LINCOLN INSTITUTE
OF LAND POLICY

State and Local Fiscal Recovery Funds

An Educational Webinar

August 22, 2024

Presentations by the US Department of Treasury, ROC USA, Next Step and Guidehouse

Agenda

- **Welcome** – Jim Gray, Senior Fellow, Lincoln Institute of Land Policy
- **Overview of State and Local Fiscal Recovery Funds** – US Department of Treasury
  - Vero Soto. Director of State and Local Fiscal Recovery Funds Program
  - Mira Patel, Director of Strategic Partnerships
  - Liz Hipple, Senior Advisor
  - James Bond, Policy Advisor
- **Manufactured Housing as an Eligible Use**
  - Grant Beck, Vice President of Strategic Partnerships, Next Step
  - Mary O’Hara, Executive Vice President, ROC Movement, ROC USA
- **Housing Case Studies** – Guidehouse
  - Greg Heller, Director
  - Laura Slutsky, Director
  - Sarah de Wolf, Director

Zoom Rules

- Keep your cameras off and microphones muted
- There will be a recording available and sent to registrants after the webinar
- The chat is turned off so please type any questions in the Q&A box and they will be answered after the webinar

U.S. DEPARTMENT OF THE TREASURY

Educational Resource Presentation

August 22, 2024

State and Local Fiscal Recovery Funds Overview

Today’s agenda

- Background on SLFRF and obligation-related guidance
- Recently Released 2024 Reporting Data
- High level overview of Obligation guidance updates

State and Local Fiscal Recovery Funds (SLFRF) Program Background

- The State and Local Fiscal Recovery Funds (SLFRF) program, authorized by the historic American Rescue Plan, allocated $350 billion to states, territories, localities, and Tribal governments to respond to the COVID-19 pandemic and build a strong, resilient, and equitable recovery. Metropolitan cities were allocated $45.6 billion and non-entitlement units of local government were allocated $19.5 billion.

- Treasury has disbursed 99.99% of SLFRF funds to more than 30,000 recipients.

- Funds used for pandemic recovery, fiscal management and future-looking initiatives
  - Recipients used funds to respond to acute public health and negative economic impacts of the pandemic
  - Recipients also laid the foundation for future prosperity through investments in affordable housing, workforce development, infrastructure, and small businesses

- Recipients choose how to spend the funds on eligible uses
  - Additional information—including on the 7 eligible uses—at Treasury.gov/SLFRF

Topline Findings: Q1 Reporting Cycle

- **As of March 31, 2024:**
  - States and the largest cities and counties have reported budgeting **94%** of their total SLFRF funds to specific projects, with the total number of reported projects growing **23%** since the previous reporting period.
  - SLFRF recipients reported **$320 billion** in lost revenue resulting from the pandemic.
  - More than **21,000 participating governments** reported that they are budgeting nearly **$131 billion in SLFRF funds** to help replace this lost revenue, funding more than **80,000 projects** to provide fiscal stability in their jurisdictions.

Q1 2024 SLFRF Data

1. Investing in Housing

$19.6 billion budgeted for over **3,300** fiscal recovery projects focused on housing, a **3%** increase since the last reporting period.

2. Supporting Workers

Over **4,400** individual projects and **$13.1 billion** dedicated to worker support and premium pay to nearly **1.5 million** workers.

State and Local Fiscal Recovery Funds (SLFRF) *provided under President Biden's American Rescue Plan Act continue to play a crucial role in allowing state, local, Tribal, and territorial governments to stabilize their budgets, respond to the pandemic, and invest in their communities.*

View this page for key highlights, which are also available through the summary blog and the two year ARP anniversary report.

April 2024 Summary Blog

ARP 2-Year Anniversary Report

Download April 2024 Dataset

Download Previous Datasets

3. Stimulating Economic Growth Through Small Businesses

Over **1,700** small business projects with over **$5 billion** budgeted.

4. Making Transformative Investments in Key Infrastructure

Over **3,500** governments pursuing **16,000** infrastructure projects, budgeting over **$34.6 billion**. An increase of **4%** since the last reporting period.

5. Responding to Public Health Needs

More than **1,700** governments are undertaking over **6,700** individual projects in this area, budgeting more than **$11.8 billion**.

Data Dashboard Demonstration

What is an obligation?

- Statutory requirement that SLFRF funds may only be used to cover costs incurred by December 31, 2024; a cost is considered incurred if a recipient has incurred an obligation by that date.
- All recipients must expend their SLFRF funds by December 31, 2026, except for Surface Transportation and Title I projects, which have an earlier deadline of September 30, 2026.

An obligation is:

1. **An order placed for property and services and entry into contracts, subawards, and similar transactions that require payment, which may include:**
    - An order placed for property or services
    - Contract
    - Subaward
    - Similar transactions that require payment, which may include:
        - Certain interagency agreements (including MOUs) (see **FAQ 17.6**)
        - Under certain circumstances, payroll expenses for recipients' employees (see **FAQ 17.7**)
2. **A requirement under federal law or regulation or a provision of the SLFRF award terms and conditions to which the recipient becomes subject as a result of receiving or expending SLFRF funds.**

Treasury released FAQs to provide additional clarifications on these items in

FAQs Section 17: https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pd

An obligation is NOT:

- An adopted budget or budget amendment
- An appropriation of SLFRF funds
- An executive order
- A resolution
- A written or oral intention to enter into a contract
- A grant of legal authority to enter into a contract
- Claiming funds under the revenue loss category
- Moving SLFRF funds to a general fund as revenue loss but not further establishing an obligation with those funds by 12/31/24

Aren't revenue loss funds automatically obligated?

