



SPECIAL NEEDS HOUSING: COMBATING HOMELESSNESS

Capital Funding to End Homelessness Initiative

Doug Garver, Executive Director

Sean Thomas, Chief of Staff

2014 Entry Form
(Complete one for each entry.)

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name _____

HFA _____

Submission Contact _____

Phone _____ **Email** _____

Qualified Entries must be received by **Tuesday, July 1, 2014**.

For more information about Qualified Entries, [click here to access the 2014 Entry Rules](#).

Use this header on the upper right corner of each page.

HFA _____

Entry Name _____

Communications	Homeownership	Rental Housing	Special Needs Housing
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs
Legislative Advocacy	Management Innovation	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> State Advocacy <input type="checkbox"/> Federal Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology	<input type="checkbox"/> Special Achievement	<input type="checkbox"/> YES <input type="checkbox"/> NO

2014 NCSHA Award Nomination

HFA: Ohio Housing Finance Agency
Category: Special Needs Housing – Combating Homelessness
Entry Name: Capital Funding to End Homelessness Initiative
Doug Garver, Executive Director
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Over the past several years, communities across Ohio have developed and implemented innovative strategies to reduce and eliminate homelessness. The Ohio Housing Finance Agency (OHFA) contributes to these efforts through financing affordable housing properties, including a number of permanent supportive housing developments designed with local input for homeless persons.

The Ohio Development Services Agency (ODSA), a state agency dedicated to building strong communities, provides federal and state funding to local organizations for shelter operations, services, and homelessness prevention efforts. Homelessness continues to be a significant issue, but there have been successes in finding collaborative solutions to address chronic homelessness. The number of homeless persons in Ohio decreased by nearly 12 percent between 2012 and 2013 according to point-in-time counts of sheltered and unsheltered homeless persons by continuum of care¹ statewide.

Recent strategies to address homelessness at the local and federal levels have focused on permanent affordable housing production and homelessness prevention. These funding decisions have led to a number of deteriorating emergency shelter facilities throughout the state. Many buildings are very old with structural issues and obsolete designs. Although the focus on permanent housing and homeless prevention efforts is appropriate, emergency shelter facilities play an important role in a community's system to address homelessness. The shelters are the entry point to a system that may help facilitate the transition to permanent housing.

In 2013, OHFA was asked to help fund two new shelters as part of a local community plan to end homelessness. The facilities would replace a larger, existing shelter in the central city. The project, however did not meet the eligibility requirements for the Housing Credit or other OHFA multifamily programs. After researching other funding sources and talking with stakeholders and other state agencies, OHFA staff determined that there were no funds available at the state or federal level for this proposal, though a significant need existed for capital funds – not only in this community but across the state. Working with the OHFA Board, ODSA, the nine continuum of care in the state, and other interested parties, OHFA staff developed a proposal to provide a one-time boost of capital funds for local homelessness efforts – including emergency shelters – across the state. In July 2013, the OHFA Board approved the Capital Funding to End Homelessness Initiative (CFEHI), the first significant statewide program in Ohio to serve the capital needs of emergency shelter facilities.

¹ A “continuum of care” is a local organization or partnership of organizations that coordinate funding and deliver housing and services to meet the specific needs of people who are homeless within a defined area.

Program Details

OHFA and ODSA committed a combined \$32 million over two years for CFEHI – OHFA is contributing \$15 million in Agency reserves and \$6 million in recycled Tax Credit Assistance Program funds, and ODSA is providing \$11 million in state housing trust funds. The name of the initiative is designed to emphasize certain aspects of the program. First, the funds can only be used for capital (i.e. “bricks and sticks”), not services or operations. Second, eligible projects and facilities must be part of a larger strategy to reduce and end homelessness – OHFA is not interested in simply building more shelter facilities and “warehousing” homeless persons. CFEHI requires the use of best practices or a research supported design in service coordination. Finally, by labeling this an initiative, OHFA signals that this is a short-term program that will provide communities with resources to develop and repair sustainable facilities.

Only the eight urban continuums of care and organizations within the state balance are eligible to apply for CFEHI funds. A breakdown of funds set-aside for each area is attached in Figure 1. OHFA relies on the continuum of care as gatekeepers for applications since these entities develop and implement overall strategies to address homelessness in their communities. It is critical that the applications align with these local strategies. Funds can be used for the costs to build or repair permanent supportive housing, transitional housing, or emergency shelter facilities. The communities decide the best use of funds and mix of housing options that meet local needs. To ensure that local communities support the initiative, fund-matching is required. OHFA will accept applications through June 30, 2015. In addition to providing funding, ODSA staff, who are more familiar with shelter providers and homelessness programs, will assist with the review of applications and program administration. For more program information, please see the attached guidelines.

