

Approaches to Reduce Homelessness

Staff Report to the Gainesville City Commission &
Alachua County Board of County Commissioners

December 10, 2018

INTRODUCTION

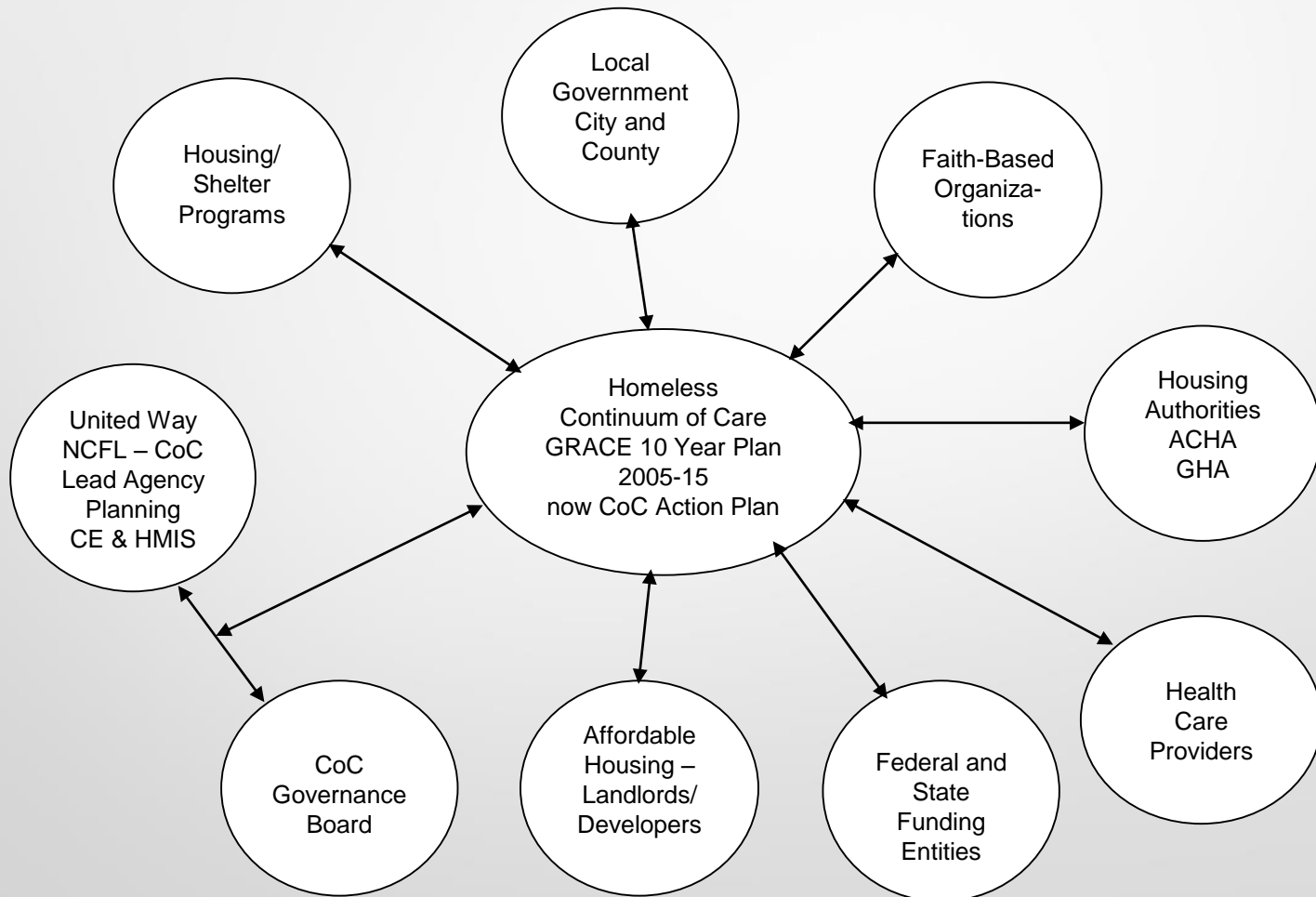
- Joint City/County Commission Meeting held on June 13, 2018
- Both Commissions approved an 11 point Motion
- Staff was required to provide responses to the Motion

Motion #1

Specific Budget to Have a Fully Implemented/Realized Housing First Model.