- **NO.** See **FAQ 17.15**.
- All SLFRF funds under any eligible use category are subject to the obligation requirements – including funds used under the revenue loss category.
- This means that, when a recipient uses funds to provide government services, those funds must be obligated via one of the pathways discussed on slide 7.
- If a recipient is utilizing revenue loss to pay for government services, the recipient must report the use as project(s) under expenditure category 6.1.
- Recipients must enter a project description for any project entered under 6.1. Revenue loss project descriptions must summarize the project in sufficient detail to provide an understanding of the major activities that will occur. Descriptions should establish what the project seeks to accomplish and should include enough information to make clear how the recipient determined the project's eligibility.

Does an interagency agreement (IAA) count as an obligation?

- **Yes**, if it meets certain conditions.
- An interagency agreement finalized by 12/31/2024 can be used to obligate funds that a government agency will expend in 2025 and 2026.
- Eligible agreements include memoranda of understanding (MOU) or agreement (MOA). The agreement must meet these conditions:

ONE requirement from Column A:	ALL requirements from Column B:
Imposes conditions on the use of funds by recipient agency, department, or part of government	Has specific requirements (e.g., scope of work)
Governs provision of funds from one agency, department, or part of government to another	Is signed by the parties or evidences assent of parties
Governs the procurement of goods or services	Does not disclaim binding effect or state that it doesn’t create rights or obligations

- See **FAQ 17.6** for more information.

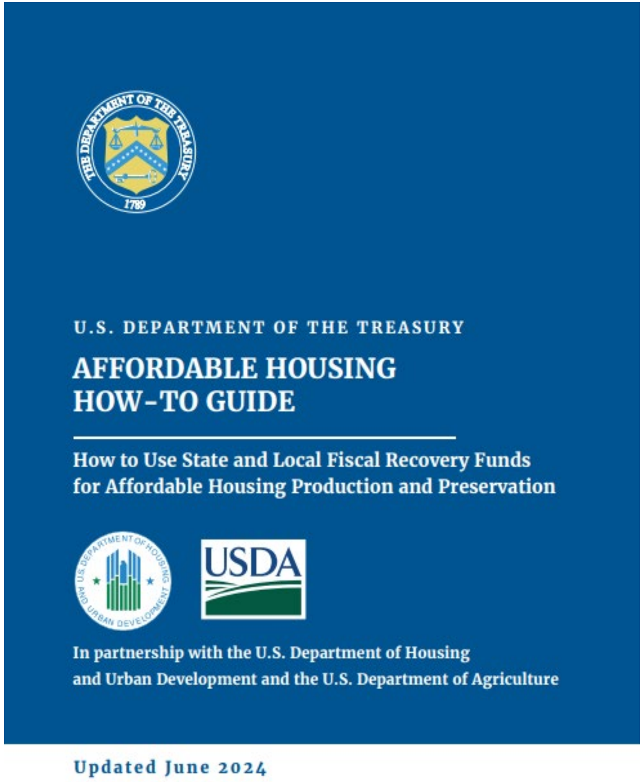
Check out the Affordable Housing How-To Guide

Find it on our website at
www.Treasury.gov/SLFRF

Scroll to the "News & Program Updates" column,
then look under "June 2024" header

Or visit:
https://home.treasury.gov/system/files/136/Affordable-Housing-How-To-Guide.pdf

Or scan the QR code located on this slide:



Presumptively Eligible Affordable Housing Uses

- **Option 1:** SLFRF funds are used for a project that meets certain core requirements of a list of federal housing programs, including:
  - The Low-Income Housing Tax Credit (administered by Treasury)
  - Project Based Vouchers (PBVs, administrated by HUD)
  - The HOME Investment Partnerships Program (HOME, administered by HUD)
  - Choice Neighborhoods (administered by HUD) *(only if the funds are used for the development of affordable housing as defined for purposes of the Choice Neighborhoods program)*

- **Option 2:** SLFRF funds used for the development, repair, or operation of any affordable rental housing unit that has a limited maximum income of 120% area median income (AMI).
  - The income restrict must be imposed through a covenant, land use restriction agreement, or other enforceable legal requirement for a period of at least 20 years.
  - Recipients may use SLFRF funds as part of the financing for a mixed-income housing project under certain conditions.

- Refer to SLFRF FAQ 2.14 for complete information on how to take advantage of these presumptions.

Additional Eligible Uses

- A broader range of affordable housing investments may also be eligible uses of SLFRF funds under the final rule if they are related and are reasonably proportional to addressing the negative economic impacts of the pandemic and otherwise meet the final rule's requirements. These may include:
  - Funding the construction, rehabilitation, or operation of units even above 120% AMI, depending on the needs of the local rental market.
  - Down payment assistance, such as contributions to a homeowner's equity at origination

Opportunities to Use Limited Funds

- Even if a recipient only has a small amount of funds remaining unobligated, there are a variety of eligible housing related uses that do not require significant capital investment. These include:
  - Funding pre-development activities to enable future housing projects, such as subgrant funds to a Community Development Corporation or similar entity for uses under the CDBG program;
  - Providing bill credits to homeowners to offset rising utility or insurance costs;
  - Conducting home energy audits to support weatherization improvements of affordable housing; or
  - Forgiving fines and fees that would otherwise result in eviction or foreclosure.

