

LONG RANGE PROGRAM PLAN

Florida Housing Finance Corporation
Department of Commerce

Tallahassee

September 29, 2023

Chris Spencer, Director
Office of Policy and Budget
Executive Office of the Governor
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Tallahassee, Florida 32399-0001

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House Appropriations Committee
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Tallahassee, Florida 32399-1300

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Senate Committee on Appropriations
201 Capitol
Tallahassee, FL 32399-130

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 2024-25 through Fiscal Year 2028-29. The internet website address that provides the link to the LRPP located on the Florida Fiscal Portal is <https://www.floridahousing.org/about-florida-housing/transparency/long-range-plan> This submission has been approved by Angie Sellers, Acting Executive Director.

Sincerely,



Kirstin Helms
Comptroller

Ron DeSantis, Governor

Board of Directors: Mario Facella, Chair • Ryan Benson, Vice Chair
Larry Cretul • Sandra Einhorn • David Hall • Olivia Hoblit • Meredith Ivey • Ron Lieberman • Dexter Motwani

Michael DiNapoli, Executive Director



we make housing affordable

Long Range Program Plan

September 29, 2023

State Fiscal Years 2024-25 through 2028-29

AGENCY MISSION

Access to Affordable Housing

Provide a range of affordable housing opportunities for residents that help make Florida communities great places to live, work and do business.

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 populations

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

Baseline/ Year	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
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 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
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 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
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 several of the Governor's priorities, as described below.

Improve Florida's Education System

Increase access to and expand options for quality educational choices, public and private, for Florida families.

According to housing policy research, affordable housing may provide children with enhanced opportunities for educational success. While schools and teachers bear principal responsibility for children's education, research shows that a supportive and stable home environment can complement the efforts of educators, leading to better student achievement. Florida Housing's mission facilitates the establishment of such supportive and stable home environments. Florida Housing's current Strategic Plan includes strategies to assist homeless families with school-age children to regain and maintain housing stability and greater self-sufficiency. This strategy includes the Housing Stability for Homeless Schoolchildren Program.

Studies have found an association between overcrowding in housing, as well as housing instability, and reduced academic performance for children. Affordable housing can reduce overcrowding in housing, housing instability and other sources of housing-related stress that lead to poorer educational outcomes by allowing families to afford housing permanency and decent-quality homes of their own. In addition, affordable housing developments can often function as a platform for educational opportunities, choice, access and improvement by providing proximity, virtual learning technology, and residential-based after-school programs or, more broadly, by anchoring a holistic community development process that includes new or improved schools.

Economic Development and Job Creation

Prioritize infrastructure development to meaningful projects that provide regional and statewide impact, especially focused on safety and improved mobility, and reduced traffic congestion for Floridians.

Florida Housing's mission is to provide a range of safe, decent and affordable housing opportunities for Floridians. These programs aim to help make Florida communities great places to live, work and do business. With a focus on innovative, measurable, data-driven and fiscally sustainable solutions, Florida Housing works to match our programs to the needs of those we serve. The Shimberg Center for Housing Studies publishes a statewide rental housing study triennially, with the most recent in May 2022. This study serves as the basis for identifying the need across the state, both demographically and geographically, resulting in the issuance of comprehensive Requests for Applications (RFAs) aimed at addressing these needs. These RFAs also stipulate requirements for access to support and services, such

as public transportation, employment and education opportunities, health care, groceries and the like. 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 or affordable housing need. 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.

Florida Housing's programs annually generate billions of dollars in economic impact, providing a level of support that positively impacts the business climate in Florida. In 2021, the most recent year for which we have analysis, the total economic impact to the state from Florida Housing programs was \$5.94 billion in economic output, 38,042 full- and part-time jobs and \$3.6 billion in value added impact to the state's Gross Domestic Product.

Public Integrity

Protect taxpayer resources by ensuring the faithful expenditure of public funds and return funds to taxpayers through tax relief.

