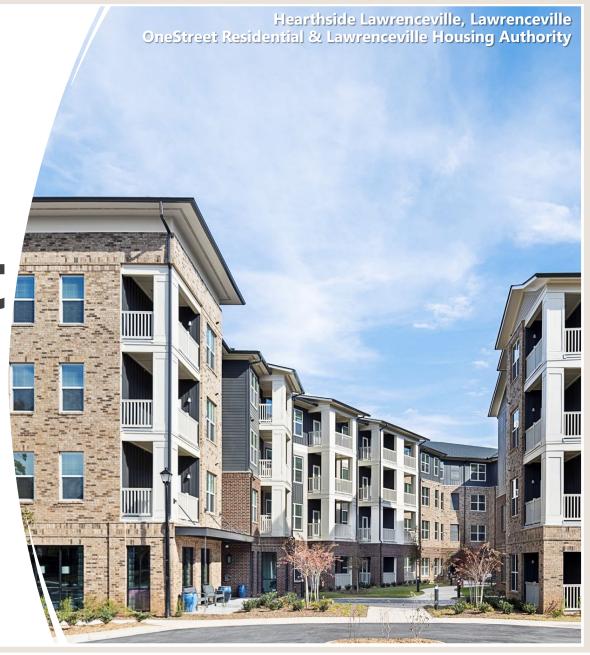
DCA Breakfast

**2024 GAHC Annual Conference** 

March 8th, 2024 | Savannah, Georgia





## **Breakfast Agenda**

- 1. Opening Remarks
- 2. DCA Updates
  - Housing Choice Vouchers, Waquele Holley
  - Housing Finance & Development, Denise Farrior
  - Community Housing Development, Samanta Carvalho
  - Housing Finance, Mitch Kelly
  - Portfolio Management, Sherrie Potter

#### 3. DCA Awards



#### A Look Behind the Scenes...

PBVs, HCVs & Multi Family Housing

**Emerging Data and Software** 

**Community Housing Initiatives** 

**Developing Multifamily Affordable Housing** 

**Managing Portfolio Operations** 







#### **Philip Gilman**Deputy Commissioner

Philip.Gilman@DCA.GA.GOV

**Wesley Brooks**Deputy Commissioner

Wesley.Brooks@DCA.GA.GOV



**HAD** 

HCV

**HFD** 

**GDP** 

**SHM** 

**GMA** 



**HOMELESS** 

EMERGENCY SHELTERS

TRANSITIONAL HOUSING

SOCIAL HOUSING AFFORDABLE RENTAL HOUSING AFFORDABLE HOME OWNERSHIP MARKET RENTAL HOUSING MARKET HOME OWNERSHIP



**Tommy Lowmon** Housing Finance and **Development Division** 

tommy.lowmon@DCA.GA.GOV







Samanta Carvalho Office of Community Housing

#### Samanta.Carvalho@DCA.GA.GOV

The Office of Community Housing Development administers the HUD HOME and National Housing Trust fund, HOME-ARP, and other grants to develop affordable rental housing and for-sale housing, and maintain compliance with all federal requirements.



**Mitch Kelly** Office of Housing Finance

#### Mitchell.Kelly@DCA.GA.GOV

The Office of Housing Finance oversees the financing and development of affordable multifamily properties in Georgia. The Office's core functions include the allocation of 9% and 4% Housing Credits, ensuring financial viability of Housing Credit developments, multifamily loan originations and underwriting, construction monitoring, and development oversight.

**Denise Farrior Deputy Division Director** 

#### denise.farrior@DCA.GA.GOV

The Director's Office oversees all multifamily funding allocation and portfolio operations management, as well as community development funding allocation. The team is compromised of the Internal Operations Group and the Data and Analytics team.



**Donna Tyler** Office of Portfolio Management

#### Donna.Tyler@DCA.GA.GOV

The Office of Portfolio Management oversees operational management of all multifamily Affordable Housing units that have been placed-in-service. This Office oversees the regulatory audit and inspections requirements for each program by the Compliance Department, as well as financial monitoring and review of all HOME funded loans by the Asset Management department.



#### Remarks

- Close old deals ASAP
- Bonds
- Capital Markets Team: OHF will discuss
- Ribbons cutting/ groundbreaking requests
- Existing and Future loans

• THANK YOU!



#### Strengthening Housing Credit Properties with Project Based Vouchers

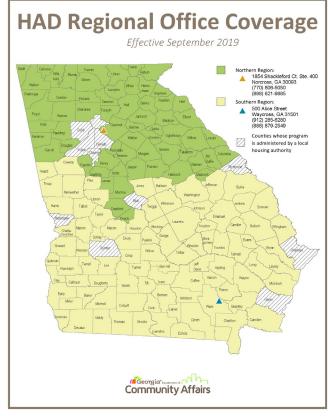




# **Building Communities through Strategic Integration**

 Today, we embark on a journey to explore how the strategic integration of Project Based Vouchers (PBV) with the Low-Income Housing Tax Credit (LIHTC) program is not just about providing homes but about fostering vibrant, inclusive communities across Georgia.