SLFRF Dollars in Action: Housing Examples

- **Covenant House Alaska Example from Anchorage, AK ($225K):** Covenant House Alaska is providing safe sheltering and social services for young people experiencing homelessness to grow and flourish into productive young adults.

SLFRF Dollars in Action: Housing Examples

- **Manufactured Housing Project from Tucson, AZ ($1M):** Tucson is working to acquire and rehabilitate or replace manufactured housing to sell to low- to moderate-income families.
- **Example from Holyoke, MA ($355,000):** This activity will fund the construction of duplexes on vacant lots in the City of Holyoke owned by OneHolyoke CDC. Holyoke's project aims to address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic on certain populations.
- **Project Homekey example from LA County, CA ($136.8M):** Through the State's Homekey program, LA County is creating new interim and permanent supportive housing for individuals and families with complex health or behavioral health conditions who are experiencing homelessness by acquiring new hotels, motels and apartment complexes.
- **Example from Polk County ($1M adopted budget):** Polk County is converting an under-utilized hotel into a 40-unit affordable and supportive service complex, leveraging an additional $3 million in federal funds for the project.

Q&A

Thank you.

For More Information about SLFRF:

Please visit Treasury's State & Local website at www.treasury.gov/SLFRF

To share your stories:

Please email SLFRFstories@treasury.gov

For Media Inquiries:

Please contact the U.S. Treasury Press Office at (202) 622-2960

For General Inquiries:

Please email SLFRF@treasury.gov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SCALING HOUSING SUPPLY AND AFFORDABILITY

How today's manufactured homes are a pathway to sustainable homeownership in our communities

nextstepus.org | @nextstepus

OUR WORK

Empowered Homebuyers

Policy Change

New Sales Ecosystem

Zero Energy Ready Homes

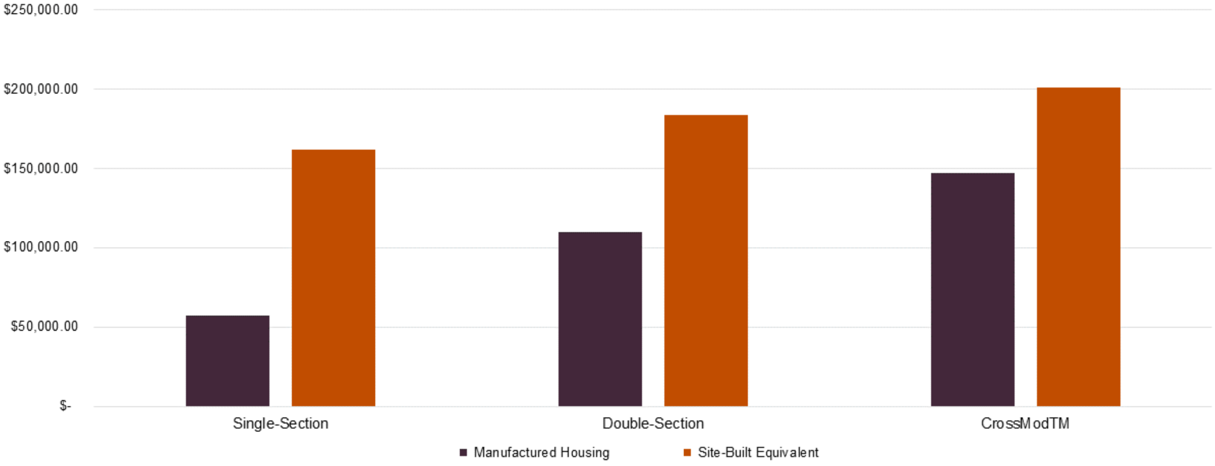
Housing Equity

TODAY'S MANUFACTURED HOMES

BENEFITS OF OFF-SITE CONSTRUCTION

- Building homes this way allows home manufacturers to make high-volume purchases for materials.
- Dedicated and secure storage (insulated from weather delays).
- Faster completion.
- Generally, this translates to less cost for developers and homeowners.
- Streamlines labor source.
- Factory production allows for a greater degree of quality control.

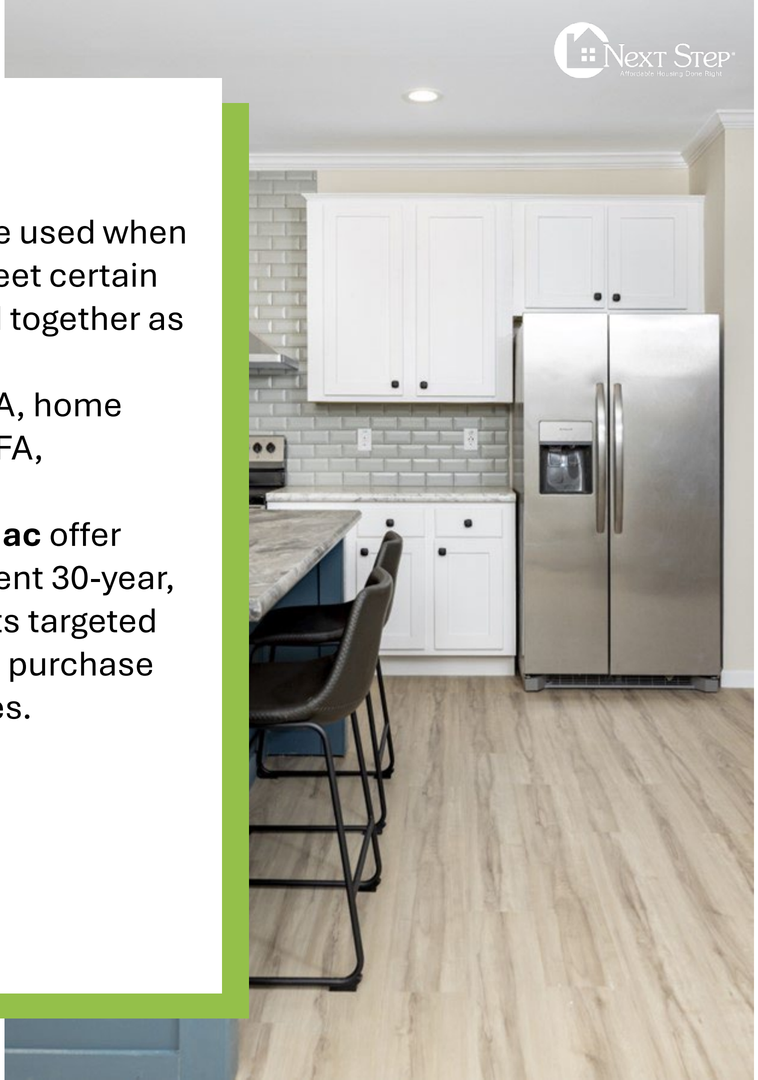
Figure 2. New Home Construction Costs, Q2 2020



