CITY OF FORT LAUDERDALE

APPROVED

Meeting Minutes
City of Fort Lauderdale
Community Services Board
Department of Sustainable Development
700 NW 19th Avenue, Fort Lauderdale, Florida 33311
August 14, 2023 – 4:00 P.M.

MEMBERS		PRESENT	ABSENT
Christi Rice, Chair	P	9	1
William J. Dunne, Vice Chair	P	9	2
Wismy Cius	A	2	2
Gary Hensley	P	3	0
Sharon Hughes	A	6	3
Ronald Pierre	P	8	3
Amy Schimelfenyg	P	5	0

Staff Present
Rachel Williams, Housing and Community Development Manager
Eveline Dsouza, Administrative Supervisor, Housing and Community Development
Carla Blair, Recording Secretary, Prototype, Inc.

Communications to City Commission

Motion made by Vice Chair Dunne, seconded by Mr. Hensley, to make a recommendation to the Commission to change the meetings from 10 times minimum to eight per year. In a voice vote, the **motion** passed unanimously.

~~**I. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE**~~

- ~~**Quorum Requirement – As of August 1, 2023, there are 7 appointed members to the Board, which means 4 constitutes a quorum**~~

~~Chair Rice called the meeting to order at 4:06 p.m. Roll was called and the Pledge of Allegiance was recited.~~

~~**II. WELCOME / BOARD AND STAFF INTRODUCTIONS**~~

~~**III. APPROVAL OF MINUTES – July 10th, 2023**~~

~~**Motion** made by Mr. Hensley, seconded by Vice Chair Dunne, to approve. In a voice vote, the **motion** passed unanimously.~~

~~**IV. DISCUSSION TO CHANGE CSB ORDINANCE**~~

Ms. Dsouza called the members' attention to Section 5 of the Community Services Board's (CSB's) governing Ordinance, which requires a minimum of 10 meetings per year. Chair Rice noted that in the past, meetings have been cancelled due to a lack of quorum, particularly during the summer months. If there is Board business to address, the Board may meet more than the required minimum number of times; however, changing the requirement to fewer meetings would allow for greater flexibility.

Ms. Dsouza advised the over the last two years, the Board has cancelled two meetings per year. She recommended reducing the required minimum to eight meetings.

Ms. Williams also stated that in recent years, it has become increasingly difficult to attract and retain Board members due to the length of the commitment they must make, as well as the governing Ordinance's regulation that a member who misses three consecutive meetings is automatically terminated from the Board. She also felt a minimum requirement of eight meetings would be fair and reasonable.

Motion made by Vice Chair Dunne, seconded by Mr. Hensley, to make a recommendation to the Commission to change the meetings from 10 times minimum to eight per year. In a voice vote, the **motion** passed unanimously.

~~Ms. Dsouza stated that if any issues not addressed in discussion of the Ordinance are identified by the City Attorney's Office, the Item would be brought back to the Board for additional discussion at the next meeting.~~

~~It was determined that the Board wished to send the **motion** as a formal communication to the City Commission, requesting that the Commission review the Ordinance's requirements. Chair Rice advised that she would put the proposed communication into writing and share it with City Staff within the next two weeks.~~

~~V. HOPWA UPDATES~~

~~Ms. Williams reported that Staff has received a communication from two Housing Opportunities for Persons with HIV/AIDS (HOPWA) providers who operate project-based rental assistance facilities. These are programs in which the provider owns a building and its HOPWA subsidies are attached to that building. The two providers have indicated that this model no longer works effectively, in part because it has become financially burdensome to operate.~~

~~There are a number of factors preventing project-based rental assistance providers from walking away from that model. One reason is that there are restrictive covenants on the buildings. One of the providers has two different types of restrictive covenant on the facility, one from the City due to renovations approved by the CSB several years ago and a second restrictive covenant from the U.S. Department of~~

Housing and Urban Development (HUD). The second provider also has a restrictive covenant on their building from the City, also due to funded renovations.

Ms. Dsouza explained that the providers have found the project-based model is not profitable. The provider is responsible for covering all operating expenses, including staff and maintenance. She added that when the City and the providers entered into their agreements, it was expected that not-for-profit entities such as the HOPWA providers would undertake some level of private fundraising to cover costs not eligible for HOPWA reimbursement.

Both providers believe that if they rented their facilities on the open market, they would be able to generate more revenue. They would also not have to meet the staffing requirements of the HOPWA program for project-based rental assistance. Ms. Dsouza acknowledged that it is very difficult to break even in an affordable housing model with fewer than 30 units, even when renting on the open market.

At present, the HOPWA program reimburses providers for a portion of their insurance premiums. Only a certain amount of reimbursement is available, based upon the ZIP code in which the property is located. Providers must build their reserves; however, this can be difficult if the property undergoes any distress and the providers must make repairs.

Ms. Dsouza continued that Staff has contacted HUD as the funder of the HOPWA program. A technical assistance call with HUD is scheduled for later in the week. HUD will ultimately inform the City of whether or not the two providers may be released from their restrictive covenants.

There are also additional conflicts that must be taken into consideration. One of the two providers is bound by HUD's regulation to serve only individuals with HIV/AIDS who are at or below a certain percentage of the area median income (AMI). That provider has asked to change their program model to make their units available to the tenant-based rental assistance model. If a provider becomes a landlord, HOPWA guidelines do not permit them to cut rent checks to themselves, as this would create potential conflicts.

Another consideration is housing choice. The tenant-based rental assistance program is designed to give the recipient of the benefit a housing choice, and the change could be seen as taking away the client's ability to make that choice.

