

LONG RANGE PROGRAM PLAN

Florida Housing Finance Corporation
Department of Community Affairs

Tallahassee

September 30, 2012

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Office of Policy and Budget
Executive Office of the Governor
1701 Capitol
Tallahassee, Florida 32399-0001

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201 Capitol
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Dear Directors:

Pursuant to Chapter 216, Florida Statutes, our Long Range Program Plan (LRPP) for the Florida Housing Finance Corporation is submitted in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for the Fiscal Year 2013-14 through Fiscal Year 2017-18. The internet website address that provides the link to the LRPP located on the Florida Fiscal Portal is <http://www.floridahousing.org/AboutUs/LongRangeProgramPlan/>. This submission has been approved by Stephen P. Auger, Executive Director.



Angeliki G. Sellers
Comptroller

Rick Scott, Governor

Board of Directors: Leonard Tylka, Chairman • Marilyn L. Carl • Mary L. Demetree • Lynn Hanfman • Clifford Hardy
Natacha Munilla • Jose "Joe" Sanchez • Bernard "Barney" Smith

Executive Director: Stephen P. Auger



Long Range Program Plan

September 30, 2012

State Fiscal Years 2013-14 through 2017-18

AGENCY MISSION

Access to Affordable Housing

To help our fellow Floridians obtain safe, decent housing that might otherwise be unavailable to them.

GOALS, OBJECTIVES, OUTCOMES AND PROJECTION TABLES IN AGENCY PRIORITY ORDER

Goal 1: To maximize the capacity of local governments and the private sector, both for profit and nonprofit, to develop and preserve affordable housing.

Objective 1A: To maximize targeted dollars that are allocated to the targeted population

Outcome: Percent of statutorily targeted dollars that are allocated to the targeted population

Baseline/ Year	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
64.8%/1999	96%	96%	96%	96%	96%

Objective 1B: To maximize leveraging of state resources

Outcome: Ratio of nonstate resources to state-appropriated dollars

Baseline/ Year	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
2.69:1/1999	2:1	2:1	2:1	2:1	2:1

Objective 1C: To maximize the percentage of set-aside units at designated percentages of median income to total units

Outcome: Percent of units exceeding statutory set asides

Baseline/ Year	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
105%/1999	105%	105%	105%	105%	105%

LINKAGE TO THE GOVERNOR'S PRIORITIES

FLORIDA HOUSING FINANCE CORPORATION'S GOAL

To maximize the capacity of local governments and the private sector, both for profit and nonprofit, to develop and preserve affordable housing.

ALIGNMENT WITH THE GOVERNOR'S PRIORITIES

Florida Housing's work aligns with and supports a number of the Governor's priorities, as described below.

Accountability Budgeting

When Florida Housing Finance Corporation was created in the early 1980s, it was a division of the old Department of Community Affairs. The 1997 Legislature privatized Florida Housing, turning it into a public corporation of the state, now with a functional relationship with the Department of Economic Opportunity. The 1997 changes were made to reduce bureaucracy, streamline many administrative processes and allow Florida Housing to operate more effectively within the real estate and financial markets. Two changes were particularly important in this regard: accelerated disbursement of trust fund dollars to the private sector and local governments, and elimination of duplicative services in the issuance of bonds. Funds disbursed by Florida Housing in loan closings for developments and homeowner mortgages, which took up to six weeks before Florida Housing became a public corporation, were processed through both DCA (now DEO) and the Comptroller (now the Chief Financial Officer). The lengthy process was costly to private sector partners, created construction delays and slowed down implementation of local housing programs. The 1997 legislative changes authorized Florida Housing to disburse funds directly, typically within five business days. The bond issuance process also was streamlined by authorizing Florida Housing to issue bonds.

Historically, the Legislature and Governor appropriated funding from the State Housing Trust Fund to Florida Housing, allowing the Corporation's nine-member Board of Directors to direct this funding into statutory programs based on market conditions at the time. The flexibility of use of these resources allowed the state to better leverage private and federal housing financing over time, while still holding Florida Housing accountable for the outcomes of state programs.

Reduce Government Spending

Florida Housing's programs are set up to leverage private resources to meet affordable housing objectives. For example, over the last three full years of State Housing Initiatives Partnership (SHIP) funding, for every \$1 million in SHIP funds spent, an estimated \$2.4 million in other funding was brought to the table to construct, rehabilitate and sell homes and apartments. Today's housing programs are designed to provide only what is needed to encourage private investors, including banks, insurance companies and others, to participate in these transactions. This ensures that public financing can be used to leverage development of more units and that the private sector is bringing its investment and management expertise into every development.

Regulatory Reform

Florida Housing's programs are flexible enough that they can be utilized in any area of the state, no matter the local regulatory framework in place. Florida Housing operates within the financial and real estate markets,

working to align programs with private investor interests to ensure that public resources leverage private financing.

Focus on Job Growth and Retention

Florida Housing's programs are intended to boost the state's construction industry, assist in mitigating periodic economic dislocations in the construction and building trade industry and provide better access to federal housing initiatives. Florida Housing's programs annually channel millions of dollars into the construction industry, promoting a more stable business climate in Florida. In 2010, the most recent year for which we have analysis, the total economic impact to the state of Florida Housing programs was \$4.886 billion in output or industry revenues, 41,260 jobs and \$2.814 billion in value added. The value added impact represented a 0.39 percent contribution to the state's 2010 Gross Domestic Product (\$713.839 billion), and the total employment impact represented 0.42 percent of the state's workforce.¹

Businesses are looking for communities with the right mix of housing to meet the needs of their workforce. This includes decent, affordable rental housing and single family homes that are affordable for a range of incomes. When housing is located near jobs and amenities such as schools and grocery stores, employers are more likely to have a workforce available.

¹ Hodges Ph.D, Alan, et al, Economic Contributions of Florida Housing Finance Corporation in 2010, University of Florida, 2012.

TRENDS AND CONDITIONS

An adequate supply of affordable housing is the foundation of healthy communities because people vital to these communities, such as teachers, nurses and firefighters, are able to live in the same area where they work. Living in decent housing provides a safe environment and an opportunity for people to hold jobs, excel in school and contribute to their communities.