 We aim to foster collaboration and inspire action, leveraging PBVs and LIHTC to address our community's housing needs.





#### **PBV Overview**

• PBVs offer a targeted approach within the Housing Choice Voucher (HCV) Program, enabling the allocation of housing units directly to families in need. This integration amplifies affordable housing options, ensuring more Georgian families can access safe, quality homes.

• The program is designed to attach rental assistance directly to housing units rather than individuals.

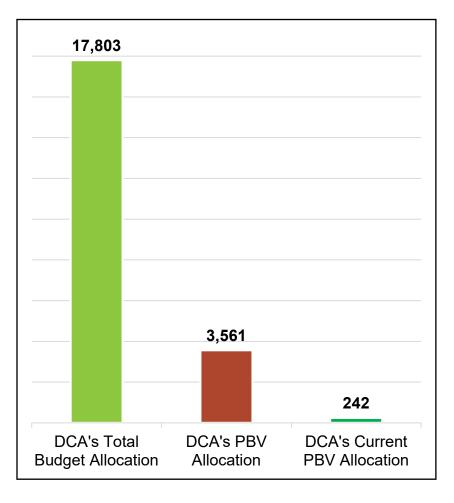




## **Understanding PBV Allocation**

• HUD's policy allows housing authorities to allocate up to 20% of their voucher budget authority for PBVs. This may increase to 30% for projects aiding homeless individuals, veterans, or those with disabilities.

 Allocation is shaped by local housing needs and strategic goals, determining PBV availability.





#### **Integrating PBV with LIHTC**

#### Enhance Project Viability

 PBVs and LIHTC together ensure a stable investment return, and increase financial attractiveness.

#### Broadened Financial Resources

 LIHTC provides crucial upfront capital; PBVs guarantee long-term rental.

# Targeted Development Support

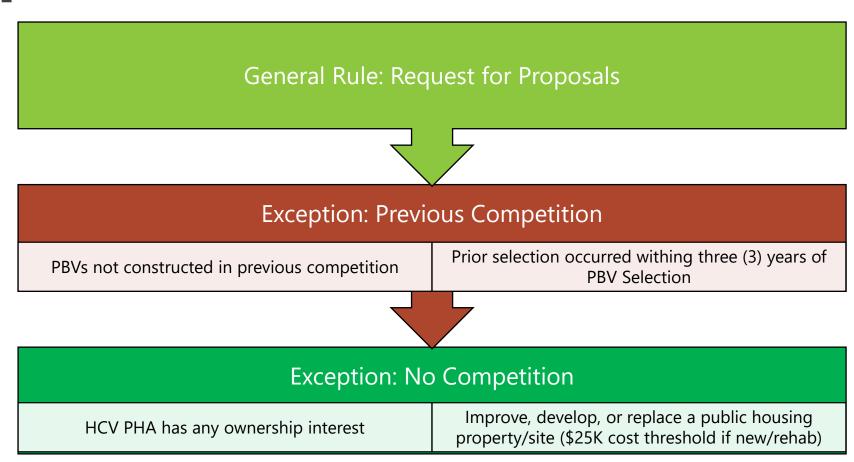
 This integration enables development in areas with the greatest need by filling financial gaps.

#### Community Transformation

 Projects act as catalysts for wider investment, triggering communitywide development and revitalization.



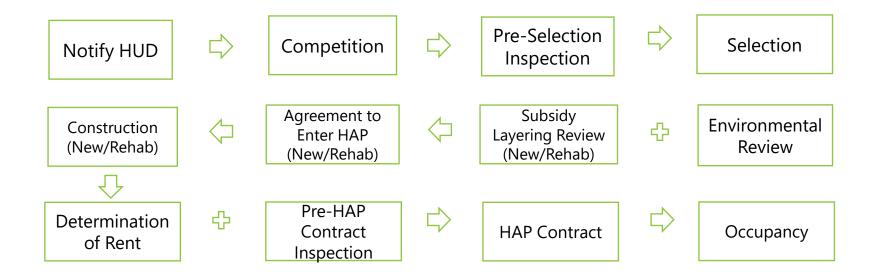
## **Competitive Selection of PBV Units**





# Strategic Pathway: Securing PBV through the RFP Process

Understanding the Request for Proposal process is key to aligning your project with DCA's goals and securing PBV funding. This detailed overview guides developers through the critical steps from announcement to project implementation.





## **Navigating the Process**

- This initiative opens opportunities for developers and community partners, offering financial incentives and the chance to make a lasting impact.
- We acknowledge the challenges ahead, especially navigating the regulatory landscape, but together, we can turn these challenges into stepping stones for success.





# Call to Action: Join Us in Transforming Georgia

• As we conclude, let's reflect on the transformative potential of integrating PBV with LIHTC in creating sustainable, affordable housing. We invite you to join us in this crucial initiative.



 Together, we can make a tangible difference in the lives of countless Georgian families.