Source: Author tabulations of Next Step Survey and RSMeans data.

FINANCING OPTIONS

- **Mortgage (land-home) loans** are used when a factory-built home and land meet certain requirements and are purchased together as real property.
- **Sources of financing**: GSEs, FHA, home sales centers, private lenders, HFA, nonprofit lenders/CDFIs.
- Both **Fannie Mae and Freddie Mac** offer conventional, lower-down payment 30-year, fixed-rate mortgage loan products targeted to moderate-income buyers who purchase high-quality manufactured homes.



ZONING AND LAND-USE FOR MANUFACTURED HOMES

- HUD code for manufactured homes pre-empts local building codes
  - Modular homes meet state and/or local code (same as site-built).
- Traditionally, zoning was used to segregate or eliminate “trailer parks”; outdated zoning and land-use policies can remain in effect.
  - Fail to recognize the quality of today’s product.
- Zoning is inherently a local issue, but states can help shield factory-built homes from exclusionary zoning.
- Broader interest in factory-built housing is igniting conversations and action at the federal, state, and local levels.
- **Maryland: Housing Expansion and Affordability Act of 2024**.

INLAND EMPIRE – SOUTHERN CA

- Infill housing in IE communities by NPHS.
- Municipal relationships w/ Riverside, Chino, San Bernardino, etc.
- 25% cost savings.
- Climate resilient (ZER, WUI).

KILPATRICK WOODS – HAGERSTOWN, MD

- 238 single-family homes.
- Home prices: $280K-$375K.
- Market target: $70-$110K.
- Open House Spring 2024.
- 8 homes on-site.

HOMES IN THE HEIGHTS – PETERSBURG, VA

- Part of a larger LIHTC project.
  - 15 Next Step infill homeownership.
- Market Target: $50K-$75K.
- 2 homes sold.

ATLANTA, GA

- Demonstration project.
- Showcasing positive zoning change to increase affordable homeownership.

LEVERAGING MANUFACTURED HOMES AND KEY PARTNERSHIPS

- Access to consumer education and advocacy.
  - Focus on underserved community solutions.
- Homebuilding facilities.
- Partnerships with developers.
  - Nonprofit and mission-aligned developers.
  - Developer training programs.
- Growing financing network.
- Educating municipal leaders and zoning officials:
  - Zoning best practices and case studies.
- Leveraging federal funding opportunities:
  - New CDBG eligibility for manufactured home activities.
  - HOME funds.
  - PRICE Program ($225M).

Next Step
Affordable Housing Done Right

THANK YOU

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ROC USA
Resident Owned Communities
BETTER TOGETHER

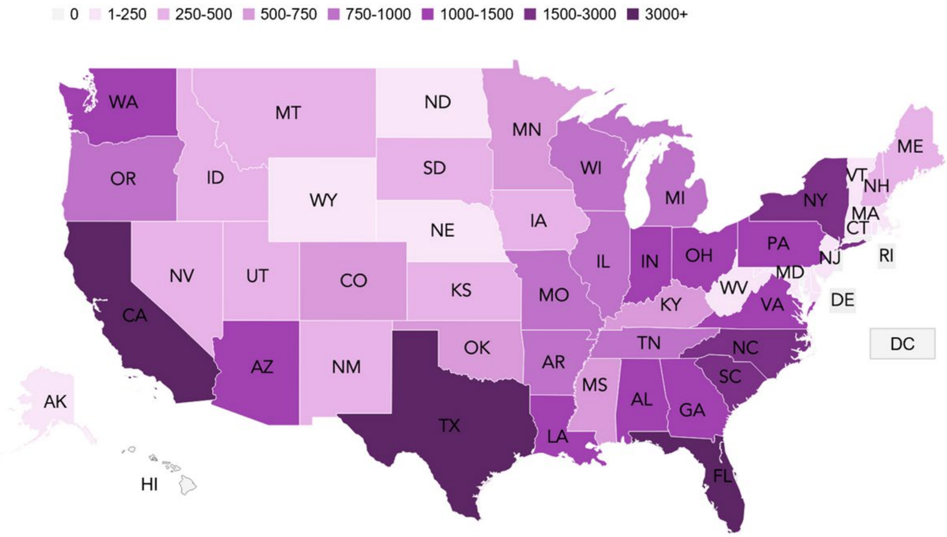
Preserving Affordable Communities through Resident-Ownership

August 20, 2024

Manufactured housing is no longer about mobility, but about affordability. These homes look pretty much like your typical ranch house but, depending on where you live, they might cost half the price.