Staff Response to Motion #1

ALACHUA COUNTY HOMELESS SERVICES PLANNING



HOUSING FIRST MODEL

Provides rental assistance to homeless clients and the duration varies with the clients in the program.

Two Common Housing First Programs

1. Rapid Rehousing Program
2. Permanent Supportive Housing Program

Annual Program Cost

- Rapid Rehousing Program - [Budget](#)
 - Serving 120 homeless clients – [Inventory Chart](#)
 - Annual cost is \$1,026,124
- Permanent Supportive Housing - [Budget](#)
 - Serving 60 homeless clients
 - \$822,124 year one
 - Annual renewal is \$666,124 to serve 60 ongoing
 - 5 Year Total: \$10,771,860

Motion #1B

Financial Options for the
Implementation of the Housing
First Model

Staff Response to Motion #1B

Housing Bond Programs,
Tax Credit Incentives,
Grants and Federal Funding, as and
when available

Bonds

City of
Gainesville

Alachua County

Housing
Authority City of
Gainesville

Alachua County
Housing
Authority

Alachua County
Housing Finance
Authority

Housing Bond Program

Local Governments, HFA and PHAs can issue bonds for Public Purpose of increasing affordable housing



General Revenue Bonds-
backed by full faith and credit
of issuer



Mortgage Revenue Bonds
backed by a specific revenue
source

Housing Bond Program



Housing Bond Program

- ❖ If the City wants to consider this tool for affordable housing they should have the City's financial advisor and legal provide the specificity of the requirements, such as voting referendum, required Bond ordinance, and the implementation process.
- ❖ Currently our County Housing Finance Authority is building capacity to issue the 4% Non Competitive tax exempt bonds.
- ❖ We have identified from the state that Alachua County is in Region 3 which includes Madison, Taylor, Suwannee, Lafayette, Gilchrist, Dixie, Columbia, Union, and Bradford and our Volume Cap for this region is \$26,522,996.00

[See Attachments](#)

Low Income Housing Tax Credits

Low Income Housing Tax Credits (LIHTC) were created as part of the Tax Reform Act of 1986 for the purpose of funding affordable housing. Each year the Federal government distributes credits to the States and the States distribute to developers.

There are two types of LIHTC 4% and 9%. The 4% tax credits are typically non-competitive and are distributed through local housing finance authorities. Locally, the Alachua County Housing Finance Authority is the conduit to issue 4% tax credits up to the Volume Cap which is authorized by the State of Florida.

9% LIHTC are competitive and are distributed by the State of Florida Housing Finance Authority through a request for application (RFA) process. Each applicant is assigned a lottery number and the developers with the highest lottery number, and a complete and thorough application, receives the tax credit awards.

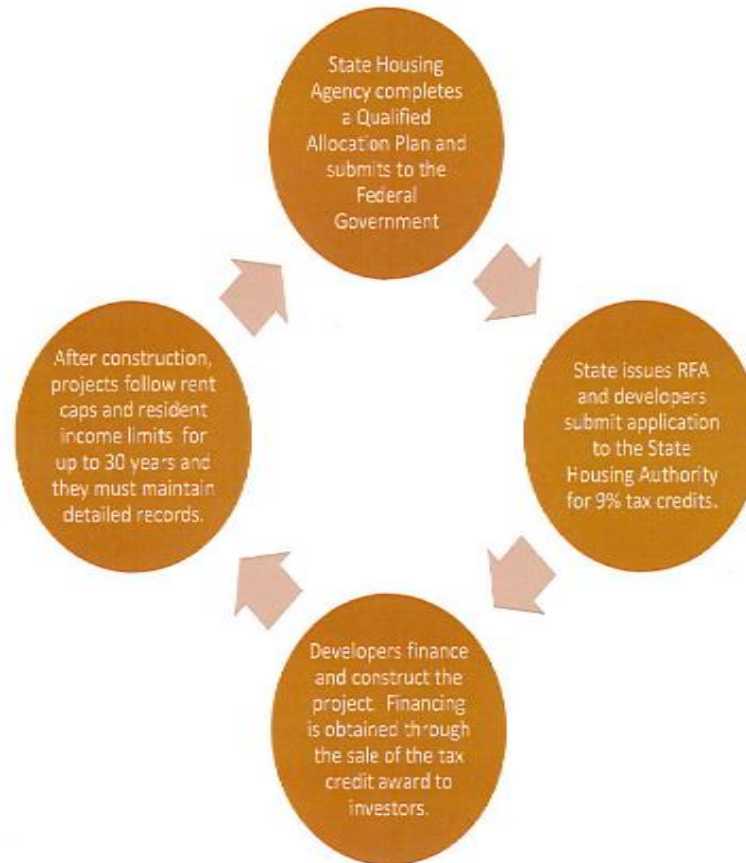
Low Income Housing Tax Credits

4% LIHTC are designed to be used with tax-exempt bonds and 9% tax credits are used for projects that do not have tax-exempt bonds associated with the construction project.