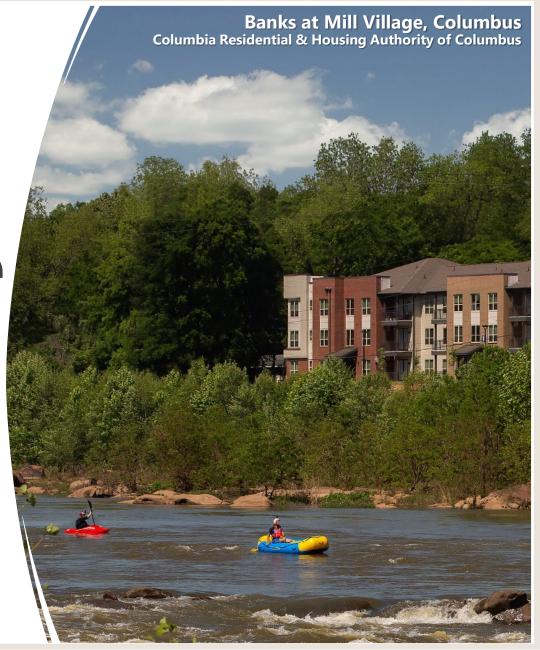


Division Director, Housing Choice Vouchers | Direct: 770-806-5032

Waquele Holley Waquele.Holley@dca.ga.gov



# Housing Finance & Development





## **Division Support Teams**

#### **Internal Operations**

**Arnelia Valdez** (Manager)

Tanya Purifoy

**Program Assistant** 

#### **Data & Analytics**

Kelly Evans (Manager)

Megan Conville

Angie Wright

Lead Policy and Data Analyst

Data Quality Analyst



## Data & Analytics

#### **Team Objectives**

- Transition Multifamily Development and Operations to Emphasys
- Compliance Georgia Housing Locator Search Engine for HFDD
- Data Driven Policy
- Organizing Award and Operational Data

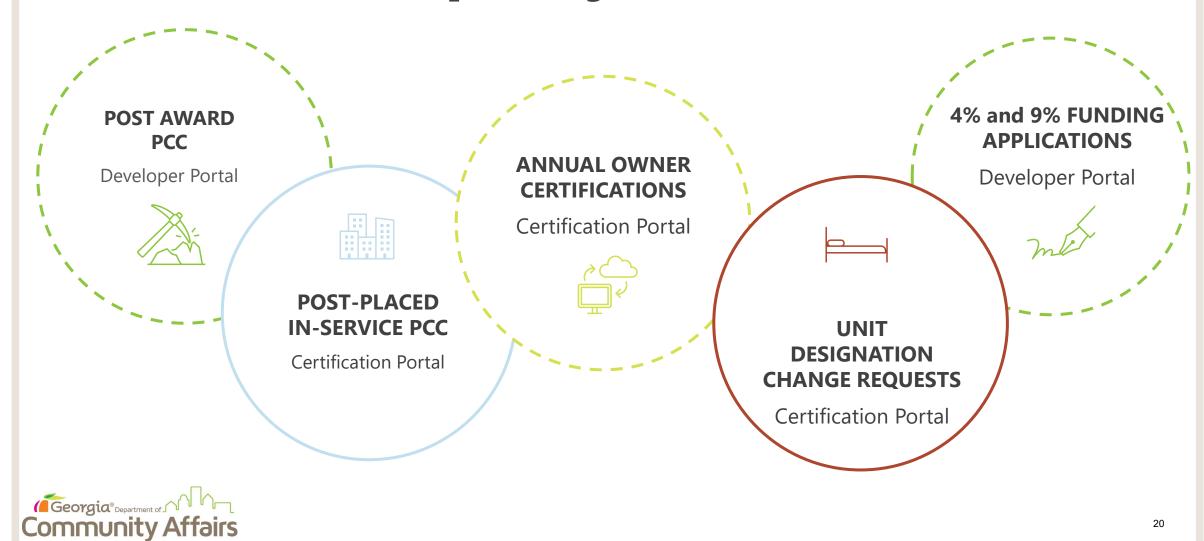


- ✓ Compliance Tenant Data
- ✓ Compliance Locator Website
- ✓ Request for Information
  - ✓ Development Phase
  - ✓ Compliance Data / Contacts





# **Process in Emphasys**





# Multifamily Loan Conversions

- ✓ Black Knight to Emphasys
- ✓\$450MM+ Multifamily Loan Portfolio
- ✓318 Multifamily Loans
- ✓ Web Enabled to Take Payments

✓ No Need to Schedule ACH or Mail in Payment eteller Payments

✓ Live Balances





Georgia Department of Community Affairs

## **Georgia Housing Search**



FIND HOUSING

ADD P

GEORGIAHOUSINGSEARCH.ORG









It is imperative that persons searching for rental housing opportunities speak with the landlord and/or property management company and thoroughly inspect the property and surroundings prior to signing any contracts to verify the current status and condition of any property. Read the full disclaimer.