Promote greater transparency at all levels of government and promote the highest standard of ethics for state and local officials.

The effective and efficient use of taxpayer resources is paramount to the operations of Florida Housing. As such, Florida Housing and its Board of Directors use a robust process for the awarding of state and federal resources dedicated for affordable housing, particularly as it relates to the development of rental housing units. Each summer, the Board adopts the plan for the geographic and demographic allocation of competitive funding for the upcoming year, including the anticipated timeline for each RFA. In 2022, Florida Housing issued 13 RFAs and held at least one public workshop for comments related to the specific criteria and requirements for each RFA. Each document along with all public comments are available on the website and accessible to all stakeholders and interested parties. As a result, this process welcomes a great deal of transparency, openness, and public input while also maintaining the flexibility needed to address changes in the housing market, economic trends, as well as concerns that may arise during the process. Although the process is designed to be as flexible as the need arises, Florida Housing strives to provide predictable affordable housing financing opportunities every annual funding cycle.

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, can 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.

STATUTORY RESPONSIBILITIES

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 proposing allocation plan strategies for the National Housing Trust Fund and the provision of the match requirement for the HOME Investment Partnerships Program federal funding;
- To develop and administer the State Apartment Incentive Loan Program (SAIL), 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 53 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 competitive solicitations for the allocation of competitive state and federal funding resources to developers of affordable housing;
- 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.

POPULATION TRENDS AND HOUSING AFFORDABILITY

Millions of low-income households in the United States lack decent and affordable housing. More households in the workforce, as well as the elder and persons with special needs 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 more persons in other occupations and industries are also finding it difficult to find housing that they can afford near their workplace. Other factors may come into play, such as low fixed incomes experienced by many older persons. This is true in Florida.

The University of Florida’s Bureau of Economic and Business Research (BEER) reports that approximately 8.8 million households resided in Florida in April 2022, and the average household size was 2.47 persons. According to the September 2023 Long-Range Financial Outlook by the Legislature’s Office of Economic and Demographic Research (EDR), the state’s average annual growth rate is projected to remain at 1.27 percent per year between 2022 and 2030, exceeding the anticipated national average annual growth of 0.64 percent. All of Florida’s population growth through 2030 will be from net migration. By 2030, BEER projects Florida’s population to reach approximately 24.6 million.

Demographic forecasts from EDR suggest Florida’s uniquely diverse and ethnic population will continue to become more nonwhite and older. Newly released 2020 Census Bureau data shows the continued aging of Florida’s population over the last decade. Comparative to the 2010 Census, the percentage of residents aged 40 to 49 fell by 2.1 percent, while the percentage of residents aged 60 to 69 and 70 to 79 increased by 2.1 percent and 2.4 percent respectively. The first cohort of Baby Boomers became eligible for retirement (age 65) in 2011. Almost 65 percent of the state’s baby boomers (born 1946 through 1964) have now reached retirement age. Population aged 65 and over is expected to represent at least 24.4 percent of Florida’s total population in 2030, compared with 21.2 percent in 2020. As the ratio of workers-to-retirees tilts to fewer workers per retiree, labor force issues like affordable housing will become increasingly challenging.

The *2022 Rental Market Study* by the Shimberg Center for Housing Studies (Shimberg Center or the Center) offers additional context around population projections and affordability. In the study, a “low-income” household is defined as one with an income at or below 60 percent of the area median income (AMI), adjusted for household size. A housing unit is considered “affordable” if gross rent (rent + utilities) costs no more than 30 percent of household income¹. Households paying more than 40 percent of income for housing are considered to be “cost burdened.” According to the latest statewide Rental Market Study update, an estimated 768,460 low-income renter households are cost burdened. For every 100 low-income renters, there are just 54 rental units that are affordable and available to them. During 2007 and 2016, Florida added over 633,000 renter households. Renting grew the most

¹ See Glossary of Terms section for commonly used ‘affordable’ definition.

during 2010-2013, as owners shifted to renting following the housing market crash. Growth in renting has since leveled off.

