

we make housing affordable

Florida Housing
Finance Corporation

FHFC Live Local Act Implementation

Workshop For Local Governments

August 23, 2023

www.floridahousing.org

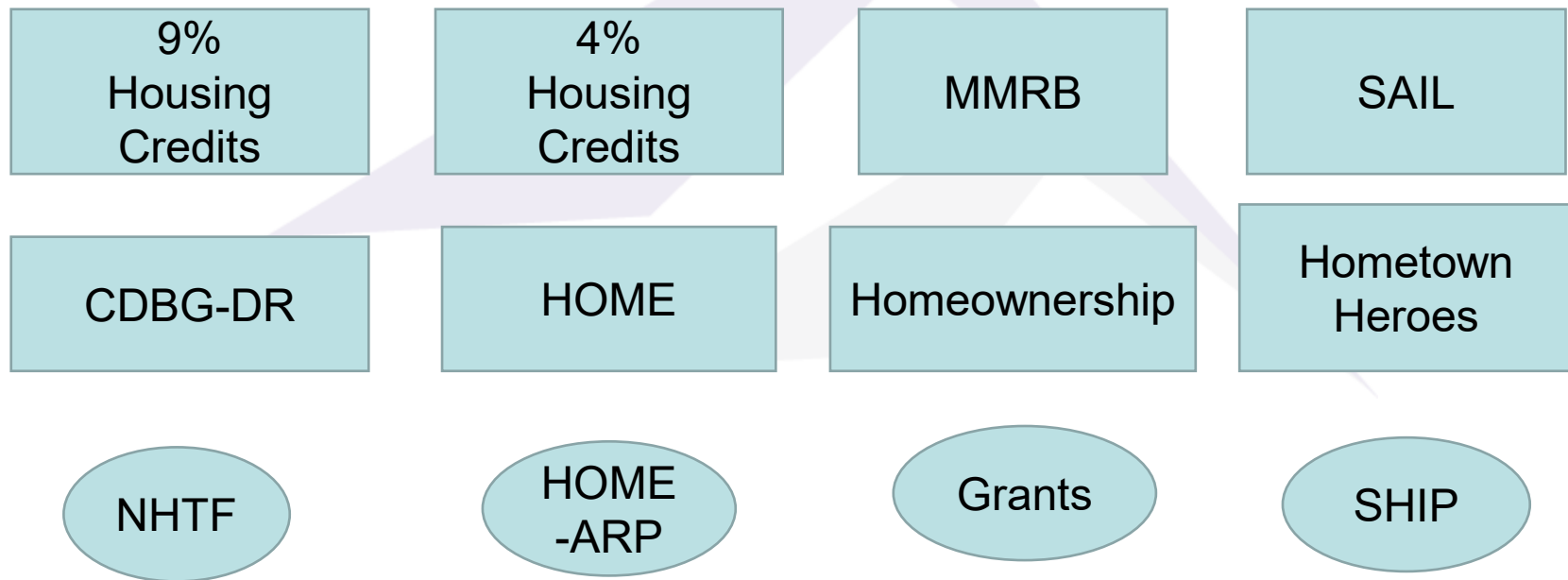
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Purpose of Workshop

This workshop is intended to be a broad overview of FHFC's implementation of the Live Local Act, with an opportunity to provide context and answer questions from our local government stakeholders.

Overview of Florida Housing Finance Corporation (FHFC)

FHFC provides a wide range of programs for multifamily workforce and affordable housing and homeownership opportunities.



Overview of the Live Local Act

- Provides for a comprehensive, statewide workforce housing strategy, designed to increase the availability of affordable housing opportunities for Florida's workforce, who desire to live within the communities they serve.
- Provides recurring funding for construction of multifamily development.
- Provides various housing development incentives.

FHFC Live Local Programs

- SAIL Viability Program
- Florida Hometown Heroes Program
- Live Local Tax Credit Contribution Program
- Multifamily Middle Market Certification
- Additional Live Local SAIL Funding Opportunities

Florida Hometown Heroes Program

- Eligible full-time workforce, employed by a Florida-based employer can receive lower than market interest rates on an FHA, VA, RD, Fannie Mae or Freddie Mac first mortgage, reduced upfront fees, no origination points or discount points and down payment and closing cost assistance.
- Borrowers can receive up to 5% of the first mortgage loan amount (maximum of \$35,000) in down payment and closing cost assistance.
- Down payment and closing cost assistance is available in the form of a 0%, non-amortizing, 30-year deferred second mortgage. This second mortgage becomes due and payable, in full, upon sale of the property, refinancing of the first mortgage, transfer of deed or if the homeowner no longer occupies the property as his/her primary residence. The Florida Hometown Heroes loan is not forgivable.