The Commons at Briarwood Park 3510 Buford Highway NE - Atlanta, GA 30329 We do not accept Section 8 - Deposit is an Administrative Fee



Report an Issue

#### \$860

Deposit \$200 - \$600

#### Waiting List

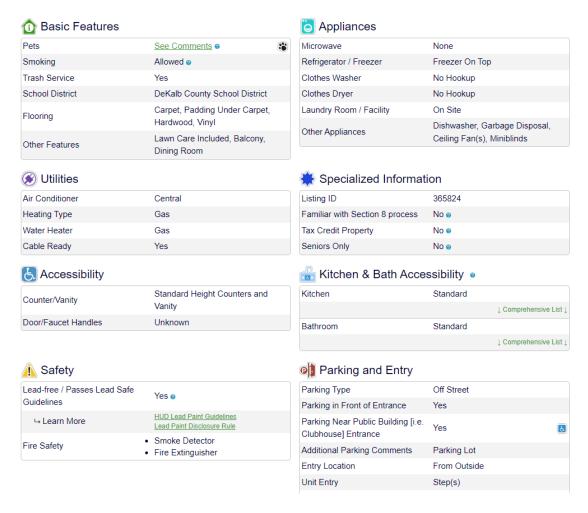
6-Month Lease

Utilities Included: Water, Sewer, Trash Pickup Application Fee: \$50 Per Adult, Negotiable @ Credit Check @: YES Criminal Check @: YE





## **Georgia Housing Search**



Georgia Department of Community Affairs 24

# Data & Analytics



## Data & Policy

- Internal Data Review and Analysis
- Internal Support
- Viewing our Partners as a Customer Base
  - Improving Local Government Relationships
  - Targeting Regions Statewide beyond HNA
- GIHC Collaboration
- Using Data as an Education Tool





#### 2024 Data Review

- Previous Awarded Deals
- Enhance Current Data
- DCA May Reach Out For...
  - Geo Coordinates
  - Tenant Data
  - New Info or Corrections
  - Asking owners/managers to validate





Deputy Division Director, Housing Finance & Development Division Direct: 404-679-4856

Denise Farrior Denise.Farrior@dca.ga.gov





# Community Housing Development



OFFICE OF COMMUNITY HOUSING DEVELOPMENT

#### **Samanta Carvalho**Office of Community Housing Development

Samanta.Carvalho@DCA.GA.GOV

The Office of Community Housing Development administers the HUD HOME and National Housing Trust fund, HOME-ARP, and other grants to develop affordable rental housing and for-sale housing and maintain compliance with all federal requirements.

DT

**DaTonya Lewis,**CHIP Manager

DaTonya.Lewis@DCA.GA.GOV

The Community HOME Investment Program (CHIP) provides grants for owneroccupied rehabs and developing for-sale homes for incomeeligible homeowners and homebuyers.



**Jimish Patel,**GHFA Grants & Program

Jimish.Patel@DCA.GA.GOV

The GHFA Grants and Program team administers the States HOME and NHTF IDIS system and the Georgia Rural Workforce Housing Initiative Loan Program.



**Shon Walker** Federal Compliance

Shon. Walker@DCA.GA.GOV

The Federal Compliance team ensures compliance with Environmental Reviews, Relocation, Davis-Bacon, MBE/WBE, and Section 3.



Ilona Nagy HOME ARP

<u>Ilona.Nagy@DCA.GA.GOV</u>

The HOME-ARP team provides funds for non-congregate shelters and rental housing for HOME-APR-eligible households.



# **Community Housing Development**

- 1. Rural Workforce Housing Initiative
- 2. Community HOME Investment Program (CHIP)
- 3. Build America Buy America (BABA) Update





Rural Workforce Housing Initiative homes in Alma, GA 3 bed/2 bath homes with garages | Sale price \$165,000



Rural Workforce Housing Initiative

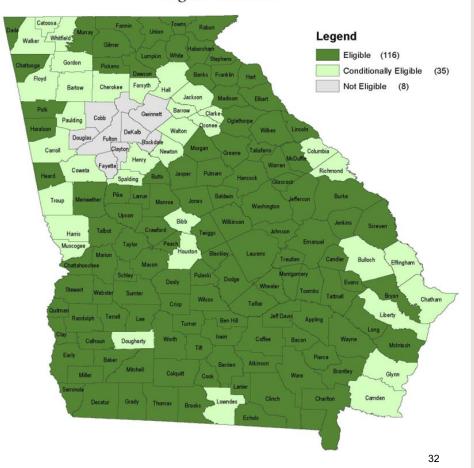
(RWHI)

• \$2.5 MM infrastructure grants

- \$1 MM construction loans
- Rental or for-sale housing
  - Median income households
  - Less than \$290,000 sale price or per-unit construction costs for rental housing
  - Local governments/authorities can apply

OneGeorgia Authority Georgia

**Official Map**Eligible Counties





# Rural Workforce Housing Initiative (RWHI)



Proposed home in Vidalia: 3 bed/2 bath | \$237,000 sale price



# Community HOME Investment Program (CHIP)

- \$1.5 MM to develop for-sale housing
- \$500,000 for owner-occupied home repairs
- Homeowners/buyers must make under 80% Area Median Income
- Applications due in January
- Local governments, nonprofits, & public housing authorities can apply





