

September 30, 2010

Jerry L. McDaniel, Director
Office of Policy and Budget
Executive Office of the Governor
1701 Capitol
Tallahassee, Florida 32399-0001

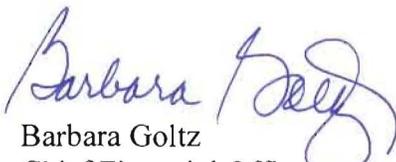
JoAnne Leznoff, Council Director
House Full Appropriations Council
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Tallahassee, Florida 32399-1300

David Coburn, Staff Director
Senate Policy and Steering Committee on Ways and Means
201 Capitol
Tallahassee, Florida 32399-1300

Dear Directors:

Pursuant to Chapter 216, Florida Statutes, our Long Range Program Plan (LRPP) for Florida Housing Finance Corporation is submitted in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for the Fiscal Year 2011-12 through Fiscal Year 2015-16. This submission has been approved by Stephen Auger, our Executive Director. The plan is located on the Florida Fiscal Portal and may be accessed through a link on Florida Housing's website at:
<http://www.floridahousing.org/AboutUs/LongRangeProgramPlan/>

Sincerely,


Barbara Goltz
Chief Financial Officer

Charlie Crist, Governor

Board of Directors: David E. Oellerich, Chairman • Stuart Scharaga, Vice Chairman • Tom Pelham, Ex Officio
Marilyn L. Carl • Ken Fairman • Lynn Hanfman • Clifford Hardy • Jerry Maygarden • Leonard Tylka

Stephen P. Auger, Executive Director



Long Range Program Plan

September 30, 2010

State Fiscal Years 2011-12 through 2015-16

AGENCY MISSION

Access to Affordable Housing

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

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

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

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

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

Baseline/ Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
64.8%/1999	96%	96%	96%	96%	96%

Objective 1B: To maximize leveraging of state resources

Outcome: Ratio of nonstate resources to state-appropriated dollars

Baseline/ Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
2.69:1/1999	2:1	2:1	2:1	2:1	2:1

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

Outcome: Percent of units exceeding statutory set asides

Baseline/ Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
105%/1999	105%	105%	105%	105%	105%

LINKAGE TO THE GOVERNOR'S PRIORITIES

FLORIDA HOUSING'S GOAL

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

GOVERNOR'S PRIORITIES

1. Protecting Our Communities

Overall, the security of a safe home and neighborhood allows children to take full advantage of educational opportunities, diminishes crime, and provides people at all income levels, including those with special needs, with an opportunity to have an enhanced quality of life. Decent, affordable housing is a foundation of a strong neighborhood.

2. Strengthening Florida's Families

A safe, secure home in a neighborhood near amenities and services provides the support systems to meet families' needs: it gives children access to good schools, working adults access to transportation to get to their jobs, and elders and residents with special needs access to needed services.

3. Keeping Florida's Economy Vibrant

Florida Housing's programs are intended to provide better access to federal housing initiatives, boost the state's construction industry, and assist in mitigating the periodic economic dislocations in the construction and building trade industry, particularly resulting in impacts on lower income Floridians. Florida Housing's programs annually funnel millions of dollars into the construction and building trade industry, promoting a more stable business climate in Florida.

4. Success for Every Student

The security and stability of a safe home and neighborhood allows children to take full advantage of educational opportunities.

5. Keeping Floridians Healthy

Poor quality housing and overcrowded conditions contribute to both mental and physical health problems in adults and children alike. Decent, affordable housing promotes family health in two important ways: 1) Housing in good condition eliminates health hazards around the home from construction materials (e.g., asbestos, lead based paints, dangerous situations due to poor structural conditions; and 2) A family that does not have to pay more than they can afford for a home will have greater resources to pay for needed health care.

6. Protecting Florida's Natural Resources

Locating affordable housing close to services, amenities and public transportation is a principle of smart growth. Promoting green building techniques, including water conservation and energy efficiency, also help to protect the state's natural resources.