Florida's affordable housing shortage stems from an increase in renters at all income levels without a corresponding increase in modestly priced rental units, as well as the growing gap between wages and housing costs. Between 2012 and 2021, the state added over 600,000 rental units with rents above \$1,000 but lost nearly 277,000 units renting for less than \$1,000. While the availability of rental housing increased by 324,018 units, only 26 percent of the total units rented for \$1,000 or less per month.

To provide perspective, the National Low Income Housing Coalition (NLIHC) estimates the fair market rent for a two-bedroom apartment in Florida is \$1,591. To afford this level of rent and utilities paying 30 percent of one's income on housing, a household must earn an hourly wage of \$30.59. According to NLIHC, the average renter wage in the state is only \$22.52. The data is even more stark for people earning less than the average. NLIHC estimates that a person earning the Florida minimum wage of \$11.00 an hour would have to work 111 hours a week to afford a two-bedroom apartment at fair market rent.

HOUSING STOCK AND CONDITION

According to data compiled by the Shimberg Center, most occupied single-family homes in the state were built after 1980 with more of these homes built between 2000 and 2009 than any other decade. In contrast, Florida's multifamily housing is considerably older than the single-family stock. The Center found that more units in 50+ unit structures were built in 1970-1979 than any other decade. Housing units at this age, 40 years and older, often have reached a point when rehabilitation and remodeling are required to maintain the life of the unit.

Florida added over 119,000 single family rentals between 2010 and 2019, a 15 percent increase. However, new and converted multifamily units added even more rental stocks during this time. The state added over 144,000 rental units in 5-49 unit buildings, a 19 percent increase. The addition was most noticeable in large multifamily buildings with 50 or more units. The 50+ unit rental stock nearly doubled between 2010 and 2019, an addition of nearly 121,000 units. Increases in 2-4 unit rental buildings and mobile homes were much smaller.

From 1992, when the SHIP program was established by the Florida Legislature, through the 2019-20 year close-out (the last year for which reporting is complete), approximately 231,000 households have been assisted by this program, with approximately 85 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, 244,092 rental units statewide were available to residents or in the construction pipeline at the end of 2022. Most of these units are targeted to households at or below 60 percent of area median income. The graphic on the next page shows the breakdown of these units by county.

However, the state still does not have enough housing that is both affordable and available for many residents – particularly on the rental side, and especially for extremely low-income renters. A unit is affordable and available if that unit is both affordable and vacant or is currently occupied by a household at the defined income threshold or below. The 2022 Rental Market Study shows that for households in Florida earning 60 percent or less of AMI, there is a statewide deficit of over 464,000 affordable, available rental units.

HOUSING FLORIDA'S HOMELESS

Florida's Council on Homelessness (Council) provides an annual report summarizing the extent of homelessness in the state and the Council's recommendations for ending homelessness in the state. Data collected through the Annual Point In Time Count is similar to a Census count with volunteers canvassing local communities to identify individuals living in places not meant for human habitation (i.e., cars, parks, sidewalks, abandoned buildings, on the streets, in the woods, etc.) – also known as unsheltered individuals. Additionally, communities conduct a count of individuals residing in more traditional emergency shelter and transitional housing settings.

The 2023 Point in Time Count totaled 30,809. Those numbers included 2,504 homeless veterans, 7,530 persons in homeless families, and 6,423 chronically homeless and disabled persons. The latest homeless student count data available from the Florida Department of Education identified 78,277 students as homeless during the 2021-2022 school year, an increase of 22 percent over the prior year.

The above statistics clearly indicate that Florida still has work to do to meet the Council's goal of ending homelessness in Florida when looking at year to year statistics, however it is critical to examine the long-term progress that has been achieved. A particular emphasis of recent Council Annual Reports has been "the dire need for more affordable housing, especially housing targeting those who are homeless, those with special needs, and those with extremely low incomes." Additionally, the Council continues to embrace evidence-based permanent housing solutions and increased collaboration and investment across the systems of care to expand permanent housing options to reduce and end homelessness in Florida.