AFFORDABILITY

Millions of low-income households in the United States lack decent and affordable housing. More households are plagued by the high cost of housing, but substandard housing conditions also exist. Households that rely on income from service sector jobs are the most likely to have housing affordability problems, but other factors may come into play, such as joblessness and low fixed incomes. This is also true in Florida.

Over 7.4 million households resided in Florida in 2011, and the average household size was 2.48 persons. In 2007-08 the state's population growth rate dipped below one percent for the first time in more than 60 years and is not expected to top one percent until 2013-14 at the earliest. State demographers expect to see growth slowly swing upwards to a rate of approximately 1.1 to 1.5 percent between now and 2030.

Statewide in 2010, 618,814 renter households with incomes at or below 60 percent of area median income were estimated to be paying more than 40 percent of their income for rent in Florida. This number is projected to increase to over 637,700 by 2013. Sixty-four percent of these cost burdened households are comprised of 1-2 persons.

To provide perspective, the National Low Income Housing Coalition estimates the average 2012 wage for a Florida renter at \$13.47 an hour, an increase over 2011, when the average hourly wage was \$13.18. This single worker would have to work 55 hours per week, 52 weeks a year, to afford a typical market rate rent of \$965 per month for a two-bedroom apartment in Florida. While many households include second earners, renter households in particular often are comprised of single earners with dependents. Rents continue to be lower in some Florida markets although we are starting to see increases in some areas. Incomes are beginning to rise, but extremely slowly, mainly as a result of little or no growth in hourly rates and a reduction in the number of work hours available to many.

HOUSING CONDITION

In 2010 Florida's housing stock was estimated at approximately 9.0 million units. Many housing units are 30-40 years old, at a point when rehabilitation and remodeling are required to maintain the life of the unit. Based on past estimates by the Affordable Housing Study Commission, more than 667,000 single and multifamily units that house lower income families are 50 or more years old and require reinvestment to maintain their viability as affordable housing.

Chapter 420, Florida Statutes, assigns the following responsibilities to Florida Housing Finance Corporation:

- To carry out analyses of housing needs within the state and ways of meeting those needs;
- To participate in federal housing assistance and federal community development, insurance, and guarantee programs, including the provision of the match requirement for the HOME Investment Partnerships Program federal funding;
- To develop and administer the State Apartment Incentive Loan Program, which offers low interest first, second or other mortgage loans to developers who build or rehabilitate affordable rental properties;

- To develop and administer the State Housing Initiatives Partnership (SHIP) program, which provides funding to all 67 counties and 52 cities to finance affordable housing based on locally determined needs;
- To develop and administer the Florida Homeownership Assistance Program, which provides down payment assistance, construction financing and permanent loans for construction and rehabilitation of affordable single family homes;
- To develop and administer the Florida Affordable Housing Guarantee Program, which creates security mechanisms to allow lenders to sell affordable housing loans in the secondary market and encourages affordable housing lending opportunities that would not have taken place otherwise, or that serve persons who would not have been otherwise served;
- To develop and administer the Predevelopment Loan Program, which provides technical advisory services and below market interest rate financing for preliminary activities necessary to obtain the financing to construct or rehabilitate affordable housing;
- To designate and administer private activity allocation for tax-exempt mortgage revenue bonds received by Florida Housing pursuant to Part VI of Chapter 159 between single family homes and multifamily developments;
- To establish procedures necessary for proper allocation and distribution of federal low-income housing tax credits;
- To set standards for residential housing financed by Florida Housing and to provide for inspections to determine compliance with those standards;
- To provide for the development of infrastructure improvements and rehabilitation primarily in connection with residential housing consistent with the applicable local government comprehensive plan;
- To establish subsidiary corporations for the purpose of taking title to and managing and disposing of property acquired by Florida Housing;
- To adopt rules for the intervention and negotiation of terms or other actions on properties to further program goals or avoid default of a program loan;
- To conduct demonstration programs and projects which further the statutory purposes of Florida Housing;
- To administer the Affordable Housing Catalyst Program;
- To establish requirements for periodic reporting of data and for participation in a housing locator system; and
- To provide assistance to the Affordable Housing Study Commission when it is funded to meet.

From 1992, when the SHIP program was established by the Florida Legislature, through June 2011, more than 187,000 households have been assisted by this program, with approximately 87 percent of these funds going for homeownership assistance.

On the rental side, with financing from federal and state programs administered by Florida Housing Finance Corporation, approximately 177,000 rental units statewide are currently available to residents or in the construction pipeline. Most of these units are targeted to households at or below 60 percent of area median income. Figure 1 shows the breakdown of these units by county. Even today, with low for-sale home prices and an oversupply of homes and rentals in many areas, Florida still does not have enough housing that is decent, safe and affordable for many residents – particularly on the rental side, and especially for extremely low income renters.

THE HOUSING MARKET’S TURBULENCE IMPACTS FLORIDA’S ECONOMY

The economic recession continues to impact Florida, primarily due to single family housing foreclosures that have struck this state especially hard. Median housing prices have come down from their 2006 high, and incomes continue to stagnate. In 2009, the per capita personal income declined for the first time since 1990, then

increased in 2010 and 2011. Job losses have decreased, with unemployment down to 9 percent in July 2012 from a high of over 11 percent in July 2011. Because of the oversupply of housing in the market² and overall market contraction, construction continues to be down but is showing signs of slow re-invigoration.

From 2007 through 2010, homelessness was on the rise, but Florida's homeless count in both 2011 and 2012 count showed a decline, down to 54,300 in 2012. The trend varies by community. Some reported increases, while others reported declines in the number of persons who are homeless. The local homeless coalitions provided explanations of the changes in their area, including:

- Fewer people were homeless in the Florida panhandle in 2012 as a result of the recovery from the BP Oil Disaster;
- Cold night shelter counts were lower in 2012 due to the warmer winter temperatures this year compared to 2011;
- More families are homeless; and
- Counts for those who are chronically homeless on the street were lower this year, but homeless counts for those living in shelters were up in areas that increased their inventory of shelter beds.

