



MEETING RURAL  
HOUSING NEEDS



**Empowering Communities: Building Affordable Housing with Community Development Financial Institutions (CDFIs) for Purposeful Impact in Florida and Georgia**

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- 31 Years Local Government
- Original SHIP Program Administrator, Managed CDBG, HOME, NSP
- Also City Planning Director, LIHTC Developer, Non-Profit Real Estate VP

# What is Neighborhood Lending Partners?

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- Neighborhood Lending Partners is a certified CDFI, and lending consortium of banking institutions that facilitate private investments for community revitalization and neighborhood preservation for developers and not for profit agencies.
- NLP works with local governments to underwrite rental applications, perform compliance monitoring, and operate housing programs.

# Rural Housing Opportunities

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Rural communities have 2 different overlords:



Fe Fi Fo  
The Giant

Frodo the  
Hobbit



# Who Is Fe Fi Fo?

This giant is a large or medium sized county that has a significant rural area

Because of his size, the giant has lots of resources

SHIP, HOME, CDBG and possible local Trust Funds are available

It is important to remind the administrators of these funds that there are rural areas in the communities, and generally, rural poverty is worse than urban poverty, in terms of resources, jobs, and retail establishments, particularly food



# Who Is Frodo?

Frodo is a small sized county that is rural

Because of his size, Frodo has few resources

SHIP is available, but not a lot, CDBG might be available, but with more restrictions than a citizen of North Korea would face

Many rural housing departments, if they have one and not contract it out, try to keep their programs simple – downpayment assistance and homeowner rehab



# Resources Available

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- Community Development Block Grant, the Grand Daddy of them all
  - Established in 1974 by President Nixon, consolidated a lot of categorical programs into one
  - Funds go to principal cities in SMSA (for example, the Tampa-St Petersburg- Clearwater SMSA) cities or more than 50,000 people and counties with more than 200,000 people, and to the States.
  - States serve all the rest through a competitive application system for all other communities, (some cities have joined with their county). Florida scores based on low mod population, persons below the poverty line, and number of housing units with more than 1 person per room



# What can be done with CDBG and housing?

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- Homeowner Rehabilitation
- Energy Efficiency
- Emergency Repair
- Weatherization
- Reconstruction
- Counseling
- Utility Connections
- Treating Lead Based Paint
- Paying for Hazard and Flood Insurance
- Downpayment Assistance (there are caps)
- Individual Development Accounts
- Acquire, rehabilitate or build rental housing
- Ineligible: Some new construction



# Difference Between State and Local CDBG

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- Entitlement Local Governments can use their funds for lots of different activities, up to the jurisdiction
- The State Department of Commerce limits the activities to a few different activities, it is not consistent year to year.
- You can pretty much determine if a community will receive funding by their community score. For example Belleair Shore has a score of 3, Desoto County has 167



# HOME Investment Partnership Program

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- The HOME Investment Partnerships Program (HOME) provides grants to states and localities that communities use - to fund a wide range of activities
- Building, buying, and/or rehabilitating affordable housing for rent or homeownership
- Providing direct rental assistance to low-income people



# State Housing Initiatives Partnership Program (SHIP)

- Largest program in country that gives housing funds to local governments
- Goes to every county and all CDBG entitlement cities
- Simple rules:
  - 65% of funding to homeownership
  - 75% of funding to construction
- 30% of funds towards very low income
- 30% towards low income
- 10% towards administration
- Can use rest for up to 140%

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# What Can You do with SHIP

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- Build and acquire new homes or acquire and rehabilitate existing ones
- The same with rental properties
- Interest rates depend on funding sources
- Stop foreclosures
- Pay impact fees
- Homeownership Counseling
- Homeowner Reahb

# The Truth About Working With Many Local Government Housing Administrators

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- Short Tenure
- Rehab and DPA is easy
- Anything Rental is hard
- Small counties – lack of funding
- Fear
  
- Steps to convince them to fund you

# Florida Housing Finance Programs

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- HOME
  - Traditionally, FHFC has awarded part of its HOME funding to Rural Areas of Opportunity. Last year, it was earmarked for those communities damaged by hurricanes
    - \$22 Million funded to 4 projects
- Low Income Housing Tax Credit
  - Traditionally funds 1 project a year in small county
- SAIL Financing for Farmworkers and Commercial Fisherman
  - 2 Projects funded last year