Hurricane Housing Work Group

RECOMMENDATIONS TO ASSIST IN FLORIDA'S LONG TERM HOUSING RECOVERY EFFORTS

February
2005

Hurricane Photographs/Carl Seibert/South-Florida Sun-Sentinel

TONI JENNINGS
THE LIEUTENANT GOVERNOR OF FLORIDA

February 18, 2005

The Honorable Jeb Bush
Governor
Suite PL-05, The Capitol
Tallahassee, FL 32399

The Honorable Tom Lee
President of the Senate
Suite 409, The Capitol
Tallahassee, FL 32399

The Honorable Allan Bense
Speaker of the House
Suite 420, The Capitol
Tallahassee, FL 32399

Dear Governor Bush, President Lee, and Speaker Bense:

I am pleased to submit the Report and Recommendations of the Hurricane Housing Work Group created by Executive Order 04-240. Our primary mission was to recommend how best to leverage the $354.4 million for hurricane housing recovery included in the Executive Budget Recommendations to help the markets respond to the housing needs that last summer's hurricanes created.

The Work Group's recommendations would leverage these funds in unique ways by encouraging the involvement of new partners in meeting long-term housing recovery needs. We propose offering funds to encourage coalitions among local governments, the business community, nonprofits, and faith based organizations, and providing the necessary training and technical assistance to such organizations. Our recommendations include incentives for the agricultural community to play a larger role with nonprofit providers to help create a new style of farmworker housing. We also suggest incentives to encourage the involvement of Area Agencies on Aging, Family Care Councils, and local homeless Continuums of Care. By creating incentives for communities to pool their talents and resources to work together, we will be able to accomplish much more than the various participants could individually.

We would enhance these funds through a gap financing program that would leverage federal resources that might otherwise go unused in Florida for affordable rental housing, and that would ensure that a meaningful number of units are set aside for elders and extremely low income families. We also recommend a pool of repair and development dollars for housing that serves those with special needs, including frail elders, those with disabilities, and families that are homeless or at risk of homelessness.

Our recommendations use existing, tested delivery systems to allocate funding efficiently to help markets respond quickly to housing needs created by the hurricanes. Not merely expansions of ongoing programs, the strategies emphasize a greater level of creativity, flexibility, and responsiveness that is critical after last year's storms.

The members of the Work Group look forward to working with you as the Legislature considers these recommendations.

Very truly yours,

Toni

Toni Jennings

EXECUTIVE SUMMARY

The four hurricanes that hit Florida in 2004 damaged more than 700,000 homes. For many of the affected Floridians, the markets will respond naturally to meet the housing needs that the storms created. Those families had appropriate levels of insurance and are able to pay for or finance the necessary repairs or rebuilding efforts, or they can find suitable and affordable replacement housing. For many other Floridians, often the elderly, people with disabilities, and the poor, the markets will require additional incentives to respond. More than 15,000 Florida families are living in travel trailers and mobile homes that FEMA has provided, roughly 400,000 of those affected by the hurricanes have annual incomes below $30,000, and the housing stock that served the state's elderly population suffered disproportionate levels of damage.

As part of Florida's response, Governor Jeb Bush and Lieutenant Governor Toni Jennings have recommended that the Florida Legislature appropriate $354.4 million in one-time hurricane housing recovery funds, above and beyond the $192.9 million in recurring state affordable housing funds that they have recommended in the traditional Florida programs. To recommend the most effective ways to leverage these one-time hurricane housing funds to best help the markets respond, Governor Bush created the Hurricane Housing Work Group and named Lt. Governor Jennings as its chair.

The Work Group believes it is critical to provide funding quickly through existing delivery channels to stimulate the repair and replacement of affordable home owner and rental housing in the communities that were hardest hit by the hurricanes. The hurricane recovery resources should not merely be expansions of existing programs, but should be specially targeted to allow communities to more flexibly address their myriad housing recovery needs.

The Work Group's recommendations include:

- A locally-administered **Hurricane Housing Recovery Program (HHRP)** that would accommodate the different housing needs of different communities. The HHRP, for which the Work Group recommends **$208,000,000**, would provide special incentives and requirements to focus on home ownership, community collaborations and recovery plans, and helping those with extremely low incomes. Local governments that choose to assist residents in manufactured housing would have the ability to do so. The Work Group recommends an allocation formula that weighs both the extent and the intensity of housing damage in a county.
- A **Rental Recovery Loan Program (RRLP)** that would leverage available federal resources and private capital to build and rehabilitate affordable rental housing to help communities respond to their hurricane recovery needs. The Work Group recommends **$95,500,000** to provide gap financing to help create rental communities that would be affordable for at least 50 years, and that would include a meaningful percentage of units that are set aside for those with extremely low incomes. Twenty-five percent of the program funds would be targeted to developments serving elders.
- A **Farmworker Housing Recovery Program (FHRP)** that would leverage other resources to finance quality housing options in the areas where farmworker housing was devastated by the storms. This program, for which the Work Group recommends **$20,000,000**, would encourage creative partnerships among nonprofit providers and the agricultural community and the development of innovative housing models that recognize the unique housing needs of Florida's migrant farmworkers.
- A **Special Housing Assistance and Development Program (SHADP)** that would offer repair funds and development financing for housing that serves some of Florida's most vulnerable residents, including frail elders, people with disabilities, and homeless families. The Work Group recommends **$20,500,000** for this highly flexible, targeted program.
- An additional allocation to the **Community Contribution Tax Credit** program of **$10,000,000**. These tax credits encourage contributions and volunteer labor from Florida businesses to support such community development and housing programs as Habitat for Humanity. This supplemental

appropriation would be in addition to the $10,000,000 appropriation that is recommended in the executive budget recommendations.

- Additional **Training and Technical Assistance** for local governments, nonprofit and faith based organizations, and others on ways to effectively use the various tools available to respond to the housing needs that the hurricanes created. This training should include appropriate hazard mitigation strategies and techniques to reduce or eliminate the exposure of lives or property to harm from a disaster. The Work Group also recommends the creation of a clearinghouse to provide information on the various financial assistance and financial literacy programs that are available throughout Florida, with the goal to improve public outreach and the ability to reach end consumers. The Work Group recommends an additional **$400,000** to the state's Affordable Housing Catalyst Program for these purposes.

Other than the funding recommendations, the Work Group also advocates further work on pre-disaster planning for data collection, distribution, and analysis in the aftermath of state disasters to remedy some of the information barriers that the Work Group found.

Finally, the Work Group makes several recommendations to communities on local planning and development procedures to speed recovery efforts. Critical among these is a recommendation to local governments to evaluate local staffing levels for permitting and inspection functions to determine whether increases are necessary to expedite rebuilding. Shifting resources toward support of the rebuilding process over the next few years may help communities to better respond to their redevelopment needs. Over the coming months, the public and private sectors must sustain a sense of urgency to repair and rebuild the housing throughout our state.

TABLE OF CONTENTS

MEMBERS OF THE HURRICANE HOUSING WORK GROUP

The Honorable Toni Jennings, Lieutenant Governor, Chair

The Honorable Charles Bronson, Commissioner of Agriculture

The Honorable Mike Haridopolos, Senator, District 26

The Honorable Nancy C. Detert, Representative, District 70

The Honorable Tom D'Aprile, Charlotte County Commissioner, on behalf of the Florida Association of Counties

The Honorable Clay Ford, Mayor Pro Tem, City of Gulf Breeze; President of the Florida League of Cities

Thaddeus Cohen, Secretary, Florida Department of Community Affairs

Susan Tucker, Interim Secretary, Florida Department of Elder Affairs

Orlando Cabrera, Executive Director, Florida Housing Finance Corporation

Scott Culp, Executive Vice President, CED Companies; member of the Board of Directors of the Coalition of Affordable Housing Providers and the Affordable Housing Study Commission

Gus Dominguez, President, Greater Miami Neighborhoods, Inc.; member of the Board of Directors of the Florida Housing Coalition and the Affordable Housing Study Commission

Pamela Duncan, Director, Fannie Mae's North Florida Partnership Office

Mike Fields, Director of Government Relations and Market President, Bank of America; immediate past President of the Florida Bankers Association

Dan Gilmore, President, RGB Development; President of the Florida Home Builders Association

Steven Kirk, President, Everglades Community Association, Inc., on behalf of the Florida Farmworker Housing Coalition

Kent Spuhler, Executive Director, Florida Legal Services, Inc.

Richard Weber, Regional Director, Southeast, Habitat for Humanity International

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STAFF

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ACKNOWLEDGEMENTS

The Work Group is grateful to the many people throughout the public and private sectors who provided research, recommendations, comments, and analysis. This report is the product of a lot of creative thinking and thoughtful problem solving from those outside the Work Group and our colleagues. That said, there are a few people without whom this report would not be as comprehensive and strong as we believe it is:

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FINDINGS

OVERVIEW

The 2004 hurricane season was one of the most active and destructive in Florida's recorded history, with four hurricanes and one tropical storm striking Florida between mid-August and late September. Separately and cumulatively, damages were overwhelming. All 67 counties in the state were impacted to some degree, and many were hit more than once. As of January 2005, the Florida Office of Insurance Regulation reported an estimated $21.3 billion in expected gross losses from the storms.

In the hardest hit areas of the state, the destruction left homes uninhabitable, roads closed, and businesses destroyed. Families remained in shelters for many weeks, including those with special health care needs who were forced to leave nursing homes and assisted living facilities because those buildings were destroyed.

In the wake of the hurricanes, the Federal Emergency Management Agency (FEMA), working with the state Division of Emergency Management (DEM) and local emergency management officials, set up comfort and recovery centers throughout the state to provide supplies such as food, water, and ice and to help residents apply for immediate assistance. Along with debris removal and a massive infrastructure repair effort, FEMA also began the work of finding more permanent shelter for those whose homes were destroyed. Over 15,000 travel trailers and manufactured homes were set up throughout the state to house families, another 148,803 households received rental assistance from FEMA, and FEMA gave structural housing assistance to more than 116,000 households to help pay for repairs.

In the meantime, FEMA also set up procedures for property inspections and applications for disaster loans through the Small Business Administration (SBA) for rebuilding or replacing homes and businesses. More than 1.2 million households have registered through FEMA, and 850,000 of those registrants have had their homes inspected by FEMA. Based on these inspections, FEMA has found damage to more than 700,000 homes throughout the state. This does not count those who worked solely through their insurance companies without going through the FEMA system or those who may not have applied to FEMA because of cultural, informational, or other barriers.

In addition to massive assistance efforts from FEMA, other federal agencies, state and out-of-state law enforcement agencies, power companies, and others, the federal government and a variety of state agencies quickly pledged additional funding and other resources to assist recovery efforts.

HOUSING ASSISTANCE PLEDGED BY FEDERAL AND STATE AGENCIES

At the federal level, the U.S. Department of Housing and Urban Development (HUD) announced approximately $170 million in various kinds of housing assistance for repairs and additional rent vouchers. Over $100 million of this allocation comes through the federal Community Development Block Grant (CDBG) program. The Florida Department of Community Affairs (DCA) is currently finalizing an Action Plan to distribute the supplemental CDBG funding. The U.S. Department of Agriculture also made $5.8 million in grants and loans available for repair of rural home owner and farm labor housing.

At the state level, DCA made $5.9 million in CDBG funds immediately available to counties hit by Hurricanes Charley and Ivan for disaster assistance, including repairs and replacement of damaged housing. Florida Housing Finance Corporation (Florida Housing) initially announced $21 million in federal HOME funds available to communities for repair and replacement of housing, and added $15 million more in HOME for rental vouchers to assist families in finding emergency housing. As Florida Housing prepared throughout the Fall for its 2005 rental application cycle, several programs were redesigned to prioritize financing for eleven of the hardest hit counties. Moreover, additional funding was provided to allow several developments to proceed more quickly with construction in these hard hit areas. Together these latter strategies provide almost $18 million in funding over time. Finally, Florida Housing made available $1.5 million in emergency funding to provide housing for farmworkers displaced by the hurricanes.

To assist disaster victims in their search for immediate housing, DCA and the State Emergency Response Team (SERT) launched a Disaster Housing Resources website in October to assist hurricane disaster victims who have been displaced by the storms in their search for housing. The website (http://DHRonline.org) provides visitors with access to more than 32,000 rental units available statewide, searchable by price, location and specific options such as number of bedrooms and baths.

Concerned about fiscal impacts to Floridians from multiple hurricanes, state legislators approved a series of bills providing disaster relief for Floridians during their special session in late 2004. On December 21, 2004, Governor Bush signed these bills into law. Two of the bills provide relief on housing matters. House Bill 9A provides up to $150 million in relief for residential policyholders assessed multiple deductibles by insurance companies for damage from more than one hurricane. To prevent future problems, the bill replaces a per event deductible in residential property insurance policies with an annual deductible. Senate Bill 8A provides $35 million in tax relief for home owners impacted by the 2004 hurricanes. The legislation offers property tax relief to homestead property owners whose homes were rendered uninhabitable for at least 60 days by the storms and sales tax relief to manufactured home owners whose homes were destroyed.

FEMA and DCA are now working to help Florida communities hit hardest by Hurricanes Charley and Ivan prepare plans for long-term recovery from the damage caused by these storms. Five communities in Southwest Florida are receiving this special assistance and include Charlotte, DeSoto, and Hardee counties, and Escambia and Santa Rosa counties are receiving assistance in the Panhandle.

GOVERNOR BUSH CREATES THE HURRICANE HOUSING WORK GROUP

Even with the housing assistance committed by federal and state agencies, Governor Bush and others were concerned that resources available to assist lower income Floridians would not be sufficient for long-term recovery efforts. On November 10, 2004, the Governor signed Executive Order 04-240, creating the Hurricane Housing Work Group and appointing Lt. Governor Toni Jennings to chair the group. Seventeen others were appointed to the group, representing state and local governments, those involved in the financing, production, and repair of housing, and various stakeholder and advocacy groups. The Hurricane Housing Work Group's mission has been to assess long-term housing recovery needs and make recommendations on the best use of one-time state and federal dollars to address these concerns. The Work Group's charge was to:

- Identify regulatory barriers that will hinder the rebuilding of suitable housing;
- Ensure state and federal resources for hurricane recovery are targeted as effectively as possible; and
- Recommend any appropriate market-based strategies that would help communities better meet the housing needs of their residents.