TRENDS AND CONDITIONS

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

AFFORDABILITY

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

In 2008, the latest year for which we have data, an estimated 8.06 million households resided in Florida. The average size of Florida households in 2008 was approximately 2.54 persons. While population growth dipped into the negative by about 60,000 persons between 2008 and 2009, state demographers expect to see growth slowly swing upwards to a rate of approximately 1.1 to 1.5 percent between now and 2030, with Florida becoming the third most populous state in front of New York before 2020.

In 2008, 67.9 percent of low-income renter households (those with incomes at or below 60 percent of AMI) paid more than 40 percent of their income for rent—609,709 households in all. Statewide in 2010, 618,814 low-income, renter households are cost burdened.

To provide perspective, the National Low Income Housing Coalition estimated the average 2010 wage for a Florida renter at \$13.23 an hour, a slight decrease from 2009, when the average hourly wage was \$13.58. This single worker would have to work 61 hours per week, 52 weeks a year, to afford a typical two-bedroom apartment in Florida. While many households include second earners, renter households in particular often are comprised of single earners with dependents. While evidence suggests that rents are down in many Florida markets, incomes continue to stagnate as well, both as a result of little growth in hourly rates and a reduction in the number of hours worked.

HOUSING CONDITION

As of July 1, 2009, Florida's housing stock was estimated at approximately 8.9 million units. The 2000 Census was the last evaluation of substandard housing, and the data from that time show that over 500,000 housing units were substandard, which is measured by overcrowding and/or units lacking complete kitchens, heat and/or plumbing. Many of these units are 30-40 years old, at a point when rehabilitation and remodeling are required to maintain the life of the unit. The Affordable Housing Study Commission estimated that in the current year, approximately 667,000 single and multifamily units that house lower income families are 50 or more years old and require reinvestment to maintain their viability as affordable housing.

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

- To carry out analyses of housing needs within the state and ways of meeting those needs;
- To participate in federal housing assistance and federal community development, insurance, and guarantee programs, including the provision of the match requirement for the HOME Investment Partnerships Program federal funding;
- To develop and administer the State Apartment Incentive Loan Program, which offers low interest first, second or other mortgage loans to developers who build or rehabilitate affordable rental properties;
- To develop and administer the State Housing Initiatives Partnership (SHIP) program, which provides funding to all 67 counties and 53 cities to finance affordable housing based on locally determined needs;
- To develop and administer the Florida Homeownership Assistance Program, which provides down payment assistance, construction financing and permanent loans for construction and rehabilitation of affordable single family homes;

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

From 1992, when the SHIP program was established by the Florida Legislature, through 2008, approximately 165,000 households have been assisted by this program, with approximately 90 percent of these funds going for homeownership assistance.

On the rental side, considering both federal and state programs administered by Florida Housing Finance Corporation alone, over 175,000 rental units statewide are currently available to residents or in the construction pipeline. Most of these units are targeted to households at or below 60 percent of area median income. Figure 1 shows the breakdown of these units by county. Even counting units developed through other federal and local programs, as well as affordable single family homes, public housing, federal vouchers, Florida and the nation are hard pressed to meet all of the housing need for lower income Floridians, particularly those with extremely low incomes.

THE HOUSING MARKET'S TURBULENCE IMPACTS FLORIDA'S ECONOMY

The economic recession continues to impact Florida strongly, primarily due to single family housing foreclosures that have struck this state especially hard. While median housing prices have come down from their 2006 high, incomes have continued to stagnate. Per capita personal income declined over the last couple of years and is continuing to do so in 2010. Job losses are increasing, with unemployment up to 12 percent in July of 2010. Because of the oversupply of housing in the market¹ and overall market contraction, construction is down. The recession has decreased tourism statewide, and economists predict that recovery will not begin until 2011 or 2012 at the earliest. During this period, homelessness has been on the rise, with a 16 percent increase between 2007 and 2010. These homeless counts, which are carried out throughout the state, only count homeless people on the street and in emergency shelters; they do not capture the number of people living doubled up with family or friends due to housing or job loss.