Financial Times, Feb. 7, 2020 “Why big investors are buying up American trailer parks”

Manufactured home communities by state



SOURCE Department of Homeland Secutiry
SLIDE LAST UPDATED 9/22/21

Manufactured homes are built indoors, free from the elements and with very little waste.

“This is one of our nation’s largest sources of deeply affordable housing, and it’s deeply affordable without any federal subsidy.”

Esther Sullivan, Associate Professor of Sociology, University of Colorado Denver and author of *Manufactured Insecurity: Mobile Home Parks and Americans’ Tenuous Right to Place*

- 45,6000 Communities Nationwide
- 2.7M homeowners and renters
- Median incomes half of national median
- Detached, modest size factory-built homes in dense neighborhoods.

Scale and Impact

ROC usa®
Resident Owned Communities
BETTER TOGETHER

- 326 Resident Owned Communities
- 21 states
- 22,444 home-sites preserved
- Site-fees are $600/year below market after 5 years of ownership (Colliers, longitudinal study)
- ROCs raising site-fees 1% per year versus 5.9% industry average (portfolio data and Colliers)
- Homes in ROCs sell faster and for more than comparable homes in comparable investor-owned MHC. (2006 UNH)
- CDFI – ROC USA Capital – with more than $300M in originations
- 9 Affiliated nonprofits plus a Direct Technical Assistance team for nationwide services

"ROCs are one of the few sources of unsubsidized naturally occurring affordable housing in the country not subject to market-based rent increase."

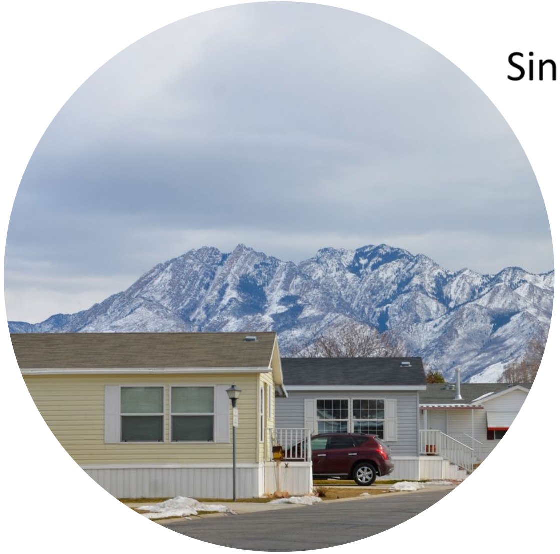
2019, Freddie Mac, Spotlight on Underserved Markets

Resident-owned Community

- **Limited-equity Cooperative**
- **Homeowners own the home**
- **Homeowners own a share of the corporation**
- **The corporation (co-op) owns the land and leases site to member/homeowner**

ROC USA Capital

The National Leader Financing Resident-Owned Manufactured Home Communities



Since 2009, This Model has delivered:

– Over $400 Million in loans to secure long-term affordable homeownership for 9,900 w- and moderate-income homeowners in 124 ROCs;

– Of the 9,900 homeowners, 87% have annual income >80% AMI and 60% have annual income >50% AMI;

- Of the $400 million, $57 million has been invested by the CO, MN, NY, VT, WA and WI HFAs to support 35 ROCs

The ROC USA Capital and HFA Response

Lowering the cost of acquisition and community improvement capital is key to mitigating continued high ROC purchase costs.

1. **<u>WA:</u>** Since 2012, ROC USA Capital and WSHFC have jointly financed 19 ROCs, preserving 957 homes, deploying $50 Million. WSHFC provides 2.0% capital up to 40% of each 1st mortgage acquisition loan through 1st mortgage loan participations led by ROC USA Capital.
2. **<u>CO</u>**: $55 Million 1st Mortgage Acquisition Pool led by ROC USA Capital closed 9-2022. CO HFA is $10 Million senior participant in Master Loan Participation Agreement w/Ally Bank, Key Bank, 2 Colorado-based Foundations and 2 CDFIs. Fixed rate 10-year acquisition/perm. loans at 150 – 200 bps. below market.

ROC USA Capital Underwrites & Services all Loans

Case Study: Animas View, Durango CO

- Size: 116 homes
- Price: $14M, 6-2021 ($120K/site).
- Type: All Ages
- 1st Mort. Community Financing:
  CO HFA, NCB & ROC USA Capital
- Sub-Debt: ROC USA Capital, Homes Fund, CO Div. of Housing
- www.animasviewmhp.coop