The Work Group began meeting in late November and determined that more specific data on housing damage – how much and where damage occurred and whether any households were disproportionately impacted – would be helpful to shape its deliberations. The Work Group also asked stakeholders to provide perspective on housing impacts to assist in developing recommendations.

THE WORK GROUP'S FINDINGS ON HURRICANE DAMAGE TO HOUSING

The Work Group examined the available options to provide data on housing damage from the hurricanes and considered two broad sources of information: data based on households registering for FEMA assistance and data collected through local housing inspections. Ultimately, the FEMA data appeared to be the most useful, because the data were collected through a statewide inspection and survey process that was more likely to provide a consistent determination of damage from county to county. That relative consistency was critical as the Work Group considered tools to use for its funding recommendations to impacted areas.

As the Work Group examined the data, several limitations became apparent. Most importantly the data likely undercount the damage to rental units and, thus, the impact on renters. While 28 percent of households in the hardest hit areas are renters, only 15 percent of the FEMA registrants for housing assistance are renters.[1] This is because FEMA's housing assistance programs are mainly targeted to home owners. The majority of the renter households obtaining housing assistance have been provided with short-term rental assistance. The Work Group learned that the owners of rental property who registered through FEMA were generally sent directly to the SBA to apply for disaster recovery loans. The SBA was unable to provide timely data on these applications in a format that was usable by the Work Group.

While there are limitations to the FEMA data, the Work Group concluded that the flaws appear to be fairly uniform across the state and, therefore, the dataset was the best tool to provide needed information. We know that some Floridians were either unable or chose not to register structural damage through the FEMA system, but the FEMA data seem to best approximate the comparative level of damage from one county to another.

FEMA provided its data to the Shimberg Center for Affordable Housing for compilation and the Work Group's use. Of the 850,000 housing units inspected by FEMA, 708,631 units sustained damage. These households are grouped into three categories.

1) **Structural Housing Assistance.** Approximately 16.5 percent of households with structural damage that registered for assistance received some type of FEMA structural housing assistance. FEMA determined that these home owner households had inadequate insurance to address the damage to their homes, and the SBA found that they could not qualify for a disaster recovery loan. The FEMA assistance they received typically provided them with funding of no more than $10,200 for repair or replacement.

2) **Non-Structural Housing Assistance.** Another 20.7 percent of households with structural damage did not receive FEMA structural assistance, but were provided some type of non-structural housing assistance. Non-structural housing assistance was most often in the form of short-term rental assistance, and 68.8 percent of the households receiving this assistance were renters who had been living mainly in single family homes, duplexes, or apartments.

3) **Homes Sustaining Structural Damage, But Ineligible for FEMA Assistance.** The majority of households that sustained structural damage and registered with FEMA, 62.8 percent, did not qualify for housing assistance by FEMA. These households were deemed to have adequate insurance to repair the damage to their homes, although FEMA's assessments do not address whether those households could afford to pay or finance insurance deductibles to complete repairs.

Table 1 provides a broad overview of FEMA registered households with structural damage. The Work Group only considered primary residences and excluded damage that FEMA inspectors judged to be very limited, such as a few shingles off of a roof or scratches on siding.

Of the total number of households registering with FEMA that sustained damage in the hurricanes, almost 36 percent were those with annual incomes of $20,000 or less. However, as seen in the first category of Table 1, for households that were deemed to have inadequate insurance and therefore received FEMA structural assistance, fully 53 percent of these families had annual incomes of $20,000 or less, and 74 percent had incomes ranging up to $30,000.

The data provide a limited perspective on how severely a home was damaged because FEMA collected detailed damage information only for those units in the first category of Table 1, "structural housing assistance," and not for the entire housing stock that was damaged. Nevertheless, the information provides perspective on the intensity of damage, especially across housing types.

Twenty-eight percent of damaged units surveyed were either destroyed or sustained major damage. When the Work Group examined whether there was a correlation between household income levels and severity of damage, no trends were apparent. However, household age did seem to correlate; while 21.3 percent of total FEMA applicants with structural damage in this category were 62 and older, fully 31.1 percent of the

[1] It is likely that a higher percentage of renters received non-housing assistance through FEMA, which also provides assistance for such costs as medical care and personal property.

destroyed units are attributed to this age group. These data suggest that older home owners in the path of the storms were less likely to have housing capable of withstanding high winds and flying debris or that those households were less likely to have adequate insurance and other resources to be able to repair the damage caused by the storms.

Table 1. Summary of All Households with Structural Damage Based on FEMA Inspections, by Income and Housing Type – Statewide

Household Income	Structural Housing Assistance				Non-Structural Housing Assistance				Ineligible for FEMA Housing Assistance				GRAND TOTAL
	Single Family	Multi-family	Manufac Home	Total	Single Family	Multi-family	Manufac Home	Total	Single Family	Multi-family	Manufac Home	Total	
≤ $10,000	13,347	569	11,577	**25,493**	14,704	11,401	5,176	**31,281**	25,067	995	4,573	30,635	**87,409**
$10,001 - 20,000	19,150	973	17,037	**37,160**	24,062	14,371	8,252	**46,685**	66,578	2,576	13,162	82,316	**166,161**
$20,001 - 30,000	13,651	656	9,660	**23,967**	17,588	7,417	4,885	**29,890**	74,838	2,374	10,825	88,037	**141,894**
$30,001 - 40,000	7,795	429	4,046	**12,270**	10,258	2,989	1,959	**15,206**	60,550	1,629	5,978	68,157	**95,633**
$40,001 - 50,000	4,908	246	1,799	**6,953**	6,599	1,232	940	**8,771**	48,238	1,037	3,310	52,585	**68,309**
$50,001 - 60,000	2,844	110	795	**3,749**	4,168	614	385	**5,167**	34,251	664	1,707	36,622	**45,538**
$60,001+	5,957	264	780	**7,001**	8,482	858	414	**9,754**	83,306	1,512	1,844	86,662	**103,417**
Total	67,652	3,247	45,694	**116,593**	85,861	38,882	22,011	**146,754**	392,828	10,787	41,399	445,014	**708,361**

Source: FEMA Data compiled by the Shimberg Center for Affordable Housing, January 2005

Notes:
- Total FEMA registrants number higher than the total of 708,361 households in this table, somewhere over 1.2 million. The difference is due to the types of eligibility codes assigned to registrants. Major types of codes not included in this table are: 1) Registrants coded only for non-housing assistance; 2) Registrants coded as duplicate registrants; and 3) Registrants with miscellaneous other codes such as "insufficient damage," related to problems such as a few shingles off the roof or scratches on the home; or "not primary residence."
- "Single Family" includes unattached and attached homes, duplexes, townhomes, boats, and other types; "Multifamily" includes apartments and condominiums.

Based on FEMA registrations alone, 10.1 percent of the total, non-seasonal housing stock in Florida was damaged by the hurricanes of 2004.[2] Statewide, more than 12 percent of all single family units were damaged, 14.9 percent of all manufactured homes were damaged, and 2.6 percent of all rental housing was damaged. This last number is probably understated, but the Work Group was unable to find adequate data on damage to rental units beyond limited information in FEMA registrations. Also, most of the counties that suffered the greatest hurricane damage tend to be among those with lower rates of renter households, so it is not surprising that a smaller percentage of the state's rental stock was damaged than the percentage of home ownership stock.

Looking at damage across types of housing, manufactured housing sustained 39.2 percent of total damage in this limited sample of FEMA registrants receiving structural assistance. However, the more comprehensive data in Table 1 show that manufactured housing represented 15.4 percent of total damaged units surveyed by FEMA. To provide perspective, manufactured units provide 10.4 percent of Florida's over 7.0 million units of non-seasonal housing. The information in Table 1 and in the damage categories for those receiving structural assistance suggests that manufactured housing was, overall, more likely to be damaged than site-built housing and that owners of manufactured housing are less likely to have adequate insurance.

The Work Group was concerned about the higher damage levels sustained by manufactured homes. A November 2004 report published by the Bureau of Mobile Home and RV Construction at the Department of Highway Safety and Motor Vehicles provides useful perspective about the extent of the damage. This Bureau oversees adherence to the federal Manufactured Home Construction and Safety Standards (HUD Code) and the installation and licensing of these homes. After each hurricane hit Florida, the Bureau studied the hurricanes' impact on manufactured homes in the most severely impacted areas.

The study revealed that homes built before the HUD Code was adopted in 1976 sustained the most damage. The Bureau observed that damage was mostly caused by the lack of structural requirements, rusted anchors and straps, and rotted wood studs, perimeter joists, and trusses. Homes built after the HUD Code was

[2] For purposes of comparison of damaged housing to all housing at the county and state level and by housing type, the Shimberg Center for Affordable Housing provided the most recent estimates of housing at the local level (2002) from the Affordable Housing Needs Assessment data found on the Florida Housing Data Clearinghouse website: http://flhousingdata.shimberg.ufl.edu.

adopted fared better, but some of these homes collapsed due to rotted wood and rusted anchors. The HUD Code was changed in 1994, and the Bureau noted that these homes performed well during the hurricanes and that they generally "remained intact with minor to no damage." Florida's current installation requirements are a model for the country, and the Bureau noted that homes installed after an update to these standards in 1999 showed virtually no movement. The study also showed that a large proportion of attachments to manufactured homes, such as carports and sheds, did not perform well and either collapsed or were blown away; nonetheless, the primary manufactured housing structures performed well against the storms.

In its 2003 report on manufactured housing, the Affordable Housing Study Commission describes the historical development of this housing type in Florida. The report states that most of the coastal counties in the southern part of the state received much of their present day stock prior to 1980. From the early 1980s until 1995, the emphasis shifted toward areas north of Orange County and moved inland away from the coast. Over the last ten years, manufactured homes have been placed primarily in the northern counties of Florida from the east coast over through Escambia County. This development trend suggests that the southern areas of the state where several of the hurricanes came onshore also contained the highest proportion of older manufactured homes.

As a result of reviewing the performance data from the Bureau's study, the Work Group agreed that manufactured homes built before 1994 could be reasonable candidates for minor repairs, but that local governments should take into account the long-term potential of each home and of alternative housing options for the owner on a case by case basis. This determination is especially important given the finding by the Affordable Housing Study Commission that manufactured homes are an important source of affordable housing for many Floridians.

Impacts to Affordable Housing

With the exception of some limited information on hurricane damage to certain kinds of affordable, subsidized rental housing, data were unavailable to the Hurricane Housing Work Group on the extent of damage to housing that had been affordable either due to subsidies or market forces. As noted above, the FEMA data likely undercounted damage to rental housing, instead focusing mostly on counting the number of renters who received some type of FEMA rental assistance because of damage to their units.

The Hurricane Housing Work Group also wanted to understand how the hurricanes impacted the poorest and hardest to serve populations, but other than household income information from FEMA, limited data were available. From briefings provided by the Department of Elder Affairs, the Work Group learned that a number of frail elders with special needs are temporarily living with family or in apartments or hotels that do not provide ready access to needed services. A number of nursing homes and assisted living facilities were damaged and shut down by the storms, and some of these facilities still have not been able to re-open. The Florida Association of Homes for the Aging, representing 150 nonprofit, HUD-financed rental developments for low income elders, reported damage to 31 of its properties totaling $4.1 million.

Similarly, there was a shortage of specific, detailed information on damage to farmworker housing. Nonetheless, Florida Department of Health information suggests that Hardee, DeSoto, Martin, St. Lucie, and Indian River counties have significant housing losses from the storms. To a lesser degree, Okeechobee and Polk also suffered housing damage. Just before the hurricanes hit, the Shimberg Center for Affordable Housing had projected the number of farmworkers in these counties at over 24,500. An estimated 16,300 of these workers were unaccompanied, single laborers, and the other 8,200 were accompanied by their families.

There is no reliable count of damaged farmworker units, but the Work Group is aware that in many cases, farmworkers can only afford to live in the least costly housing available, and many live together to save money. The national Housing Assistance Council estimates that over 50 percent of farmworkers in Florida live in manufactured homes, most over 25 years old. Thus it is reasonable to assume that many of these units are older, in poor repair, and thus were more likely to be damaged.

Limited information on farmworker housing losses comes from several county health departments which oversee licensed facilities. In DeSoto County alone, 24 percent of the 118 facilities were destroyed, and another 28 percent were damaged. Together, these facilities served approximately 2,800 farmworkers and their families before the hurricanes hit. Those with knowledge of farmworker housing in the area believe this loss ratio is reasonable to apply to both Hardee and Charlotte counties. All 15 licensed housing facilities sustained damage in Polk County, and 75 percent of licensed migrant housing was destroyed in Indian River County.[3]

While other populations, such as homeless people, surely were impacted by the hurricanes, no additional data on losses were available to the Work Group. Anecdotal reports have surfaced through news accounts about rents spiking in communities that experienced housing losses, leaving remaining units unaffordable. Public housing authorities, which administer Section 8 rental vouchers in most areas of the state, have reported that rent increases have made their vouchers unusable in some cases. This is because voucher limits are set by U.S. HUD and do not increase just because rents in an area go up due to the loss of housing.

A number of news accounts in the months after the storms have told stories about families threatened with homelessness because of lost work and other disruptions. While hard data are unavailable to pinpoint who among the poorest and most frail have been impacted by the hurricanes, it is clear that repairing and replacing rental units in hard hit areas is critical to lowering rents back to more manageable levels and providing much needed housing.

Housing Damage in Each County

The FEMA data show that all types of housing throughout Florida were impacted by the hurricanes, but the greatest damage occurred in those areas where the storms made landfall. Table 2, found in Appendix 1, provides data on the number of damaged units by type in each county, and compares this information to the total number of units existing in each county before the hurricanes hit. This not only provides a comparison of damage across counties, but also shows the proportion of housing stock damaged in each county. Thus while Orange County had over 63,000 units damaged, representing 17.0 percent of its housing stock, Hardee County's lower count of 5,570 damaged units represent fully 64.1 percent of its stock.

The table lists Florida's counties in descending order based on the proportion of total housing stock damaged in each county. DeSoto and Hardee counties, both rural areas that share geographic boundaries, sustained the greatest damage to their overall housing stock. St. Lucie County sustained damage to over 60 percent of its housing stock, with over 51,600 units damaged, from the twin impacts of Hurricanes Jeanne and Frances. Twenty-four counties had a higher proportion of their housing stock damaged than the state average of 10.1 percent.