Florida Hometown Heroes Program Success

- Fully reserved funds from the FY 22/23 \$100 million appropriation prior to July 1, 2023
 - ❖ Over 6,700 families assisted
 - ❖ Leveraged over \$2 billion in first mortgages
- July 3rd, opened reservations for the \$100 million appropriated in the Live Local Act (FY 23/24)
- Fully reserved all \$100 million on August 22nd – in just 50 days!
 - ❖ Approximately 6,500 families assisted
 - ❖ Leveraged approximately \$2 billion in first mortgages

Live Local Tax Credit Contribution Program

- Starting Oct. 1, 2023, corporate/insurance premium taxpayers can apply to Department of Revenue for Live Local Tax Credit allocation-up to \$100M cap.
- Taxpayer makes contribution in the amount of the tax credit allocation to FHFC at any point prior to corporate tax deadline.
- Workshop to demonstrate contribution instructions scheduled September 20, 2023.

Live Local Tax Credit Contribution Program

- Contributions fund a SAIL program to include up to \$25M for financing transformational multifamily developments through competitive RFA.
- Transformational Multifamily Developments are considered “large-scale projects of significant regional impact.”
- Remaining funding will be placed in the traditional SAIL program.
- Conceptual Workshop held June 22, 2023.
 - ❖ Video recording available at <https://www.floridahousing.org/live-local-act/live-local-corporate-tax-credit-program>
- 2nd Conceptual Workshop scheduled for September 20, 2023 at 2:00 p.m.

Multifamily Middle Market Certification

- Ad valorem property tax exemption for multifamily rental developments at:
 - ❖ 75% of the assessed value - if the property leases housing to natural persons or families whose annual household income is greater than 80% AMI, but no more than 120% AMI
 - ❖ 100% of the assessed value - if the property leases housing to natural persons or families whose annual household income does not exceed 80 AMI
- The property must contain more than 70 units dedicated to persons or households whose incomes are no more than 120% AMI.

Multifamily Middle Market Certification Eligibility

- Newly Constructed
 - ❖ Substantially completed within 5 years

- The exemption only applies to units in a property that are **not** subject to any restrictive covenant agreement with FHFC

- Designated units must be rented for the lesser of:
 - ❖ An amount that does not exceed the most recent multifamily rental program income and rent limits chart posted by FHFC,
 - or
 - ❖ 10% below the market rate as determined by a recent market study

Multifamily Middle Market Certification Eligibility

- Property owners must seek a certification from FHFC.
- Property owners will submit the property certification request, including a recent market study and other required documentation through an on-line registration and request submission portal
- FHFC will review the request and documentation. If the property meets the requirements, FHFC will issue a certification to the property owner and notify the respective local property appraiser
- FHFC will begin receiving certification requests in fall 2023, for the 2024 tax roll year
- FHFC is **not** responsible for:
 - ❖ Household income certification for designated units
 - ❖ Assessing or determining if the property will receive the ad valorem property tax exemption

Multifamily Middle Market Certification

- Conceptual Workshop was held July 11, 2023.
 - ❖ Video Recording is available at <https://www.floridahousing.org/live-local-act/multifamily-middle-market-certification>
- Next Workshop Scheduled September 19, 2023, 2:00 p.m.
- The FAQ regarding the certification is available on the above Website.
- The portal for certification requests will open October 2, 2023.

Additional SAIL – Innovative Multifamily Development

- \$150M for 10 years.
- “For innovative projects that provide for affordable and attainable housing...”
- Allocated through competitive RFAs as SAIL loans with affordable/workforce AMIs

Additional SAIL – Innovative Multifamily Development

➤ 70 Percent

- ❖ Redevelopment
- ❖ Urban Infill
- ❖ Mixed Use
- ❖ Housing Near Military Installations

➤ 30 Percent

- ❖ Developments Using Public Land
- ❖ Youth Aging Out of Foster Care
- ❖ Elderly
- ❖ Rural Opportunity

Additional SAIL – Innovative Multifamily Development

➤ 1st Conceptual Workshop

❖ June 20, 2023

❖ Video recording available at

<https://www.floridahousing.org/live-local-act/additional-sail-like-funds>

➤ 2nd Conceptual Workshop

❖ September 14, 2023, at 2:00 p.m.