186 ROCs Surveyed with a need of over $279M

State	Water-related	Roads	Sewer-related	Storm drainage	Site issue	Electrical	Building	Other (Green Infrastructure, Storm Shelter)	Homes	Total
CA	$ 10,000.00	$ 245,000.00	$ 25,000.00	$ 50,000.00	$ 350,000.00	$ 236,500.00	$ 185,000.00	$ 500,000.00	$ -	**$ 1,601,500.00**
CO	$ 1,964,500.00	$ 1,187,745.00	$ 621,000.00	$ 400,000.00	$ 1,225,000.00	$ 515,000.00	$ 647,850.00	$ 900,000.00	$ 2,100,000.00	**$ 9,561,095.00**
CT	$ -	$ -	$ -	$ -	$ 50,000.00	$ -	$ 10,000.00	$ -	$ 300,000.00	**$ 360,000.00**
DE	$ 25,000.00	$ 25,000.00	$ 3,800.00	$ 40,000.00	$ -	$ 275,000.00	$ 80,000.00	$ -	$ 630,000.00	**$ 1,078,800.00**
ID	$ 250,000.00	$ 130,000.00	$ 450,000.00	$ 100,000.00	$ -	$ -	$ 25,000.00	$ 50,000.00	$ -	**$ 1,005,000.00**
MA	$ 21,178,000.00	$ 13,756,000.00	$ 17,740,000.00	$ 2,060,000.00	$ 1,028,000.00	$ 6,419,000.00	$ 2,957,000.00	$ 1,305,000.00	$ 3,520,000.00	**$ 69,963,000.00**
ME	$ 3,150,000.00	$ 6,575,000.00	$ 3,195,000.00	$ 2,670,000.00	$ 265,000.00	$ 530,500.00	$ 53,000.00	$ -	$ 1,061,000.00	**$ 17,499,500.00**
MN	$ 1,595,000.00	$ 5,741,250.00	$ 1,449,000.00	$ -	$ 135,000.00	$ 529,000.00	$ 1,771,000.00	$ 5,375,000.00	$ 1,229,000.00	**$ 17,824,250.00**
MO	$ 1,204,338.00	$ -	$ 2,500,000.00	$ -	$ -	$ -	$ -	$ -	$ 200,000.00	**$ 3,904,338.00**
MT	$ 6,764,825.00	$ 825,000.00	$ 7,598,790.00	$ 103,500.00	$ 500,000.00	$ 1,016,340.00	$ 3,148,000.00	$ -	$ 4,035,000.00	**$ 23,991,455.00**
NC	$ 30,000.00	$ 750,000.00	$ 19,500.00	$ 25,000.00	$ 25,000.00	$ 5,000.00	$ 200,000.00	$ 50,000.00	$ 655,000.00	**$ 1,759,500.00**
NH	$ 18,500,000.00	$ 8,208,240.00	$ 12,300,000.00	$ 7,910,738.00	$ 2,332,000.00	$ 2,049,686.73	$ 997,862.00	$ 965,000.00	$ 2,542,500.00	**$ 55,806,026.73**
NY	$ 5,627,550.00	$ 1,850,001.00	$ 4,699,500.00	$ 1,300,000.00	$ 803,600.00	$ 1,220,000.00	$ 791,150.00	$ 730,000.00	$ 3,330,000.00	**$ 20,351,801.00**
OR	$ 2,163,000.00	$ 1,850,000.00	$ 2,041,000.00	$ 287,800.00	$ 685,000.00	$ 1,043,000.00	$ 997,000.00	$ 1,539,000.00	$ 465,000.00	**$ 11,070,800.00**
PA	$ 30,000.00	$ 165,000.00	$ 250,000.00	$ 85,000.00	$ -	$ 30,000.00	$ 130,000.00	$ 40,000.00	$ -	**$ 730,000.00**
RI	$ 1,601,000.00	$ 2,000,000.00	$ 4,900,000.00	$ 30,000.00	$ -	$ 90,000.00	$ -	$ -	$ 140,000.00	**$ 8,761,000.00**
TX	$ 220,000.00	$ 184,000.00	$ 100,000.00	$ 60,000.00	$ 70,000.00	$ 95,000.00	$ 250,000.00	$ 69,690.00	$ -	**$ 1,048,690.00**
UT	$ 300,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 300,000.00**
VT	$ 3,160,000.00	$ 4,025,000.00	$ 5,765,000.00	$ 1,498,000.00	$ 111,000.00	$ 2,503,000.00	$ 373,000.00	$ 50,000.00	$ -	**$ 17,485,000.00**
WA	$ 1,556,000.00	$ 3,024,500.00	$ 2,874,000.00	$ 156,952.00	$ 492,000.00	$ 1,482,600.00	$ 945,000.00	$ 190,500.00	$ 537,000.00	**$ 11,258,552.00**
WI	$ 995,000.00	$ 1,492,500.00	$ 236,000.00	$ -	$ 100,000.00	$ 50,000.00	$ 1,000,000.00	$ 708,000.00	$ -	**$ 4,581,500.00**
Total	**$ 70,324,213.00**	**$ 52,034,236.00**	**$ 66,767,590.00**	**$ 16,776,990.00**	**$ 8,171,600.00**	**$ 18,089,626.73**	**$ 14,560,862.00**	**$ 12,472,190.00**	**$ 20,744,500.00**	**$ 279,941,807.73**

Overview

Prersevation and revitalization of MH and MHCs.

Eligible Uses

- Infrastructure
- Storm mitigation and climate resiliency
- Acquisitions
- Repair, rehab, or replacement of units

Program Set Asides

- PRICE Main: $190M
- PRICE Replacement Pilot: $25M
- Min. Grant Size: $5M
- Max. Grant Size: $75M
- Max. No. of Awards: 25

Competitive Factors

- Need
- Soundness of Approach
- Capacity
- Match or Leverage
- Long-term Effect

Back to Agenda


Finding Answers
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Guidehouse

SLFRF for Housing

August 22, 2024

Speaking with You Today

GREGORY HELLER
Director
Philadelphia, PA
ghelller@guidehouse.com

- Greg brings 17 years of public and private-sector experience in real estate finance, affordable housing, and community development.
- Greg is a subject matter expert on community investment approaches and affordable housing. He leads client engagements in multiple states focused on housing programs, strategy, capital projects, and research and evaluation.
- Greg held a senior leadership position in Philadelphia's local government as executive director of the Philadelphia Redevelopment Authority. He led programs relating to affordable housing finance, home repairs, emergency rental assistance, and eviction prevention.