These homeless counts, which are carried out annually, only count homeless people on the street and in emergency shelters; they do not capture the number of people living doubled up with family or friends due to housing or job loss.

MARKET FORCES CHALLENGE AFFORDABLE HOMEOWNERSHIP EFFORTS

The housing investment climate and easy access to credit in Florida and across the nation fueled a steep, multi-year climb in housing prices that created housing affordability problems throughout the state. This period came to an end five years ago, leaving an overbuilt market in many areas and a large mismatch in incomes and housing prices especially in the high cost areas of the state, although prices have come down drastically in most areas. Many homes purchased during the boom years are now worth much less than the mortgages held on these homes. According to CoreLogic, Inc, 45 percent of Florida homeowners are estimated to be "under water" – that is, their current mortgage balances are higher than their homes are now worth.

On the homeownership side, the overall decline in housing prices and high number of foreclosed properties on the market means that Floridians interested in homeownership have more opportunities now than anytime over the last few years. Statewide housing prices peaked in late 2006 and slowly began to fall over the next year.

From a median high of approximately \$250,800 in July of 2006, existing home sales prices fell below \$130,000 in January 2012 before starting to rise again. As of July 2012, the statewide median sales price had increased to \$148,000. This sales price median is likely to be artificially low because of the purchase of foreclosed homes at bargain prices. However, it is an accurate measure of actual sales prices at this time – 59 percent of what they were at their height in 2006. As foreclosed homes continue to come onto the market over the next few years, sales prices are expected to remain low, but slowly increase. Mortgage interest rates have continued to trend down over this period, hitting historical lows.

² While there has been some impact on the affordable housing market during the recession, the majority of the impact has been to the unsubsidized stock.

Because of the high level of home value decline over the past few years, overall access to mortgage financing has been more limited, although the standards have now eased somewhat. A typical homebuyer now must have a minimum FICO (credit) score in excess of 640; Florida Housing also imposes this credit score requirement for homebuyers accessing the state’s First Time Homebuyer Program. Most of the loans financed through Florida Housing are now government insured loans (FHA, VA, and USDA-RD).

HOME FORECLOSURES STILL HIGH

Defaults and foreclosures on all mortgages originated in Florida and the nation began to climb four years ago and remain high today. The percentage of all residential loans past due is, in some cases, over double what it was in the year 2000. The table below breaks out data by key years for all loans, prime loans and subprime loans. In addition to the substantial increase in foreclosures, the table shows the precipitous rise in the number of subprime loans from 2000 to 2010. The table shows that the actual number of all types of residential loans has declined between late 2007 and late 2010, even as the percentage of foreclosures increased. The First Time Homebuyer Program has consistently outperformed the market. As of March 31, 2012, 10.35 percent of the loans originated by Florida Housing were in foreclosure, compared to the 14.31 percent of all loans statewide in foreclosure at that time, as reported by the Mortgage Bankers Association.

According to RealtyTrac, Florida was ranked fifth in the nation for foreclosures in the first half of 2012. RealtyTrac reported that in July 2012, one in every 352 Florida households receiving a foreclosure filing.

Florida demographers note that during the boom, Florida’s homeownership rate, which was at 66.3 percent for many years, increased because financing was so easy for homebuyers to obtain. As a result, the homeownership rate soared to 72.4 percent. This rate cannot be sustained, both because it was derived from financing tools that are not available to homebuyers going forward, and because the number of foreclosures will lower the rate over time. Florida’s rate is shifting downward, projected to be 67.6 percent in early 2012.

Status of All Residential Loans in Florida, Fourth Quarter of 2000, 2007 and 2011

Loan Type	Year	Number of Loans	% In Foreclosure
All Loans	2000	2,216,625	1.37
	2007	3,585,614	3.22
	2011	3,236,222	14.27
Prime Loans	2000	1,572,064	0.7
	2007	2,774,981	1.63
	2011	2,237,341	11.54
Subprime Loans	2000	62,578	8.86
	2007	573,562	11.36
	2011	474,246	32.91

Source: Mortgage Bankers Association

HELPING HOMEOWNERS STAY IN THEIR HOMES

To address the foreclosure crisis, Florida Housing is currently serving as an intermediary for 34 local housing counseling agencies throughout Florida under the National Foreclosure Mitigation Counseling Program. Through this program, troubled homeowners statewide access federally approved housing counseling agencies and legal assistance to help them determine available options regarding their homes. Through five rounds of federal funding since 2008, Florida Housing has received \$8.75 million which has supported counseling agencies and legal aid to fund more than 24,500 counseling events for homeowners. In early 2012, Florida Housing was awarded \$1.48 million in a sixth round of funding for another 5,369 counseling events.

In addition, the federal government made funding available to the hardest hit housing markets in the states that have been hit with foreclosures, housing price declines and unemployment. Florida is one of 18 states and the District of Columbia participating in the \$7.6 billion HHF program. Florida and the other participating states worked with US Treasury, major loan servicers and other stakeholders to standardize plans for two programs, summarized below.

- **The Unemployment Mortgage Assistance Program (UMAP)** provides payments to the mortgage lender to assist unemployed/underemployed borrowers with their first mortgage until they can resume payments on their own (for 12 months or a maximum of \$24,000, whichever comes first).
- **The Mortgage Loan Reinstatement Program (MLRP)** provides up to \$18,000 to bring a delinquent mortgage current for a homeowner who has returned to work or recovered from unemployment/underemployment (provides up to \$25,000 to homeowners who do not need monthly payment assistance through UMAP).

CHALLENGES FACING RENTAL HOUSING PROGRAMS

The recession has strongly impacted the market for housing related investments. Because of low bond yields, investors have limited their appetite for Mortgage Revenue Bonds and are offering lower pricing on this financing. This was also true of federal Low Income Housing Tax Credits for several years, but investors throughout the country have come back to this affordable housing finance vehicle, even in Florida. In some parts of the state, the apartment industry is still being impacted by the homeownership decline and high number of foreclosures, which have led to lower single family and condominium housing prices. Many homeowners have been unwilling to sell at current market prices, instead choosing to rent their homes rather than try to find buyers in this market. These additional rental units are competing with market rate multifamily rental units, and apartment owners are responding with lowered rents and special offers. Apartment rents are lower in key markets around the state, which has also impacted the affordable rental stock. As a result, with an excess of rental housing available in many places, vacancies in Florida Housing's portfolio are higher than usual in some areas.

