



G-1

To: Board of County Commissioners

on October 07, 2009

Recommended Board Action:

Receive report from the Affordable Housing Department regarding Affordable Housing Department Status and Federal/State Funding.

Sign-Off Approvals	
Valmarie Turner	10/01/2009
<small>Department Director</small>	<small>Date</small>
Kevin Brickey	10/01/2009
<small>Management and Budget – Approved as to Financial Impact Accuracy</small>	<small>Date</small>
Rachael Greenstein	10/01/2009
<small>County Attorney – Approved as to Legal Sufficiency</small>	<small>Date</small>
Mike Merrill	10/01/2009
<small>Assistant County Administrator</small>	<small>Date</small>

- Consent Section – Informational purposes only. *(No discussion anticipated)*
- Consent Section – Board requested report. *(No discussion anticipated)*
- Staff Reports Section

Note: Staff reports scheduled for the Consent or Staff Report sections may not contain any recommendations.

Affordable Housing Department

Quarterly Status Report

May 1, 2009 - September 30, 2009

To comply with the recommendations summarized in the Corrective Action Plan, as a result of the Internal Performance Auditor's (IPA) 2008 Report on the Affordable Housing Department (AHD), the AHD will submit to the Hillsborough County Board of County Commissioners (BOCC) quarterly reports. The purpose of the report is to provide a status on key operational indices in the AHD, including Federal and State Funding. In addition, the AHD will provide a status report on efficiency and effectiveness initiatives, improvement projects, and programs.

Highlights

- [Exceeded next year's HOME October 31, 2009 disbursement requirement by more than \\$3 million.](#)
- [Met the FY2009 CDBG "Timeliness" requirement.](#)
- [Received an additional \\$1.6 million in CDBG-R funds from the American Recovery and Reinvestment Act of 2009.](#)
- [NSP](#)
 - Appraisal services, title services, review appraisal services and environmental lead-based paint consulting services are under contract; seven nonprofit Housing Partners were approved by the BOCC; and, a review committee has selected nine contractors.
 - Three properties have been purchased; three more are expected to close by the end of September; and 135 properties have been actively pursued by the AHD.
- [NSP2](#)
 - Submitted application for \$19 million under NSP2.
- [Received \\$2.4 million in Homeless Prevention and Rapid Re-Housing Program funds from HUD.](#)
- [Met SHIP set aside ratio requirements for the closed out State FY 2006-2007; and, have adhered to restrictions and met the requirements for the three most recent annual distributions of SHIP funds.](#)
- [Awarded \\$716,000 for the implementation of the Florida Homebuyer Opportunity Program \(FLHOP\) to help eligible residents buy their first home.](#)
- [Continued development and establishment of formal operational policies and procedures.](#)
- [County Financial Advisor wrapping-up strategic planning report for presentation to BOCC at October 14, 2009 workshop.](#)
- [Continue outreach to the community through education programs, as well as to peer agencies \(e.g, City of Tampa\) and regulating agencies.](#)

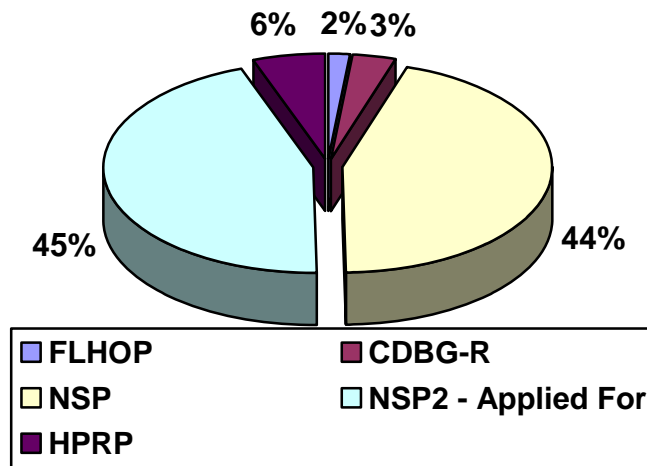
- Bringing all financial records current for receivables and program income; and, ensuring all projects continue to meet compliance requirements for affordability.