Activities to Date

OHFA has received and approved applications from two communities: Cincinnati and Columbus. Approximately \$8.3 million of funding has been committed to date.

Cincinnati – “Homeless to Homes,” \$5 million awarded in August 2013, 170 beds

In 2008, Cincinnati City Council directed the continuum of care to develop a comprehensive plan to ensure that homeless individuals would have access to appropriate shelter facilities and comprehensive services to facilitate their movement to permanent housing. The plan, adopted by Cincinnati City Council in 2009, provides a comprehensive framework to address the issue of homelessness within the community. The primary recommendations taken from the Homeless to Homes plan included 1) reconfiguration and improvement to the quality of services at homeless shelters, and 2) increase the amount of permanent supportive housing available.

Two of the facilities will receive funding through CFEHI: Drop Inn Center and City Gospel Mission. The new Drop Inn Center for Single Homeless Women will provide 60 beds with enhanced services for women who are currently housed in a larger facility with 150 to 180 men. The City Gospel Mission involves the acquisition and rehabilitation of an existing two-story building for an emergency shelter and the new construction of a transitional housing three-story building on an adjacent lot. The emergency shelter will consist of 74 beds and serve homeless men and women. The transitional housing building will contain 36 beds and focus on young homeless men who may require more rigorous and specialized

services. The buildings will have improved, less crowded sleeping rooms in comparison to the existing City Gospel Mission shelter. The buildings are still in development.

Columbus – “Rebuilding Lives,” \$3.3 million awarded in March 2014, up to 364 beds

In the mid-1990’s revitalization along the Scioto River caused displacement for some homeless individuals who were residing in shelters or in camps along the riverbank. The continuum of care developed Rebuilding Lives, the area’s plan to end homelessness. The first year plan called for coordinated, cost-effective ways to provide shelter and services. Today, Rebuilding Lives is a nationally recognized model that includes a system of four broad goals: access, crisis response, transition and advocacy. The plan was last updated in 2008 to re-organize the shelter system using a Navigator (case manager) model. Navigators will assist residents in a new “front door” (all homeless persons will be initially referred to the shelter) facility with a housing goal within seven days. Those needing a longer stay will remain or transfer to one of the city’s other four shelters based on the environment best suited for the resident.

CFEHI funds will be used to rehabilitate an existing commercial building into a “front door” emergency shelter for single men and women named the Van Buren Shelter. It will include 67 beds for single women and 45 beds for single men. The building will be designed to provide additional shelter beds beyond these 112. Once completed, the shelter will have the capacity to serve an additional 103 single men, 37 single women, and 106 women with children during times of year when additional capacity is needed. Construction is underway and nearly complete. The continuum of care will apply to OHFA for the remaining funds for a second phase designed for homeless families later this year.

OHFA has reached out to all potential applicants and received a positive response. Most communities, such as Cleveland, have set up a local review process to determine which applications to submit for funding. OHFA anticipates receiving the majority of applications during the second half of this year. The deadline for applications is June 30, 2015. It takes approximately 90 days to review and approve an application and up to two years to complete a project, depending on the size and scope of the project / facility.

Expected Outcomes

OHFA anticipates funding approximately 14 large development projects and 50 repair applications through this initiative, totaling 2,000 beds and/or units. Development projects will have use restrictions for 30 years, and repair projects will have use restrictions for 10 years. As part of the application review process, OHFA evaluates the community’s ability to sustain the operations for the use restriction period to assure the CFEHI investment will last for several years. A secondary benefit of the program is the increase in OHFA’s understanding of and relationships with the continuum of care and homelessness service providers throughout the state. In addition, the funding recipients are required to report data in the statewide Homelessness Management Information System (HMIS), which is being coordinated by OHFA. The knowledge and relationships gained will help OHFA evaluate housing needs and make more strategic funding decisions with existing housing development programs in the future.

Attachments: Capital Funding to End Homelessness Initiative Guidelines
Funding Breakdown

Ohio Housing Finance Agency

CAPITAL FUNDING TO END HOMELESSNESS INITIATIVE



web www.ohiohome.org | **tollfree** 888.362.6432



 The Ohio Housing Finance Agency is an Equal Opportunity Housing entity. Loans are available on a fair and equal basis regardless of race, color, religion, sex, familial status, national origin, military status, disability or ancestry. Please visit www.ohiohome.org for more information.