Over the past year, Florida Housing has seen a small increase in overall occupancies, indicating that markets in Florida that had been in decline are slowly recovering. Current expectations are that the rental market will slowly tighten over the next 3-5 years as the housing market bottoms out and excess single family supply is purchased. Florida Housing carefully targets any new rental construction to those areas of the state where there is investor interest and demand for such housing. Moreover, we consider the impacts of new construction on Florida Housing's existing portfolio of privately owned properties that have loans or guarantees through Florida Housing. In particular, properties in the Guarantee Program portfolio, which carry the greatest financial risk to the state, must be considered as Florida Housing awards funding for new construction. Florida Housing works to ensure that properties are financed only in areas where the need for new rental housing is strong, and there are a number of these areas even in the current housing market.

HOW STATE FUNDING CAN ADDRESS CURRENT NEEDS

Homeownership. Florida Housing uses the federal First Time Homebuyer Program to originate 30-year, fixed-rate, high loan-to-value mortgage loans for eligible first-time homebuyers who meet credit worthiness tests, have incomes within federal program limits and receive homebuyer education. The proceeds from Tax Exempt Mortgage Revenue Bonds issued by Florida Housing are used by participating private lenders to originate mortgage loans through this program. What really makes this program work is that Florida Housing generally pairs some type of second mortgage purchase assistance with these mortgages to assist homebuyers, either through state or federal funding if available, or uses these funds to reduce the overall cost of the mortgage loan to the borrower. The average purchase price during 2011 was \$105,097, and the average loan amount was \$99,908.

This program provides an important strategy to lower the oversupply of for-sale homes on the market as a result of current economic conditions. Approximately 90 percent of the 3,449 homes financed in 2011 (totaling \$333.4 million in first mortgage volume) were existing single family homes.

The state Homeownership Assistance Program (HAP) Program provides critical resources for this purpose. HAP funds are used as down payment assistance in conjunction with mortgages provided through the First Time Homebuyer Program, or otherwise used to reduce the overall cost of the mortgage loan to the borrower.

In addition, SHIP is important to support efforts to ensure that the housing stock that is standing empty as a result of foreclosures can be rehabilitated, if necessary, and sold to eligible homebuyers. SHIP provides a flexible source of funding that allows local governments to respond to the particular needs of their communities. In these times with a high number of housing units in foreclosure and standing empty, local governments can use SHIP funds to rehabilitate these units for homebuyers, and provide down payment assistance. This funding generates construction jobs, supports Florida's strong Realtor network and helps to maintain the stability of neighborhoods at risk because of high vacancies.

Rental Housing. With lower market rents and additional units available for rent in some areas right now, the need for new affordable rental housing is uneven throughout Florida. Some areas continue to have strong need, especially in southeast Florida where households often stand in line when a new affordable housing property opens. Even with homes for sale at unprecedented prices, most low income Floridians do not have the credit score or savings to be able to buy a new home. These families who are working in a range of lower paying occupations – for example police, child care workers, tellers, teachers, sales clerks – simply desire a decent place to live with their children that is close to schools and work.

Florida Affordable Housing Guarantee Program. The Florida Affordable Housing Guarantee Program was implemented from legislation passed in 1992. The program encouraged affordable housing lending by issuing a form of repayment guarantee on the financing of affordable housing. Typically, these were rental housing transactions primarily funded through the issuance of tax-exempt and taxable bonds. By guaranteeing the repayment of the underlying mortgage collateralizing the bonds, the program lowered overall borrowing costs and improved the economic viability of affordable housing.

In many cases, the Guarantee Program partnered with the HUD Risk Sharing program, allowing each party to assume 50 percent of the default risk of the mortgage. As of July 31, 2012, the program provided guarantees for 18,020 units in 75 multifamily developments throughout the state that were guaranteed prior to 2005. New guarantees were suspended in 2005 primarily based on the availability of credit enhancement in the market, but also because of a reassessment of the projected financial condition of the Guarantee Fund under more stressful

market conditions. In March 2009, the Board of Directors confirmed the suspension of the issuance of additional guarantees by the Guarantee Program due to adverse market conditions. The suspension remains in effect today.

There are two provisions in the statutory language [Section 420.5092 (6)(a) and (b)] which describe the circumstances under which documentary stamp taxes distributed to the State Housing Trust Fund may be used to support the Guarantee Program. For the last three years, all multifamily developments have been at greater financial risk due to the general condition of the real estate market and the economy. Thus, there is a greater potential of drawing on documentary stamp tax collections to support the program.

Aging Affordable Rental Housing Stock. With rapid growth and available land, Florida was in a perpetual land boom for 30 years; most of the state's development occurred over this time. Historically, Florida Housing's primary rental goal was to finance as many new multifamily units as possible to keep up with the state's burgeoning population. The state has now reached the point that our housing stock needs reinvestment in order to maintain it for our residents.

Housing units financed over the last 30-40 years are aging and many are in need of rehabilitation. This is especially true of the subsidized affordable multifamily stock. Many of the oldest assisted properties have expiring affordability periods, and for a variety of reasons these properties may go market rate. These older properties require rehabilitation to maintain them as decent housing for low income renters.

A total of 2,255 privately-owned subsidized multifamily developments are found in Florida, with approximately 254,000 units targeted to low-income families. Of these, approximately 177,000 are Florida Housing financed units. Over 70,000 units have some type of federal project-based rental assistance, making them more affordable to the state's lowest income renters. In addition, there are over 38,000 public housing units, generally the state's oldest affordable housing stock. While some of these units may be functionally obsolete, many are worth saving but need more rehabilitation funding than is appropriated by the federal government. Public housing units are another important source of low cost housing for extremely low income households.