This decrease from the boom years earlier in the decade is blamed on the recession, particularly the collapse of the housing market and job losses, impacting migration into the state and, thus, the oversupply of housing. A number of counties are estimated to have lost population, and counties in South Florida are harder hit because they expanded more than North Florida counties earlier in the decade. Unless the state is hit by major hurricanes in the

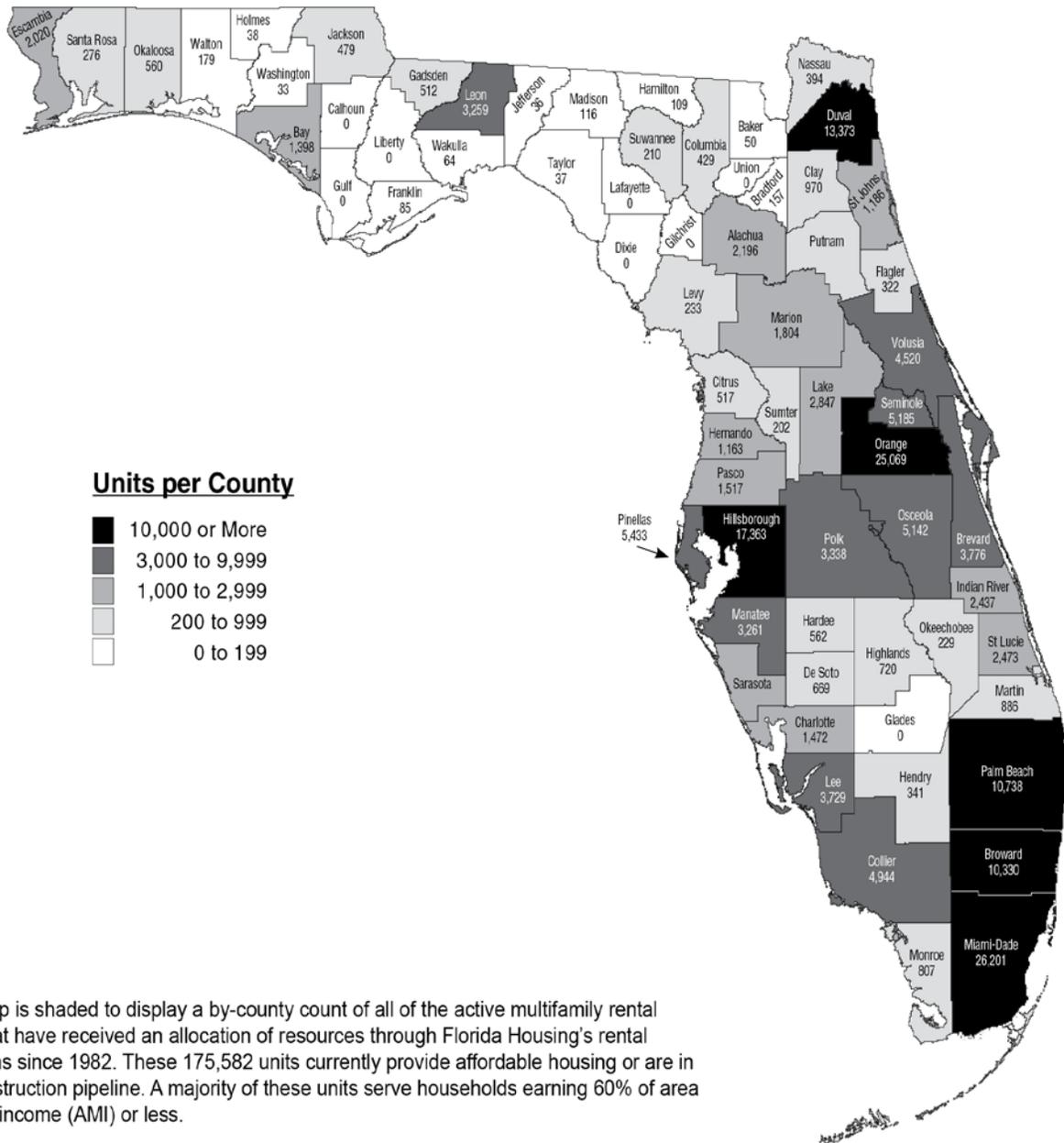
¹ While there has been some impact on the affordable housing market during the recession, the majority of the impact has been to the unsubsidized stock.

