



A SUMMARY OF FLORIDA HOUSING'S PROGRAMS

HOMEOWNERSHIP PROGRAMS

First Time Homebuyer Program

Florida Housing's First Time Homebuyer (FTHB) program offers 30-year, fixed-rate first mortgage loans originated by trained and approved lenders throughout the State of Florida. The program is offered to all borrowers who meet income, purchase price and other program guidelines, and can otherwise qualify for a loan. Borrowers who qualify for this first mortgage program are automatically qualified for one of Florida Housing's down payment assistance programs.

Down Payment Assistance Programs

In an effort to assist low- to moderate-income individuals achieve homeownership, the FTHB program offers borrowers an assortment of down payment assistance options. The assistance comes in the form of a grant, or a 0% interest or low, fixed-rate second mortgage. Only one Florida Housing down payment program can be used by the borrower and only in conjunction with the FTHB program first mortgage products.

- **Florida Assist Program**

Up to \$7,500 is available through the HAP to assist first time homebuyers with down payment and closing costs. HAP loans are 0% interest, non-amortizing second mortgage loans, which means the homebuyer does not make any monthly payments. Instead, the loan is repaid if the homebuyer sells the home, transfers ownership, satisfies or refinances the first mortgage, or ceases to occupy the home. This program targets applicants whose incomes are at or below 100% of the area median income (AMI), adjusted for family size.

- **Homeownership Assistance for Moderate Income (HAMI)**

Up to \$5,000 is available to assist first time homebuyers with down payment and closing costs through the HAMI program. This program enables borrowers with moderate incomes to receive down payment and closing cost assistance. Unlike the HAP, HAMI is an amortized loan that is offered at a low, fixed interest rate with level monthly payments for a 10-year term. First time homebuyers may be eligible for this loan if their incomes exceed the limits of the HAP, but do not exceed the maximum annual income limits for the FTHB program.

Homeownership Pool Program

Florida Housing's Homeownership Pool (HOP) program is designed to be a non-competitive and ongoing program, with developers reserving funds for eligible homebuyers to provide down payment assistance on a first-come, first-served basis.

Eligible Participants

- **Developers:** The HOP program is available to non-profit and for-profit organizations, Community Housing Development Organizations (CHDOs), and counties and eligible municipalities that are recipients of SHIP funding and United States Department of Agriculture - Rural Development (USDA-RD) funding.

HOP funds are available for use in conjunction with new construction, and also may be used in conjunction with substantial rehabilitation by eligible local governments that are recipients of SHIP funding.

- **Homebuyers:** Eligible homebuyers are those whose adjusted income does not exceed 80% AMI. Through this program, they can receive a 0% deferred second mortgage loan for the lesser of 25% of the purchase price of the home or \$70,000, or the amount necessary to meet underwriting criteria (with the exception of eligible homebuyers with disabilities and eligible homebuyers at 50% AMI or below, who may receive the lesser of up to 35% of the purchase price or \$80,000).



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MULTIFAMILY DEVELOPMENT PROGRAMS

State Apartment Incentive Loan Program

The State Apartment Incentive Loan (SAIL) program provides low-interest loans on a competitive basis each year to developers of affordable rental housing. SAIL funds provide gap financing that allows developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to public entities, and non-profit and for-profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target specific demographic groups such as the elderly, the homeless, farmworkers and commercial fishing workers.

Elderly Housing Community Loan

A portion of SAIL funds is set aside to fund the Elderly Housing Community Loan (EHCL) program. This program provides loans of up to \$750,000 to make substantial improvements to existing affordable elderly rental housing. The EHCL program generally has one competitive funding cycle each year and the application period is open for a minimum of 45 days. These funds are available for the purpose of making sanitation repairs or improvements required by federal, state or local regulation codes, and for life-safety or security-related improvements.

Multifamily Mortgage Revenue Bonds

The Multifamily Mortgage Revenue Bond (MMRB) program uses both taxable and tax-exempt bonds to provide below market rate loans to non-profit and for-profit developers who set aside a certain percentage of their apartment units for low-income families. Proceeds from the sale of these bonds are used to construct, or acquire and rehabilitate, multifamily rental properties. The MMRB program's application scoring and ranking criteria encourage increased set-asides for low-income households. Special consideration is given to properties that target specific geographic areas.