## **Build America Buy America (BABA)**

- Effective for all HOME and Housing Trust Fund housing developments awarded after August 23, 2024
- Aims to ensure iron & steel, construction materials, and manufactured products are produced in the United States
- All contracts must include BABA requirements
- Project-specific waivers may be available
- More info coming soon from HUD and DCA



# **Community Driven Housing Programs**

**Community Housing Investment Program** (CHIP) 2023 Awards

\$5.2M

\$2.2M

awarded

in community invested matching funds

communities benefited













\$17.4M

858

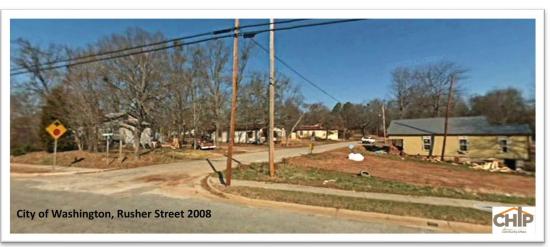


awarded to date

homes funded to date





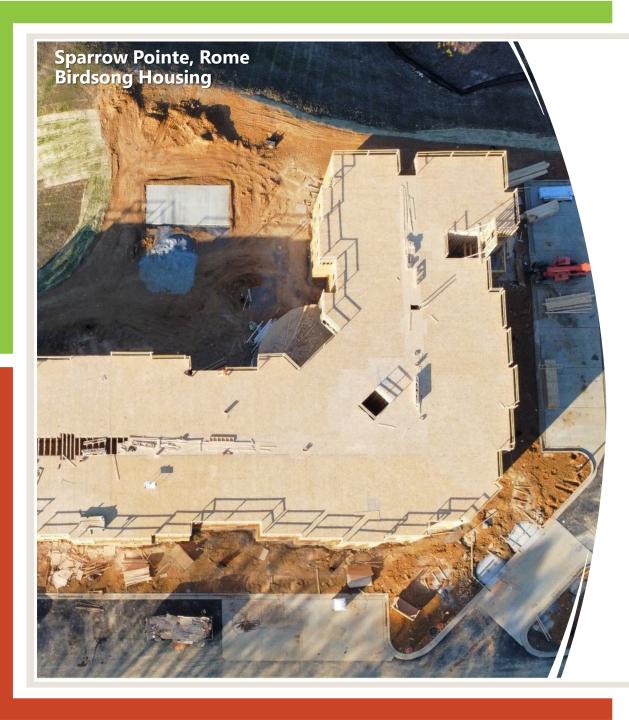




Director, Office of Community Housing Development | Direct: 404-679-0597

Samanta Carvalho Samanta. Carvalho @dca.ga.gov





## Housing Finance



### **Mitch Kelly** Housing Finance

Mitchell.Kelly@DCA.GA.GOV



Meagan Cutler, Allocation and Policy

Meagan.Cutler@DCA.GA.GOV



Sandy Wyckoff, Tax Credit Underwriting

Sandy.Wyckoff@DCA.GA.GOV



**Robert Keeler**MF Loan Underwriting

Robert.Keeler@DCA.GA.GOV



**Gary Huggins**Construction Services

Gary.Huggins@DCA.GA.GOV



**Ono Uwhubetine**Development Monitoring

Onome.Uwhubetine@DCA.GA.GOV



## **Policy Update**

### 2024-2025 QAP

- Workshop in 2025?
- Feedback Welcome
- Evaluations Ongoing

### 2026-2027 QAP

- Engagement Soon
- Topics/sections on DCA radar



# 2024

### 2026-2027 QAP

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2019-2023 Analysis & Evaluation

HFA Outreach & Research

Stakeholder Engagement & Individual Meetings

Listening Sessions & Focus Groups

2024 Analysis & Evaluation

2026-2027 Policy Priorities



## 2026-2027 QAP

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2026-2027 Policy Priorities & Public Comment

> 2026-2027 Policies Changes & Proposals

> > '26 – '27 QAP Draft 1 & Public Comment

> > > '26 – '27 QAP Draft 2 & Public Comment '26 – '27 QAP Final Draft

> > > > DCA Board

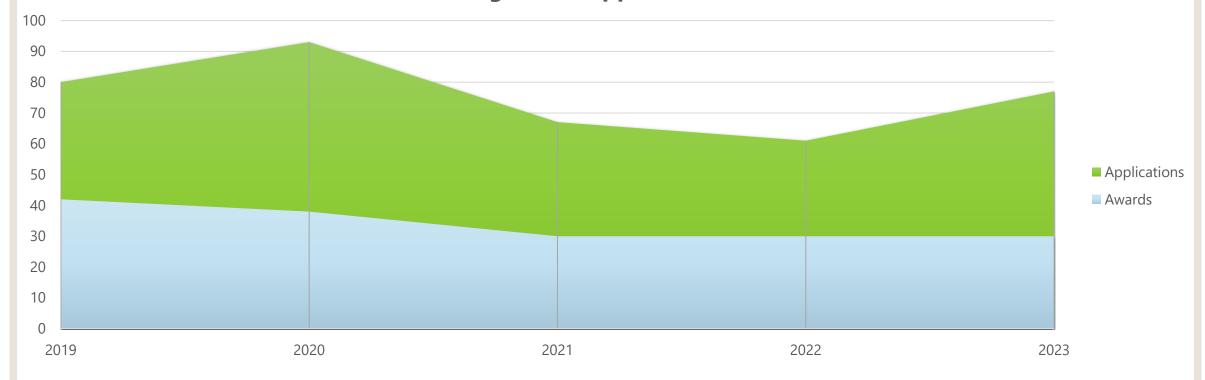
Housing Comm.