LAURA SLUTSKY
Director
Philadelphia, PA
lslutsky@guidehouse.com

- Laura has over 16 years of public sector and nonprofit experience in community development, affordable housing finance, disaster recovery, and sustainability.
- Laura is a subject matter expert on public sector affordable housing programs, disaster recovery housing programs. She has worked federally at the U.S. Department of Housing and Urban Development deploying funds.
- Laura has also managed real estate transactions and led a nonprofit land use organization powered by over 900 members and focused on transformative impact in communities worldwide. She is passionate about building equitable communities.

SARAH DE WOLF
Director
Philadelphia, PA
sdewolf@guidehouse.com

- Sarah has 14 years of public and private-sector experience in finance, budgeting, grants management, disaster recovery, and program evaluation.
- Sarah is a leader of Guidehouse's Community Building and Investment practice, which supports state and local governments with management of federally-funded projects. She is also a leader of Guidehouse's federal funding Center of Excellence which supports clients with federal funding updates and dissemination of national best practices.
- Prior to joining Guidehouse, Sarah served as the Recovery Officer for the City of Philadelphia where she was responsible for a portfolio of more than two billion dollars in federal, state and philanthropic grants.

About Guidehouse

Public Sector

Bringing the power of our federal, state, and local management consulting, technology consulting, grants management, and economic development practices…

Private Sector

…with our deep experience with healthcare systems, pharmaceuticals, utilities, infrastructure, finance, industrial and large corporations

We have cross-cutting expertise in Affordable Housing, Energy, Public-Sector Program Administration, Financial Services, Grants Management, and Technology

Healthcare: 7 of the top 10 hospital systems (by Member Hospital Beds)*

Financial Services: 8 of the 10 largest U.S. banks

Life Sciences: 38 of the top 50 pharmaceutical companies**

Energy: 60 of the world's largest electric and gas utilities***

Publlic Sector: 15 (all) executive departments of the U.S. Federal Government

State & Local Government: 30 out of 50 States

Our Firm

50+ locations globally

16,500+ employees

6 generations of professionals

33 languages fluently spoken

46% hold professional certifications

Grants Management Experience

Perspectives from across the country

To complement our federal grants management experience, Guidehouse brings **three decades of experience** with energy efficiency and rebate programs. With over 16,500 employees, our team includes over **2,000 experts** with experience in the design, implementation, execution, and evaluation of programs, including low-income programs and whole home programs.

Case Studies

Key Insights from Implementing Housing Programs with SLFRF

Below are key learning and considerations that Guidehouse has identified while supporting state and local clients with implementing SLFRF-funded programs

Learnings:	***Considerations:***
Updates to SLFRF guidance offer recipients **increased flexibility to obligate and spend funds** for affordable housing projects.	**Prepare for the upcoming obligation and expenditure deadlines** while keeping compliance and reporting requirements in mind
Private and nonprofit development partners have varying capacity and experience working with federal funds.	Provide **training and technical assistance** for partners and establish **oversight and monitoring procedures**
Recipients have a two-year window to prepare for the end of the SLFRF grant and develop **strategies to fund long term housing costs**	**Consider program sustainability now** and begin identifying long-term priorities and alternative funding sources
Under certain conditions, Treasury guidance allows SLFRF to be **braided and blended** with other funding sources to **maximize funding for affordable housing projects**.	Understand **implications of blending/ braiding federal funds and potential flexibilities** in guidance while leveraging SLFRF for your capital stack

Case Study

Travis County, TX

Travis County Supportive Housing Initiative Program

Investing $115+ M in ARPA funds
to combat homelessness while increasing affordable housing options for low-income families and individuals in Travis County. This is a public-private partnership that is building on the commitment to end homelessness.

2,000 Units

The SHIP will finance 11 projects totalling over 2,000 units of deeply affordable, supportive housing to address homelessness.

The Challenge

- Travis County (home of the City of Austin) and its neighborhoods are faced with a crisis in homelessness compounded by the COVID-19 pandemic.
- The nonprofit partners engaged in this work have varying degrees of experience in real estate development.
- Funding gaps still exist - in both construction and operation costs.
- Funding new construction with federal dollars was new to Travis County HHS.
- Some projects are leveraging new tax exemptions authorized in the State of TX and are commensurate with community benefits (PFC).

The Solution

- **Catalyst Funding.** Travis County HHS Is utilizing SLFRF funds to catalyze the construction of new deeply affordable housing properties. Overall SLFRF funds will make up more than 50% of the total costs. Leverages Affordable Housing FAQs and Loan Flexibilities.
- **Interagency Collaboration.** The projects are layering SLFRF with traditional and non-traditional sources of affordable housing funds. Partnering with City staff and Guidehouse to build upon best practices.
- **Supportive Housing.** Will be owned and managed by nonprofit organizations with expertise in supportive services. Ideally the projects will be debt free; allowing cash flow to be used for services.
- **Project Viability Review.** The team created new program terms and project viability review framework to meet the SLFRF and other local requirements and objectives. Conducted a Cost benefit analysis.
- **Collaborative and Philanthropy**. To address the finance gaps and lack of expertise, the nonprofits created a collaborative and elected officials created a philanthropy pipeline.

