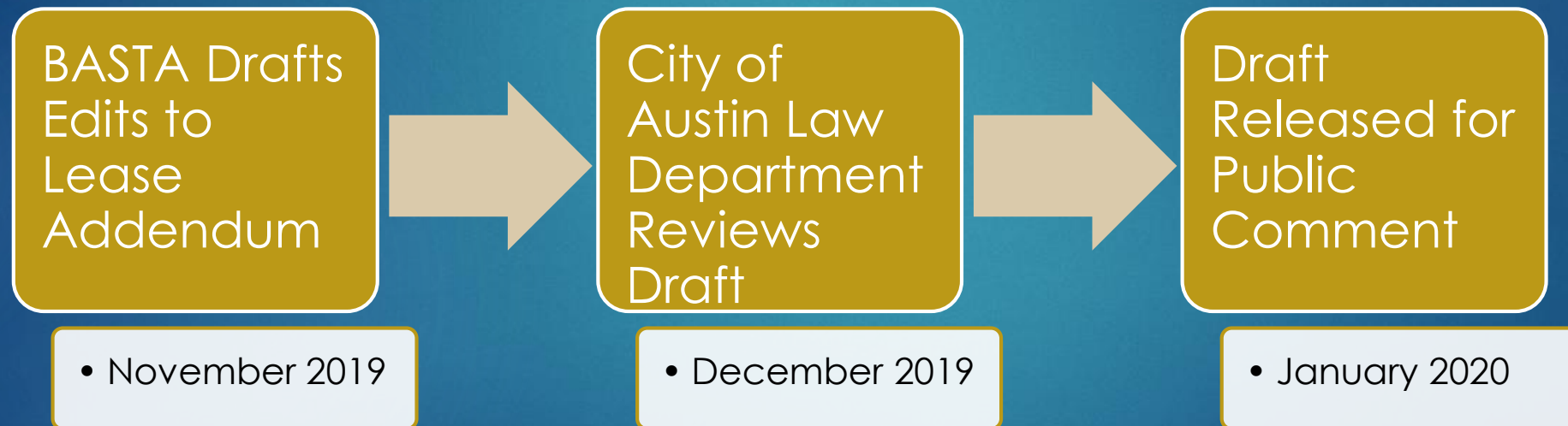
RHDA Lease Addendum

Clarifications

4.11. Any and all provisions in the Lease Agreement allowing the Owner to enter the Tenant's unit with less than twenty-four (24) hours' notice, except in the case of an emergency.

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RHDA Lease Addendum Process





CHDO Operating Grant CDC Capacity Building

CHDO Operating Grant

- ▶ Increased Maximum Award
 - ▶ \$25,000 → \$50,000
 - ▶ HUD Guidelines
- ▶ New Schedule
 - ▶ June Application → January Application
- ▶ CHDO Requirements Remain

CDC Capacity Building Grant

Purpose

- ▶ Increase Affordable Housing Stock
- ▶ Displacement Mitigation
- ▶ Strengthen the CDC Ecosystem
- ▶ Empower Communities
- ▶ \$5,000 - \$50,000 Grant

CDC Capacity Building Grant

Capacity Levels Framework

(What your organization can already do without capacity building funds.)

| Pre CDC Level | Level 0 | Level 1 | Level 2 | Level 3 |
|---|--|--|---|--|
| <p>Has its own 501(c)3 fiscal status or is eligible to apply for 501(c)3 status but has not yet done so</p> <p>Your organization does not yet have a portfolio of affordable housing units but is already involved in a wide range of community services that meet local needs such as education, job training, improving health outcomes, healthcare services, commercial development, and other social programs</p> | <p>Has a mission and vision</p> <p>Recruiting neighborhood representatives to the board</p> <p>Building community trust & maintain community relationships that will keep them representative of the community</p> <p>Recruit some board members with skill/fundraising capacity</p> <p>Convene neighborhood to co-create plans and vision</p> <p>No paid staff, volunteer run</p> | <p>Level 0+ the following:</p> <p>Fundraise for and employ part time staff (usually a part time Executive Director (ED), maybe a part time property manager)</p> <p>Recruit board with expertise needed to have 1-5 housing units in their affordable housing portfolio</p> <p>Have 1-5 units in their affordable housing portfolio</p> <p>Recruit and work with development partners</p> <p>Maintain some single family homes</p> <p>Administer applications process</p> <p>Manage properties owned</p> | <p>Level 0+Level 1 + the following:</p> <p>Fundraise for a mix of full time & part time staff (full time ED and usually a part time property manager and or a development professional)</p> <p>Have more units than level one (five to 10 units) in their affordable housing portfolio</p> <p>May have a portfolio of several multi-unit properties, some commercial and some residential</p> | <p>Level 0 + Level 1 + Level 2 + the following:</p> <p>Successfully fundraise for and retain multiple full time staff</p> <p>Fundraise for development projects</p> <p>Pursue multiple projects simultaneously</p> <p>Explore different product types and expand the boundaries of expertise</p> <p>Affordable housing portfolios with up to 249 units</p> <p>The portfolio may have developments with 20-30 units and some commercial</p> |

CDC Capacity Building Grant Timeline



Horizon

FY 2019-2020 And Beyond

- ▶ Pre-Development
- ▶ Acquisition
- ▶ 4% Process
- ▶ Partnerships
- ▶ Repayable Loans

Questions