

HURRICANE IRMA DISASTER RESPONSE AND RECOVERY

Information Supplement

Florida Housing Finance Corporation Hurricane Irma Response and Recovery Efforts

In response to Hurricane Irma, FEMA has included 48 out of the state's 67 counties in the federal Major Disaster Declaration originally declared by the President on September 10th. Among other types of assistance such as debris removal available to these counties, residents are eligible for "Individual Assistance," which is financial help or direct services for those who have necessary expenses and serious needs if they are unable to meet these needs through other means, such as insurance. This includes "Housing Assistance," including temporary housing, repair, replacement, and semi-permanent or permanent housing construction; and "Other Needs Assistance," including personal property and other items.

Florida Housing has been working with the Florida Division of Emergency Management (DEM) and FEMA on initial response actions. A major disaster declaration provides a wide range of federal assistance programs for individuals and public infrastructure, including funds for both emergency and permanent work.

Florida Housing staff participates in DEM's Disaster Recovery Housing Task Force and has provided information through the task force about our response activities. In addition, we will be participating in the Florida Housing Coalition's disaster webinar to be held on September 20, 2017, to provide information not only to local government SHIP administrators, but also at the request of FEMA and DEM staff, local emergency managers and other stakeholders.

While Florida Housing is involved in shorter term response strategies outlined below, our primary capability in disaster recovery is long term housing provision.

SHORT-TERM RESPONSE STRATEGIES

Disaster Recovery Resources Page on Florida Housing's Website

In the wake of the devastation experienced by the state, Florida Housing is working with state and federal officials to provide information on short- and long-term housing solutions. Staff has created a page on the Corporation's website devoted entirely to disaster relief resources and information. The page details Florida Housing resources that are available throughout the state, as well as other federal, state and local resources. Visitors can access this information by clicking on the icon on the homepage of our site titled Disaster Relief Resources and Information at www.floridahousing.org.

Augmented Housing Locator Service

In collaboration with FEMA, Florida Housing has signed a short-term disaster service contract affiliated with our current www.FloridaHousingSearch.org affordable rental housing locator service. Through the disaster service contract, the provider will conduct extensive and frequent surveys with rental property

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owners in the impacted counties regarding available and suitable housing for households that cannot return to their homes. The survey also helps to determine which landlords will execute short-term leases with displaced households and accept FEMA rental assistance vouchers. The property owners being surveyed include those in Florida Housing's portfolio, as well as other landlords that currently have their properties and units registered with FloridaHousingSearch.org. As part of the disaster recovery efforts, the locator's call center is working with FEMA and local emergency management efforts to recruit and add more rental property owners to the locator's rental unit data base.

The provider has extended its call center hours and has significantly increased the number of call center specialists, including bilingual staff, to adequately respond to households looking for rental housing and landlords that have available units.

SHIP

Under Section 420.9073(5), Florida Statutes, Florida Housing is authorized to hold back up to \$5 million each fiscal year from the SHIP appropriation for recovery efforts for declared disasters. In previous years, recovery efforts include response to hurricanes, tornadoes, flooding and wildfires. While SHIP's role is primarily in the long-term recovery through each eligible local government's local housing assistance plan (LHAP), each SHIP local government has an adopted disaster strategy that allows for assistance in the immediate aftermath of a declared disaster. The strategies include debris removal, temporary relocation and rent assistance, and as short term repairs to prevent further damage to the structure or to allow for occupancy until further repairs are made.

Local governments are required to use their unencumbered (i.e., uncommitted) SHIP funds for disaster recovery before they request SHIP disaster recovery funds. As of mid-September, most have unencumbered funding they can use for this purpose.

In addition, Florida Housing's Emergency Order provides that the September 15th date by when SHIP Annual Reports are statutorily required to be submitted to Florida Housing has been changed to September 30th to allow affected local governments more time to complete these reports.