PERMANENT SUPPORTIVE HOUSING FOR HOMELESS HOUSEHOLDS AND PERSONS WITH SPECIAL NEEDS

Permanent supportive housing has been found to be a beneficial rental housing option for chronically homeless households and/or persons with significant special needs. Permanent supportive housing has shown to support these households to live stably in the community and reach great self-sufficiency. This not only saves public resources related to emergency services, sheltering and institutionalization, but is shown to positively impact personal outcomes.

The *2021 Florida Assessment of Housing for Special Needs and Homeless Populations*, conducted by Florida Housing and the Corporation for Supportive Housing, estimates that 156,962 homeless households and/or persons with special needs (12,811 households) need permanent supportive housing. In 2022, the Executive Office of the Governor authorized the creation and convening of a workgroup, of relevant State agencies, to develop a proposed Permanent Supportive Housing State Action Plan and related recommendations to be submitted to the Governor by the end of 2023. Florida Housing has been charged with being a member, as well as staffing the workgroup activities and drafting the Permanent Supportive Housing Action Plan and Recommendations report.

MARKET FORCES CHALLENGE AFFORDABLE HOMEOWNERSHIP EFFORTS

As Florida's median price has been increasing, the national median has increased even more. From a median high of approximately \$257,800 in June of 2006, existing home sales prices fell below \$130,000 in January 2012 before starting to rise again. Florida Realtors® data shows that in July 2023 the statewide median sales price for single family homes was \$415,000 confirming the steady upward trend and representing a 0.7 percent year over year increase. The increase in sales prices combined with rising mortgage interest rates has negatively impacted the number of families who are able to qualify for the mortgage loan necessary to purchase their first home.

Florida demographers note that during the boom, Florida's homeownership rate, which was more than 65 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 in 2005. This rate could not be sustained, both because it was derived from financing tools that are not now available to homebuyers, and because the number of foreclosures lowered the rate over time. From 2014 to 2020, Florida was below its long-run average homeownership rate, although the 2020 calendar year finally rose above it at 68.7 percent. In 2022, the state rate nearly matched the long-run average to a 67.3 homeownership rate for the 2022 calendar year. The state homeownership rate has decreased slightly below this level to 66.6 percent in the first quarter of 2023 and 68 percent in the second quarter of 2023.

FORECLOSURES, LOWER-COST HOME INVENTORY CONCERNS AND CREDIT FINANCING

Fiscal Year 2022-23 foreclosure filings were below the activity level forecasted by the 2022 EDR Revenue Estimating Conference. Previous foreclosure filings in Fiscal Years 2020-21 and 2021-22 were affected by temporary court office closings and moratoriums on foreclosures issued at both the state and federal level as a result of the pandemic. The new 2023 EDR foreclosure forecast considers both the actual filings observed during the 2022-23 fiscal year and the relatively low number of homes that are seriously delinquent or in foreclosure. The actual filings in Fiscal Year 2022-23 were impacted by Hurricane Ian, both through court office closings and the various private and public mortgage assistance programs available to homeowners.

Over the long term, EDR acknowledges that the heightened foreclosure activity throughout most of the prior decade, as well as significant refinancing opportunities in the last few years, has likely impacted the forecast for years to come. While EDR's new forecast shows a gradual return to normal levels, the last year of the forecast, Fiscal Year 2028-29, is still below long-term expectations. The latest EDR forecast of foreclosure filings shows decreased foreclosure filings in Fiscal Years 2023-24, 2024-25, 2025-26, 2026-27 and 2027-2028.