Performance Statistics

As an entitlement area, Hillsborough County was awarded \$8.9 million in funding from the U. S. Housing and Urban Development (HUD) for 2010 to implement housing and community development activities. The estimated breakdown by funding sources include: CDBG - \$6 million; HOME – \$2.6 million and ESG - \$263,000.

Listed below is a breakdown of new funding initiatives and programs implemented as of January 2009. The funding below is in addition to the County’s Annual Allocation from HUD.

Breakdown of New Funding Initiatives and Programs Implemented as of January 2009



** The breakdown of funding initiatives implemented as of January 2009 include but is not limited to stimulus funding awarded and applied for to date.*

Grants/Programs Status

Background:

The Affordable Housing Department (AHD), is responsible for the administration and oversight of the HOME Investment Partnerships Program (HOME - 24 CFR Part 92) and Community Development Block Grant Program (CDBG - 24 CFR Part 570) funding, as well as the State Housing Initiatives Partnership Program (SHIP – 420.9071 – 420.9079 Florida Statutes and 67-37 Florida Administrative Code) Program funding.

Hillsborough County Government is the primary custodian of the aforementioned federal and state grants. The AHD collectively administers approximately \$15 million dollars in federal and state funding in an effort to develop effective affordable housing and community development strategies for the low and moderate income citizens of Hillsborough County.

Several new programs and/or additional funding resources, Neighborhood Stabilization Program (NSP) I and II, Homeless Prevention and Rapid Re-Housing Program (HPRHP) and CDBG-R, were created and signed into law as a part of the Housing and Economic Recovery Act of 2008 (HERA) and the American Recovery and Reinvestment Act of 2009 (ARRA). These programs provide additional federal funds to the County to address the foreclosure crisis, homelessness, and community and economic development activities in Hillsborough County. These funding sources are one-time allocations to the County.

Listed below is a status of the grant funding sources managed by the AHD:

HOME Investment Partnership (HOME) Program:

- The AHD has exceeded the HOME October 31, 2009 **disbursement** requirement by more than \$3 million, and is essentially a year and a half ahead of schedule. Prior to the end of the fiscal year, the AHD made a large draw which will bring the County further ahead of schedule.
- The AHD is working towards the HOME October 31, 2009 **commitment** requirement, with approximately \$1.6 million (including anticipated program income) to commit prior to that time. The County is preparing to encumber \$1,238,000 for the Bayou Pass Phase III project and \$422,000 for the UACDC Homeownership Demonstration project. Additionally, the County has processed \$389,113 in down payment assistance loans that will soon be committed in IDIS. These activities, as well as several others,

will allow the County to commit an additional \$2.2 million prior to October 31, ensuring the County will meet this year's commitment deadline.

Community Development Block Grant (CDBG) Program:

- The AHD has met its FY2009 CDBG "Timeliness" requirement. The CDBG Timeliness requirement states that an entitlement community cannot have more than 1.5 times their allocation in their CDBG Line-of-Credit within sixty (60) days prior to the end of their fiscal year. According to a July 31, 2009 PR56 Report, the County met this requirement with an adjusted draw ratio of 1.39 times the allocation.

Community Development Block Grant (CDBG) – R Program:

- Hillsborough County received its funding agreement for an additional \$1,607,994 in Community Development Block Grant - R Program (CDBG-R) funds from the U.S. Department of Housing and Urban Development. These funds are part of the American Recovery and Reinvestment Act of 2009. As part of the Substantial Amendment to the Action Plan for approval on October 7, 2009, the AHD is recommending that funding be used for Habitat for Humanity – Radio Lane Project and for rehabilitation activities associated with multi-family housing under NSP.