While two-thirds of subsidized rental units are no more than 20 years old (many of which are financed by Florida Housing), more than 69,000 units are over 20 years old and almost half of these units are more than 30 years old. The oldest of these units are the ones most likely to have precious federal rental assistance and be serving Florida's lowest income renters. Most of these units are deteriorating – they have never been rehabilitated.

These older properties were financed into the 1980's through U.S. HUD or USDA Rural Development. They are particularly critical to preserve, because they serve extremely low income renters with federal "project-based rental assistance." Florida Housing's strategic move to target more financing to units for these lowest income populations has resulted in financing fewer affordable rental units each year. In part this is because additional costs to develop units targeted to these residents consumes a greater portion of resources per unit in order to minimize long term debt on these units in order to make rents more affordable. This means that existing federal rental subsidies are precious to maintain.

We also find that, in the long run, it is less costly per unit to rehabilitate older properties than to build new ones. Even if this is a less expensive, more sustainable alternative, it means diverting resources to this preservation effort from the construction of new units. Over the next few years, Florida Housing expects to develop an array of strategies to preserve the existing rental stock. Implementation of these strategies will also provide an important economic benefit to the state – keeping Florida's construction engine moving, while keeping the addition of new units to just those locations in the state where strong enough growth is occurring to warrant the addition of new rental housing.

Serving Lower Income Floridians. Florida Housing has been working to reshape its rental programs to better meet state housing needs. Florida has been successful in financing thousands of rental housing units to meet the needs of households above 45 percent of area median income. However, federal programs that have traditionally served 0-50 percent area median income households (considered very low income) have not kept pace, creating a much greater need at the lowest income levels.

As the federal government has decreased funding to serve these lower income households, Florida Housing programs have been updated to help meet these housing needs. It is difficult to work within federal and state parameters to serve these lowest income Floridians while maintaining economic feasibility. However, with additional state funding targeted to extremely low income residents in the last decade, Florida Housing has been able to target a small portion of units to these lower income Floridians.

Florida Housing works with state agencies, including the Department of Children and Families, the Department of Elder Affairs and the Florida Department of Veterans Affairs to carry out the “Link Initiative,” an integrated housing strategy to link affordable housing with supportive services. The initiative incentivizes affordable housing developers to set aside a few rental units in each apartment complex for persons with special needs, such as persons with disabilities and youth aging out of foster care. The idea is to provide residents who are receiving supportive services with an opportunity to live in an affordable independent community setting. Florida Housing began implementing this strategy with its 2009 rental development cycle. To date, 1,132 units in funded multifamily developments have been committed to serve persons with special needs.

GREEN BUILDING

“Green building” is a whole-systems approach to the design, construction and operation of buildings from the early stages of development through to operation and maintenance of a property. The objectives of this approach are to increase building longevity, reduce utility and maintenance costs and enhance comfort, health and livability. Homes built with funds from Florida Housing’s Homeownership Pool Program (when funding is available for this program) are required to achieve certification from a green building certification program. For multifamily rental housing, Florida Housing requires energy efficient building features based on the U.S. EPA and DOE’s Energy Star program, and incentivizes certification from one of three different green building certification programs.

Studies have shown that building green adds 2-5 percent to the total development cost of a property. So while there is a “premium” up front, with these practices becoming more common, it is not as high as many people think it is. Over time, however, the savings make up for this premium through lower operational costs. Green features typically have a longer useful life than conventional, so replacement costs also decrease. In addition, Florida (among other states) has raised the bar for energy efficiency in its building code, so many of these “improvements” are now required in the energy code.

One recent study by The Enterprise Foundation related to affordable housing that uses life cycle cost analysis is called “Incremental Cost, Measurable Savings.” This study evaluated affordable housing developments that incorporated green and energy efficient building features and found that over time, these features save money. For example, the average cost per dwelling unit to incorporate the energy and water criteria was \$1,917, returning \$4,851 in predicted lifetime utility cost savings (discounted to 2009 dollars). This means that the energy and water conservation measures paid for themselves and produced another \$2,900 in projected lifetime savings per unit. The study estimated that the water cost savings were likely under reported, because the researchers were unable to obtain complete data on sewer fee savings.

THE FLORIDA HOUSING DATA CLEARINGHOUSE

Florida Housing's decisions on how to target scarce federal and state resources are based on housing, demographic and market data. Through the Florida Housing Data Clearinghouse free website, a variety of data is available to the public. The Clearinghouse provides the state with a one-stop data source for all of the programs – federal, state and local – providing affordable housing in Florida. Clearinghouse staff also responds to one-time requests for housing data from Florida Housing and other entities. The website address is:

<http://flhousingdata.shimberg.ufl.edu/index.html>

WEB-BASED AFFORDABLE RENTAL LOCATOR FOR THE PUBLIC (FLORIDAHOUSINGSEARCH.ORG)

Florida Housing also provides free, web-based affordable housing locator services to assist individuals and families in their search for affordable rental housing across Florida. Florida Housing's web-based locator is a one-stop clearinghouse of up-to-date information about available rental units throughout the state. The locator provides detailed information on units, amenities, accessible features and rents, along with mapping capabilities that allow prospective tenants to search for housing near schools, community services and places of employment. Florida Housing also provides a toll-free call center that helps people without computer access to conduct rental searches. Both services are available to Spanish speaking people. The locator has become an important resource to Florida's citizens in normal times, as well as in response to economic crises and natural disasters. Nearly 159,000 affordable rental units statewide are registered with the locator. In 2011, more than 1.1 million affordable rental searches were conducted on the locator website. The call center handled nearly 39,600 calls during this time.

EXISTING TASK FORCES

Florida Housing is responsible for providing administrative support for the Affordable Housing Study Commission, a standing commission made up of 21 gubernatorial appointees. The Commission, which was created in 1986, examines affordable housing issues and recommends policy and program changes to the Governor and Legislature. Due to a lack of state funding, the Commission is currently dormant.

