

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Children, Families, and Elder Affairs Committee

---

BILL: SB 726

INTRODUCER: Senator Smith

SUBJECT: Housing Assistance Grants

DATE: April 1, 2009

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Ray	Walsh	CF	<b>Favorable</b>
2.	_____	_____	CA	_____
3.	_____	_____	TA	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

---

**I. Summary:**

The State Office on Homelessness was established within the Department of Children and Families (DCF or the department) to provide interagency coordination on issues relating to homelessness. Currently, the office administers homeless housing assistance grants for the construction or rehabilitation of transitional or permanent housing units for homeless persons. Senate Bill 726 will expand the eligible uses of these grants to include the purchase of existing properties.

The bill has an effective date of July 1, 2009.

This bill substantially s. 420.622, F.S.

**II. Present Situation:**

**State Office on Homelessness**

The State Office on Homelessness (office) within DCF and the Council on Homelessness (council) were created in 2001.<sup>1</sup> The office's primary duty is to coordinate the services of the various state agencies and programs to serve those persons or families who have become homeless, or are facing becoming homeless.<sup>2</sup> The office also serves as a single point of contact on homeless issues in the state and administers state-funded grant programs that support the activities of the local homeless coalitions.<sup>3</sup>

---

<sup>1</sup> Chapter 2001-98, Laws of Florida

<sup>2</sup> Department of Children and Families, State Office on Homelessness website: <http://www.dcf.state.fl.us/homelessness/> (last visited February 24, 2009).

<sup>3</sup> Section 420.622, F.S.

**Council on Homelessness**

The council consists of 15 members, representing seven state agency heads or their designees, four members appointed by the Governor, and four members representing statewide organizations and homeless advocacy groups. The council's mission is to develop and coordinate policy to reduce the prevalence and duration of homelessness, and to work toward ending homelessness in Florida.<sup>4</sup> The council collects and disseminates data and public information, monitors and provides technical assistance to local coalitions, develops policy and legislative proposals, and prepares an annual report and recommendations to the Legislature and the Governor.

**Homeless Housing Assistance Grant**

Pursuant to s. 420.622(5), F.S., the office, with the concurrence of the council, may administer moneys appropriated to it to provide homeless housing assistance grants for the construction or rehabilitation of transitional or permanent housing units for homeless persons. The statutes do not define "housing units." The term is defined in the Homeless Housing Assistance Grant Application Instructions as "a bedroom." A one-bedroom dwelling counts as one unit. Likewise, a two-bedroom dwelling counts as two units, a three-bedroom dwelling is three units, and so forth. Efficiency dwellings are counted as one unit. Single room occupancy dwellings are counted based on the number of rooms with each room counted as a unit, regardless of number of persons housed in the room, or number of beds.

These moneys consist of any sums that the state may appropriate, as well as money received from donations, gifts, bequests, or otherwise from any public or private source. The grants are made to the designated lead agency of the local homeless continuum of care,<sup>5</sup> which may contract with other entities to construct and/or rehabilitate housing. The designation of a lead agency by the office is done in consultation with local homeless coalitions and public or private organizations that have previously certified to the U.S. Department of Housing and Urban Development that they currently serve as lead agencies for a local homeless assistance continuum of care.<sup>6</sup>

Grant applicants are ranked competitively. Preference is given to applicants who leverage additional private funds and public funds, particularly federal funds designated for the construction and rehabilitation of transitional or permanent housing for homeless persons, who build or rehabilitate the greatest number of units, and who build or rehabilitate in catchment areas having the greatest need for housing for the homeless.

---

<sup>4</sup> Department of Children and Families, Council on Homelessness website: <http://www.dcf.state.fl.us/homelessness/council/index.shtml> (last visited February 25, 2009).

<sup>5</sup> Pursuant to s. 420.624, F.S., a local homeless assistance continuum of care is a framework for a comprehensive and seamless array of emergency, transitional and permanent housing, and services to address the needs of homeless persons and persons at risk for homelessness. The nature and configuration of housing and services may be unique to each community or region, depending on local needs, assets and preferences. Communities or regions seeking to implement a local homeless assistance continuum of care are encouraged to develop and annually update a written plan that includes a vision for the continuum of care, an assessment of the supply of and demand for housing and services for the homeless population, and specific strategies and processes for providing the components of the continuum of care. Each local homeless assistance continuum of care plan must designate a lead agency that will serve as the point of contact and accountability to the State Office on Homelessness. The lead agency may be a local homeless coalition, municipal or county government, or other public agency or private, not-for-profit corporation.

<sup>6</sup> Section 420.624(6), F.S.

Funding for a particular project may not exceed \$750,000, with the maximum percentage of funds that may be spent on administrative costs capped at five percent. As a condition of receiving grant dollars, the housing must be reserved for occupancy by homeless persons for at least ten years. No more than two grants are awarded annually in any given local homeless assistance continuum of care catchment area.<sup>7</sup>

The office is required to establish performance measures to evaluate the performance of lead agencies that receive grant funds. Each lead agency for which grants are made must provide the office with a thorough evaluation of the effectiveness of the program in achieving its stated purpose. In evaluating the performance of the lead agencies, the office must base its criteria upon the program objectives, goals and priorities that were set forth by the agencies in their proposals for funding. Such criteria may include, but not be limited to, number of homeless individuals provided shelter, food, counseling and job training.<sup>8</sup>

The office is required to monitor the homeless housing assistance grants to ensure proper expenditure of funds and compliance with the conditions of the applicant's contract. The department, with input from the council, adopts rules relating to the grants.<sup>9</sup>

Currently, the grant may not be used to acquire existing structures.

### **III. Effect of Proposed Changes:**

Senate Bill 726 will expand the eligible uses of the Homeless Housing Assistance Grant to include the purchase of existing housing to serve the homeless.

The bill may increase the number of applications submitted, which would result in more competition for grant funding.

Advocates of the bill have argued that the legislation presents an opportunity to acquire property that can be made more immediately available to homeless persons.<sup>10</sup>

Opponents of the bill are concerned that the legislation may adversely affect the chances of new construction and rehabilitation projects, already in the development process, from being able to access grant funds as gap financing. Concerns have also been expressed that the legislation will be used to acquire single family homes, and that there will be less opportunity to use the competitive funds to facilitate a non-profit's capacity to develop affordable supportive housing.<sup>11</sup>

The bill provides an effective date of July 1, 2009.

---

<sup>7</sup> Section 420.622(5), F.S.

<sup>8</sup> Section 420.622(6), F.S.

<sup>9</sup> Sections 420.622(7) and (8), F.S.

<sup>10</sup> Florida Housing Finance Corporation Analysis of SB 726, February 5, 2009, on file with the committee.

<sup>11</sup> *Id.*

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

The bill does not specify that the acquired housing must be rehabilitated and therefore, may allow for housing to be acquired no matter its condition.

**VII. Related Issues:**

None.

**VIII. Additional Information:**

## A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

## B. Amendments:

None.