CONCLUSION

According to FEMA statistics, over 700,000 Floridians had primary residences damaged in the hurricanes of 2004. Almost 57 percent of these households had annual incomes of $30,000 or less. While just over 21 percent of these households were aged 62 and above, almost a third of all households with destroyed homes in FEMA's more limited sample were older. Home owners were encouraged to seek disaster loans through the SBA, which offers interest rates as low as 3.187 percent on loans up to $200,000 to repair disaster damaged primary residences. As of early February 2005, the SBA had approved disaster loans to home owners and renters totaling approximately $1.3 billion, including personal property loans. Approximately 16.5 percent of the households categorized with housing damage by FEMA were unable to afford an SBA loan and, therefore, received FEMA funding up to $10,200 to assist with structural repairs or replacement.

The Work Group was unable to estimate damage to rental housing because of a lack of data. Just over 100,000 renter households have been approved for FEMA rental assistance since August, but this does not accurately reflect the rental stock that sustained significant damage. Available information on damage to housing and facilities serving frail elders and farmworker housing suggests that the Work Group's recommendations must provide a range of funding strategies to ensure that a variety of populations are assisted over the long term.

The Work Group believes it is critical to provide funding quickly through existing delivery channels to stimulate the repair and replacement of affordable home owner and rental housing especially targeted to lower income Floridians with limited access to insurance and loans.

[3] Not all housing that serves farmworkers is licensed.

FUNDING RECOMMENDATIONS

A principal focus of the Work Group has been to recommend to the Governor and the Florida Legislature how to best use the one-time resources that are available to meet the long-term housing needs that the 2004 hurricanes created. Governor Bush and Lt. Governor Jennings have included a $354.4 million appropriation in their FY2005-06 Executive Budget Recommendation to respond to those housing needs. This $354.4 million is above and beyond the $192.9 million in recurring affordable housing funding that is also included in their budget recommendations.

In developing these recommendations, the Work Group considered two primary factors: the type of housing recovery assistance needed in the wake of the storms, and how to allocate resources to areas of the state where the hurricanes created the greatest long-term housing needs.

The Work Group believes that it is important to distribute housing recovery resources as efficiently as possible. We want to use existing delivery systems where practical and do not want to create new bureaucracies that might not as effectively leverage the one-time dollars that are available. Florida already has an array of affordable housing programs at both the state and local levels. These existing housing programs can provide established, tested infrastructures to implement these recommendations.

The Work Group believes that using these existing avenues will allow funding to be used more effectively; however, the hurricane recovery resources should not merely be expansions of existing programs. Instead, these hurricane rebuilding dollars should carry different program requirements and restrictions to allow communities to more flexibly address their myriad housing recovery needs. While the basic principles and structures of some of the proposed programs may look familiar to many who work with Florida's affordable housing programs, we believe that these recommendations represent and permit a level of creativity, flexibility, and responsiveness that is critical after last year's storms.

The Work Group's most significant challenge was to equitably allocate resources statewide in those areas where it is most critically needed. Every county experienced damage from the 2004 hurricanes and related weather events. However, the level of damage was far greater in some communities, and the Work Group acknowledged this by creating a formula that would make funding available to counties through a tier system that considers total housing damage, proportion of a county's overall housing stock damaged, number of households displaced by the storms, and proportion of damage experienced by lower income families. This information is summarized in Table 3 and the notes that explain the table.

HURRICANE HOUSING RECOVERY PROGRAM

The Work Group recognizes that local communities, when supported with appropriate training and technical assistance, are in the best position to determine how resources should be applied to meet local long-term recovery needs. Several counties have already completed plans for this purpose and nearly every county has specific needs and priorities for recovery. Florida has an administrative system in place through the State Housing Initiatives Partnership (SHIP) program that allows funding to flow to the local level to be used flexibly for local housing priorities and to be monitored to ensure that state funds are being used and accounted for consistent with legislative requirements.

Based on the performance of the SHIP program, the Work Group believes that a local housing recovery program should be particularly helpful in home owner recovery efforts. Home ownership opportunities for people at all income levels are critical to the long-term success and stability of our communities. Whether through funding sources to help lower income home owners be able to repair or rebuild their storm-damaged homes or to help lower income Floridians become home owners for the first time, the Work Group believes that it is important for local governments to be able to support appropriate levels of home owner assistance. To further the goal of home ownership and to support the other housing needs present in each community, it is important for those communities to develop and implement their own strategies to respond to their unique local needs. A flexible source of funds should allow communities to evaluate their own particular housing needs and to assemble their own menu of home ownership and rental strategies that may include grants and loans for the following:

- Repair and replacement of site built housing;
- Land acquisition, through community land trusts or other means, for properties that may include scattered sites, community revitalization sites, and older manufactured home parks;
- Construction and development financing;
- Down payment, closing cost, and purchase price assistance for site-built and post-1994 manufactured homes where the wind load rating is sufficient for the location;
- Repair, replacement, and relocation assistance for post-1994 manufactured homes where the wind load rating is sufficient for the location, including those on leased land in stable park situations;
- Limited repair and relocation assistance on a case by case basis to pre-1994 manufactured homes;
- The acquisition of building materials for home repair and construction;
- Implementation of long-term recovery plans prepared through a locally initiated collaborative community partnership or in conjunction with the Department of Community Affairs and FEMA;
- Housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings;
- Foreclosure eviction prevention, including monthly rental assistance for limited periods of time; and
- Capital to leverage other private and public resources.

While many communities must go through comprehensive rebuilding to address a variety of housing needs, the Hurricane Housing Recovery Program (HHRP) should focus on making affordable residential units of all kinds available to very low-, low-, and moderate income households and to people with special housing needs, including elders, farmworkers, people with disabilities, and homeless people.

Moreover, the Work Group finds that a disproportionately high number of extremely low income (ELI) households suffered storm damage. These households have incomes at or below 30 percent of the area's median income (AMI). Consequently, they tend to be more difficult to assist, because so much subsidy is required to help ELI households obtain replacement housing or to provide other assistance at a level that makes quality housing affordable to them.

The Work Group believes that a supplemental 15 percent allocation on top of the base HHRP funding should be designated to help communities respond to the housing needs of ELI families and elders. Local governments should be required to apply for this funding separately, providing one or more strategies to address the particular needs of ELI households. Knowing that households in this lowest income range may be difficult to serve, local governments should strongly consider partnering with each other and with nonprofit organizations such as Area Agencies on Aging, Family Care Councils, and local homeless assistance Continuums of Care, to provide a variety of needed assistance. Such assistance may include any eligible strategies, but should consider the particular needs of this income group.

If eligible local governments in a county decide not to apply for these supplemental program funds, nonprofit organizations with housing experience operating in the county should be permitted to apply on their own or in partnership with each other.

Finally, the Work Group has heard from a variety of communities about the value of community collaboration in long-term disaster recovery efforts. Based on past disaster recovery efforts, communities that are willing to bring business interests, government, and social service, civic, and faith-based organizations to a common table are capable of considering comprehensive resolutions to hurricane related needs in their communities. Ideally, these efforts should result in the creation of a strategic plan for recovery for a community that incorporates its citizens' vision for recovery, specifying priority projects to stimulate the creation not only of needed housing, but also economic development and strengthened public facilities and infrastructure to withstand the effects of future storms. In many cases, local jurisdictions working with each other to develop area-wide or regional strategies can be especially potent for long-term recovery.

DCA and FEMA are helping some Florida communities hit hardest by Hurricanes Charley and Ivan prepare long-term recovery plans. DCA will also provide assistance to other communities as requested.

Therefore, the Work Group believes that a supplemental 10 percent allocation should be provided to communities willing to work through inclusive collaborations to engage in a formal, community-wide needs assessment and planning process for long-term recovery. As a requirement for this supplemental funding, eligible local governments should be required to describe their collaborative strategy and the planning process to be undertaken as part of that strategy.

Table 3, found in Appendix 1, shows the proposed base and supplemental funding amounts for which each county would be eligible. These amounts are the maximums that each county (and eligible local governments) could request, either to the county alone or in combination with one or more eligible cities and/or nonprofit organizations. The supplemental ELI amounts could be awarded separately to one or more nonprofit organizations if the eligible local governments do not apply for this funding. The Work Group believes the strongest applications for funding will be those in which all eligible local governments in a county develop a joint strategy for how funds will be used. The Table 3 notes provide an explanation for the scoring of counties into four tiers and for the allocation of funds.

Recommendation:

Create a **Hurricane Housing Recovery Program** that allocates funds to counties for affordable housing recovery efforts that are driven by locally determined needs. ***Proposed Funding: $208,000,000,*** *including $155,610,000 in the Base Program, $31,122,000 in the ELI Supplement, and $20,748,000 in the Community Collaboration Supplement (numbers do not total due to rounding)*

Specifics:

- Florida Housing should administer this program and should distribute funds appropriated for this purpose to each eligible, approved entity. Resources should be allocated to counties according to a need-based formula that reflects housing damage estimates, as suggested in Table 3. Each county's allocation should be used to meet hurricane housing recovery needs throughout the county. Both the county government and the SHIP-eligible municipalities in the county should coordinate efforts to apply for these funds, and joint proposals should be strongly encouraged. As implementation of this program begins, Florida Housing should ensure that all eligible local governments understand that, in the event that a county and its SHIP-eligible local governments vie separately for funding slated for a county, Florida Housing should have the right to make a final determination of how funds shall be awarded across eligible local governments.
- The supplemental ELI funds should be distributed based on the funding levels outlined in Table 3 as described above, except that if the eligible local governments in a county choose not to apply for the ELI funds, then nonprofit, locally-based organizations with housing experience may apply on their own or in partnership with each other for a county's allocation.
- The supplemental community collaboration funds should be distributed based on the funding levels as described above and outlined in Table 3.
- All eligible local governments should be required to submit a simple strategy outlining proposed recovery actions, income levels and number of units to be served, and funding requests. This may be most easily accomplished through an electronic online submission. Eligible strategies include those outlined above, including those for manufactured housing, in addition to any other strategies authorized for the SHIP program or those approved by Florida Housing.
- Program funds in the based funding should be used to serve households with incomes up to 120 percent of area median income, except that at least 30 percent of program funds should be reserved for households with incomes up to 50 percent of the area median income and an additional 30 percent of program funds should be reserved for households with incomes up to 80 percent of area median income.

- At least 65 percent of the funds allocated to a county should be used for home ownership, except that the separate funding allocation targeted to ELI households should be exempt from this requirement. In its proposal, an eligible local government may provide justification for the need to use a higher percentage of its allocation for rental housing. The justification should be based on data or other information that supports increased funding for a rental strategy.
- With the exception of the income requirements and home ownership requirements above, counties and eligible municipalities should be allowed to apportion their funds across their housing strategies as dictated by local needs.
- To ensure that communities are capable of addressing rental housing needs for hurricane recovery, local governments should be required to perform only an initial certification of income upon move-in of the first household into a rental unit, as long as no more than $10,000 has been provided for assistance to the unit, and the housing unit is located in a census block group in which more than 51 percent of the households have incomes at or below 80 percent of the area median income. That is, no long term compliance monitoring should be required on these units.
- A local entity should be allowed to use up to 15 percent of its allocation for costs to administer its program in order for this funding to be used expeditiously. When the local entity is a local government, it should consider subcontracting some portion of those administrative funds to entities, such as Area Agencies on Aging, Family Care Councils, and Continuums of Care to assist with appropriate outreach and administration efforts.
- Local entities should have two years to encumber funds for their intended use, and an additional year to fully expend the funds. If a local entity shows that it has been unable to fully expend the funds after that three year period because of a lack of workers or a lack of materials, then Florida Housing shall grant that local entity an additional year to expend the funds.
- For compliance monitoring by Florida Housing, one-quarter of one percent of the program funding should be set aside, after which the local housing distribution should be calculated.
- Except in 2005, by September 15 of each year each participating local entity should submit a report of its housing recovery program and accomplishments through June 30, as specified by Florida Housing, immediately preceding submittal of the report. For SHIP local governments, this report could be an addendum to the SHIP annual report.
- The local entities shall maintain the HHRP funds and any repayments, recoveries, or program income in a separate trust fund. The local entity may use any such repayments, recoveries, or program income to further affordable housing objectives in ways contemplated by the HHRP, regardless of when such money is recycled.
- Any funds that are not requested by local governments or that are not encumbered and expended in a timely basis may be re-offered by Florida Housing and applied for by local governments with remaining hurricane housing needs.
- In the expenditure of HHRP funds, local governments should be encouraged to consider and implement appropriate hazard mitigation strategies and techniques to reduce or eliminate the exposure of people’s lives or property to harm from a disaster.
- With the exceptions noted above, this program should be generally consistent with the SHIP program. To expedite the process, Florida Housing should have the authority to adopt rules under the emergency rule making provisions of Chapter 120, Florida Statutes, as necessary.

RENTAL RECOVERY LOAN PROGRAM

The four hurricanes that swept through Florida in 2004 changed the landscape in many communities. Thousands of older manufactured homes that have served many elders and poorer, working families were destroyed. Smaller duplexes, triplexes and single family houses sustained major damage in some areas, often resulting in limited housing options for those communities. In many cases, funding from the Hurricane

Housing Recovery Program will finance repairs and replacement housing for home owners, rental assistance, and other strategies to benefit a community's particular housing needs.

The Work Group also believes that additional rental housing stock will be needed in many areas to replace destroyed rental and home owner housing. Previous home owners who had paid off mortgages and were living in very modest homes may now find that replacement homes with today's higher purchase prices may be difficult to manage. This may be especially true for those living on limited, fixed incomes, such as elders.

Multifamily housing is a cost-effective way to meet some of this rental demand. Through existing rental construction programs financed by Florida Housing, today's newer apartment communities also provide tailored design amenities and resident programs to support the needs of families, elders, and others.

The Work Group recommends that the State use hurricane housing recovery funds to leverage federal resources in the development of additional rental housing, where such housing is consistent with the needs of the communities. The most plentiful federal resources currently available are state and locally allocated private activity Mortgage Revenue Bonds (MRBs) and non-competitive 4% Low Income Housing Tax Credits (4% Housing Credits). Over the past twenty years, these programs have been an important source of federal support for affordable housing. Florida historically has coupled State Apartment Incentive Loan (SAIL) funds with state and local MRBs and 4% Housing Credits to ensure that developments financed with these programs are both affordable and economically feasible. These program funds typically have been used to finance apartments that serve families with incomes between 40 and 60 percent of area median income.