Throughout the pandemic, the state's real estate and construction economic sectors thrived as the federal funds rate neared zero and pushed interest rates to historic lows. Growing for the second year at a double digit rate, total private housing starts reached a 16-year high of almost 251,800 units in Fiscal Year 2021-22, yet they were still far from the housing boom peak of over 272,000 units in 2004-2005. Since then, the 30-year mortgage fixed rate soared to 6.5 percent during the second quarter of the 2023 calendar year. Given the Federal Reserve's most probable series of interest rate hikes, the Mortgage Bankers Association anticipates the 30-year fixed rate mortgage will continue to move higher to 6.8 percent in the third quarter of 2023. The EDR Long-Range Financial Outlook projects private housing starts to fall by 18.6 percent this year, after already falling 17.2 percent in Fiscal Year 2022-23. Annual declines are expected over most of the 10-year forecast period as interest rates and residential construction activity return to the levels expected pre-pandemic.

In recent years, most mortgages were government insured loans but now, Florida Housing's conventional loans make up approximately 50 percent of current loan activity. Although mortgage availability has evolved, the lack of home inventory for sale at the lower end of the market is creating challenges for many residents in the state who are contemplating first-time homeownership. Florida Realtors® data reveals that July 2023 closed sales in the \$100,000 to \$149,999 sales price range across the state declined by 20.9 percent year over year. The year over year rate declined by 11.4 percent in the \$50,000 to \$99,999 sales price range.

Existing home sales volume in each of the calendar years from 2017 to 2022 exceeded the 2005 peak year. The story is similar for home sales price. Florida's existing home price gains roughly tracked national gains over the past six years, including the mid-year acceleration in single family home prices during 2022. The market environment supporting this rise primarily resulted from the record low interest rates generated by the Federal Reserve's actions to stem the severity of the pandemic's economic disruption in 2020 and 2021. These low interest rate levels induced potential homebuyers to act earlier than they otherwise would have acted. The volume of existing home sales at the currently high sales price levels is not expected to be sustainable as affordability increasingly becomes an issue.

CHALLENGES FACING RENTAL HOUSING PROGRAMS

Private sector interest in affordable housing financing has returned after the recession. From a market point of view, during the recession the apartment industry was impacted by the homeownership decline and high number of foreclosures, which led to a glut of single-family homes and condominium units in the rental market. However, this is no longer the case. The rising cost and availability of building materials and challenges in construction workforce availability are also exacerbating the level of demand for rental housing.

The rental market, particularly for affordable units, is particularly tight with occupancy rates above 97 percent. Current expectations are that Florida's rental market will remain tight over the next 3-5 years - significantly in some areas - as the need for housing expands. As always, Florida Housing carefully targets any new rental construction to those areas of the state where there is demand for such housing and investor interest. 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.

HOW STATE FUNDING CAN ADDRESS CURRENT NEEDS

Live Local Act

On March 29, 2023, Governor Ron DeSantis signed Senate Bill (SB) 102, the Live Local Act, representing the largest investment for housing efforts in state history. This legislation invests a record \$711,000,000 for housing projects and assistance through the Corporation to create or build upon housing programs. The Live Local Act is a comprehensive, statewide workforce housing strategy, designed to increase the availability of affordable housing opportunities for Florida's workforce, who desire to live within the communities they serve.

Live Local Act Programs Implemented by Florida Housing

- **Hometown Heroes Housing Program:** This program makes homeownership affordable for eligible community workforce by providing down payment and closing cost assistance to first-time, income qualified homebuyers so they can purchase a primary residence in the community in which they work and serve. In 2023, the Live Local Act dedicated an additional \$100 million to the program and expanded eligibility to all Florida's hometown workforce.
- **Live Local Program Tax Credit:** This program provides businesses the opportunity to contribute directly to Florida Housing to benefit the SAIL Program instead of paying portions of their corporate and insurance premium taxes. The SAIL program provides low-interest loans on a competitive basis to multifamily affordable housing developers. These loans generally serve to bridge the gap between primary financing and the total cost of the development.