Neighborhood Stabilization Program (NSP):

- The U.S. Housing and Urban Development (HUD) approved the NSP Management Plan in June. Four disciplines (appraisal services, title services, review appraisal services and environmental lead-based paint consulting services) have been through the open procurement and selected vendors are under contract. The Housing Partners were approved by an evaluation committee and agreements with seven nonprofit agencies were approved by the Hillsborough County Board of County Commission on June 17, 2009. The Contractor RFQ is closed and the Review Committee has selected nine (9) contractors. The Procurement Services Department is reviewing the recommendations and they will be submitted to the BOCC for approval. NSP staff are analyzing properties in the target area. A Request for Proposals (RFP) for multi-family projects is open until October 12, 2009.
- The BOCC approved the second substantial amendment to the Action Plan for NSP1 to include: 1) a new activity of "Financing Mechanisms", 2) broaden the purchase/rehab activity to include vacant and abandoned properties; and 3) initiate identification of foreclosed properties in the secondary areas to include Gibsonton, Plant City and Town n' Country.

- As of September 25, 2009: Four (4) properties have been purchased; three (3) more properties are expected to close by October 2, 2009; and 135 properties have been actively pursued by the AHD.

Neighborhood Stabilization Program 2 (NSP2):

- The County has applied for \$19 million in grant funds under the Neighborhood Stabilization Program 2 (NSP2). NSP2 Funds will be used for stabilizing communities that have suffered from foreclosures and abandonment. The target areas are Apollo Beach/Ruskin, Brandon/Riverview, Central County, Gibsonton, Keystone/Westchase, Lake Magdalene, North Dale/Citrus Park/Carrollwood, Clair Mel/Progress Village Areas, Pebble Creek, Plant City, Temple Terrace, Town n' Country.
- The AHD received notification on September 15, 2009 that the NSP2 application has been received and is being considered for funding.

Emergency Shelter Grant (ESG) Program:

The Program Year 2009 ESG Program activities are underway. The Health and Social Services Department administers the funds and partners with the Salvation Army, Inc., Mary & Martha House, Inc. and Metropolitan Ministries, Inc. to administer and operate homeless shelters and homeless prevention programs. Also, with ESG Funds, the Health and Social Services Department administers the Homeless Recovery Program.

Homelessness Prevention and Rapid Re-Housing Program (HPRP):

- Hillsborough County received its funding agreement for \$2,458,811 in Homeless Prevention and Rapid Re-Housing Program funds from the U.S. Department of Housing and Urban Development. These funds are part of the American Recovery and Reinvestment Act of 2009. The County will utilize the funds to carry out eligible activities under the Homeless Prevention and Rapid Re-Housing Program.
 - Homeless Prevention:
 - The AHD will partner with the Health and Social Services Department to implement the Homeless Prevention component of the HPRP. The HSS Department will receive \$1.5 million. The focus of the program will be for housing stabilization by providing persons who are at risk of becoming homeless with temporary financial assistance to prevent them from becoming homeless.

- Rapid Re-Housing
 - The County awarded \$805,671 to the Homeless Coalition to implement the Rapid Re-Housing Program. The focus is to and to provide persons who are homeless with housing relocation and stabilization services. Also, the Homeless Coalition will provide Data Collection for the HPRP.

In addition, the AHD will partner with the Code Enforcement Department to provide inspections of units for the HPRP. The Code Enforcement Department will receive \$30,000 to assist with this program. The AHD Staff will monitor the HPRP on a quarterly and annual basis, respectively.

State Housing Initiatives Partnership (SHIP) Program:

- The BOCC approved the Annual SHIP Report and it has been submitted to the Florida Housing Coalition. The AHD met the SHIP set aside ratio requirements for the closed out State FY 2006-2007. The AHD has also adhered to restrictions and met the requirements for the three most recent annual distributions of SHIP funds.

Florida Homebuyer Opportunity Program (FLHOP):

- Hillsborough County was awarded \$716,000 for the implementation of the FLHOP. The purpose of the funds is to help eligible residents buy their first home in unincorporated Hillsborough County, Temple Terrace, and Plant City through its Florida Homebuyers Opportunity Program.