4% LIHTC are typically used for renovation projects and will provide about 30% of the project cost.

9% LIHTC are usually used for new construction and provide about 70% of the project cost.

The Process for 9% Award



Benefit to Investors

Low Income Housing Tax Credits (LIHTC) offer more benefits to their investors than the credit to their tax liability. As an equity owner in the project, business expenses such as depreciation expense and operating losses flow through to the investors on a pro-rata basis, thereby further lowering the investor's tax liability.

Motion #2

An element should be a form of government-owned or operated housing. Provide an Inventory analysis of housing options. (Low-income housing, hotels available for sale, apartments, etc.)

Staff Response to Motion #2

- City and/or County owned and operated housing
- Provide analysis of options
 - i.e., hotels and/or apartments for sale
- Staff reviewed several sites

Costs	Site #1	Site #2	Site #3
Location	City	City	County
# of Units	80	100	100
Bus Route	Yes	Yes	No
Purchase	\$4,000,000	N/A	\$4.5M to \$5.5 M
Lease (3-5 Years)	N/A	\$1,700,000	N/A
Renovation	TBD (Recent Lighting upgrade)	Paid by Owner	TBD (Option to convert to 1BR Studios)
Start Up (Staff, Utilities, Set-up)	\$344,739	\$202,240	\$344,739
Total Cost-Year 1	\$4,344,739*	\$1,902,240	\$4.8M* to \$5.8 M*
*Estimated—further development of renovation costs needed			
Lease	N/A	\$1,700,000	N/A
Staff	\$202,240	\$202,240	\$202,240
Utilities	\$96,000	Paid by Owner	\$96,000
Total Recurring	\$298,240	\$1,902,240	\$298,240

Motion #3

Landlord Incentive Program – a program that would make it financially attractive for landlords to rent to the clientele.

Staff Response to Motion #3

Landlord Incentive Plan

Mission: To incentivize private sector landlords in “high opportunity areas” to rent to our community’s most vulnerable population (homeless, section 8 participants, domestic violence victims and veterans) – promoting the reduction of homelessness, providing inclusiveness and access for quality affordable housing for everyone in our community.

Landlord Incentive Plan

Landlord Mitigation Program

- Establish Risk Mitigation funds - Goal \$100,000
- Landlord must have a judgment to participate in the fund (cover damages beyond SD, and unpaid rent) up to a threshold amount in return for reduce screening criteria
- Limited income, poor rental history, or criminal background
- Rental Surety Bond as an option to a deposit. Bonding company would cover damages and unpaid rent then pursue resident for repayment.

Education

- Provide digital links to Florida Bar Association Rights and Duties of Tenants and Landlords
- Landlord Collaboration Guidebook
- Landlord Chew and Chats
- PHA's HCV and public housing briefing and landlord relations workshops
- Housing Academy Programs (Family Promise & UF Extension)
- Create strategic Public/Private Partnership alliances to build Landlord relations

Other Incentives

- First time sign up bonus for landlords who have not participated as a Section 8, Rapid Rehousing, or PSH landlord in last 3 years and/or property is in high opportunity area
- Possible reduction or waiver in building permit fee for repairs or improvements to assist in making units energy efficient
- Interest free or low interest loans up to threshold with affordability period (SHIP, HOME, CDBG, or partnerships)
- Security deposits for high risk renters

See Attachments - Engaging & Supporting Landlords through Risk Mitigation Funds [1](#), [2](#) and [3](#)

Motion #4

Develop a substantially improved quality model of emergency housing.