- **Multifamily Middle Market Certification:** To encourage new or recently constructed and substantially rehabilitated developments to offer attainable units, the Act created a tax exemption for these developments that set aside at least 70 units for affordable housing. Tax exemptions are targeted to moderate- and low-income brackets. Additionally, rent for the set-aside units must be at least 10% below market rate.
- **Construction Inflation Response Viability Funding:** In order to maintain the viability of projects in Florida Housing’s development pipeline that may be experiencing unexpected construction cost increases related to market inflation, the Act appropriated \$100 million in FY 2022-23 to provide additional gap financing through a competitive application process.

The Live Local Act also provides an additional \$1.5 billion for ten years for new rental units by transferring up to \$150 million a year in documentary stamp revenue to the SAIL program. The Act directs for these funds to be used for “innovative projects that provide affordable and attainable housing for persons and families working, going to school or living in the state.” Innovative projects will focus on mixed-use, urban infill, or developments near Florida military installations.

Homeownership. Florida Housing uses our suite of Homebuyer Loan Programs 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. Florida Housing funds homebuyer loans through various transaction types. Key types of transactions used to settle loans purchased are: (1) the specified pool market, (2) tax-exempt bonds and (3) forward delivery/To Be Announced (TBA) market. What really makes these programs work is that Florida Housing generally pairs some type of second mortgage purchase assistance with these mortgages to assist homebuyers, through state or federal funding if available, or uses these funds to reduce the overall cost of the mortgage loan to the borrower. The state Homeownership Assistance Program (HAP) and Hometown Heroes Housing Program provides critical resources for this purpose. In FY 2022-23, the Hometown Heroes Housing Program assisted over 6,700 families and leveraged over \$2 billion in first mortgages. The Live Local Act recently appropriated \$100 million to the Hometown Heroes Housing Program for FY 2023-24. As of August 2023, all funds have been fully reserved and will assist approximately 6,500 families.

The average acquisition price across all Homebuyer Loan Programs as of June 2023 was \$297,652 and the average first mortgage loan amount was \$282,685. To qualify for a mortgage in Florida Housing’s Homebuyer Loan Programs, homebuyers must have a minimum FICO (credit) score of 640 or greater for FHA, VA, USDA-Rural Development (RD) loans, Freddie Mac and Fannie Mae (FNMA) loans.

Rental Housing. Florida added over 633,000 renter households between 2007 and 2016. Renting grew the most during 2010-2013, as owners shifted to renting following the housing market crash. Growth in renting has since leveled off and between 2016 and 2019, the number of renters held steady. According to the latest 2022 Rental Market Study, there are an estimated 768,460 low-income, cost burdened renter households in Florida. Just under 60 percent of cost burdened renter households live in large counties, 37.7 percent in medium counties, and 2.6 percent in small counties. Most cost burdened renter households are small; 69 percent have just one or two household members.

Florida’s rental stock increased from 2.14 million units in 2010 to 2.59 million units in 2019. However, the entire increase took place among units renting for more than \$1,000 per month in 2019 dollars. The state gained 475,734 units renting for \$1,000 or more but lost 30,778 units renting for less than \$1,000.

Since this time, the shift to higher priced rentals has dramatically accelerated. Private apartment listing services report sharp increases in Florida rents in the last year. Apartment List estimated a median rent of \$1,779 per month in Florida for March 2022. This amounts to an increase of \$400 or 29 percent, over the previous year, compared to historic increases of 2-4 percent annually.

As market rents rise, Florida Housing's portfolio provides an increasingly affordable alternative. In the 1990s and early 2000s, Low Income Housing Tax Credit rents were similar to middle market rents in Florida, but they are now well below market rates. Apartments restricted to 60 percent AMI limits now offer substantially more affordable rents than the market-rate stock. This phenomenon can be seen in the Orlando metropolitan area, whose market affordable housing rents closely mirror statewide averages. Recent data shows a renter in an Orlando 60 percent AMI two-bedroom unit would pay no more than \$937 per month, compared to a median rent of \$1,303 in the region – a \$366 difference.