Georgia® Department of Community Affairs

202

## **Application Trends**

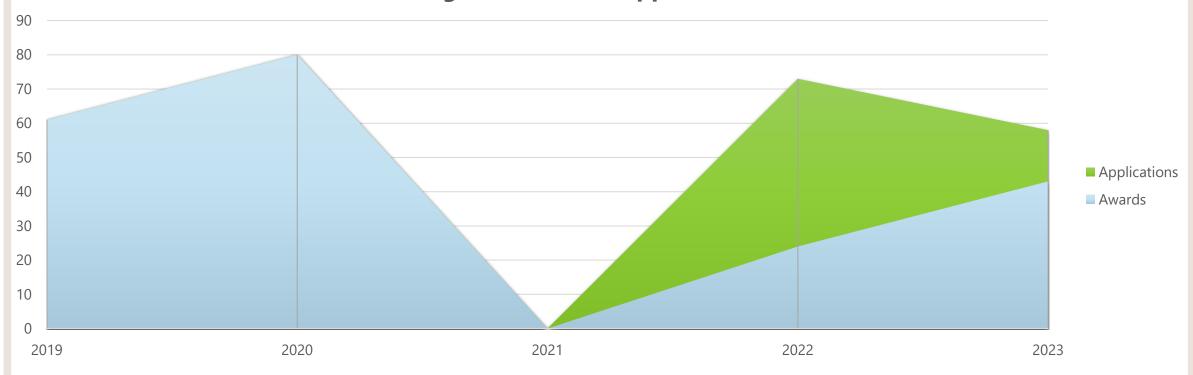
### **9% Housing Credit Applications & Awards**





## **Application Trends**

### **4% Housing Credit/Bonds Applications & Awards**





### 2023 4% Housing Credit/Bond Awards

- 31 Awards (including USDA Portfolio)
- \$742 MM in Private Activity Bonds
- 16 New Supply, 15 Preservation
- 5,185 Units



### 2023 4% Housing Credit/Bond Awards

**URFA** Reservation



Geographic Distribution



Remaining Scoring



## **Allocation & Scoring**

### **2023 4% Housing Credit/Bond Awards**

- 31 Awards (including Portfolio)
- 55% Limit
- Timeline DCA will withdraw awards if Applicants submit Full Underwriting after Deadline
- Closing 2023 awards should close in 2024



## **Allocation & Scoring**

### **2024 9% Housing Credit Applications**

- Manuals & Forms are finalized
- Technical application updates
- Reminder Project Team Qualification packages by March 14<sup>th</sup>



## **Project Team Qualifications**

- Reminder Project Team Qualification packages by March 14<sup>th</sup>
- Going forward...
  - Development Delays
  - Capacity
  - Ownership issues/noncompliance
  - GHFA loan performance



## Scoring First, Underwriting Second

### **Scoring**

- Readiness to Proceed
- Announcements should be at least one month earlier

### **Underwriting**

- Proactive Engagement
- Ask: Applicants continue moving forward with development after submitting Competitive application
- Goal: Review more finalized projections/budgets when underwriting so developments can close quicker

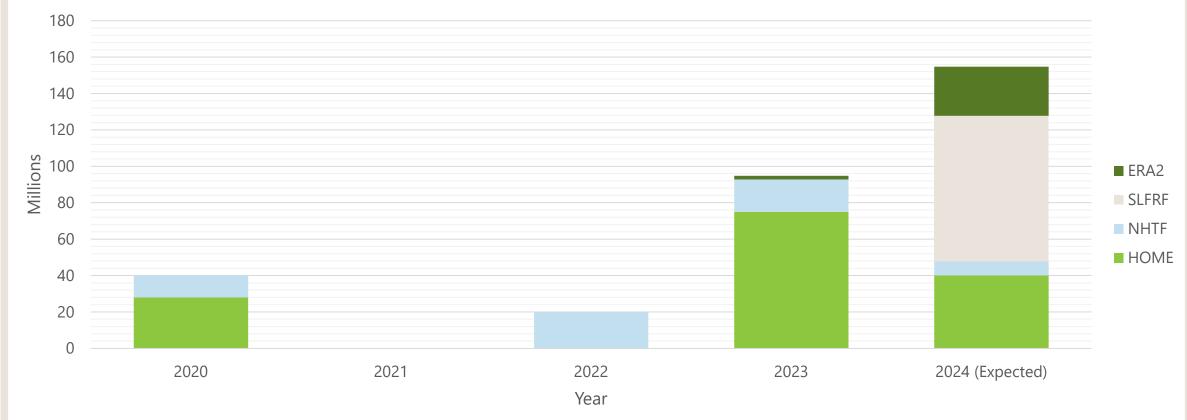


### 8609s

- Improved review times
- Need all documentation
- Email **Development@dca.ga.gov** with questions