WORKING WITH THE DEPARTMENT OF ECONOMIC OPPORTUNITY AND OTHER AGENCIES ON STATE ECONOMIC DEVELOPMENT COLLABORATION EFFORTS

Florida Housing is functionally related to the Department of Economic Opportunity (DEO) through a performance contract. The DEO Executive Director or his designee sits as an ex officio, voting member on Florida Housing's Board of Directors. As DEO finalizes Florida's Statewide 5-Year Strategic Plan for Economic Development, Florida Housing has begun to work with DEO and other agencies to determine how we can support economic development efforts, whether by providing financing for workforce housing in key areas of the state where new businesses are locating, or by connecting current housing financing programs to economic development initiatives – for example, building relationships between developers of affordable housing and local education efforts (including workforce programs) to ensure that lower income tenants have the opportunity to pursue training and education to develop skills and knowledge in high need industries. . Florida Housing is working with DEO to prepare tactics and metrics to be incorporated into the state economic development plan.

FLORIDA HOUSING FINANCE CORPORATION'S JUSTIFICATION OF PROJECTED OUTCOMES

To maximize the funding that Florida Housing administers out of the State Housing Trust Fund, Florida Housing has set three objectives with corresponding outcomes.

Objective 1A: To maximize targeted dollars that are allocated to the targeted population.

Outcome: Percent of statutorily targeted dollars that are allocated to the targeted population.

Justification: The final projection for this outcome is based on current efforts of Florida Housing in making affordable housing available to hard-to-serve populations. Safe, decent affordable housing is a critical issue for all Floridians, including farmworkers, homeless people, elders and persons with special needs. In light of the Legislature's goal to ensure that decent and affordable housing is available for all residents, continued appropriation of available documentary stamp tax collections is required in order to meet the need as indicated by the most recent rental and homeownership studies.

Objective 1B: To maximize leveraging of state resources.

Outcome: Ratio of nonstate resources to state-appropriated dollars.

Justification: The final projection for this outcome is based on the Affordable Housing Services contract between Florida Housing and the Department of Economic Opportunity. The outcome represents Florida Housing's target in leveraging private, federal and local resources.

Objective 1C: To maximize the percentage of set-aside units at designated percentages of median income to total units.

Outcome: Percent of units exceeding statutory set asides.

Justification: The final projection is based on the Affordable Housing Services contract between Florida Housing and the Department of Economic Opportunity. The outcome represents Florida Housing's target in maximizing the percentage of set-aside units affordable to households at designated percentages of median income compared to total units funded.

PERFORMANCE MEASURES AND STANDARDS LRPP EXHIBIT II

LRPP Exhibit II - Performance Measures and Standards

Department: DEPARTMENT OF ECONOMIC OPPORTUNITY	Department No.: 400000
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Program: Florida Housing Finance Corporation	Code: 40840100
Service/Budget Entity: Affordable Housing Finance	Code: 40300600

NOTE: Approved primary service outcomes must be listed first.

Approved Performance Measures for FY 2012-13 (Words)	Approved Prior Year Standard FY 2011-12 (Numbers)	Prior Year Actual FY 2011-12 (Numbers)	Approved Standards for FY 2012-13 (Numbers)	Requested FY 2013-14 Standard (Numbers)
Percent of targeted dollars that are allocated to the targeted population	96%	100%	96%	96%
Ratio of non-state funding to state appropriated dollars	2:1	3:1	2:1	2:1
Percent of units exceeding statutory set-asides	105%	227%	105%	105%
Number of applications processed	563	2,552	563	563
Number of affordable housing loans funded	540	2,532	540	540
Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) program	115	119	115	115
Number of local governments served (SHIP) program (incentive funds)	115	119	115	115

PERFORMANCE MEASURE VALIDITY AND RELIABILITY LRPP EXHIBIT IV

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Percent of targeted dollars that are allocated to the targeted population

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

This performance measure evaluates the SAIL program. The data are tracked and maintained by Florida Housing staff based on applications received and funded and may be aggregated at state and county levels. Data tracked include total dollars available, targeted goals and dollars allocated.

Data are collected by Florida Housing staff based on the approved allocations for the SAIL application cycle and application requests for funding.

The total amount allocated to developments that serve families, elderly, and farm workers/fishing workers and persons with special needs is divided by the total amount targeted to these populations.

In addition, the measure evaluates success in targeting funding specifically allocated for extremely low income households as appropriated in some legislative sessions.

Validity:

Florida Housing is always striving to meet the need of hard to reach populations through the use of targeting. These targets are statutorily defined, and quantifying the success in targeting those populations helps Florida Housing efficiently focus its marketing efforts.

This measure is valid because it quantifies the targeting efforts of the SAIL program.

Reliability:

The targeting is determined prior to application and the percentage of units targeted is readily identifiable through evaluation of funded applications. The calculation may be duplicated and has been tested.

The measure has readily determinable inputs. While the targeting and available funds may vary year to year, the calculation methodology remains constant.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Ratio of nonstate resources to state appropriated dollars

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The data are obtained from appropriate allocation, application and closing documents maintained by program staff and are tracked as required by the Affordable Housing Services contract with the Department of Economic Opportunity.

The measure is calculated as the ratio of Sadowski funds used versus non-state funds used.

Validity:

This measure was determined to be valid because it quantifies Florida Housing's efforts to encourage investment of nonstate funding in affordable housing.

Reliability:

This measure is reliable because it includes data for all state-funded programs and is regularly tested through internal auditing.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Percent of units exceeding statutory set-asides

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Florida Housing staff gathers the required data from development closing documents. The minimum set-asides are specified by statute and rule.

The actual set-aside commitments in each development are counted and then compared to the minimum required by statute and rule.

Validity:

This measure was determined to be valid because it quantifies Florida Housing's efforts to encourage affordable housing above and beyond minimums dictated by statute with an understanding that actual success will change as market conditions and development feasibility change.

Reliability:

The inputs to the calculation are clearly outlined in the closing documents and by statute, thus the calculation yields consistent results.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity
Program: Florida Housing Finance Corporation
Service/Budget Entity: Affordable Housing Finance
Measure: Number of applications processed

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The data are tracked by Florida Housing staff from applications received in each application cycle using an internal project database and, where necessary, Excel spreadsheets.