next few years, population estimates are that growth will slowly pick up in the next couple of years and slowly return to more normal levels over the decade.

In addition, the slowdown has impacted state and local revenues from sales taxes and real estate transactions as well as businesses that are experiencing less demand for goods and services. Combined with lower consumer spending by Floridians, state and local governments have been forced to make large budget cuts, and this will continue for at least the next couple of years.

FIGURE 1.

TOTAL ACTIVE RENTAL UNITS FINANCED by FLORIDA HOUSING SINCE 1982



This map is shaded to display a by-county count of all of the active multifamily rental units that have received an allocation of resources through Florida Housing's rental programs since 1982. These 175,582 units currently provide affordable housing or are in the construction pipeline. A majority of these units serve households earning 60% of area median income (AMI) or less.

MARKET FORCES CHALLENGE AFFORDABLE HOMEOWNERSHIP EFFORTS

The housing investment climate and easy access to credit in Florida and across the nation fueled a steep, multi-year climb in housing prices that created housing affordability problems throughout the state. This period came to an end three years ago, leaving a large mismatch in incomes and housing prices especially in the high cost areas of the state, although prices have come down drastically in most areas. Housing sales have slowed down as well, impacting the nation and the state's economy. Housing building permit activity has plummeted, as has job growth across most sectors of Florida's economy. In addition, most of the homes purchased during the boom years are now worth much less than the mortgages held on these homes. Just under 50 percent of Florida homeowners are estimated to be "under water" – that is, they paid more for their homes than they are now worth.

The overall decline in housing prices and high number of foreclosed properties on the market means that Floridians interested in homeownership have more opportunities now than anytime over the last few years. Statewide housing prices peaked in late 2006 and slowly began to fall over the next year. From a median of approximately \$250,800 in July of 2006, existing home sales prices had fallen to \$138,000 in July of 2010. This latter figure is likely to be artificially low because of the purchase of foreclosed homes at bargain prices. However, it is an accurate measure of actual median sales prices for this time – just 55 percent of what they were at their height in 2006. As foreclosed homes continue to come onto the market over the next few years, sales prices are expected to remain low. Mortgage interest rates have trended down during 2010, hitting historical lows during the summer of 2010.

In 2008 the entire state of Florida was designated by Fannie Mae and Freddie Mac, as well as the mortgage insurance companies that insure conventional loans, as one of only four states to be a "severely declining market." This designation implies a much higher level of risk of excessive home value decline to the agencies and insurers as compared to other states. As a result of this designation, lenders originating conventional loans in Florida must now apply additional, more restrictive underwriting standards. This has severely impacted overall access to first mortgage financing, although the standards have eased somewhat. A typical homebuyer now must have a minimum FICO (credit) score in excess of 660, down from 720 last year, and is limited to financing a maximum of 95 percent (versus 90 percent a year ago) of the home's appraised value or sales price, whichever is lower. Some mortgage insurance providers that used to insure a significant amount of risk in Florida, like Radian, have stopped insuring mortgages in Florida altogether. Most of the loans provided by Florida Housing are now government insured loans (FHA, VA, and USDA-RD), which do not have such strict requirements. FHA allows a 96.5 percent loan to value ratio, and a minimum credit score of 580 for loans in any state.