A. Goal

To provide a one-time capital funding boost of **\$32 million*** (the “funds”) to local Continuum of Care to assist with their strategies to end homelessness in Ohio. This funding boost is in addition to the funding the Ohio Housing Finance Agency (OHFA) already provides annually to finance permanent supportive housing.

* - OHFA will provide \$21 million in funding and the Ohio Development Services Agency (ODSA) will provide \$11 million for this initiative. If ODSA is unable to provide funds, OHFA reserves the right to modify the total amount of funding available and adjust the funding limits per Continuum of Care as listed in this document.

B. Eligible Beneficiaries

- All programs must serve homeless persons that meet HUD’s current definition of homeless.
- For projects that propose to serve a mixed population, the OHFA investment must be proportional to the number of units or beds that serve eligible beneficiaries.

C. Eligible Applicants

The eight urban Continua of Care designated by HUD and organizations located in the Balance of State areas are the only entities eligible to apply for this initiative. The eight urban Continua of Care must select one organization to act as the lead sponsor, which may be the Continuum of Care Collaborative Applicant, for the proposed project(s). A consortium of organizations for lead sponsor will be considered on a case by case basis.

D. Eligible Project Types

For all project types, the applicant must demonstrate that the project(s) is a critical part of the Continuum’s strategy to end homeless. Applicants may use the funds for one or both of the following project types:

1. Development Projects

Eligible projects include the new construction or acquisition and rehabilitation of buildings for the following uses:

- Permanent Supportive Housing (PSH). The project(s) must comply with the Permanent Supportive Housing Policy Framework adopted by the state.
- Transitional Housing. The project design must meet one of the following parameters:
 - involve the reconfiguration of an existing transitional housing facility into permanent supportive housing;
 - serve homeless youth, victims of domestic violence, or persons re-entering a community from an institution or in recovery from substance abuse; or
 - comply with a national best practice and / or a research supported design.

- Emergency Shelters. The project design must comply with state shelter standards, a national best practice and / or a research supported design.

Development Projects will be reviewed by OHFA and submitted to the OHFA Board for final approval.

2. Repairs Projects

Eligible projects include the renovation and repair of existing permanent supportive housing; existing transitional housing facilities that either serve homeless youth, victims of domestic violence, or persons re-entering a community from an institution or in recovery from substance abuse or comply with a national best practice and / or a research supported design; or emergency shelters that to the greatest extent possible, comply with state shelter standards, a national best practice and / or a research supported design.

Repairs Projects will be reviewed by Ohio Development Services Agency (ODSA) and submitted to ODSA Director for final approval.

E. Funding Requirements

- **Funds can be used for capital funding only.** Funds cannot be used for funding rental subsidies, operating costs or services.
- Development Projects must meet at a minimum OHFA's Green Communities standards (waiver will be considered on a case by case basis) and provide adequate community and office space to provide supportive services on-site as needed. OHFA funds cannot be used for funding rental subsidies, operating costs or services.
- Funds can be combined with Multifamily Bonds and 4%-Bond Housing Tax Credits. However, the funds may not be combined with other OHFA programs including the 9%-Competitive Housing Tax Credit Program, Housing Development Loan, R-TCAP, Housing Investment Fund, or Housing Development Assistance Program. The intent of this initiative is to provide a boost to efforts to end homelessness in addition to OHFA's regular programming.
- Funds may be combined with capital funds provided by the Ohio Department of Mental Health or other appropriate state departments or agencies.
- For Development Projects, the funds requested cannot exceed the following:
 - For permanent supportive housing units combined with Multifamily Bonds and 4%-Bond Housing Tax Credits, \$80,000 per unit;
 - For permanent supportive housing units financed without Multifamily Bonds and 4%-Bond Housing Tax Credits, \$150,000 per unit; or
 - For transitional housing or emergency shelters, \$40,000 per unit or bed.