Florida Affordable Housing Guarantee

The Florida Affordable Housing Guarantee program encourages affordable housing lending by issuing guarantees on mortgages of bond-financed affordable housing, thereby, creating a security mechanism that allows issuers of mortgage revenue bonds to sell affordable housing loans in the primary and secondary markets. It also encourages affordable housing lending activities that would not otherwise have taken place. Most of the transactions in this portfolio are partially guaranteed by the U.S. Department of Housing and Urban Development (HUD) Risk-Sharing Program. In light of current adverse market conditions, Florida Housing has suspended the issuance of additional guarantees.

HOME Investment Partnerships

The HOME Investment Partnerships (HOME) program provides non-amortizing, low-interest rate loans to developers of affordable housing who acquire, rehabilitate or construct housing for low-income families. Loans are offered through the annual Universal Cycle at the simple interest rate of 0% to non-profit applicants and 1.5% to for-profit applicants. Florida Housing's HOME program is designed for smaller developments.

Low Income Housing Tax Credits

The competitive (9%) and non-competitive (4%) Low Income Housing Tax Credit program provides for-profit and non-profit organizations with equity based on a dollar-for-dollar reduction in federal tax liability for investors in exchange for the acquisition, rehabilitation and new construction of affordable rental housing. Special consideration is given to properties that target specific demographic groups, such as the elderly, the homeless and farmworkers. Consideration also is given to properties that target specific geographic areas, such as the Florida Keys, rural areas and urban infill areas.



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SPECIAL PROGRAMS

State Housing Initiatives Partnership

The State Housing Initiatives Partnership (SHIP) program provides funds to local governments on a population-based formula as an incentive to produce and preserve affordable housing for very low-, low-, and moderate-income families. These funds are derived from the collection of documentary stamp tax revenues, which are deposited into the Local Government Housing Trust Fund. SHIP funds are distributed on an entitlement basis to all 67 counties and 52 Community Development Block Grant (CDBG) entitlement cities in Florida. The minimum allocation per county is \$350,000. SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling. Each participating local government may use up to 10% of its SHIP funds for administrative expenses.

Predevelopment Loan Program

The Predevelopment Loan Program (PLP) assists non-profit and community-based organizations, local governments, and public housing authorities with planning, financing and developing affordable housing. Eligible organizations may apply for a three-year loan of up to \$750,000 for predevelopment activities, such as rezoning, title searches, legal fees, administrative costs, soil tests, engineering fees, appraisals, feasibility analyses, audit fees, earnest money deposits, insurance fees, commitment fees, administrative costs, marketing expenses, and acquisition expenses. Technical assistance is also provided at no charge.

Affordable Housing Catalyst Program

The Affordable Housing Catalyst Program provides on-site and telephone technical assistance and training on the SHIP program, the HOME program, and other affordable housing programs. This technical assistance is targeted to non-profits and government entities, and includes training on forming local and regional public/private partnerships, working effectively with lending institutions, implementing regulatory reform, training for boards of directors, implementing rehabilitation and emergency repair programs, developing volunteer programs, assisting with the design and establishment of fiscal and program tracking systems, and compliance requirements of state and federally funded housing programs. Workshops are conducted throughout the year at locations around the state.

Homeownership Assistance for Local Governments that Reduce or Waive Impact Fees

The 2008-09 Legislature made \$10 million in one-time funds for homeownership assistance available to counties and municipalities that have reduced impact fees by a minimum of 25% for at least 18 months, or which impose no impact fees for homeownership. The objective of the funding is to incentivize a jurisdiction to reduce impact fees on new construction to stimulate construction and to reduce the amount of excess housing stock in the state. The appropriation is intended to be expended for homeownership assistance within a short time frame.

Florida Housing is to administer the funds through the framework of the SHIP program. Local governments were given an opportunity to submit a request for funding, and seven (7) counties and two (2) cities will receive funds.