The results for each Sadowski program are added together in a single database to determine a total number of applications processed.

Validity:

This measure was determined to be valid because it is a simple count of applications received.

Reliability:

The measure was determined to be reliable because subsequent counts yield identical results.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity
Program: Florida Housing Finance Corporation
Service/Budget Entity: Affordable Housing Finance
Measure: Number of affordable housing loans funded

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Data are collected by Florida Housing staff based on the number of applications approved for funding for the SAIL, Predevelopment Loan and Homeownership Assistance Programs.

For multifamily development, Florida Housing staff track the status of developments from the receipt of the application to the closing of the loan. For single family down payment assistance, each loan is tracked. Data on the number of loans funded are provided by program and entered into a single spreadsheet that totals the count.

Validity:

This measure was determined to be valid because it is a simple count of the number of loans funded.

Reliability:

The measure has readily determinable inputs and subsequent counts yield identical results. While the number of loans funded may vary year to year, the calculation methodology remains consistent.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) Program

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The data are tracked by Florida Housing staff and are based on the number of counties and eligible municipalities with approved local housing assistance plans.

The number of counties and eligible municipalities is determined at the beginning of each state fiscal year. Any newly eligible municipalities are included.

The result will always be equal to the current number of counties and eligible municipalities.

Validity:

This measure is valid because it represents the actual number of SHIP fund recipients that are monitored.

Reliability:

This measure is reliable because it is based on the actual number of counties and approved municipalities that receive SHIP funding.

Office of Policy and Budget – July 2012

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Economic Opportunity

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of local governments served through the SHIP program

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The data are tracked by Florida Housing staff and are based on the number of counties and eligible municipalities with approved local housing assistance plans.

The number of counties and municipalities is determined at the beginning of each state fiscal year. Any newly eligible municipalities are added.

The result will always be equal to the current number of counties and eligible municipalities.

Validity:

This measure is valid because it represents the actual number of SHIP fund recipients participating in the program.

Reliability:

This measure is reliable because it is based on the actual number of counties and eligible municipalities.

Office of Policy and Budget – July 2012

ASSOCIATED ACTIVITIES CONTRIBUTING TO PERFORMANCE MEASURES – LRPP EXHIBIT V

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2012-13 (Words)		Associated Activities Title
1	Percent of targeted dollars that are allocated to the targeted population		Sadowski Programs (SAIL only)
2	Ratio of non-state funding to state appropriated dollars		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
3	Percent of units exceeding statutory set-asides		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
4	Number of applications processed		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
5	Number of affordable housing loans funded		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
6	Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) Program		State Housing Initiatives Partnership Program Compliance Monitoring
7	Number of local governments served (in the SHIP program)		SHIP Program

Office of Policy and Budget – July 2012

GLOSSARY OF TERMS AND ACRONYMS

Affordable – For housing to be affordable, monthly rents or monthly mortgage payments including taxes and insurance can not exceed 30 percent of that amount which represents the percentage of the median annual gross income for very low-, low- and moderate-income persons or households.

Affordable Housing Catalyst Program – This program provides staff of state and local governments and community based organizations with training and technical assistance on federal, state and local affordable housing programs.

Affordable Housing Study Commission (AHSC) – Created by the Legislature in 1987, the Commission evaluates affordable housing programs for people with very low to moderate incomes and recommends public policy changes that will ensure that Floridians have access to decent, affordable housing. The Governor appoints 21 commissioners who are required to represent various interests pursuant to Section 420.609, F.S. Each year, the Commission makes recommendations to the Governor and Legislature.

Area median income – The amount that divides the income distribution in a locale or region into two equal groups, one having incomes above the median and the other having incomes below the median. Median income figures are published each year by the U.S. Department of Housing and Urban Development and housing programs target households based on these figures.

Commercial Fishing Worker – A laborer who is employed on a seasonal, temporary, or permanent basis in fishing in salt water or fresh water and who derived at least 50 percent of her or his income in the immediately preceding 12 months from such employment.

Community Housing Development Organization – An organization that is organized pursuant to the definition in 24 CFR Part 92.

Community Workforce Housing Innovation Pilot (CWHIP) Program – Established in 2006 pursuant to Section 420.5095 F.S., the program provides forgivable loans to public-private partnerships that are developing homeownership and/or rental housing for essential services personnel at or below 140 percent of area median income.

Compliance – The act of meeting the requirements and conditions specified under the law, specific program rules and/or loan documents. Each program has specific compliance period requirements.

Consolidated Plan – The plan prepared in accordance with U.S. Department of Housing and Urban Development (HUD) regulations, 24 CFR Section 91, which describes needs, resources, priorities and proposed activities to be undertaken with respect to certain HUD programs, including the HOME program.

Credit Underwriting – The loan pre-approval process where it is determined whether a project is feasible given the financing mechanisms available.

Development – Also known as a project or property, a development is any work or improvement located or to be located in the state, including real property, buildings, and any other real and personal property designed and intended for the primary purpose of providing decent, safe, and sanitary residential housing for persons or families, whether new construction, the acquisition of existing residential housing, or the remodeling, improvement, rehabilitation, or reconstruction of existing housing, together with such related non-housing facilities as Florida Housing determines to be necessary, convenient, or desirable.

Elderly – Persons 62 years of age or older. With respect to the State Apartment Incentive Loan and HOME programs, persons meeting the Federal Fair Housing Act requirements for elderly are considered elderly.

Essential services personnel – Persons in need of affordable housing who are employed in occupations or professions in which they are considered essential services personnel by the county or municipality, including but

not limited to, local school and college educators, police and fire employees, health care personnel and skilled building trades personnel.

Extremely low income – When one or more natural persons or a family has a total annual gross income that does not exceed 30 percent of the median annual adjusted income for households within the state; Florida Housing Finance Corporation may adjust this amount annually by rule to provide that in lower income counties, extremely low income may exceed 30 percent of area median income and that in higher income counties, extremely low income may be less than 30 percent of area median income.

Farmworker – A laborer who is employed on a seasonal, temporary, or permanent basis in the planting, cultivating, harvesting, or processing of agricultural or aquacultural products and who derived at least 50 percent of her or his income in the immediately preceding 12 months from such employment.