Improve the quality of the Emergency Shelter – Camping Area

Dignity Village

Staff Response to Motion #4 – Alternatives for Dignity Village

Costs	Alt 1: Improve DV	Alt 2: Bring Tents w/in Fence	Alt 3: Renovate a Dorm to PH-SRO
150 tents & platforms	\$175,500	\$175,500	N/A
6' high chain link fence	\$23,000	N/A	N/A
Security guard booth	\$43,000	\$43,000	N/A
Renovation	N/A	N/A	\$1,500,000
Total Start Up	\$241,500	\$218,500	\$1,500,000
1 Project Manager	\$66,000	\$66,000	\$66,000
2 Social Service Coordinators	\$98,276	\$98,276	N/A
Security Guards	\$131,400	\$131,400	\$131,400
Utilities	\$84,000	\$84,000	TBD-Paid by Provider
Total Operating	\$379,676	\$379,676	\$197,400
Total Costs	\$621,176	\$598,176	\$1,697,400



Phasing out Dignity Village

Alternative #4

INFORMATION

- Current estimate population at Dignity Village – 120 persons (as of week of December 2nd)
- Key Policy Decision – Both the City and County Commission must be willing to agree to a 6-12 month closing out of Dignity Village

PROS

- No new homeless clients will be allowed in the facility
- New homeless clients will be referred to the Low Barrier Emergency Shelter or the Coordinated Entry System for referral for services
- Homeless clients in Dignity Village must work with a Case Manager to find housing in the community within the next 6 to 12 months
- Allow a provider(s) to seek authorization(s) to renovate and create SRO units in the remaining two buildings at the Empowerment Center at no cost to the City or County. The provider(s) would be responsible for the renovation cost of the buildings and bring the buildings up to code.

PROS – continued

- City would seek a long-term lease for the provider(s) for the use of the buildings – Approximately 25 to 50 year lease
- Work with the City's and County's communication offices to publicize the phasing out of Dignity Village
- City would use its Project Manager to assist in the transition to close Dignity Village
- Request the City and County to provide an annual allocation for Low Barrier Emergency Shelter Services at \$1.5M per year; the provider(s) could use the funds for the Emergency Shelter Services, permanent housing SRO's, or a combination thereof

PROS – continued

- Enter into long term agreement for Emergency Shelter/ Homeless Services with the current or a new provider
- Terminate the lease with the Florida Department of Agriculture for the ten acres outside of fenced area
- Resources for additional housing and case management may be needed based on utilization

CONS

- There are some homeless clients who are not willing to live inside or find housing – these clients may return to the downtown area or other wooded areas
- The City and County would have to continue to provide some Inclement Weather Shelter for those clients who continue to live outside (Outreach services and Cold Night Shelter services)
- Hire a vendor or authorize the Public Works department to return the ten acres to its original state or to the satisfaction of the Florida Department of Agriculture – No cost identified at this time

CONS – continued

- Estimated time to renovate the two dorms for permanent housing SRO's is unknown at this time
- Emergency beds may be at capacity while the transition to close and renovate the dorms for SRO's takes place

RECOMMENDATION

- Staff to present a detailed transition plan for Dignity Village to the City and County Commission in February 2019



Alternative #4 Dignity Village Solution

Presentation by ACCHH

Motion #5

Authorize County and City staff to continue to work in a cooperative manner on the housing first proposals and on homeless services

Staff Response to Motion #5

On going working relationship between City and County Staff to address Homelessness, Affordable Housing and issues that impact the Quality of Life for all residents in Gainesville – Alachua County

Motion #6

Both City and County through their Legislative agendas request that the Sadowski Trust Fund not be used for unintended causes

Request that the State Legislature mandate that the 67 Counties equitably address Funding for the Homelessness Issue

Staff Response to Motion #6

- The City has scheduled a review of its proposed legislative packet for the General Policy Committee meeting on December 13th and it is anticipated the City Commission is in support of retaining the full amount in the Housing Trust Fund.
- City Commission will also discuss the second part of the motion requiring all 67 counties to address homelessness at the meeting.

Staff Response to Motion #6

- Alachua County Board of County Commissioners has already adopted its State Legislative Agenda Packet and the County supports retaining full amount in the Housing Trust Fund.
- Secondly, the County supports [Gate 4 in the Florida Association of Counties Legislative Agenda Packet](#) which supports retaining the full amount for the Housing Trust Fund.

Motion #7

Letter from the Chair & Mayor requesting that UF Health/Veterans Affairs Hospital/North Florida Regional/University of Florida President appoint representatives to attend a meeting to discuss Homelessness health, medical needs, impacts and potential solutions

Staff Response to Motion #7

A meeting has been scheduled for December 19th with representatives from UF Health, North Florida/South Georgia Veterans Health System, North Florida Regional and the University of Florida to discuss Homelessness impacts and solutions.