Asset Management Actions

The U.S. Treasury revenue procedures, combined with Florida Housing's Emergency Order, provide relief from income and non-transient requirements in Sections 42 and 142 of the Internal Revenue Code through September 30, 2018. This allows all vacant units at properties financed through SAIL, Multifamily Mortgage Revenue Bonds or allocated through Housing Credits to be rented at restricted rents to individuals from areas that have a Presidentially declared disaster declaration for individual assistance. Owners are authorized, but not required to provide emergency housing relief to displacees and no existing qualified household can be evicted solely to provide emergency housing for a displaced household.

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Asset Management immediately commenced, and continues, conducting a preliminary damage assessment of the multifamily rental portfolio to gain a better understanding of the impact of the hurricane on the residents, condition of the development and units. Information on the condition of the housing stock is shared with DEM, FEMA, HUD and others.

FEMA offers a program called Multifamily Rental Properties Lease and Unit Repair Program (MLRP). Florida Housing would like to share information on FEMA's program with owners of Low-Income Housing Credit developments that want to take advantage of MLRP. We have contacted the Department of Treasury and IRS to request further relief from the time restrictions in Treasury's revenue procedures to conform with MLRP (up to 18 months from the date of the disaster declaration, vs. twelve months from the end of the month in which the President declared the Major Disaster) and to confirm that Treasury would recognize FEMA applicants as a permitted preference under the general public use requirements of Internal Revenue Code §42(g)(9). Under MLRP FEMA actually leases the units, whereas the Internal Revenue Code requires only individuals to lease units, so Treasury would have to consent to this approach. Under MLRP, FEMA contracts to repair or make improvements to multifamily units as part of providing direct temporary housing assistance to eligible FEMA applicants displaced by a disaster. Property owners would be eligible to participate in the program, but are not required.

Multifamily Request for Applications (RFA) Actions

Florida Housing has modified its RFA timeline in response to the disaster to allow applicants in affected regions to be able to participate/compete for available resources. The following RFAs timelines were changed.

RFA 2017-107 SAIL and HC Financing for the Construction of Workforce Housing – RFA application due date pushed back from 9/28/17 to 10/18/17.

RFA 2017-108 SAIL Financing of Affordable Multifamily Housing to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive HC – RFA question submittal due date pushed back from 9/12/17 to 9/19/17, and RFA application due date pushed back from 10/5/17 to 10/12/17.

Access to FEMA Damage and Destruction Data

Florida Housing has reached out to DEM and FEMA to obtain damage data that we can use both to assist in allocating the \$5 million in SHIP disaster funds and to be used in targeted efforts for any additional federal or state disaster appropriations that Florida Housing might receive in the future.

LONG-TERM RECOVERY

Florida Housing's most useful role in responding to disasters is long term housing recovery to provide additional housing to Florida communities by targeting funding based on where damage/destruction has

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occurred. Examples of strategies are provided below. The infrastructure used by Florida Housing through its existing programs is flexible enough that we have been able to adapt existing programs and program structures to meet the specific needs of each disaster.

SHIP: SHIP disaster funds primarily have been used for long-term recovery through Local Government LHAPs. This allows for each affected local government to address the specific needs of its community based on the types of units that were damaged (e.g., homeownership or rental). All strategies in the LHAP are eligible to be used for disaster recovery, but the most common are owner occupied rehabilitation and emergency repair on the homeownership side and the rehabilitation or construction of new units on the rental side. Depending on the nature of the declared disaster, local governments may be given an adjusted timeframe in which funds are required to be expended. Technical assistance and training are also provided to local governments on how to best administer these funds.

Other Long-Term Recovery Funding: In response to the four hurricanes that made landfall in Florida during 2004, Governor Bush created a hurricane housing work group to make recommendations to assist in Florida's long term housing recovery efforts. From that plan, the 2005 Legislature appropriated \$250 million for housing recovery: \$208 million for a SHIP-like program, and another \$42 million for a SAIL-like program. Both programs targeted funding based on formulas developed using FEMA damage data. In 2006, another \$15 million was appropriated to fund two additional recovery programs recommended by that work group: a special needs program and a farmworker recovery program.

It is very possible that some type of federal and/or state long term disaster assistance might be appropriated to Florida Housing in response to Hurricane Irma. We have already provided information to legislative staff in response to questions about prior approaches to long term housing recovery.