The latest Rental Market Study found many affordable rental units are effectively unavailable to low-income households because they are already occupied by higher income households. Renter households exceed affordable and available units in nearly all regions up to the 0-60 percent of AMI level. In most regions of the state, there are 40 or fewer affordable and available units per 100 0-30 percent of AMI renter households. The imbalance is most stark in Polk County, which has only nine affordable and available units per 100 renter households. Statewide, at the 0-30 through 0-60 percent of AMI levels, there are more renter households than affordable units. At the 0-80 percent of AMI level there are more affordable units than renter households, but still a shortage of affordable and available units, since nearly one-third of affordable units are rented by households with higher incomes. At the 0-120 percent of AMI level, the number of affordable and available units slightly exceeds the number of renter households.

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 the rental units financed by Florida Housing need reinvestment to maintain them in good condition for our residents.

Florida's oldest public housing developments were built in the 1940s and 1950s. Other federal assisted housing programs date back to the 1960s and 1970s, and Florida housing programs began in the 1980s. Many of the oldest assisted properties have expiring affordability periods, and for a variety of reasons these properties may go to market rate in more economically robust areas. Between 2019 and 2022, Florida lost 40 developments with 3,999 assisted units due to expiring restrictions in these types of housing. By the end of 2032, 250 developments with 24,639 affordable units face similar subsidy expiration risks.

The 2022 Rental Market Study tracks all assisted housing developments, including those that are not part of Florida Housing's portfolio, built before the end of 1991 (30+ years old) and developments built from 1992 to 2006 (15-29 years old). These categories exclude developments that have received more recent funding from Florida Housing for preservation or rehabilitation. According to the Study, statewide, 732 developments with 61,410 units were at least 30 years old and 787 developments with 105,860 units were 15-29 years old. The remaining 1,306 developments with 130,836 units are less than 15 years old. The 30+ years old inventory made up 21 percent of all assisted units, while the 15-29 year old inventory made up 36 percent.

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. The oldest of these units are the ones most likely to have precious federal rental assistance and serve Florida's lowest income renters. Most of these units are deteriorating and have never been rehabilitated.

The 30+ year old developments are heavily weighted toward public housing and HUD multifamily developments. These developments are more likely to serve extremely low-income and elderly tenants than the newer inventory. In contrast, Florida Housing funded units make up the bulk of housing in the 15-29 and under 15 year old categories, reflecting the growth of the Housing Credit and SAIL programs since the 1990s. Most of these units serve families, and the average tenant incomes are higher than in the older, deeply subsidized stock.

These older properties were financed into the 1980s 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 (PBRA). Most developments in both the 30 year and older and 15-29 year old categories have at least some PBRA units on-site. The oldest developments have particularly high concentrations of PBRA units. Many of the developments with PBRA in the 15-29 year old category are relatively small (50 units or less) developments subsidized by the U.S. Department of Agriculture Rural Development program (RD). Florida Housing has chosen to target more financing to units for these lowest income residents in the past few years because the need is so extraordinary for these units. This strategy has resulted in financing fewer new 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.

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 50 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 (0-30 percent of area median income) in the last decade, Florida Housing has been able to target a small portion of units to these lower income Floridians.

Serving Persons with Special Needs and the Link Initiative. Recent budget provisions and legislation have increased the state's commitment to providing affordable housing to persons with special needs. Chapter 2016-210, Laws of Florida, codified several initiatives previously addressed through proviso. Among these initiatives is a requirement for Florida Housing to reserve a minimum of 5 percent of its annual appropriation from the State Housing Trust Fund for housing projects designed and constructed to serve persons who have a disabling condition with first priority given to projects serving persons who have a developmental disability.

One critical tool to facilitate this commitment to housing for persons with special needs is the Link Initiative (Link), an integrated housing approach to link affordable housing with supportive services.