Motion #8

Staff report back to the City and County Commissions with the requested information by the end of the calendar year

Staff Response to Motion #8

This report is scheduled for the joint City/County Commission meeting on December 10, 2018

Motion #9

Staff review proposal for an ordinance regarding multiple sources of income, victims of domestic violence, and veterans. Staff from the City and County to attend the United Way Seminar on housing

Staff Response to Motion #9

Both City and County Attorney Offices have been discussing the development of an Ordinance

Staff Response to Motion #9

- The Alachua County Equal Opportunity Office in conjunction with the County Attorney's Office is presenting a draft revision of the Human Rights Ordinance to BoCC on 12/11/18.
 - Proposed revision provides for additional protections from discrimination in housing and real estate transactions regarding sources of income, victims of domestic violence, and veterans.

Staff Response to Motion #9

Gainesville City Attorney believes a similar Ordinance can be developed for the City; however, no formal direction has been given to develop such an Ordinance.

Staff Response to Motion #9

Staffs from both the City and County attended the United Way Seminar on housing and participated in subsequent meetings.

Motion #10

Provide comparisons with peer counties and cities regarding spending on rapid rehousing models

Staff Response to Motion #10

The Alachua County Community Support Services Housing Division surveyed twenty two (22) surrounding counties, including Alachua¹, and posed the following questions:

1. Does your county use County Ad Valorem tax revenues to support Homeless Housing – either Rapid Rehousing or Permanent Supportive Housing?

Alachua and Pinellas use of Ad Valorem taxes for Rapid Rehousing or Permanent Supportive Housing and Alachua and Flagler provide emergency rent assistance.

2. Does your county allocate any of your HOME or SHIP funds for Tenant Based Rental Assistance (TBRA) or Rapid Rehousing?

Six (6) counties reported using SHIP funding for Rental Assistance and three (3) counties use HOME to fund the TBRA program.

3. Does your county manage any Single Room Occupancy housing (SROs)?

No county reported managing SRO's.

4. Does your county have any Transition In Place (TIP) programs?

No county reported managing TIP.

1. Alachua, Bradford, Citrus, Columbia, Duval, Flagler, Franklin, Gadsden, Gilchrist, Hernando, Lafayette, Leon, Levy, Marion, Nassau, Pasco, Pinellas, Sumter, Taylor, Volusia and Wakulla.

Motion #10

County	Ad Valorem	Home/SHIP	TBRA	SRO	TIP
Alachua	Y	Y	N	N	N
Bradford	N	N	N	N	N
Citrus	N	Y	N	N	N
Clay	N	Y	N	N	N
Duval	N	N	N	N	N
Flagler	Y	N	N	N	N
Franklin	N	N	N	N	N
Gadsden	N	N	N	N	N
Gilchrist	N	N	N	N	N
Hernando	N	N	N	N	N
Lafayette	N	N	N	N	N
Lee	N	Y	N	N	N
Leon	N	N	N	N	N
Levy	N	N	N	N	N
Marion	N	N	Y	N	N
Nassau	N	N	N	N	N
Pasco	N	Y	Y	N	N
Pinellas	Y	N	N	N	N
Sumter	N	N	N	N	N
Taylor	N	N	N	N	N
Volusia	N	Y	Y	N	N
Wakulla	N	N	N	N	N

Motion #11

Develop a draft of a residency policy for utilization of Homeless Services and resources including a legal review of such a policy for Gainesville-Alachua County

Staff Response to Motion #11

Residency Policy

- Priority is given to persons who became homeless in Alachua County
 - Exemption for domestic violence
 - Other qualifying exemptions approved by City/County or designee
- Applicable to City/County funded homeless housing and shelter services
- Flexible documentation may include:
 - Eviction or Foreclosure Notice
 - Signed letter from a friend or family member
- Agencies maintain records

Legal Framework

Based upon and within a legal framework, it appears prioritizing government assistance to persons that became homeless while a resident of Alachua County, even if for a very brief period, would not offend the fundamental constitutional right to travel. No durational time periods of residency can be required. [See attachment.](#)

Additional Resources

[Broward County, FL – Discrimination in Real Estate Transactions and Ordinances](#)

[Miami-Dade County, FL - Discrimination in Real Estate Transactions and Ordinances](#)



Questions?