While the SAIL program is a useful model for a Rental Recovery Loan Program, additional features are required to promote the recovery needs of local communities. Top among these features is the need for affordable rental units that will serve families with a greater range of incomes. Coupled with this need is some assurance that, as a significant amount of funding for housing is provided throughout hurricane devastated areas, rental units at a variety of rent levels are built in these markets to prevent over-saturation at any one rent level.

These concerns must be balanced with the need to attract private capital to develop and maintain the affordable housing for extended periods. Developers and private investors should have the opportunity to earn a reasonable profit for the risks they take and investments they make to develop much needed affordable housing. As federal programs are currently designed, the private sector is encouraged to build, manage, and own affordable rental housing. The notion is that private investment coupled with federal tax benefits and state funds will result in the strongest programs and the greatest leveraging of public resources to serve the affordable housing needs of communities. Because of the substantial private investment in these developments, and the private owners' ongoing obligation to pay the mortgage and other operating expenses of the development, the economic incentives are aligned to ensure that affordable housing gets built and managed in ways that tenants will choose to live there and to pay the rents that are necessary for the private developers and investors to potentially earn a reasonable rate of return. The challenge is to balance the risks to both the State and private developers with the particular needs created by the hurricanes of 2004 and beyond.

The Work Group recommends that the State provide subordinate financing through a rental production program that encourages developers to build rental housing units where they are needed in Florida as a result of the storms. The program should provide adequate, but not excessive, levels of subsidy. The Work Group recommends that funds be awarded specifically for the production of rental units to serve ELI families in addition to the low income households more commonly served by existing programs.

In order to build and operate ELI units, developers will require more construction subsidy per unit, because the rents on those units will not otherwise pay the operating costs on the units over the long term if they must also support significant hard debt. With an adequate supplement of no-cost financing for the ELI units, the program should encourage developers to propose housing communities that will create as many ELI units as are viable in a development. However, developers must also assess markets carefully to determine where new developments are actually needed.

The Work Group evaluated the potential of encouraging lease-to-own rental units under this program. However, the Work Group concluded that the best way to leverage the RRLP funds would be to match them with the federal MRBs and 4% Housing Credits. Under the federal laws that govern those programs, the minimum that a unit would have to remain as rental before it could be sold to the tenant would be 15 years.

The Work Group concluded that was too long of a rental period for a meaningful lease-to-own program to provide the appropriate incentives to potential home buyers.

In addition, the Work Group determined that the minimum 50 year affordability period that functionally has existed under Florida's affordable rental housing programs for more than 10 years works well and should be maintained for this program. As land costs continue to rise in Florida it will get more and more expensive to dedicate housing for affordable purposes, so public resources should preserve sites for affordable use for extended periods.

Recommendation:

Create a **Rental Recovery Loan Program** that leverages existing federal rental financing programs to provide units that serve a range of incomes, including extremely low income (ELI) households, throughout areas of Florida hurt by the 2004 hurricanes. ***Proposed Funding: $95,500,000***

Specifics:

- A development should be required to set aside at least 70 percent of its units for those at or below 60 percent of area median income. Such units must be set aside as affordable for at least 50 years.
- Base subsidy levels for the rental program should be capped at $5,000,000 per development for those developments that would target families and at $7,000,000 for developments setting aside a minimum of 80 percent of their affordable units for elders. All amounts included in these recommendations would be subject to Florida Housing's credit underwriting and approval processes.
- Based on FEMA data estimates of households experiencing storm damage in which the head of the household is elderly, 25 percent of this program should be targeted for elder developments (55 or older, as contemplated by Florida law applicable to the SAIL program).[4] Funds not awarded to eligible developments in either the elderly or family demographic each may be used to serve the other demographic category.
- For each ELI unit that a developer commits to set aside for at least 20 years, there should be a supplemental loan amount of approximately $50,000. Developers should be required to set aside at least 15 percent of units in any development for ELI households, but developers may set aside and receive additional funding for as many as 25 percent of the units in the development.
- Rents for all units financed through this program should be restricted at the appropriate income level using the restricted rents that would be applicable for the Low Income Housing Tax Credit program at the same income level, pursuant to Section 42 of the Internal Revenue Code. A unit set aside at a particular income and rent level must house a tenant who satisfies the income requirement. Additionally, for ELI units the owner may receive no more than the maximum rent level for that unit. That is, Section 8 voucher holders should not be used to satisfy the ELI set-aside requirement unless those households' vouchers are paying rents only up to the ELI rent level. The percent of area median income that represents an ELI unit should vary from county to county, based on the median income of that county, so that a relatively constant income level is served from county to county. Florida Housing used such a system from 1999-2001 and should use a similar system for this program.
- The pro-rata portion of the base loan that is attributable to the non-ELI units should be subject to cash flow interest payments as is required by the current SAIL program rules. The pro-rata portion of the base loan attributable to ELI units should be at 0 percent interest and not subject to cash flow interest payment requirements. For example, if 20 percent of the units are ELI units, then 80

[4] The data provided by FEMA for the Work Group's purpose split the elder age group at age 62, telling us that over 21 percent of these FEMA applicants had structural damage. However, FEMA provided the data slightly differently for the Florida Department of Elder Affairs: the data were grouped at age 60 and above for elders, and the resulting percentage of elder households with structural damage was 25 percent. Therefore, 25 percent is used as a target for elder housing for this program.

percent of the base loan should accrue interest at 3 percent and be payable from cash flow. Twenty percent of the base loan should not accrue interest.

- The supplemental ELI loan should be set at 0 percent interest and the principal should be forgivable if the units stay targeted to ELI households for at least 20 years.
- When the 20 year affordability period ends for ELI units, the units should be targeted to households at 60 percent of area median income for the remainder of the property's affordability period unless Florida Housing takes the prerogative to provide additional subsidy to keep the units affordable at ELI levels.
- The developer may choose whether to have the loan underwritten to a 1.0 debt service coverage ratio or with no minimum required debt service coverage ratio, as described below. There should be no loan-to-value requirement, nor should there be a cap on the percentage of total development costs that can be paid with RRLP funds.
- Maximum developer fees should be set at the level currently contemplated in Florida Housing's rules.
- If the developer chooses to have the loan underwritten to a 1.0 debt service coverage ratio, then there should be no special requirements with respect to whether any of the developer fee must be deferred, and Florida Housing's rules for the SAIL program as to the payment of developer fee should apply.
- If the developer chooses to have the loan written without a minimum debt service coverage ratio, then Florida Housing should set the size of the loan to limit how much of the developer fee can get paid pursuant to the sources and uses pro formas (both construction financing and permanent financing) that Florida Housing will approve as part of its credit underwriting process. Florida Housing may approve as an eligible use in those pro formas up to 100 percent of the pro-rata portion of the developer fees on the ELI units. For example, if 20 percent of the units are ELI units, then up to 100 percent of 20 percent of the developer fee may be approved as an eligible use. Furthermore, Florida Housing may approve as an eligible use up to 60 percent of the pro-rata portion of the developer fee on non-ELI units. For example, if 80 percent of the units are non-ELI units, then Florida Housing may approve as an eligible use no more than 60 percent of 80 percent of its developer fee. This formula should help to ensure that the more flexible underwriting guidelines do not result in excessive levels of subsidy and should further ensure that developers consider the long term viability of and need for their developments in those locations.
- Developers should be required to provide a financial incentive as a portion of the rent for a resident's unit toward purchase of a home. Additionally, the developer should offer first time home buyer education programs, financial literacy and credit counseling at no charge to all residents of the communities developed under this program.
- Florida Housing should not require any minimum number of units in a building funded under this program.
- As a threshold matter in the application for these funds, developers should be required to provide a resolution or other certification of support from either the county or the municipality in which the development is to be located that the proposed development, in that location, with approximately that number of units, serving that demographic category, is consistent with the long-term hurricane recovery needs of the community. The Work Group does not recommend that Florida Housing apply such a standard outside the context of this program because of the significant potential for "NIMBYism" to block much-needed affordable housing. However, the Work Group believes that all of the hurricane recovery funds should be used to help communities meet the long-term housing needs that the hurricanes created. Because these RRLP funds are not allocated by the local governments, a local government should have the right to certify that the use of such funds would be consistent with those local housing recovery needs.
- Funds should be awarded in priority order first to Tier I impacted counties, then to Tier II counties, then to Tier III counties, then finally to Tier IV counties. If Florida Housing is to fund a proposed development in a Tier IV county, it should give priority to those counties in Tier IV that are

contiguous to a county that is in Tier I. Similar to the current geographic award of funds in the Universal Application, Florida Housing should develop a "set aside unit limitation" for each county to assure greater opportunity for all impacted counties to receive additional rental units under this program. Such a set aside unit limitation should be set higher for counties with a larger rental housing need in the income ranges served, and lower for those with lower needs. For Tier I and Tier II counties, Florida Housing may adopt two set aside unit limitations – one that will apply to each county in that tier and a larger number that should be met before moving on to the next lower tier.

- Developments on which construction has already been started will not be eligible for participation in this financing program, with the exception of the ELI unit buy-down strategy described below.
- Florida Housing should administer this program by conducting one or more special application and funding cycles using its existing Universal Application, rules, and selection criteria (including the tie-breakers as applicable to the SAIL program), except for the above-described loan descriptions, local government statement of support, set-aside requirements, minimum building size, and other recommendations herein. Before implementing this program, Florida Housing should analyze occupancy criteria throughout targeted counties to determine whether changes are needed in "Location A" areas that limit the production of units for households at or below 60% of area median income.[5] Florida Housing should provide flexibility on Local Bond loan commitments to accommodate their different funding cycles. To expedite the process, Florida Housing should have the authority to adopt rules under the emergency rule making provisions of Chapter 120, Florida Statutes.
- If any funds are not awarded or are returned to the program and not awarded to another proposed development pursuant to the rules governing the application cycle, these funds should be used to buy down to ELI levels existing units currently set aside pursuant to a recorded land use restriction agreement, extended use agreement, or similar document, for households at 60 percent of area median income. Florida Housing should award such amounts per unit as it finds necessary through an RFP or similar flexible process, on terms similar to those above, to make units affordable to ELI households for at least 20 years. Preference should be given to units located in Tiers I, II, III, and IV, sequentially.
- If funds are not awarded or are returned to the ELI unit buy-down strategy above, this program funding should be made available through the Farmworker Housing Recovery Program or the Special Housing and Assistance Program.

FARMWORKER HOUSING RECOVERY PROGRAM

The local and state housing recovery programs outlined above should provide the flexibility for the creation of a variety of housing to meet home ownership and rental needs over a range of incomes. However, there are additional, specialized needs that may not be easily met through these two programs. Farmworkers, especially migrants who follow crop harvests and live in one area for only part of the year, are one group that the State has found difficult to serve.

The Florida Department of Agriculture and Consumer Services estimates that the state's agriculture industry sustained at least $2.1 billion in damages, including lost crops, as a result of the 2004 hurricanes. Along with that damage, the homes of many farmworkers were destroyed. Exact counts of farmworker housing damage are unavailable. However, parts of the state with higher estimated counts of farmworker housing were hard hit, including Hardee and DeSoto counties, Martin, St. Lucie, and Indian River counties, areas of Palm Beach and Hendry counties around Lake Okeechobee, and Polk, Orange, and Volusia counties.

Generally, two types of farmworkers find agricultural work in Florida – migrant and seasonal workers. Seasonal workers generally settle down in one part of the state and work in temporary or year round

[5] "Location A" refers to those areas of the state where Florida Housing has determined income levels targeted by most affordable rental developments proposed for financing through the 2005 Universal Cycle may not exceed 50 percent of area median income.

agricultural jobs, and over half of these workers live with their families. Migrant farmworkers, who make up about 58 percent of all farmworkers, travel from place to place, often living in travel campers, locally available older manufactured homes, farm labor camps and housing provided by farmers. Almost 90 percent of migrant workers are estimated to be unaccompanied by family members, and they often live with other single workers to save money. Because migrant farmworkers usually have extremely low incomes and move around as they follow crop harvests, these individuals are among the hardest to house. Crop harvest cycles mean that during down times, affordable housing for migrant farmworkers stands empty. Existing housing programs aimed at farmworkers have not been structured to provide needed financing for housing units with such limited rents.

Based on anecdotal evidence from local government officials, growers, farmers, and advocates, the Work Group believes that the hurricane damage to farmworker housing has created a crisis that is already impacting Florida's agricultural economy. Additional funding targeted to farmworkers is needed, but in a manner that allows many units to be affordable to extremely low income migrant workers who will not be in the housing year round.

The Work Group recommends the creation of a farmworker housing recovery program that includes adequate financing through a no cost, forgivable loan structure targeted to units affordable to migrant workers at the lowest income levels. The program should encourage local governments, nonprofit organizations, growers, and farmers to explore new ways to obtain necessary land and infrastructure for such housing. Growers and farmers will benefit economically from investing their own resources to have quality housing maintained in good condition on their land or nearby for farmworkers. Nonprofit organizations, who generally should own and manage units for these workers, are a critical partner in making such joint ventures successful. Efforts currently ongoing to develop a modular housing prototype that is inexpensive but provides safe, flexible housing options for single workers or families should be encouraged.