## **Multifamily Lending**





## **Housing Stabilization NOFA**

ERA2 | SLFRF | HOME | NHTF

\$27.6 MM

\$79.9 MM

\$38.4 MM

\$7.75 MM



## **Housing Stabilization NOFA**





### **Housing Stabilization NOFA**

- All funds earmarked
  - 46 awards/loans
  - All developments awarded prior to 2022 were funded\*
- "Denial" letters to be sent out
- Timing
  - Kick-off calls
  - Closings now Q4
- First-come, first-serve; older awards; COVID-19 impact



## More Funding...

- TCAP Loan Fund
- SLFRF Repayment
  - \$2.5 MM + annually
- HOME & NHTF
  - Probable reduction in 2024
- On DCA Radar:
  - Risk-Sharing
  - Bond Recycling
  - Other Ideas...?





## Legislation/Policy

### **State:**

HB 1182

HB 1210

### **Federal:**

HR 7024

FY 2025 Biden Budget Proposal



## Talk to Us ©

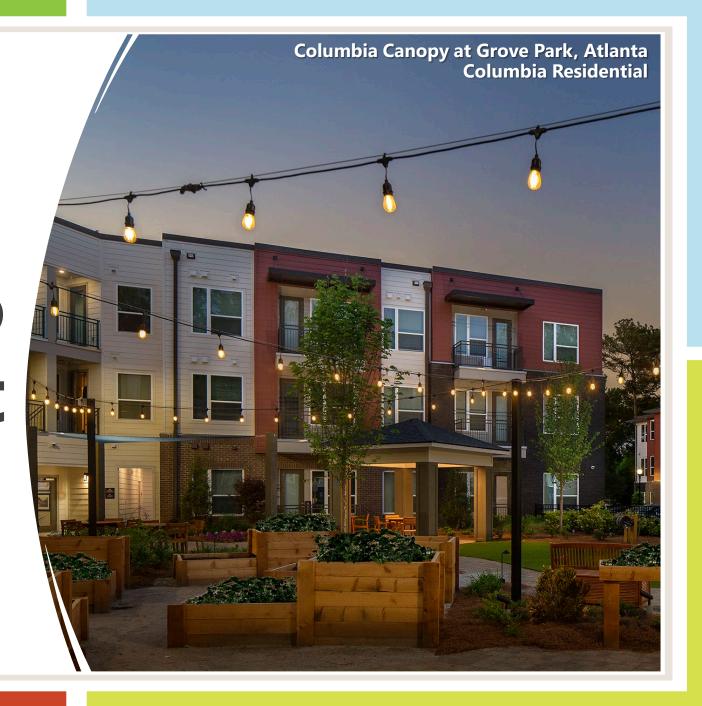


Director, Office of Housing Finance Direct: 470-597-5352

Mitch Kelly Mitchell.Kelly@dca.ga.gov



## Portfolio Management







### **Donna Tyler**Portfolio Management

Donna.Tyler@DCA.GA.GOV



### **Sherrie Potter**Assistant Director, Portfolio Management

Sherrie.Potter@DCA.GA.GOV





Imari Blackwell,
Audit & Contract Inspections

Imari.Blackwell@DCA.GA.GOV



**Princess Cato,** In-House Insp, Reg Submissions

Princess.Cato@DCA.GA.GOV



**Jillian Toole**Special Projects Team

Jillian.Toole@DCA.GA.GOV



**Mingnyon Melson** Asset Manager

Mingnyon.Melson@DCA.GA.GOV



**Tarika Dorner** OPM Trainer

Tarika.Dorner@DCA.GA.GOV



## Portfolio Snapshot

### **DCA's Housing Funding Oversight**

1,089

current active properties

73% Working Family Tenancy 26% Senior Tenancy 85,251

homes with

173,556

Georgians housed

184

private and non-profit management companies in 146 counties









# Office of Portfolio Management Team Structure

## Audit & Contractor Inspections

- Management of FDIC properties
- Review of file audits and inspections
- Sampling and inspections

## In-House Inspections & Regulatory Submissions

- In-house inspections
- Regulatory intake (i.e. AOC, HRR, etc.)
- Resident Concerns

### **Special Projects Team**

- PCC
- UA Methodology
- Management Company changes/approvals



# Office of Portfolio Management Team Structure

### **Asset Management**

- Reviewing operating budgets and audited financial statements
- Monitoring the affordability requirements and marketability
- Participates in deal negotiations for workouts

### **Policy & Development**

- Policy creation, update, and management
- Monitoring of the OPM portfolio of properties
- Monitoring for monthly reporting compliance