The Program provides a loan of up to \$8,000 in down payment assistance to income-eligible first-time homebuyers. These funds can then be paid off by the federal income tax refund available to homebuyers under the federal First Time Homebuyer Credit program. All applicants submitted by lenders must not make more than the maximum income limit of \$75,000 in adjusted gross income for a single taxpayer and the maximum income limit of \$150,000 in adjusted gross income for a joint-filing taxpayer, in accordance with the rules of these federal First Time Homebuyer Tax Credit funds.

AHD Process Improvement Projects/Efforts:

Background:

The Management Team continues its development and establishing of formal operational policies and procedures while resolving outstanding administration and management issues. In addition, the AHD is progressively implementing

viable recommendations provided by external agencies in order to more effectively serve the public.

Projects/Efforts:

- DocuVantage System - The launch of the automation of each operational area and its respective processes utilizing the DocuVantage System is underway. The system provides scanning and tracking of client and project files as well as an electronic storage of files.
- Policies and Procedures – The manual is in the final stages of completion. Developed internally, the table of contents currently lists more than 50 topics. The manual details the complexities and policy direction of various AHD operational, programmatic, regulatory and fiscal areas. In the next few weeks, the draft manual will be forwarded to AHD's strategic management consultant as well as the University of Florida Shimberg Center for Affordable Housing for comment and evaluation.
- Policies – The AHD is developing and updating policies for other operational areas in the department and to address requirements of new initiatives underway.
- Down Home Loan Manager (DHLM) – The AHD has implemented the use of DHLM. While the department continues to review old files to update lien information to provide accurate data in the new loan management software system, staff has started to enter accurate data into system. This review will establish the basis for a dedicated “receivables management” function within AHD. With this comprehensive review, staff will be able to complete reconciliation with the County's accounting system.
- Oaktree Software Program – The AHD has implemented the Oaktree System, which is an automated payroll function, to replace the previously utilized spreadsheet-based system. Oaktree will provide greater precision and accountability of time charged to various grants.
- Strategic Business Plan - The AHD is working with a Consultant on the creation of a Strategic Business Plan to guide the department in addressing its mission in alignment with Recommendation Number 4 of the County's Internal Performance audit. The report will be presented to the BOCC in late October 2009.

Internal and External Government Relations / Community Outreach:

- Hold monthly meetings with the City of Tampa to discuss programs and identify opportunities to streamline processes
- Fostering relationships with nonprofits/for-profits in the community
- Provide monthly department reports to HUD - Jacksonville
- Participated in Outreach Events – Foreclosure Fairs, Speaking Engagements, Lender Meetings, Homeless Prevention Events, etc.
- Participated in discussions on various topics including housing with Town n’ County Group
- Provided an update on Affordable Housing Opportunities to the Palm River Community Development Corporation
- Provided an update on Affordable Housing Opportunities to the Community Redevelopment Certification Class at USF

Additional Information/Comments:

The work environment for the AHD employees is challenging: investigations by the Federal Bureau of Investigation (FBI) and HUD Inspector General; staffing needs; public and media scrutiny; and the challenge of successfully implementing the recently announced \$19.1 million Hillsborough County Neighborhood Stabilization Program plan. In addition, the HUD Inspector General Audit Office is on site completing a survey of AHD programs: HOME and NSP. The survey should be completed this Fall. Despite these challenges, the AHD is on target for all 2009 timeliness requirements and made many improvements to its programs during this past fiscal year.

Staffing Plan:

The AHD currently has five (5) sections: Finance, Contracts & Compliance, Planning, Housing Programs and Foreclosures (Neighborhood Stabilization Program). AHD is required to have appropriate staff resources and infrastructure in place to programmatically and strategically administer the federal and state grant funds. Compliance and assurance monitoring is ongoing for the duration of the affordability period of many projects as project implementation varies based upon the activity type.

Recruitment of the following key positions is nearing completion: Finance Manager, Sr. Planner, Accountant II, and Contracts Manager (Two Positions for NSP). We have a number of very well qualified candidates to choose from. The additional one-time program allocations – NSP, CDBG-R, and the HPRH Program – provide additional resources to hire several limited duration positions.