Recommendation:

Create a **Farmworker Housing Recovery Program** that includes flexible financing to provide housing for extremely low income migrant farmworkers who require housing only part of the year, targeted to agricultural areas of Florida devastated by the 2004 hurricanes. ***Proposed Funding: $20,000,000***

Specifics:

- The program should prioritize housing solutions for migrant farmworkers who will be capable of paying minimal rents for part of the year, and should encourage innovative housing models and designs through conventional, modular and manufactured construction methods.
- Eligible occupancy should be limited to unaccompanied migrant and seasonal farmworkers (and their families), according to the following definition: the eligible tenant must earn not less than 51 percent of annual income from agricultural employment or must have bona fide local agricultural employment at time of leasing. For compliance purposes, eligibility should not be based on income.
- For farmworkers unaccompanied by their families, rents should be based on "beds." Rents could be based on daily, weekly, or monthly rates and payment schedules. The rent level should reflect the rent for an efficiency unit at a percent of area median income that should vary from county to county, based on the median income of that county, so that a relatively constant income level is served from county to county. Based on current AMIs, it appears that a level of roughly 25 percent of area median income in lower income counties would be appropriate.
- For properties financed through this program by developers and owners other than nonprofits, the interest rate should be 3 percent, paid annually, with loan repayment due on sale or after 20 years, whichever is earlier.
- For smaller, non-traditional ventures in which nonprofit organizations commit to own and operate units targeted to ELI migrant farmworkers, and in which all or part of land and infrastructure costs are paid for or donated by entities such as farmers and local governments, loans for the full cost of the units should be allowed. In these cases, assuming the nonprofit has full control of the units,

the loan should be set at 0 percent interest and the principal should be forgivable at a rate of 10 percent per year if the units stay targeted to ELI households for at least 10 years.

- Innovative partnerships with nonprofits, farmers, growers, local governments, trade associations or other agricultural entities to share the cost of such housing should be encouraged through scoring incentives, including donated land, grants or other measurable financial assistance. Nonprofit boards of directors established with grower, farmworker, supportive service and local government representatives also should be encouraged.
- Florida Housing should administer this program through one or more special funding cycles or Requests for Proposals, and should have the ability to vary funding, loan and credit underwriting criteria to ensure both development feasibility and be commensurate with flexible and varied loan terms.
- Funding for farmworker developments should be targeted to counties in Tiers I and II before other counties, and developments should be located in agricultural areas where farmworkers are known to live and proximate to essential services.
- If funds remain unencumbered in this program after two years, or if funds are returned to Florida Housing after that time, they may be rolled into the Special Housing Assistance and Development program described below.

SPECIAL HOUSING ASSISTANCE AND DEVELOPMENT PROGRAM

Other groups who need special consideration to meet their particular housing needs include frail elders, people with disabilities, and homeless people and those at risk of homelessness, each of whom may also need costly services and regular care. These groups and others often have extremely low incomes, compounding the difficulty of providing adequate housing for them and providing the private sector with the incentive to produce units to serve this income group. The Work Group believes that as a result of the hurricanes, housing and services for these groups have been disrupted and additional support is warranted.

Among the damage reports received by the Work Group, a number of public housing authorities, U.S. HUD subsidized properties, and others reported damage to their rental units. In most cases these units serve extremely low income families. These units are critically important to maintain, because Florida has a shortage of units available to these poorest families.

Furthermore, a variety of rental units that were likely available in the private market for hard-to-serve households, such as frail elders, were damaged or destroyed. In some cases, these people have short term FEMA vouchers to help them pay rents they would not otherwise be able to afford. In other cases, these families and individuals may be living doubled up with family or friends, unable to find adequate, affordable housing to meet their needs.

FEMA data show that elder households with inadequate insurance had an overall disproportionate level of damage to their homes. Many of these households relied on informal support systems provided by neighbors that allowed them to remain in their homes independently. With many homes and neighborhoods now destroyed, local Area Agencies on Aging have noted that these supports are now gone. Lower income elders generally live on fixed incomes and cannot simply move elsewhere or get an additional job to help rebuild their lives. As a result, in disaster situations they are more likely to become homeless or end up unnecessarily institutionalized in a nursing home in order to obtain the housing and services they need.

Therefore, housing recovery solutions for frail elders cannot simply be focused on apartments. Affordable housing options should be available that are combined with a range of supportive, long-term care services to allow elders and others needing care to live as independently as possible. For example, “housing and service hubs” not only provide affordable housing but also provide service centers the rest of the community can access such as congregate meal facilities and health care clinics. This model is especially useful in rural communities where services must be pooled for the larger area. Housing models such as these could include, but not be limited to, licensed assisted living facilities.

The Work Group recommends that Florida Housing be appropriated funding to create a flexible program to provide two kinds of funding, described below.

Repair funds, similar to the Elderly Housing Community Loan (EHCL) program, for housing that serves extremely low income households damaged in the hurricanes. With the exception of the EHCL program, which is very limited in its scope and funding, there is no state program that provides repair money for affordable rental housing. Existing programs focus on larger rehabilitation and new construction projects. A repair program would provide an additional source of funds to ensure the viability of extremely low income units into the future.

Development funds, similar to those provided through Florida Housing's Demonstration Programs, to provide low- or no-cost loans with flexible credit underwriting for acquisition, rehabilitation and new construction of smaller developments. The target population to be served would be households with special needs, including but not limited to homeless families, people with disabilities, frail elders, and extremely low income families. Florida Housing has found that its highly competitive rental programs do not provide loan terms flexible enough to finance smaller developments targeted to hard-to-serve populations.

Recommendation:

Create a **Special Housing Assistance and Development Program** that provides repair funds for ELI housing units damaged in the hurricanes and flexible low- or no-cost financing for acquisition, rehabilitation and new construction of housing targeted to hard-to-serve households with priority given to developments in Tiers I, II and III, sequentially. ***Proposed Funding: $20,500,000***

Specifics for Repair Assistance:

- Repair assistance should be made available only to public housing authorities and 100 percent nonprofit organizations that are not in any way for profit subsidiaries.
- For a development with 80 percent of its units targeted to ELI households, repair assistance should be provided as loan or grant funding up to $750,000 per development for the purpose of repairs and life safety and security upgrades.
- For a development with a smaller percentage of its units set aside for ELI households, repair assistance should be sized according to the percentage of households at the ELI level.
- This funding should not be made available for the repair of units that are currently receiving tenant-based Section 8 housing vouchers that provide Fair Market Rents to developments.
- Florida Housing should administer this assistance through one or more funding cycles similar to the EHCL program. Florida Housing should be provided with the flexibility to determine whether the funding should be in the form of a 0-3 percent loan, with principal and/or interest forgivable at 10 percent per year, or in the form of a grant.

Specifics for Development Financing:

- This funding should target smaller developments and hard-to-serve populations.
- Priority should be given to proposed developments that have other resources that will be used to help finance the development and operation, including tenant services.
- Funding should be provided in the form of 0 percent loans that are forgivable after 10-20 years if the developer is a public housing authority or a 100 percent nonprofit entity and commits to keeping the units targeted to the population for 20 years, and 0-3 percent, simple interest loans, the principal and/or interest of which may be forgivable after 20 years if the developer is a for profit entity and commits to keeping the units targeted to the population for 20 years.
- Up to 10 percent of the funding for each development may be used for the construction of ancillary facilities to be used for community services that are also to be used by the population being served by the development. The need for these services must be shown before funding is awarded.
- Florida Housing should administer this funding through one or more funding cycles or Requests for Proposal and should have the ability to vary funding, loan and credit underwriting criteria to ensure development feasibility.

- Florida Housing should work with the Department of Elder Affairs to ensure that public information about this development funding is provided throughout disaster recovery areas.
- If funds remain unencumbered in either part of this program after one year, or if funds are returned to Florida Housing after that time, they may be rolled into the Farmworker Housing Recovery Program described above.

COMMUNITY CONTRIBUTION TAX CREDIT

The Community Contribution Tax Credit Program provides a 50 percent tax credit to encourage Florida businesses to make donations toward community development and affordable housing developments. Businesses located anywhere in Florida that make donations to approved projects may receive a tax credit equal to 50 percent of the value of the donation. Businesses may take the credit on Florida corporate income tax, sales tax, franchise tax, or insurance premium tax.

Cash, property, and goods donated to approved sponsors are eligible for the credit. An organization must be approved as a Community Contribution Tax Credit Sponsor before it receives a donation eligible for this tax credit. Eligible organizations include community action agencies, nonprofit developers, neighborhood housing services corporations, public housing authorities and others. Funding for housing may be used for most aspects of development, construction and rehabilitation, as well as down payment assistance, home buyer counseling and the like.

The tax credit program currently is funded at $10 million per year. The Work Group believes this successful program could be another important avenue to provide additional resources to address housing recovery efforts in Florida, particularly home ownership opportunities for those with very low incomes.

Recommendation:

Provide additional one-time funding through the **Community Contribution Tax Credit Program** for housing related projects. ***Proposed Funding: $10,000,000***

Specifics:

- All of the tax credits should be used for affordable home ownership purposes.
- Because of the difficulty in finding labor and materials for construction after the hurricanes, there should be 18 months to use this supplemental CCTC allocation, as opposed to the 12 months that is normally available in the regular program.
- Eighty percent of proposed funding should be targeted to Tier I counties; 15 percent should be targeted to Tier II counties; and the balance should be targeted to Tier III counties. Any funding that remains available but unclaimed in a Tier for six months after the initial availability should be made available for affordable housing uses in the next lower tier.
- If after eight months the funds have not been fully used, eligible organizations in any county may apply.

TRAINING AND TECHNICAL ASSISTANCE

Florida's Affordable Housing Catalyst Program exists to provide local governments and community based organizations with ongoing assistance on affordable housing program administration as well as training on housing development and operations. Florida Housing contracts with a nonprofit service provider to run this program. Workshops are held throughout the state each year, providing basic and specialized training on a range of issues. Onsite technical assistance is also funded, providing local governments and organizations with more hands-on help with particular issues.

The Work Group believes that additional funding is needed for this program to support the increased efforts of local governments to manage housing recovery efforts. The proposed Local Hurricane Housing Recovery Program includes strategies that many local governments do not now implement. Among these is assistance for owners of manufactured homes. Because high numbers of these homes were damaged by the hurricanes, and because today's manufactured homes with modern tie-downs are shown to be safe while remaining relatively inexpensive when placed in areas for which their wind load ratings are sufficient, communities may decide that manufactured housing is an appropriate component of a housing recovery strategy.

Last year the Florida Department of Community Affairs funded the development of a manufactured home buyer's training kit, but additional training and support are needed for local governments that want to develop manufactured home initiatives, particularly given the special considerations that may apply regarding home valuation and different financing situations. In addition, various state and local representatives have been working with FEMA to ensure that the manufactured housing that FEMA brought in to the state remains available to lower income Floridians. Training and coordination may be necessary to navigate the relocation and financing issues that may accompany FEMA's donation or sale of such homes.

Another important need in many communities is development and construction financing to create housing stock that is affordable to low- and moderate income home buyers. Some communities may wish to leverage a portion of their HHRP funding with private lending sources to help smaller developers create new housing stock, assemble land, perform other predevelopment lending activities, or fund a community land trust. Each of these strategies might require specialized technical assistance that goes beyond a community's usual resources.

In addition to the training specifics listed below, the Work Group believes special emphasis should be placed on building the development and operations capacity of nonprofit housing providers. Additional training and onsite assistance are needed for nonprofit developers focused on serving households with special needs and for Area Agencies on Aging and other front-line service providers and referral agencies. It is especially important to provide assistance in concert with the migrant farmworker housing initiative. Additional workshops should be provided for this purpose, and development assistance should be provided to nonprofits awarded funding through the recovery programs for hard-to-serve populations.

Recommendation:

Provide additional funding through the **Affordable Housing Catalyst Program** for the purpose of providing additional training and technical assistance to local governments and nonprofit organizations as they address affordable housing recovery strategies. ***Proposed Funding: $400,000***

Specifics:

- Development and operations training for farmworker housing.
- Capacity building for community nonprofit and faith based organizations wishing to provide affordable housing.
- Manufactured housing training targeted to local governments and nonprofit organizations on all aspects of running a local government program and improving manufactured housing communities.
- Training for local governments and nonprofit organizations on housing strategies for serving extremely low income households.
- Training for local governments and partners on incorporating affordable housing strategies into long-term recovery planning efforts.
- Coordination and creation of a centralized clearinghouse regarding the various financial assistance and financial literacy programs that are available throughout Florida, with the goal to improve public outreach and the ability to reach end consumers.
- Training for local governments wishing to implement new financing, land acquisition, or development techniques.
- Training for local governments, builders, and other interested parties on appropriate hazard mitigation strategies and techniques to reduce or eliminate the exposure of people's lives or property to harm from a disaster.

- Additional onsite technical assistance for local governments and nonprofit organizations awarded funding through the recovery programs for hard-to-serve populations, and for local agencies and non-profits that interact with Floridians with housing needs created by the hurricanes.
- Training for local governments, nonprofit organizations, and others to coordinate necessary financing and relocation of FEMA temporary housing so that such housing can be available on a permanent basis.
- Florida Housing should have up to three years to expend these funds.

OTHER RECOMMENDATIONS

LOCAL PLANNING AND DEVELOPMENT EFFORTS

In the wake of the hurricanes, many communities have the opportunity to rethink local planning and redevelopment processes to respond thoughtfully to disaster needs. It is essential that communities think comprehensively, whether through their local comprehensive planning processes or collaborative rebuilding efforts, about how to use public sector resources to engage the private sector. Rebuild Northwest Florida is a public/private partnership developed to coordinate need-based recovery initiatives for citizens of Santa Rosa and Escambia counties impacted by Hurricane Ivan. In January 2005, Rebuild Northwest Florida asked the nationally known Urban Land Institute to convene an advisory services team to recommend strategies to address need-based housing in the redevelopment of Escambia and Santa Rosa counties.

The Urban Land Institute made a number of recommendations centered on what communities can do to build a climate that fosters redevelopment. Several of those recommendations seem useful to share throughout the state to ensure successful implementation of long-term plans.

Recommendations for Local Communities:

- Accelerate the comprehensive plan update process to provide a thoughtful framework for the design and integration of redevelopment efforts into the community.
- Identify smaller, scattered sites and large land parcels now available for redevelopment and act as a clearinghouse for developers or publicize a request for proposals for development of certain parcels.
- Evaluate staffing levels for permitting functions, and consider increasing staffing levels as necessary to meet and expedite permits.
- Establish a "transparent protocol and process" for developers wishing to do business in the community to ensure that they understand the rules.
- Evaluate whether any infrastructure deficiencies exist as a result of the storms or obsolescence and consider whether to reschedule these to support redevelopment efforts.