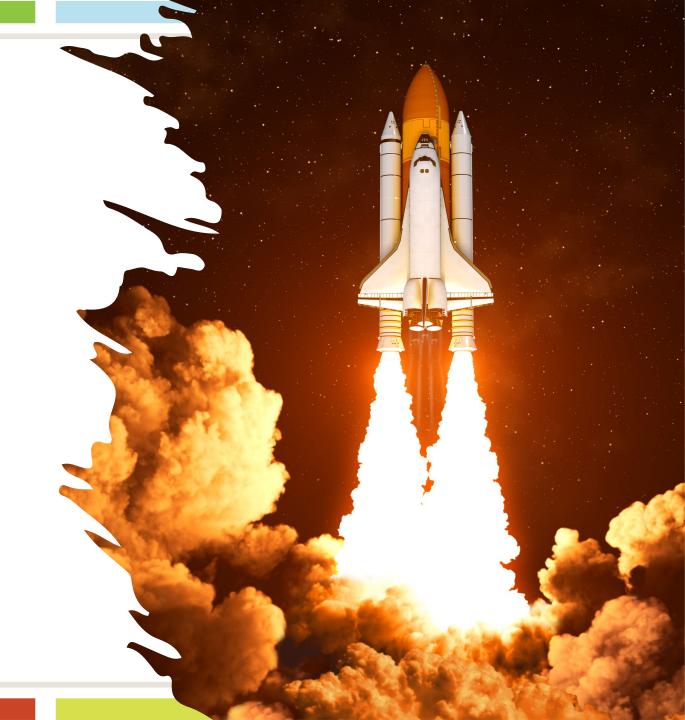
### **Training**

- External training to partners
- Newsletter & blast assistance
- Conference presentations or trainings



Reminders from yesterday's Compliance Panel...





## Reminder: Compliance Updates

### **Compliance Manual**

- Revisions and updates to the 2023
   Compliance Manual will be published on DCA website by early March 2024.
- Current Compliance Manual can be found <u>here</u>.



## LIHTC & HOME Compliance Manual







## Reminder: Compliance Updates

### **Georgia Housing Search**

- All DCA/GHFA properties are required to be listed on the Georgia Housing Search website within 30 days from the beginning of Lease Up and no later than 45 days after assuming management responsibilities. All DCA/GHFA-funded properties must be listed.
- Required quarterly updates must include a listing of vacancies.



## Reminder: Compliance Updates

### **HOTMA**

 Property Managers and/or Management Companies will not be penalized for HOTMA-related errors until the compliance deadline (January 1<sup>st</sup>, 2025).

### **NSPIRE**

 There is potential for running UPCS and NSPIRE concurrently during the months of April – June to ensure NSPIRE goes live on July 1<sup>st</sup>, 2024.



### **Deadline Reminder**

### **AOC**

- Deadline was March 1st, 2024
- If you have not submitted your AOCs already, do so ASAP





### **Asset Management**

### Financial data reporting to Emphasys

 All Tax Credit properties are required to submit Audited Annual Financial Statements beginning this year, due no later than May 15th, 2024



## Project Concept Changes (PCC)

For properties that have Placed In Service (PIS) and received 8609 clearance

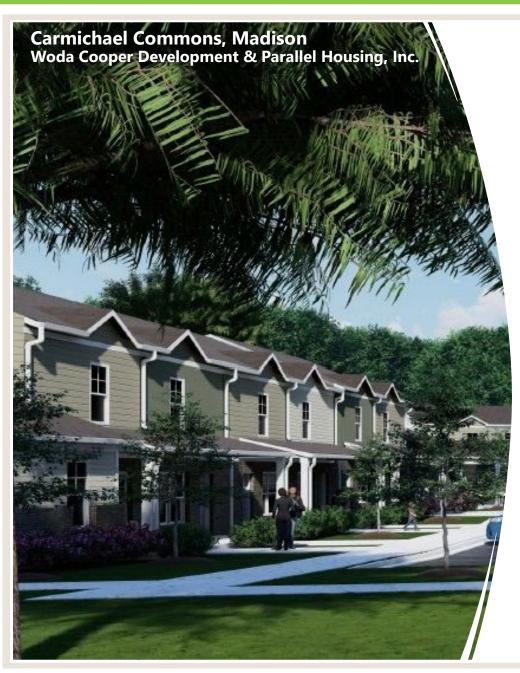
Any modifications to LURCs and/or LURAs require a PCC submission(s)



Assistant Director, Office of Portfolio Management | Direct: 470-773-2799

**Sherrie Potter Sherrie.Potter@dca.ga.gov** 





### Impressive Metro Development





#### 2024 DCA Awards: Impressive Metro Development



Heritage Townhomes, Lithonia LDG Development

### Impressive Rural Development



#### 2024 DCA Awards: Impressive Rural Development



Tapestry Development & OneStreet Residential

#### **Resident Testimonial**

#### **Tenant Engagement**



#### 2024 DCA Awards: Resident Testimonial



Highland Park Senior Village, Douglasville Gateway Management Company



#### 2024 DCA Awards: Tenant Engagement



Decatur Housing Authority Education & After-School Programming



#### **2024 DCA Awards: Community Engagement**





Highland Estates Senior Apartments, Rome Gateway Management Company

### **Community Engagement**

### Supportive Housing



**2024 DCA Awards: Supportive Services** 



The Commons at Imperial Hotel, Atlanta Columbia Residential & HOPE Atlanta



# Thank you!