Preservation Bridge Loan Program

The 2008-09 Legislature made available \$5 million for a preservation rehabilitation pilot program in Pasco, Palm Beach, and Orange counties targeting rental housing that receives or has received funding from any federal or state housing funding program. The legislative proviso dictated that, to the maximum extent feasible, the funding shall be leveraged by intermediaries at least 4:1.

Florida Housing determined that, as part of a comprehensive multifamily preservation effort, the funding should be used to create a preservation bridge loan program. The program will offer three-year bridge loans to provide acquisition financing, as well as the time to stabilize and position a property for more favorable permanent financing.

Florida Housing expects to have contracts signed with an intermediary, and the pilot up and running in mid-2009; this funding will be available to projects in these three counties at that time.

FloridaHousingSearch.org—Florida Housing's Online Affordable Rental Housing Locator

FloridaHousingSearch.org is Florida Housing's free online affordable rental housing locator for Florida. It serves as clearinghouse for affordable rental properties for people who earn up to 120 percent of an area's median income (AMI) in the State of Florida. Landlords



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throughout the state are encouraged to register their affordable properties on the site, as this site serves as an important resource as the state continues to face the challenges of the foreclosure crisis and the effects of hurricane seasons that can leave thousands of people searching for available and affordable housing. Anyone can search online 24 hours a day or contact a toll-free, bilingual call center at 1-(877) 428-8844 for searching support, Monday through Friday, 9:00 a.m. to 6:00 p.m. EST.

HURRICANE RECOVERY

Hurricane Housing Recovery

The Hurricane Housing Recovery Program (HHRP) was established to enable 28 local governments impacted by the 2004 hurricanes to develop and implement long-term affordable housing strategies for their communities. Local governments developed and submitted hurricane housing assistance plans to Florida Housing that outlined how their funding would be expended; the program is much like the SHIP program. Local governments were scheduled to complete the expenditure of the HHRP funds in 2008. However, some local governments have requested expenditure extensions to complete developments.

HOME Again

In response to the devastating 2004 hurricane season, Florida Housing created the HOME Again program, providing funding statewide to help hurricane-impacted homeowners with the repair, reconstruction or replacement of their damaged homes. The allocation focused on the most intensively storm-impacted areas of the state, and provided local governments and non-profit organizations home repair or replacement funding—on a reimbursement basis—on behalf of homeowners in communities that were declared state or federal disaster areas.

The program provided up to \$50,000 per home to homeowners whose gross annual incomes did not exceed 80% of AMI, living in single-family detached housing, a condominium unit or townhome, or manufactured housing. In 2008, final funding was awarded to successful applicants, many of whom also have provided rehabilitation assistance to homeowners in their local communities.

Tenant-Based Rental Assistance

Florida Housing set aside nearly \$22 million from its Federal HOME program toward temporary rental assistance for emergency housing in response to the devastation caused by hurricanes Charley, Frances, Ivan and Jeanne. HOME funds were granted to qualifying public housing authorities (PHAs) that administer the HUD Section 8 Housing Choice Voucher Program. Eligible households have included those who have incomes at or below 80% of AMI, adjusted for family size, as established by HUD. For each fiscal year, at least 90 percent of the eligible households assisted through HOME TBRA must be at or below 60% of AMI. Rental assistance is limited to an initial 12-month period, but in no event will assistance be extended beyond an additional one year.

WORKFORCE HOUSING

Community Workforce Housing Innovation Pilot Program

In 2006 and 2007, the Florida Legislature passed housing bills focused on addressing some of the affordable housing challenges the state faced during that time frame. A total of \$112.4 million was appropriated for an affordable housing pilot program—the Rep. Mike Davis Community Housing Workforce Innovation Pilot (CWHIP) program. The purpose of CWHIP was to promote the creation of public-private partnerships to finance, build and manage workforce housing, and required the coordinated efforts of all levels of government, as well as private sector developers, financiers, business interests, and service providers.

CWHIP was funded for two years (2006 and 2007) and these funds were awarded through a competitive process to public-private entities seeking to build affordable housing for Florida's workforce.