PRE-DISASTER PLANNING FOR DATA MANAGEMENT IN THE AFTERMATH OF STATE DISASTERS

After the Work Group was created, one of its first steps was to determine what information was available to provide perspective on the amount of housing damage from the hurricanes. It was equally important to relate the damage information to other characteristics of the affected households. The Shimberg Center for Affordable Housing in collaboration with Florida Housing began working with FEMA, and later the SBA, to obtain housing data collected by these federal agencies. FEMA and SBA were generous with their time and very cooperative as the Shimberg Center compiled FEMA's raw data for use by the Work Group, although sharing and processing SBA data proved to be unworkable within the Work Group's time constraints. Along the way, the three organizations spent much time discussing the data parameters to make sure that the Shimberg Center and Work Group would understand the initially unfamiliar, complex dataset, which contains millions of pieces of information. This was very time consuming for all parties.

Because the Work Group and the Shimberg Center only worked with housing data, we do not know how communication is managed on data for other disaster related issues. However, what we did learn from this experience is that, even with active cooperation between entities, obtaining and using complex, unfamiliar information is difficult, more so in the aftermath of a major disaster.

From its previous natural disaster experiences, Florida has learned that pre-disaster planning is critical to a coherent, expedited response. The Work Group believes that the State should work with federal and local entities to develop a thoughtful process for coordinating and sharing data in post-disaster situations. Accurate, up-to-date and comprehensive post-disaster information has planning and policy uses that extend from short-term resource allocation to long-term redevelopment strategies. Because the Work Group is unaware of any wider set of data-sharing and distribution agreements that are already in place between the major agencies involved in pre- and post-disaster planning, the following recommendations are not intended to generalize beyond housing unless appropriate.

Recommendation:

In order to fully appreciate the geographic extent and level of damage created by such disasters, pre-disaster planning should occur to ensure that the post-disaster collection of information can be formalized, standardized and coordinated across federal, state and local sources of information to the extent feasible.

Specifics:

- Agreements to collect and share information should be formalized among all organizations that collect post-disaster data as part of their mission.
- In order to provide planners and policy-makers with accurate and thoughtful analysis, the state should create a post-disaster "community information system" that would allow one to carry out analysis based on an organized set of statistics derived from multiple, coordinated and comparable sources. "Organized and comparable" means that the methods, concepts, and definitions are comparable across the data sets to the extent possible, the differences are documented, and the data are current, objective, and protect confidentiality.
- Such a system would ideally include, but not be limited to, data related to impacts on housing, business and the economy, public health, natural resources, and infrastructure,
- A permanent data liaison group should be established. This data liaison group should develop and implement procedures for collecting, sharing and understanding post-disaster information produced by federal, state and local organizations. At a minimum for housing, the following entities should be part of such a group: the Division of Emergency Management, FEMA, the SBA, the Shimberg Center for Affordable Housing, Florida Housing Finance Corporation, DCA, Florida Department of Highway Safety and Motor Vehicles, Florida Department of Insurance, U.S. HUD, USDA Rural Development, county property appraisers, and local government representatives.

APPENDIX 1

Table 2. Comparison of Total Units to Total Units Estimated to Be Damaged in the Hurricanes of 2004
By county and housing type based on FEMA data for homeowners and renters (see notes on the next page)

County	Total		Single Family		Multifamily		Manufactured		N/A
	# Units Damaged	% of Total Units in County	# Units Damaged	% of Total SF Units in County	# Units Damaged	% of Total MF Units in County	# Units Damaged	% of Total Mfd Units in County	# Units Damaged
DeSoto	7,506	64.3%	4,314	65.1%	350	29.9%	2,829	72.8%	13
Hardee	5,570	64.1%	3,741	61.7%	193	36.5%	1,626	77.4%	10
St. Lucie	51,627	60.4%	39,930	64.8%	4,666	30.6%	6,647	76.9%	384
Indian River	29,460	53.5%	22,804	62.5%	2,749	21.5%	3,660	63.1%	247
Okeechobee	7,668	53.4%	3,946	57.2%	136	17.5%	3,570	53.5%	16
Charlotte	34,077	48.0%	27,918	53.0%	2,384	23.6%	3,673	44.8%	102
Santa Rosa	23,196	46.9%	18,518	50.5%	879	19.9%	3,409	40.6%	390
Escambia	51,876	42.7%	41,922	48.2%	4,024	17.2%	5,077	45.5%	853
Osceola	29,799	40.6%	22,853	46.2%	1,966	13.5%	4,617	49.0%	363
Martin	19,343	32.1%	14,018	37.3%	1,510	9.4%	3,519	53.6%	296
Brevard	56,698	26.0%	43,127	28.6%	3,921	8.4%	8,492	40.9%	1,158
Polk	49,809	23.4%	34,346	26.9%	2,850	9.1%	12,465	23.4%	148
Highlands	9,428	22.7%	7,206	26.5%	310	6.3%	1,882	19.7%	30
Volusia	41,973	20.9%	33,982	24.3%	2,326	5.8%	5,290	25.4%	375
Orange	63,732	17.0%	52,844	22.4%	4,564	3.8%	5,582	28.7%	742
Putnam	5,080	16.5%	2,885	18.6%	109	5.0%	2,085	15.9%	*
Palm Beach	84,001	16.3%	60,351	20.1%	11,715	5.9%	7,794	45.3%	4,141
Dixie	789	13.6%	337	12.9%	*	3.7%	448	14.5%	0
Seminole	20,167	13.1%	17,913	16.6%	833	2.0%	1,219	25.3%	202
Bradford	1,183	12.8%	718	13.3%	13	2.6%	452	13.3%	0
Okaloosa	9,036	11.9%	7,156	13.5%	608	3.6%	923	15.1%	349
Glades	505	11.6%	204	10.8%	*	1.6%	297	13.1%	*
Hendry	1,317	11.3%	632	11.1%	34	3.6%	650	13.0%	*
Gilchrist	638	11.2%	278	12.5%	*	2.9%	357	10.7%	0
Flagler	2,510	10.0%	2,041	9.8%	65	3.0%	389	19.6%	15
Union	363	9.6%	175	9.9%	*	0.5%	187	10.4%	0
Lee	20,761	9.4%	16,557	12.5%	1,179	1.9%	2,951	10.8%	74
Columbia	1,951	8.3%	995	8.0%	15	0.8%	941	10.2%	0
Marion	9,660	8.0%	6,237	8.0%	176	1.5%	3,235	10.1%	12
Sumter	2,023	8.0%	1,070	6.5%	24	4.0%	927	11.2%	2
Levy	1,253	7.9%	550	8.0%	14	2.2%	689	8.3%	0
Lake	7,077	6.9%	4,956	7.6%	138	1.3%	1,959	7.4%	24
Walton	1,398	6.2%	861	6.3%	32	0.8%	470	9.9%	35
Holmes	387	5.2%	221	4.7%	0	0.0%	166	6.9%	0
Suwannee	701	4.7%	319	4.5%	*	0.6%	378	5.3%	0
Citrus	2,683	4.6%	1,599	4.0%	18	0.6%	1,063	7.0%	*
Alachua	4,083	4.2%	2,906	5.8%	95	0.3%	1,070	10.2%	12
Hernando	2,244	3.6%	1,580	3.4%	64	2.3%	595	4.4%	*
St. Johns	2,017	3.5%	1,382	3.5%	80	0.8%	543	7.0%	12
Baker	259	3.4%	132	3.3%	0	0.0%	127	3.7%	0
Pasco	5,143	3.1%	3,390	3.1%	156	0.9%	1,583	4.4%	14
Clay	1,670	2.9%	1,164	2.9%	*	0.1%	496	5.0%	*

(continued on the next page)

Table 2, continued

County	Total		Single Family		Multifamily		Manufactured		N/A
	# Units Damaged	% of Total Units in County	# Units Damaged	% of Total SF Units in County	# Units Damaged	% of Total MF Units in County	# Units Damaged	% of Total Mfd Units in County	# Units Damaged
Hamilton	137	2.9%	63	2.7%	0	0.0%	73	3.4%	*
Washington	207	2.3%	139	2.6%	0	0.0%	68	2.0%	0
Gulf	133	2.2%	108	2.6%	0	0.0%	24	1.8%	*
Bay	1,332	1.9%	976	2.3%	50	0.3%	276	2.6%	*
Lafayette	43	1.9%	21	1.6%	0	0.0%	22	2.4%	0
Calhoun	93	1.9%	47	1.6%	*	0.6%	45	2.4%	0
Hillsborough	7,555	1.7%	5,356	2.0%	297	0.2%	1,857	4.9%	45
Jackson	317	1.7%	177	1.6%	*	0.2%	138	2.3%	0
Madison	102	1.4%	44	1.1%	*	0.2%	57	2.0%	0
Manatee	1,763	1.4%	1,254	1.7%	316	1.0%	185	0.9%	*
Duval	3,967	1.2%	3,464	1.6%	131	0.1%	317	1.4%	55
Miami-Dade	9,481	1.1%	6,289	1.4%	2,458	0.7%	488	3.6%	246
Broward	6,932	1.0%	5,251	1.4%	985	0.3%	408	1.9%	288
Taylor	75	0.9%	44	0.9%	*	0.2%	30	1.1%	0
Pinellas	3,682	0.8%	2,824	1.1%	377	0.3%	446	1.1%	35
Franklin	42	0.8%	21	0.6%	0	0.0%	21	1.8%	0
Liberty	19	0.8%	*	0.4%	0	0.0%	13	1.3%	0
Nassau	177	0.7%	98	0.7%	*	0.1%	74	1.0%	*
Sarasota	1,077	0.6%	932	0.8%	50	0.1%	92	0.6%	*
Jefferson	31	0.6%	17	0.5%	*	1.2%	12	0.6%	0
Gadsden	56	0.3%	24	0.2%	0	0.0%	32	0.5%	0
Collier	334	0.3%	254	0.4%	20	0.0%	59	0.7%	*
Wakulla	23	0.2%	*	0.2%	0	0.0%	13	0.3%	*
Leon	97	0.1%	69	0.1%	*	0.0%	19	0.2%	*
Monroe	25	0.1%	19	0.1%	*	0.0%	*	0.0%	0
State of Florida	**708,361**	**10.1%**	**535,584**	**12.5%**	**52,916**	**2.6%**	**109,104**	**14.9%**	**10,757**

Source: FEMA data & Affordable Housing Needs Assessment data prepared by the Shimberg Center for Affordable Housing, Dec 2004

Notes:

1. This table compares the total rental and homeowner non-seasonal housing stock in each county as of 2002 with FEMA damage counts across 3 basic categories: (1) Units sustaining structural damage AND eligible for FEMA assistance; (2) Residents not eligible for structural assistance, but receiving some other type of housing related assistance, usually rental assistance; and (3) Damaged units ineligible for FEMA housing assistance, usually because the resident was considered to have adequate insurance. Note that FEMA's assessments do not address whether these households can afford to pay insurance deductibles to complete repairs.

2. FEMA data have been combined together in the following way to create the "Single Family" category: houses, townhomes, boats and other; and the "Multifamily" category includes apartments and condos. The N/A category refers to a code provided by FEMA inspectors in some cases, and these units, whatever type they are, have been included in the final count of damaged units.

3. If the number of registrants falls below 10 for any combination of characteristics, the actual value is not disclosed. This is done to retain confidentiality and is denoted by an asterisk "*" in the table.

Table 3. Hurricane Damage Assessment Tiers and Proposed Allocation of Hurricane Housing Recovery Program Funds