❖ Webinar Registration Instructions available at

<https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2023/2023-213>

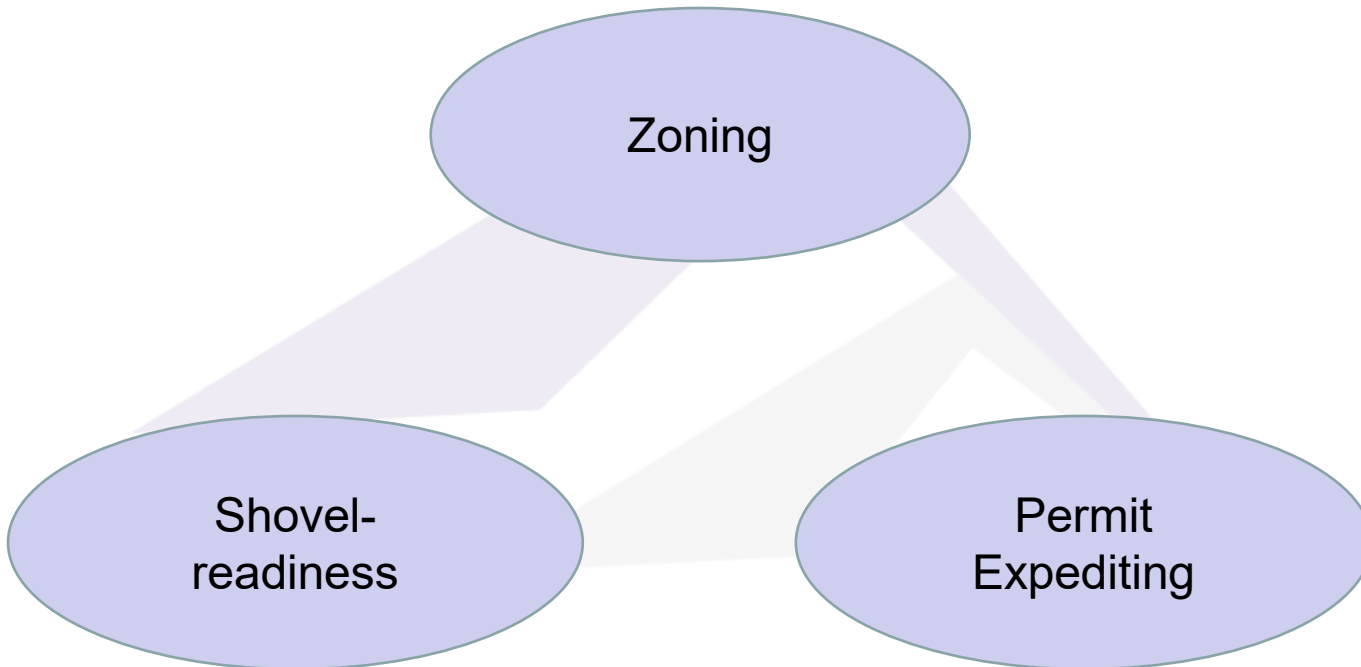
➤ RFA workshop – There will be multiple RFAs

❖ October 3, 2023, at 2:00 p.m.

What does this mean for Local Governments?

- Increased capacity
- Additional forms
 - ❖ Public Lands form
 - ❖ Urban Infill form
- Additional requests for funding
- Timelines for applications and program deadlines

Information to Consider



Catalyst and Live Local Training

➤ Catalyst Program

- ❖ Provides technical assistance to community-based organizations, non-profits and local governments.
- ❖ FHFC is contracted with the Florida Housing Coalition to provide training and technical assistance related to the Live Local Act.

Florida Housing Data Clearinghouse

➤ Creation:

- ❖ Created in 2001
- ❖ Shimberg Center for Housing Studies at the University of Florida.
- ❖ Response to concerns voiced by the Florida Home Builders Association, the Realtors, the Affordable Housing Study Commission and other stakeholders that data was difficult to access for legislative, policy and other purposes.

➤ Purpose:

- ❖ Provides the public with access to data on housing need and supply in Florida from a variety of sources.

➤ Functions:

- ❖ To provide housing data, and build the capacity, or infrastructure, to collect and produce this information.

➤ The Clearinghouse website:

- ❖ <http://www.flhousingdata.shimberg.ufl.edu/>

FHFC Live Local Act Listserv

- By signing up for the Listserv, you will receive updates via email.
- Go to our Live Local Act page, <https://www.floridahousing.org/live-local-act>, and click on “Sign Up for Each Live Local Act Program’s ListServ.”

Questions or Comments?

FHFC Live Local Act Contacts

- Additional SAIL – Innovative Multifamily Development
 - ❖ Melissa Levy, Managing Director of Multifamily Programs, Melissa.Levy@floridahousing.org
 - ❖ Jean Salmonsén, Multifamily Allocations Director, Jean.Salmonsén@floridahousing.org
 - ❖ Marisa Button, Managing Director of Strategic Initiatives, Marisa.Button@floridahousing.org

- Multifamily Middle Market Certification, middle.market.cert@floridahousing.org

- Live Local Tax Credit Contribution, livelocaltaxcredit@floridahousing.org

- Hometown Heroes Program, dpa@floridahousing.org

Upcoming Workshops

- 2nd Conceptual Innovative Multifamily Development SAIL Workshop
 - ❖ September 14, 2:00 p.m.
- Middle Market Certification Workshop
 - ❖ September 19, 2:00 p.m.
- Live Local Tax Credit Contribution Workshop
 - ❖ September 20, 2:00 p.m.
- Innovative Multifamily Development SAIL RFA Workshop
 - ❖ October 3, 2:00 p.m.

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Thank you!

Additional Training Opportunities available at:

<https://www.floridahousing.org/programs/special-needs-housing-overview/education-training-technical-assistance>

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