Florida Affordable Housing Guarantee Program – Established pursuant to Section 420.5092 F.S., the program provides credit enhancement to affordable housing developments.

Florida Homeownership Assistance Program (HAP) – The program established pursuant to section 420.5088, F.S. for the purpose of providing subordinated loans to eligible borrowers for down payment or closing costs or for permanent loans related to the purchase of the borrower's primary residence. The program also provides subordinated loans to nonprofit sponsors or developers for construction financing of housing to be offered for sale to eligible borrowers as a primary residence at an affordable price.

Green building – A whole-systems approach to the design, construction and operation of buildings from the early stages of development through to operation and maintenance of a property. The objectives of this approach are to increase building longevity, reduce utility and maintenance costs and enhance comfort and livability.

HOME Investment Partnerships Program – A federally funded rental and homeownership program administered in accordance with the goals of the Consolidated Plan. Funds are provided to local participating jurisdictions and the state, and may be used for acquisition, construction, rehabilitation, conversion and reconstruction of low-income single- and multifamily housing.

Homeless – An individual or family who lacks a fixed, regular and adequate nighttime residence, or an individual or family with a residence that: is a supervised shelter or institution that provides temporary living accommodations, or is a public or private place not designed for, or ordinarily used as, as regular sleeping accommodation for human beings. The term does not refer to any individual imprisoned or otherwise detained pursuant to state or federal law.

Loan – For the purpose of the Housing Assistance Program, State Apartment Incentive Loan Program, and HOME Investment Partnership Program, any direct loan or loan guaranty issued or backed by such funds.

Local Government Housing Trust Fund – The trust fund established pursuant to Section 420.9079 F.S.

Local Housing Assistance Plan - A concise description of the local housing assistance strategies and local housing incentive strategies adopted by local government resolution with an explanation of the way in which the program meets the requirements of sections 420.907-420.9079, F.S. and Florida Housing rule. Local governments applying for SHIP funding are required to submit an annual Local Housing Assistance Plan to Florida Housing for review and approval.

Low income person or household – When one or more natural persons or a family has a total annual gross income that does not exceed 80 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the metropolitan median for the state, whichever amount is greatest.

Land use restriction agreement – An agreement between Florida Housing, the trustee and the developer restricting the use of the development (e.g., maintaining the affordability of the units for low-income households for a certain number of years).

Moderate income person or household – When one or more natural persons or a family has a total annual gross income that does not exceed 120 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the metropolitan median for the state, whichever amount is greatest.

Predevelopment Loan Program (PLP) – The program established pursuant to Section 420.523 F.S. for the purpose of providing financial and technical assistance to local governments, housing authorities, and not-for-profit organizations that will provide for the sponsorship of housing to be financed by federal, state, local or private resources.

Rehabilitation – Repairs or improvements to an existing structure which are needed for safe or sanitary habitation, correction of substandard code violations or the creation of additional living space.

Real property – All lands, including improvements and fixtures thereon and property of any nature appurtenant thereto or used in connection therewith, and every estate, interest, and right, legal or equitable, therein, including terms of years and liens by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

Single room occupancy (SRO) – Housing consisting of single room dwelling units that is the primary residence of its occupant(s). An SRO does not include facilities specifically designed for students.

State Apartment Incentive Loan Program (SAIL) – The program established pursuant to Section 420.5087 F.S. for the purpose of providing first, second or other subordinated mortgage loans or loan guarantees to sponsors, including for-profit, non-profit, and public entities, to provide housing affordable to very low income persons.

State Housing Initiatives Partnership Program (SHIP) – The program established pursuant to Section 420.9072 F.S. for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand the production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing-related jobs.

State Housing Trust Fund – The trust fund established pursuant to Section 420.0005 F.S.

Substandard – Any unit lacking complete plumbing or sanitary facilities for the exclusive use of the occupants; a unit which is in violation of one or more major sections of an applicable housing code and where such violation poses a serious threat to the health of the occupant; or a unit that has been declared unfit for human habitation but that could be rehabilitated for less than 50 percent of the property value.

Technical assistance – The PLP Program provides technical advisory services through third party contracts. These services include formulation of a Development Plan consisting of a preliminary budget, timeline, and predevelopment activities necessary to obtain construction and permanent financing for the development, and a determination to the extent possible, the amount of PLP funds expected to be needed.

Universal Application – The set of forms filled out to apply for any of Florida Housing's rental programs.

Very low income person or household – When one or more natural persons or a family has a total annual gross income that does not exceed 50 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the metropolitan median for the state, whichever amount is greatest.

Workforce housing – Housing affordable to natural persons or families whose total annual household income does not exceed 140 percent of area median income, adjusted for household size, or 150 percent of area median income in the Florida Keys.

FREQUENTLY USED ACRONYMS

AHSC – Affordable Housing Study Commission
AMI – Area median income
ARRA – American Recovery and Reinvestment Act
CFR – Code of Federal Regulations
CHDO – Community housing development organization
CWHIP – Community Workforce Housing Innovation Pilot Program
DEO – Florida Department of Economic Opportunity
FHFC – Florida Housing Finance Corporation
FMR – Fair market rent
ELI – Extremely low income
ESP – Essential services personnel
HAP – Florida Homeownership Assistance Program
HHF – Hardest Hit Fund (federal TARP funds from U.S. Treasury)
HOME – HOME Investments Partnership Program
HUD – U.S. Department of Housing and Urban Development
LHAP – Local housing assistance plan
LURA – Land use restriction agreement
MSA – Metropolitan statistical area
NFMC – National Foreclosure Mitigation Counseling Program
PHA – Public housing authority
PJ – Participating jurisdiction
PLP – Predevelopment Loan Program
RD – Rural Development (section of U.S. Department of Agriculture)
SAIL – State Apartment Incentive Loan Program
SHIP – State Housing Initiatives Partnership Program
SRO – Single room occupancy
TA – Technical assistance
TCAP – Tax Credit Assistance Program
TCEP – Tax Credit Exchange Program (also called “Exchange”)