County	# Units Damaged	% of Total Units in County	Score	% of State Units Destroyed	Score	# Hhds up to $30K w/ Damage	$30K Units as % of Total Units Damaged	Score	# Temp-orary Units	% Temp Units	Score	Total Score	Base Allocation	ELI Supplement	Community Planning Supplement	Total Hurricane Recovery Allocation	Projected SHIP Allocation for 2005-2006	Hurricane + Projected SHIP Allocation
State Total	**708,361**	**10.1%**				**395,463**	**55.8%**		**15,225**							**207,480,000**	**125,804,515**	**333,284,515**
Tier I																		
Escambia	51,876	42.7%	17	7.9%	16	28,019	54.0%	1	2,815	18.5%	37	**71**	17,862,236	3,572,447	2,381,632	**23,816,315**	2,268,551	**26,084,866**
Charlotte	34,077	48.0%	19	10.9%	22	17,488	51.3%	1	2,061	13.5%	27	**69**	14,339,973	2,867,995	1,911,996	**19,119,964**	1,152,230	**20,272,194**
St. Lucie	51,627	60.4%	24	7.6%	15	29,391	56.9%	1	1,452	9.5%	19	**59**	16,417,481	3,283,496	2,188,997	**21,889,974**	1,589,192	**23,479,166**
DeSoto	7,506	64.3%	26	7.4%	15	5,151	68.6%	1	1,271	8.3%	16	**58**	8,147,644	1,629,529	1,086,353	**10,863,526**	350,000	**11,213,526**
Santa Rosa	23,196	46.9%	19	8.8%	18	9,641	41.6%	-	1,502	9.9%	20	**57**	10,930,493	2,186,099	1,457,399	**14,573,991**	967,861	**15,541,852**
Indian River	29,460	53.5%	21	5.6%	11	15,772	53.5%	1	1,104	7.3%	14	**47**	10,922,421	2,184,484	1,456,323	**14,563,228**	916,669	**15,479,897**
Hardee	5,570	64.1%	26	3.3%	7	3,719	66.8%	1	660	4.3%	8	**42**	5,924,895	1,184,979	789,986	**7,899,860**	350,000	**8,249,860**
Brevard	56,698	26.0%	10	6.4%	13	30,484	53.8%	1	970	6.4%	12	**36**	14,673,648	2,934,728	1,956,486	**19,564,862**	3,784,294	**23,349,156**
Polk	49,809	23.4%	9	7.2%	14	31,602	63.4%	1	894	5.9%	11	**35**	13,284,043	2,656,809	1,771,206	**17,712,058**	3,821,857	**21,533,915**
Okeechobee	7,668	53.4%	21	3.0%	6	4,970	64.8%	1	482	3.2%	6	**34**	5,380,098	1,076,020	717,346	**7,173,464**	350,000	**7,523,464**
Martin	19,343	32.1%	13	2.8%	6	9,827	50.8%	1	522	3.4%	6	**26**	6,605,068	1,321,014	880,676	**8,806,758**	1,012,260	**9,819,018**
Total Tier I	**336,830**					**186,064**			**13,733**			**534**	**124,488,000**	**24,897,600**	**16,598,400**	**165,984,000**	**16,562,914**	**182,546,914**
Tier II																		
Osceola	29,799	40.6%	16	2.3%	5	17,481	58.7%	1	48	0.3%	-	**22**	3,986,312	797,262	531,508	**5,315,082**	1,578,950	**6,894,032**
Palm Beach	84,001	16.3%	7	5.2%	10	42,752	50.9%	1	253	1.7%	3	**21**	6,401,838	1,280,368	853,578	**8,535,784**	9,007,516	**17,543,300**
Highlands	9,428	22.7%	9	1.3%	3	6,142	65.1%	1	298	2.0%	3	**16**	2,326,849	465,370	310,247	**3,102,466**	687,945	**3,790,411**
Volusia	41,973	20.9%	8	2.7%	5	23,631	56.3%	1	82	0.5%	1	**15**	3,730,122	746,024	497,350	**4,973,496**	3,518,027	**8,491,523**
Lee	20,761	9.4%	4	2.9%	6	10,149	48.9%	-	260	1.7%	3	**13**	2,502,896	500,579	333,719	**3,337,194**	3,692,131	**7,029,325**
Orange	63,732	17.0%	7	2.0%	4	35,195	55.2%	1	4	0.0%	-	**12**	4,393,483	878,697	585,798	**5,857,978**	7,327,891	**13,185,869**
Total Tier II	**249,694**					**135,350**			**945**			**99**	**23,341,500**	**4,668,300**	**3,112,200**	**31,122,000**	**25,812,460**	**56,934,460**
Tier III																		
Putnam	5,080	16.5%	7	0.6%	1	3,528	69.4%	1	5	0.0%	-	**9**	789,079	157,816	105,211	**1,052,106**	551,383	**1,603,489**
Marion	9,660	8.0%	3	1.8%	4	6,372	66.0%	1	18	0.2%	-	**8**	1,045,924	209,185	139,457	**1,394,566**	2,149,067	**3,543,633**
Okaloosa	9,036	11.9%	5	0.8%	2	4,046	44.8%	-	102	0.7%	1	**8**	1,004,135	200,827	133,885	**1,338,847**	1,360,468	**2,699,315**
Hendry	1,317	11.3%	5	0.3%	1	978	74.3%	2	4	0.0%	-	**8**	487,199	97,440	64,960	**649,599**	350,000	**999,599**
Dixie	789	13.6%	5	0.4%	1	632	80.1%	2	9	0.1%	-	**8**	451,839	90,368	60,245	**602,452**	350,000	**952,452**
Glades	505	11.6%	5	0.1%	-	355	70.3%	2	13	0.1%	-	**7**	382,944	76,589	51,059	**510,592**	350,000	**860,592**
Seminole	20,167	13.1%	5	0.6%	1	8,916	44.2%	-	4	0.0%	-	**6**	1,649,821	329,964	219,976	**2,199,761**	2,947,909	**5,147,670**
Lake	7,077	6.9%	3	0.9%	2	4,087	57.8%	1	10	0.1%	-	**6**	773,192	154,638	103,092	**1,030,922**	1,800,859	**2,831,781**
Sumter	2,023	8.0%	3	0.5%	1	1,419	70.1%	2	7	0.1%	-	**6**	434,729	86,946	57,964	**579,639**	486,520	**1,066,159**
Levy	1,253	7.9%	3	0.3%	1	915	73.0%	2	6	0.0%	-	**6**	383,163	76,632	51,088	**510,883**	350,000	**860,883**
Bradford	1,183	12.8%	5	0.2%	-	805	68.0%	1	2	0.0%	-	**6**	378,475	75,695	50,463	**504,633**	350,000	**854,633**
Total Tier III	**58,090**					**32,053**			**180**			**78**	**7,780,500**	**1,556,100**	**1,037,400**	**10,374,000**	**11,046,206**	**21,420,206**

HURRICANE HOUSING WORK GROUP

Lieutenant Governor Toni Jennings, Chair

Table 3., continued

County	# Units Damaged	% of Total Units in County	Score	% of State Units Destroyed	Score	# Hhds up to $30K w/ Damage	$30K Units as % of Total Units Damaged	Score	# Temporary Units	% Temp Units	Score	Total Score	Base Allocation	ELI Supplement	Community Planning Supplement	Total Hurricane Recovery Allocation	Projected SHIP Allocation for 2005-2006	Hurricane + Projected SHIP Allocation
Tier IV																		
Flagler	2,510	10.0%	4	0.2%	-	1,353	53.9%	1	2	0.0%	-	**5**	-	-	-	**-**	476,277	**476,277**
Columbia	1,951	8.3%	3	0.4%	1	1,352	69.3%	1	3	0.0%	-	**5**	-	-	-	**-**	445,549	**445,549**
Gilchrist	638	11.2%	4	0.2%	-	435	68.2%	1	27	0.2%	-	**5**	-	-	-	**-**	350,000	**350,000**
Union	363	9.6%	4	0.0%	-	236	65.0%	1	-	0.0%	-	**5**	-	-	-	**-**	350,000	**350,000**
Hillsborough	7,555	1.7%	1	1.0%	2	4,482	59.3%	1	16	0.1%	-	**4**	-	-	-	**-**	8,034,550	**8,034,550**
Alachua	4,083	4.2%	2	0.4%	1	2,211	54.2%	1	4	0.0%	-	**4**	-	-	-	**-**	1,729,161	**1,729,161**
Citrus	2,683	4.6%	2	0.5%	1	1,856	69.2%	1	35	0.2%	-	**4**	-	-	-	**-**	947,397	**947,397**
Walton	1,398	6.2%	2	0.4%	1	938	67.1%	1	21	0.2%	-	**4**	-	-	-	**-**	367,036	**367,036**
Suwannee	701	4.7%	2	0.0%	-	502	71.6%	2	-	0.0%	-	**4**	-	-	-	**-**	350,000	**350,000**
Holmes	387	5.2%	2	0.2%	-	293	75.7%	2	1	0.0%	-	**4**	-	-	-	**-**	350,000	**350,000**
Miami-Dade	9,481	1.1%	-	0.4%	1	8,199	86.5%	2	-	0.0%	-	**3**	-	-	-	**-**	11,040,508	**11,040,508**
Pasco	5,143	3.1%	1	0.6%	1	3,505	68.2%	1	14	0.1%	-	**3**	-	-	-	**-**	2,807,941	**2,807,941**
Manatee	1,763	1.4%	1	0.1%	-	1,324	75.1%	2	-	0.0%	-	**3**	-	-	-	**-**	2,149,067	**2,149,067**
Bay	1,332	1.9%	1	0.4%	1	823	61.8%	1	1	0.0%	-	**3**	-	-	-	**-**	1,165,879	**1,165,879**
Sarasota	1,077	0.6%	-	0.1%	-	642	59.6%	1	220	1.4%	2	**3**	-	-	-	**-**	2,603,109	**2,603,109**
Jackson	317	1.7%	1	0.2%	-	252	79.5%	2	12	0.1%	-	**3**	-	-	-	**-**	377,279	**377,279**
Washington	207	2.3%	1	0.0%	-	146	70.5%	2	1	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Gulf	133	2.2%	1	0.0%	-	114	85.7%	2	-	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Hamilton	137	2.9%	1	0.0%	-	104	75.9%	2	-	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Madison	102	1.4%	1	0.0%	-	84	82.4%	2	-	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Calhoun	93	1.9%	1	0.1%	-	70	75.3%	2	4	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Franklin	42	0.8%	-	0.0%	-	38	90.5%	3	-	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Lafayette	43	1.9%	1	0.0%	-	33	76.7%	2	-	0.0%	-	**3**	-	-	-	**-**	350,000	**350,000**
Duval	3,967	1.2%	-	0.3%	1	2,273	57.3%	1	2	0.0%	-	**2**	-	-	-	**-**	6,153,520	**6,153,520**
Hernando	2,244	3.6%	1	0.1%	-	1,472	65.6%	1	1	0.0%	-	**2**	-	-	-	**-**	1,060,045	**1,060,045**
St. Johns	2,017	3.5%	1	0.2%	-	1,032	51.2%	1	-	0.0%	-	**2**	-	-	-	**-**	1,056,638	**1,056,638**
Baker	259	3.4%	1	0.0%	-	166	64.1%	1	-	0.0%	-	**2**	-	-	-	**-**	350,000	**350,000**
Taylor	75	0.9%	-	0.0%	-	60	80.0%	2	-	0.0%	-	**2**	-	-	-	**-**	350,000	**350,000**
Gadsden	56	0.3%	-	0.0%	-	43	76.8%	2	-	0.0%	-	**2**	-	-	-	**-**	367,036	**367,036**
Jefferson	31	0.6%	-	0.0%	-	22	71.0%	2	-	0.0%	-	**2**	-	-	-	**-**	350,000	**350,000**
Monroe	25	0.1%	-	0.0%	-	18	72.0%	2	-	0.0%	-	**2**	-	-	-	**-**	616,246	**616,246**
Liberty	19	0.8%	-	0.0%	-	17	89.5%	2	-	0.0%	-	**2**	-	-	-	**-**	350,000	**350,000**
Broward	6,932	1.0%	-	0.0%	-	4,345	62.7%	1	1	0.0%	-	**1**	-	-	-	**-**	12,626,198	**12,626,198**
Pinellas	3,682	0.8%	-	0.2%	-	2,442	66.3%	1	1	0.0%	-	**1**	-	-	-	**-**	6,996,740	**6,996,740**
Clay	1,670	2.9%	1	0.2%	-	780	46.7%	-	-	0.0%	-	**1**	-	-	-	**-**	1,169,286	**1,169,286**
Collier	334	0.3%	-	0.0%	-	180	53.9%	1	-	0.0%	-	**1**	-	-	-	**-**	2,186,610	**2,186,610**
Leon	97	0.1%	-	0.0%	-	52	53.6%	1	-	0.0%	-	**1**	-	-	-	**-**	1,920,343	**1,920,343**
Wakulla	23	0.2%	-	0.0%	-	16	69.6%	1	-	0.0%	-	**1**	-	-	-	**-**	350,000	**350,000**
Nassau	177	0.7%	-	0.0%	-	86	48.6%	-	1	0.0%	-	**-**	-	-	-	**-**	486,520	**486,520**
Total Tier IV	**63,747**					**41,996**			**367**			**107**	**-**	**-**	**-**	**-**	**72,382,935**	**72,382,935**
GRAND TOTALS of Base and Supplemental Funding													$ 155,610,000	$ 31,122,000	$ 20,748,000	$ 207,480,000	$ 125,804,515	$ 333,284,515

Total distributions to counties	$ 207,480,000
Compliance monitoring	$ 520,000
Total Proposed Program Allocation	**$ 208,000,000**

See notes on the next page

TABLE 3 NOTES

To allocate the funding for hurricane recovery at the local level, four factors related to housing damage were compared across counties and combined into an allocation formula. FEMA data were used for this purpose.

Total Percentage of Damaged Non-Seasonal Housing Units in a County. This factor is based on the overall percentage of a county's units that were damaged. This allows counties of different sizes to be compared in an equitable manner. For scoring purposes, the number of units damaged in the county was calculated as a percentage of the units damaged in all the counties within the respective tier.

Total Destroyed Units in a County. This factor is based the number of units destroyed in the county. For scoring purposes, the total of destroyed units was calculated as a percentage of the total number of units destroyed in the state.

Percentage of Households Sustaining Damage with $0-30,000 Incomes. This factor illustrates the need for assistance to lower income households. It shows the percentage of households in the lower income ranges that that sustained damage.

Number of Households Displaced to FEMA Temporary Housing. This factor provides a useful comparison of displacement in each county. For scoring purposes, the number of temporary units in use in a county was calculated as a percentage of the total number of temporary units in the state.

These four factors were weighted and added together to determine an overall total "score" for each county. Counties were "ranked" by these scores and placed into tiers.

Tier I includes all those counties with scores of 26 or above. These counties as a group received the most severe damage in pure numbers and as a percentage. Generally speaking, the counties in Tier I either were in a "strike area" or were hit by more than one storm.

Tier II includes those counties with scores in the 10-25 range. These counties received heavy damage, generally a large absolute number of damaged units and/or damage to a high percentage of their overall units.

Tier III includes those counties in the 6-9 range. These counties generally received moderate damage and qualify for this tier based on the number of total units damaged or a relatively high percentage of damaged units, but usually not both.

Tier IV (unfunded counties) includes those counties that received less than 6 points. These counties received minor damage in the overall sense and should be able to address any needs from current funding sources.

Developing the Proposed Hurricane Housing Recovery Program Allocation Formula

Based on the proposed total allocation of $208 million (combining the base and supplemental allocations), the following breakdown was used. First, One-quarter of one percent of the total allocation was taken out of the total for compliance monitoring. Then preliminary local distributions were determined by a combination of the four factors listed above. **Tier I** received 80 percent of the funds, **Tier II** received 15 percent of the funds, and **Tier III** received 5 percent of the funds. Within the tiers, the funds are distributed based on the factors listed above in order to distribute funds equitably to the counties that received the most damage.

Note that a supplemental allocation of 15 percent has been added on top of the base allocation to be reserved for serving ELI households. A 10 percent allocation has been added to encourage the development of partnerships (counties, cities, agencies, non profits and other providers of affordable housing) in each county to work on long-term recovery efforts.

APPENDIX 2

HOUSING ASSISTANCE PLEDGED BY FEDERAL AND STATE AGENCIES

FEDERAL ASSISTANCE

FEMA

Individual Assistance Program – Grants provided to households unable to qualify for Small Business Administration loans for the purpose of housing repairs. As of early February: $528,570,000

FEMA AND FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS

The two agencies are working to help Florida communities hit hardest by Hurricanes Charley and Ivan prepare plans for recovery from the damage caused by these storms. Five communities in Southwest Florida are receiving this special assistance and include Charlotte, DeSoto, and Hardee counties, and Escambia and Santa Rosa counties are receiving assistance in the Panhandle.