In the past, if there is a genuine and visible deficit, the City has reserve funds they can access to assist the program. If the providers' budgets reflect a true deficit, they can be brought before the Board, who may then make an informed decision on whether or not to increase funding or continue on the same path.

Ms. Williams noted that the current path, which has allowed the expansion of the tenant-based voucher program, works well. Since the program has expanded, over 20 to 25 additional households have been added.

Staff has also considered the entire project-based program model, which has been in operation for several years. While there have been societal changes and trends, the model has not made changes that allows it to keep up with those trends. This has made the program become burdensome, as it includes limited housing stock to meet a great demand. If more people are housed independently through the tenant-based model, this would relieve some of the strains on providers.

Ms. Williams also advised that if HUD allows the City to fulfill the two providers' requests, this does not mean the City will automatically agree as well. A public meeting or meetings will be necessary to hear the public input required by HOPWA, including what clients have to say about the proposed change.

Chair Rice requested clarification of the number of units that would be affected by the proposed change. Ms. Williams estimated that this would be 94 to 96 units. She reiterated that the change would also offer clients less choice of housing.

Ms. Williams continued that the project-based model offers ongoing supportive elements not offered by the tenant-based model. Project-based clients are required to work toward independence, and some eventually leave the program. The tenant-based model provides more independence, as the provider is assisting those clients with their rent but not offering additional services. Most project-based clients need supportive services, as they may be recovering from other illnesses or learning skills that will allow them to participate in the workforce.

Mr. Hensley asked what would become of the clients currently in project-based housing if this model is transitioned to tenant-based assistance. Ms. Williams explained that this is one reason a technical assistance call to HUD has been scheduled. The City operates the tenant-based voucher program in a similar manner to the Section 8 housing choice program. This requires the City to publish a waiting list, from which tenants are selected and qualified. In addition, converting the clients currently residing in the project-based facility to a tenant-based program would affect the individuals who are currently on that waiting list.

It was clarified that the two providers have made their requests independently of one another, and that the current program is not covering their expenses. Ms. Williams stated that because cost reimbursement covers all operational costs, Staff is working to determine what is being missed. This is why providers are asked to review their costs and provide a complete budget for the program.

Ms. Schimelfenyg asked if the providers are fundraising as expected. Ms. Williams advised that the fundraising market has tightened significantly due to changes in the

economy, and it is more difficult to raise the amount of funds that could be generated in previous years. In addition, the buildings are aging.

Ms. Schimelfenyg also asked if there are newer models which are more financially viable. Ms. Dsouza advised that the City is the only jurisdiction in the nation which offers every service eligible for HOPWA funding. Most other jurisdictions offer tenant-based rental assistance only.

It was noted that the project-based model has generated significant success stories for its clients. It also offers services to homeless individuals, who could not be helped immediately by the tenant-based program due to its waiting list.

Ms. Dsouza asked if there is any information the Board members would like the City to provide them on this issue. Mr. Hensley requested that they be provided with information from the technical assistance call with HUD after it is held.

Ms. Schimelfenyg requested clarification of how much money the provider agencies need. Ms. Williams reiterated that this is not yet known, as the agencies have not provided a comprehensive budget. She also pointed out that one of the two providers typically leaves some funds on the table each year. Chair Rice stated that it would be helpful for the Board to hear directly from the providers who have expressed their concerns, including how they perceive their mission being fulfilled in different ways.

Ms. Williams advised that the units in question are HOPWA-owned units, and if they are released, there must be other means of quickly re-housing clients. Ms. Dsouza added that project-based units are considered to be transitional, while the tenant-based program is ongoing.

Vice Chair Dunne asked if the 94-96 units represent one bed per unit. Ms. Williams explained that the project-based model is different from the facility-based model, as units are apartments and some are occupied by families.

VI. GOOD OF THE ORDER

Ms. Williams reported that HUD will be present from August 21 to September 1, 2023 for HOPWA monitoring. She expected their focus area to be income certifications. Ms. Dsouza added that HUD will interview some subrecipients as well.

Ms. Schimelfenyg asked how often HOPWA certification occurs. Ms. Williams explained that this is an audit procedure, and usually occurs if the City has appeared on HUD's risk list. The last certification occurred in 2016.

VII. PUBLIC COMMENTS

Francisco Gomez, representing CareResource, requested additional information regarding HOPWA certification. Ms. Williams replied that HUD has requested a list of all clients served by the HOPWA program.

Mr. Gomez also commented that because Fort Lauderdale has a relatively high population with HIV/AIDS, there is typically a greater need for services to assist HOPWA clients. He noted that the insurance for the building(s) used by the project-based providers has increased, as have other costs.

Sharon Alveranga-Jones, representing Broward Regional Health Planning Council (BRHPC), suggested that there may be other agencies willing to provide project-based assistance. It was explained that because of the City's restrictive covenants, the current project-based providers would have to be willing to sell their buildings to other agencies.

VIII. ITEMS FOR THE NEXT AGENDA

Ms. Williams noted that the next meeting will include performance reports from Community Development Block Grant (CDBG) recipient agencies. The Board agreed by consensus that presentations may be made virtually and the members will be provided with hard copies of the reports. HOPWA agencies will be asked to provide their reports at the October meeting.

The two providers requesting the change from project-based to tenant-based rental assistance will also be asked to attend the September meeting to share their concerns. Chair Rice requested that these agencies bring any supporting documents with them for the Board's review. Mr. Hensley also asked that the agencies bring transition plans for their tenants as well.

IX. COMMUNICATIONS TO CITY COMMISSION

Chair Rice concluded that she will work on the language of the Board's communication to the City Commission regarding changes to the Board's governing Ordinance.

X. ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 4:58 p.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

[Minutes prepared by K. McGuire, Prototype, Inc.]