- The total funding limit and capital funding match requirement for each Continuum of Care:

Continuum of Care	Funding Limit	Match (OHFA to Local) <i>*Except for Multifamily Bond projects</i>
Cincinnati	\$5,000,000	1 to 1
Columbus	\$5,000,000	1 to 1
Cleveland	\$5,000,000	1 to 1
Akron	\$3,000,000	1 to 1
Dayton	\$3,000,000	1 to 0.5
Toledo	\$3,000,000	1 to 0.5
Canton	\$2,000,000	1 to 0.25
Youngstown	\$2,000,000	1 to 0.25
Balance of State	\$4,000,000	1 to 0.25*

* - OHFA will consider a waiver or modification of this requirement for Repairs projects with no available or potential sources of matching funds. Applicants must clearly demonstrate in the proposals that funds are not available.

- For eight urban Continua of Care, the match requirement will be applied to the total amount requested per application, which allow flexibility for applications consisting of more than one project.
- For Development Projects that leverage Multifamily Bonds and 4%-Bond Housing Tax Credits, the match requirements listed above do not apply, but the applicant must obtain at least \$500,000 in soft debt financing per project.
- For Development Projects, a 30-year use restriction will be placed on the facility. For Repairs Projects, a 10-year use restriction will be placed on the property. Annual reporting and periodic physical inspections of the properties will be required during the restriction period.
- Recipients must agree to enter client level data in their Continuum’s HMIS during the restriction period.
- All other funding sources must be identified at the time of application to OHFA. Funds will not be released until all funding is committed.

F. Application Process

- All applications and required documents must be submitted to OHFA. Application forms and additional instructions will be available on the OHFA website: www.ohiohome.org.
- Except for the Balance of State, a Continuum of Care may submit only two applications during the application submission period. An application and award may consist of plans for more than one project, including projects of different types (i.e., Development Project and Repair Project). The total amount of funding requested in the applications cannot exceed the total funding limits for the Continuum of Care as listed above.
- For communities and organizations located in the Balance of State, 50% of the funds will be available from August 1, 2013 through June 30, 2014 and the remaining balance of funds will be available from July 1, 2014 through June 30, 2015. All proposals must be approved by the Balance of State Continuum of Care prior to submission to OHFA. OHFA will accept applications until all funds are

allocated to approved proposals.

- OHFA reserves the right to not fund or request changes for projects that do not meet the funding and / or application requirements.

G. Application Requirements

All applicants must provide the following in an application for funding:

- An explanation of the Continuum’s strategy to reduce homelessness and how the OHFA funds will contribute to this strategy.
- Additional requirements for Development Projects are as follows:
- For Development Projects that leverage Multifamily Bonds and 4%-Bond Housing Tax Credits, a complete application with attachments that meet OHFA’s requirements in the applicable Qualified Allocation Plan and Multifamily Bond guidelines.
- For all other Development Projects, submit the following:
 - “Capital Funds to End Homelessness” Development Project Application,
 - Local notification letters and evidence of community outreach,
 - Documentation evidencing control of the site and the site is appropriately zoned for the proposed use,
 - Funding commitments, may be conditional, for all sources of financing and a strategy to obtain resources to fund financing gaps,
 - Commitments to provide rental subsidy and / or operating subsidy, and
 - A supportive services plan that meets OHFA’s requirements, includes commitment letters from service providers, and identifies strategies to obtain funding for ongoing services and operations.
- Additional requirements for Repairs Projects are as follows:
 - OHFA “Capital Funds to End Homelessness” Repairs Project Application and required attachments listed on the application.

H. Program Timeframe

- OHFA will accept complete applications through June 30, 2015. Any funds that remain unallocated after this date will be distributed at the discretion of the OHFA Board.
- OHFA will post information regarding all proposals submitted to the OHFA website and accept public comments for 30 days after the posting.
- OHFA will require a minimum of 90 days after receipt of a complete application for staff review and approval of funding.
- Sponsor will have three years after the issuance of the funding agreement for the OHFA funds to complete the project(s) and place them into service.

Figure 1
Funding Breakdown

Continuum of Care	Funding Set-Aside	Match (OHFA to Local)
Cincinnati	\$5,000,000	1 to 1
Columbus	\$5,000,000	1 to 1
Cleveland	\$5,000,000	1 to 1
Akron	\$3,000,000	1 to 1
Dayton	\$3,000,000	1 to 0.5
Toledo	\$3,000,000	1 to 0.5
Canton	\$2,000,000	1 to 0.25
Youngstown	\$2,000,000	1 to 0.25
Balance of State	\$4,000,000	1 to 0.25*

* - OHFA will consider a waiver or modification of this requirement for repair projects with no available or potential sources of matching funds. Applicants must clearly demonstrate in the proposals that funds are not available.