FEMA AND SERT

In late October, FEMA and the SERT launched a Disaster Housing Resources website for disaster victims. The site provides a central forum for Florida hurricane disaster victims to search for immediate housing. Visitors have access to 12,000 listings with more than 32,000 rental units available statewide, searchable by price, location and specific options such as number of bedrooms and baths. Visitors also can find information about temporary housing programs and assistance programs offered by FEMA and SERT. The website will be available to the public for one year at: http://DHRonline.org

U.S. HUD

Community Development Block Grant (CDBG) Program - Funds for housing, community infrastructure, and economic development. The Florida Department of Community Affairs is leading efforts to finalize the Action Plan required to administer these funds. Funding: $100,915,626

Public Housing Authority Disaster Capital Funds Program - Grants for repairs to public housing units damaged in disasters. Funding as of mid-February: $27,561,821

Rent Vouchers - Additional funding to existing tenant-based rental vouchers to pay for the difference in HUD Fair Market Rents (FMRs) and actual rents post hurricanes due to housing shortages (up to 110% of FMR, or higher on a case-by-case basis). Funding: $40,000,000 available

Emergency Repair Grants - For Section 202 elder properties and Section 811 properties serving people with disabilities, up to $500,000/property. Priority given to facilities within federally declared disaster areas. Funding: $10,000,000

Family Relocation – Rental vouchers for families displaced from HUD properties, including public housing units and HUD-subsidized multifamily developments. Funding: $16,000,000

U.S. DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT

Rural Housing for Domestic Farm Labor - Grants for rehabilitation and repair of farm labor housing in Hardee and DeSoto counties. Funding: $5,000,000

Repair of rural home owner housing - Loans and grants to very low-income home owners to repair, improve or modernize their dwellings or to remove health and safety hazards. Funding: $5,800,000

SMALL BUSINESS ADMINISTRATION

Loans for repair and replacement of homes - Through FEMA's disaster assistance process, home owners may be eligible for loans of up to $200,000 for home repairs, including manufactured homes, and along with renters may get up to $40,000 loans for replacement of personal property. Total amount of assistance to Florida will increase as more loans are awarded, but as of January 2005: $1,289,000,000

STATE ASSISTANCE

FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS (DCA)

CDBG Program - For housing repair for those impacted by Hurricanes Charley and Ivan. Funding: $5,900,000

Community Services Block Grant – Grants for emergency farmworker housing needs. Funding: $100,000

FLORIDA HOUSING FINANCE CORPORATION

State Housing Initiatives Partnership (SHIP) Program - Emergency assistance to local governments heavily impacted by Hurricane Charley. Additionally, four emergency rules provided all local governments flexibility in determining how best to use their regularly allocated funds for disaster recovery. Funding: $5,000,000

SHIP Accelerated Funding - To make funds available as soon as possible for recovery efforts throughout the state, all non-emergency related SHIP funds for Fiscal Year 2004/05 ($125,758,367) were completely disbursed by November 4, 2004 rather than throughout the fiscal year, as is normally done.

Low Income Housing Tax Credits – A temporary waiver of federal income and lease restrictions on vacant tax credit properties was sought and received from the U.S. Treasury in order to provide additional rental units for emergency housing to disaster victims.

Low Income Housing Tax Credits (9% Competitive) - In the 2005 Universal Application for rental housing, a goal was created to award Housing Credits to at least one development in each of the following counties: Charlotte, DeSoto, Hardee, Polk, St. Lucie, Martin, Indian River, Brevard, Escambia, Santa Rosa and Okeechobee. Applications from those counties will not be required to include a local government monetary contribution, and final zoning will not be required to be in place at the application submittal deadline to accommodate developers' zoning designation requests. Applications due February 16 and awards made August 25, 2005. ~$10,900,000 each year for 10 years

State Apartment Incentive Loan Program – From 2004 program funding, provided additional funding to five developments located in Charlotte, Escambia and Brevard counties to ensure that they remained financially viable in the wake of post-storm construction market conditions. Relief from the debt service coverage ratio required by the 2004 Universal Application Rule was also granted. Funding: $7,000,000

HOME Rental - For temporary, tenant based rental assistance for emergency housing in areas devastated by the storms; to be administered locally by public housing authorities. Funding: $15,000,000

HOME Ownership - For repair and replacement of owner occupied homes in disaster areas. Eligible applicants are local governments, public housing authorities and nonprofits. Funding: $21,000,000

Farmworker Housing - Emergency funding for farmworkers displaced in disaster areas. Funding: $1,500,000

STATE LEGISLATIVE ACTION

During the special legislative session in late 2004, Florida legislators approved a series of bills providing disaster relief for Floridians. On December 21, 2004, Governor Bush signed these bills into law. Two of the bills provide relief on housing matters. House Bill 9A provides up to $150 million in relief for residential policyholders assessed multiple deductibles by insurance companies for damage from more than one hurricane. To prevent future problems, the bill replaces a per event deductible in residential property insurance policies with an annual deductible. Senate Bill 8A provides $35 million in tax relief for home owners impacted by the 2004 hurricanes. The legislation offers property tax relief to homestead property owners whose homes were rendered uninhabitable for at least 60 days by the storms and sales tax relief to manufactured home owners whose homes were destroyed.

SUMMARY OF FEDERAL, STATE, AND LOCAL AFFORDABLE HOUSING PROGRAMS

FEDERALLY ADMINISTERED PROGRAMS

U.S. HUD

Section 202 – Offers interest-free capital advances to nonprofit sponsors to finance development of supportive elder rental housing; generally serves 0 to 50 percent of area median income (AMI) households. 2002 Funding: $5.2 million; 2003 information unavailable.

Section 236 – Provides a subsidy to reduce mortgage interest payments to provide rental housing for 0 to 80 percent AMI households. 2002 Funding: $10.8 million to support existing units; 2003 information unavailable.

Section 811 – Provides interest-free capital advances to nonprofit organizations for the development of rental housing for very low-income adults with disabilities; generally serves 0 to 30 percent AMI disabled households. 2002 Funding: $1.2 million; 2003 information unavailable.

Project Based Section 8 – Provides rental subsidies directly to property owners for particular units for a contractually determined period of time; used in concert with Section 202, 236 and 811 programs. 2002 Funding: $541.9 million; 2003 information unavailable.

Project Rental Assistance Contract (PRAC) – Provides funds to cover the difference between operating costs for newer Section 202 and 811 properties and the tenants' contribution towards rent; takes place of older project-based Section 8. 2002 Funding: $16.2 million; 2003 information unavailable.

Public Housing – HUD initially funded full construction and operation of new public housing units, but currently funds only operating, maintenance and improvements costs of existing units; units are owned and managed by Public Housing Authorities; primarily serves 0-30 percent AMI households today. 2002 Funding: $141 million to support existing units; 2003 information unavailable.

HOPE VI – Provides revitalization and/or demolition grants to aid in rehab or elimination of severely distressed public housing; promotes mixed income communities. 2003 Funding: $14.5 million.

Section 8 Housing Choice Vouchers – Provides rental assistance for families to lease units in the private market; the tenant pays 30 percent of the his/her income and the voucher pays the landlord the difference up to a "Fair Market Rent" established by HUD; most tenants are in the 0-30 percent AMI range. 2003 Funding: $531.6 million mainly to support existing vouchers.

Shelter Plus Care – Provides rental assistance for permanent housing linked with supportive services for hard-to-serve homeless persons with disabilities, such as mental illness, chronic drug and/or alcohol problems or those having AIDS, and their families generally serves 0-30 percent AMI households. 2003 Funding: $9 million.

Single Room Occupancy – HUD enters into ten year contracts with public agencies/nonprofits to fund moderate rehabilitation of rental properties that provide multiple single room dwelling units targeted to homeless people. 2003 Funding: $470,000.

Supportive Housing Program – Designed to develop supportive housing and services that allow homeless people to live independently; the focus is on people with disabilities. 2003 Funding: $41.9 million.

Federal Housing Administration (FHA) Mortgage Insurance – FHA provides mortgage insurance through a number of programs, including its centerpiece program, Section 203 (b), and Title I which supports manufactured home purchases.

U.S. DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT (RD)

Section 515 – Competitive loans awarded to developers to provide affordable multifamily rental housing for families, elders and people with disabilities; typically serves 0 to 30 percent AMI households. 2003 Funding: $9.1 million.

Section 521 – Provides rental assistance to ensure that qualified elderly, disabled, and low income residents of multifamily housing complexes financed by RD pay no more than 30 percent of their income for rent; designed to serve 0 to 50 percent AMI households. 2003 Funding: $38.4 million.

Section 514/516 – Provides loans to buy, build, improve or repair housing for farmworkers, and may also be used to construct day care facilities or community rooms, purchase household furnishings and pay construction loan interest; generally serves 0 to 30 percent AMI households. 2003 Funding: $12 million.

Section 502 Direct Loan Program – Provides home loans to households for the purchase of an existing home or for new home construction; no down payment required; typically serves households below 80 percent AMI. 2003 Funding: $41.2 million.

Section 502 Single Family Housing Guaranteed Loan Program – Funds may be used to build, repair, renovate or relocate a home, or purchase and prepare sites including providing water and sewage facilities in rural areas; serves applicants up to 115 percent AMI without adequate housing, but with adequate credit. 2003 Funding: $148.3 million.

Section 523 Mutual Self-Help Housing Program – Combines with the Section 502 Direct Loan Program to allow future home owners to work on homes themselves, lowering the cost of these homes; generally serves 0 to 80 percent AMI households. 2003 Funding: $870,000.

STATE ADMINISTERED PROGRAMS

FLORIDA HOUSING FINANCE CORPORATION

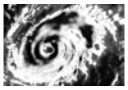
Low Income Housing Tax Credit Program (competitive 9% and non-competitive 4%) – Provides a dollar-for-dollar tax credit over 10 years against federal tax liability in exchange for the acquisition and substantial rehabilitation or new construction of affordable rental housing units; federal requirements are less restrictive, but Florida's program is competitive enough that all units serve no more than 60 percent of AMI, with some units set aside at lower AMIs. 2003 Funding: combined total of $50.8 million in 9% and 4% tax credits (each year for 10 years).

HOME Rental – Provides competitive, non-amortized, zero or low interest loans to developers for acquisition and/or new construction or rehabilitation of rental housing; targets small developments in rural areas; targets 20 percent of units at 50 percent of AMI, with balance no higher than 60 percent of AMI. 2003 Funding: $11.7 million.

Multifamily Mortgage Revenue Bonds – Both taxable and tax-exempt bonds are issued to provide below market rate loans for rental housing; federal requirements are less restrictive, but Florida's program is competitive enough that all units serve no more than 60 percent of AMI. 2002 Funding: $437.6 million. 2003 Funding: $313.1 million.

State Apartment Incentive Loan (SAIL) – Provides low-interest loans on a competitive basis to affordable housing developers to bridge the gap between the development's primary financing and the total cost of the development; special targeting to homeless people, farmworkers and elders; while the state statute is less restrictive, Florida's program is competitive enough that all units serve no more than 60 percent of AMI, with a minimum of 20-40 percent of units set aside for those at 50 percent of AMI and lower. 2003 Funding: $44.3 million from the State Housing Trust Fund.

Elderly Home Community Loan Program – Uses a portion of SAIL Program funds to make small loans for life safety repairs to multifamily properties serving low income elders. 2003 Funding: $1 million from the State Housing Trust Fund.



Affordable Housing Guarantee Program – A credit enhancement program that lowers the overall cost of borrowing capital for the construction and rehab of multifamily rental housing by guaranteeing the payment of mortgages that secure multifamily mortgage revenue bonds; partners with the U.S. HUD Risk Sharing program in some cases, allowing each program to assume 50 percent of the risk of the mortgage. 2003 Funding: $5.4 million provided through the State Housing Trust Fund for debt service coverage.

First Time Homebuyer Program – Uses proceeds from the sale of both taxable and non-taxable mortgage revenue bonds to finance low interest rate mortgage loans for eligible first-time home buyers; HOME and Housing Assistance Program (HAP) funds are used in conjunction to provide downpayment assistance; targets households up to 120 percent of AMI, depending on the program and area of the state where the home buyer resides. 2003 Funding: $74.5 million from the sale of Bonds, $11.7 million in HOME funds, and $5.2 million in HAP funds.

Homeownership Loan Program – Uses HOME and HAP funds to provide eligible developers with loans to assist with the construction or rehabilitation of homes for home ownership; serves a required range of AMIs depending on the program. 2003 Funding: $16.4 million.

Predevelopment Loan Program – Assists nonprofits and others with planning and financing predevelopment costs for home ownership or rental housing through loans and technical assistance; generally serves households up to 80 percent of AMI. 2003 Funding: $2.3 million from the State Housing Trust Fund.

FLORIDA DEPARTMENT OF CHILDREN AND FAMILIES

Homeless Housing Assistance Grant – A grant program that assists in the construction of new housing or repair of existing permanent or transitional housing for homeless people. 2003 Funding: $5 million from the Local Government Housing Trust Fund.

FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS

Community Development Block Grant (CDBG) Small Cities Program – Provides funding primarily to rural areas, with 20 percent of CDBG funding going primarily to home ownership and rehab of existing housing; targets up to 120 percent AMI. 2003 Funding: Affordable housing portion of CDBG at $9.4 million.

LOCALLY ADMINISTERED PROGRAMS

State Housing Initiatives Partnership (SHIP) – Provides funds on a per capita basis from the Local Government Housing Trust Fund for implementation of local affordable housing programs to all 67 counties and 48 cities; generally used for home ownership; serves up to 120 percent AMI households. 2003 Funding: Local governments were allocated $162.5 million.

Local Multifamily Mortgage Revenue Bonds – Bonds are issued by local governments to finance low interest rate mortgage loans to first-time home buyers and to developers of affordable rental housing; serves up to 115 percent AMI households. 2002 Funding: $270 million for rental housing; unknown for home ownership; 2003 information unavailable.

Local HOME Investment Partnerships Program – Provides formula grants to entitlement communities to fund a wide range of activities that build, buy and/or rehabilitate affordable housing for rent or home ownership; serves up to 80 percent AMI households. 2003 Funding: $60.8 million.

Local Community Development Block Grant (CDBG) Program – Provides eligible cities and counties with annual formula grants for use in revitalizing neighborhoods, expanding affordable housing and economic opportunities and/or improving community facilities and services; housing funds are primarily used to benefit home buyers and current home owners; serves up to 120 percent AMI households. 2003 Funding: $157.9 million (only a portion of those funds used for affordable housing).

Note: Only those programs that fund permanent housing are summarized here. Programs that provide very small amounts of funding for weatherization or emergency repair are not included. Dollar amounts, when known, are for funding in Florida.

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