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 Link. The initiative incentivizes affordable housing developers to set aside a few rental units in each apartment complex for persons who are homeless and/or have 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. Since 2009, over 4,300 Link units have been funded in rental developments.

THE FLORIDA HOUSING DATA CLEARINGHOUSE

Florida Housing's decisions on how to target federal and state resources are based on available housing, demographic and market data. Through the Florida Housing Data Clearinghouse free website, a variety of data is also available to the public. The Clearinghouse provides the state with a one-stop data source for all 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 HOUSING 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. As an immediate response to the most recent hurricanes, Florida Housing executed an agreement with the locator's provider to implement disaster recovery services in impacted counties. Nearly 215,682 affordable rental units statewide are registered with the locator. As of August 31, 2023, 826,388 affordable rental searches have been conducted this calendar year. The call center has handled over 85,000 calls in a 12 month period ending on August 31, 2023. The impact of Hurricanes Ian and Nicole greatly increased the in-bound and out-bound calls during this time.

WORKING WITH FLORIDACOMMERCE AND OTHER AGENCIES ON STATE ECONOMIC DEVELOPMENT

COLLABORATION EFFORTS

Florida Housing is functionally related to the Department of Florida Commerce (FloridaCommerce) through a performance contract featuring quarterly performance measures and targets. The FloridaCommerce Secretary (or designee) sits as an ex officio, voting member on Florida Housing's Board of Directors. Florida Housing works closely with FloridaCommerce and other agencies to support and enhance the economic development efforts outlined in Florida's Statewide 5-Year Strategic Plan for Economic Development. This support takes many forms, 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 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 historical Affordable Housing Services contracts between Florida Housing and FloridaCommerce. 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 historical Affordable Housing Services contracts between Florida Housing and FloridaCommerce. 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 COMMERCE	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 2023-24 (Words)	Approved Prior Year Standard FY 2022-23 (Numbers)	Prior Year Actual FY 2022-23 (Numbers)	Approved Standards for FY 2023-24 (Numbers)	Requested FY 2024-25 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	4:1	2:1	2:1
Percent of units exceeding statutory set-asides	105%	208%	105%	105%
Number of applications processed	563	2,743	563	563
Number of affordable housing loans funded	540	2,729	540	540
Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) program	115	123	115	115
Number of local governments served (SHIP) program (incentive funds)	115	123	115	115

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PERFORMANCE MEASURE VALIDITY AND RELIABILITY LRPP EXHIBIT IV

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

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): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Ratio of nonstate resources to state appropriations

Action (check one): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Percent of units exceeding statutory set-asides

Action (check one): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of applications processed

Action (check one): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of affordable housing loans funded

Action (check one): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

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): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Commerce

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of local governments served by the SHIP Program (incentive funds)

Action (check one): N/A

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

Data Sources and Methodology:

Validity:

Reliability:

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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 2023-24 (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, and HOME Match)
3	Percent of units exceeding statutory set-asides		Sadowski Programs (SAIL, HAP, PLP, and HOME Match)
4	Number of applications processed		Sadowski Programs (SAIL, HAP, PLP, and HOME Match)
5	Number of affordable housing loans funded		Sadowski Programs (SAIL, HAP, PLP, 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
8			
9			
10			

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AGENCY-LEVEL UNIT COST SUMMARY LRPP EXHIBIT VI

GLOSSARY OF TERMS AND ACRONYMS

Affordable – For homeownership housing to be affordable, the national standard is that monthly mortgage payments, including taxes and insurance, should not exceed 30 percent of a household’s gross annual income. For rental housing, the affordable standard includes rent plus utilities. Florida Housing Finance Corporation uses 40 percent as the cost burden standard because households just under the maximum income eligible to rent units in its portfolio are not considered to be cost burdened.

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 to the Governor and the Legislature 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.

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.

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, childcare workers, 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 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.

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.

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.

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
CFR – Code of Federal Regulations
CHDO – Community housing development organization
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
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
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