Case Study

Cook County, IL

Cook County Affordable Housing Programming

Investing $88+ M in SLFRF funds to combat homelessness while increasing affordable housing options for low- or-moderate income families and individuals in Cook County.

530 Units

The Cook County Bureau of Economic Development is targeting 530 new units of affordable housing across its SLFRF and other programming.

The Challenge

- **Balancing near-term need with long-term transformation:** The County used emergency funds to pivot from a model in which shelter locations changed each night, to emergency shelter in hotels to allow residents to stay in one location until permanent housing and/or supports are found. National data has demonstrated that this model offers more **dignified and successful care.**
- **Historic Inequity and Disinvestment:** According to data from the U.S. Department of Housing and Urban Development's (HUD) Continuum of Care (CoC) Racial Analysis Tool 4.0, Black people make up 56% of people experiencing homelessness in Cook County, accounting for the total population – about **5.5 times more likely** to experience homelessness than a white person in Cook County.

The Solution

Program Spotlights:

- **Permanent Supportive Housing for People Experiencing Homelessness.** Cook County will create 125 new units of permanent supportive housing. This pairs **non-time-limited rental subsidies** with individualized, intensive, and supportive services to help households maintain independent living and housing stability.
- **Fixed-Site Emergency Shelter for People Experiencing Homelessness.** The County is funding the acquisition and renovation of **existing hotels** into fixed-site shelters, dedicated to serving homeless residents. These facilities offer a stable place to stay as well as wrap-around services such as mental and physical health supports.
- **Modular Housing**: Cook County is pairing **modular and manufactured housing** units with Cook County **Land Bank** Authority sites to allow creation and easy-to-build varying unit types across communities in the Cook County region.

Case Study

Large Suburban County

(Mid-Atlantic)

Housing Opportunities Fund

Invested $16M in ARPA-SLFRF funds to create a Housing Opportunities Fund (HOF) to create and preserve multi-family rental housing, provide new homeownership opportunities, revitalize neighborhoods, build community capacity, and support economic development.

650 Units

The Department will preserve over 650 units with the Housing Opportunity Fund.

The Challenge

- **Need for Affordable Housing:** Estimated 30,000 units needed in region to address need. Lack of supply impacting market. Rent increase up to 30% in some areas. Growing rate of housing instability among employed population. Rising interest rates.
- **Need for Greater Subsidy:** Rising construction costs (including insurance rates) and supply chain issues. Voluntary Compliance Agreement (VCA) mandates 1,000 new affordable rental units by 2027 creating additional pressure.

The Solution

The County committed 10% ($16M) of its overall ARPA-SLFRF allocation to launch a Housing Opportunity Fund. The HOF was leveraged to:

- Finance three separate projects, preserving 652 affordable units – 286 of which will count towards the County's fair housing goals.
- **Project Example**: Combined HOF with General Funds to finance the acquisition, preservation and rehabilitation of **3 naturally occurring affordable housing properties**. With 460 units preserved (over half of the total units across all three properties), it is the largest housing deal in the County's history: 350 will be preserved at 80% AMI and 110 will be preserved at 60% AMI.
- **Project Example**: HOF was leveraged with CDBG and a PILOT to finance the acquisition, preservation and **renovation of a naturally occurring affordable property near public transit.** The County partnered with the developer to successfully advocate for the project to receive State LIHTC funding. The LIHTC award allowed for significant renovations, including the conversion of 28 two-bedroom units into three-bedroom units

Case Study

Large Suburban County

(Midwest)

Housing Trust Fund and Shelter Capacity Fund

Invested nearly $30M ARPA-SLFRF funds to support homeowners, renters, and individuals experiencing housing insecurity within their community, including creating a **Housing Trust Fund ($18M)** to support development and a **Shelter Capacity Fund ($7M)** to support individuals and families experiencing homelessness.

The Challenge

- **Affordable Housing Subsidy Needs:** The County had an opportunity to deploy capital towards the development and preservation of affordable, attainable, workforce, and mixed-income housing.
- **Homelessness:** Nearly 3,000 people experienced homelessness in the County in 2019. However, the County has only 172 year-round shelter beds to accommodate about 1,000 individuals. Homeless individuals are at an increased risk of contracting COVID-19 and are more likely to experience negative health consequences due to their unstable housing situations and time spent in congregate settings.

The Solution

- **Housing Trust Fund**: The County developed a fund to increase rental and homeownership opportunities by **providing gap financing to development and preservation projects** serving families earning income below 120% of AMI.
    - Aligned materials to **streamline administrative burden** while promoting relevant policies. Deployed funds leveraging several loan types and equity to a range of eligible developers and partners.
- **Shelter Capacity Fund:** Program will add at least **90 new, year-round, permanent shelter beds**, including beds dedicated to families. Eligible expenses will include property acquisition, construction, and development soft costs. Funds meet local priorities such as providing housing for persons with disabilities, and improving the overall health and well-being of communities
    - Worked with community partners to define needs and identify areas capable of increasing capacity through **one-time capital expenditure** support.
    - Maximize impact by leveraging SLFRF and HOME-ARP funding to meet needs. Funds may be used to provide bridge loans that help **leverage other capital sources**.

Resources

Travis County Case Study:

Travis County Develops 2,000 Units of Affordable, Supportive Housing to Address Homelessness | Guidehouse

ARPA Continuity Planning:

Planning for the Post-ARPA Future | Guidehouse

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