HOME FORECLOSURES STILL HIGH

Mortgage defaults and foreclosures began to climb three years ago and remain high today. The percentage of all residential loans past due is, in some cases, over double what it was in the year 2000. Table 1. below breaks out 2000, 2007 and 2009 data for all loans, prime loans and subprime loans. In addition to the substantial increase in past due loans, note the precipitous rise in the number of subprime loans from 2000 to 2007. While the number of all prime loans rose by about 56 percent over this period, the total of subprime loans rose by 924 percent. The table shows that the actual number of all types of residential loans has declined between late 2007 and late 2009, even as the percentage of past due loans increased.

According to RealtyTrac, Florida is ranked third in the nation for foreclosures. In 2009, over 516,000 residences received at least one foreclosure notice, up 134 percent from 2008. In July 2010 alone, one in every 171 Florida households received a foreclosure filing. This is a 9 percent decrease from the month of July 2009, but Florida foreclosures account for 16 percent of foreclosures nationally.

Florida demographers note that during the boom, Florida's homeownership rate, which was at 66.3 percent for many years, increased because financing was so easy for homebuyers to obtain. As a result, the homeownership rate soared to, at its peak, about 72.4 percent. This rate cannot be sustained, both because it was derived from financing tools that are not available to homebuyers going forward, and because the number of foreclosures will lower the rate over time. This means that Florida will slowly shift back towards 66.3 percent in the next few years.

TABLE 1.

Status of Residential Loans in Florida, 2000, 2007 and 2009 (Fourth Quarter of Each Year)			
Loan Type	Year	Number of Loans	% Past Due
All Loans	2000	2,216,625	6.1
All Loans	2007	3,585,614	7.47
All Loans	2009	3,433,574	12.67
Prime Loans	2000	1,572,064	3.31
Prime Loans	2007	2,774,981	4.57
Prime Loans	2009	2,579,415	10.09
Subprime Loans	2000	62,578	13.7
Subprime Loans	2007	573,562	19.76
Subprime Loans	2009	501,819	24.73
Source: Mortgage Bankers Association			

HELPING HOMEOWNERS STAY IN THEIR HOMES

To address the foreclosure crisis, Florida Housing is currently serving as an intermediary for 36 local housing counseling agencies throughout Florida under the National Foreclosure Mitigation Counseling (NFMC) Program. In the first three application rounds, the state received \$19.6 million to help keep more than 81,000 families out of foreclosure and in their homes. Florida Housing secured over \$5.1 million of this funding to support counselors in serving over 17,000 families. In addition, Florida Housing and Florida Legal Services received another \$1.5 million under this program to provide over 2,700 homeowners with legal representation in their fight against foreclosure. In a fourth round of funding in 2010, the state was awarded \$3.4 million to assist more than 18,000 families. Florida Housing received about \$1 million of this funding to assist an additional 3,800 families.

In addition, in mid-2010 the U.S. Treasury used federal TARP funds to create the Housing Finance Agency HFA Innovation Fund for the hardest hit housing markets in the country, including 18 states and the District of Columbia. Florida was allocated \$656.8 million to target assistance to an estimated 20,000 homeowners who are at risk of losing their homes as a result of unemployment. The program will make mortgage payments on a homeowner's behalf for up to 18 months while they seek re-employment, additional employment or undertake job training. Funding will go to homeowners who are in this situation through no fault of their own. Florida Housing will first implement a pilot of this program, per Treasury's requirement, to start in late 2010, with the full program beginning in 2011.

CHALLENGES FACING HOUSING PROGRAMS

The recession has strongly impacted the market for housing related investments. Investors' minimization of risk has created an investment environment of limited or no interest in Mortgage Revenue Bonds or Low Income Housing Tax Credits, leading to poor pricing on each. As a result, these two critical financing tools have only limited use right now. This should slowly change over the coming years to a more positive outlook as stability in the financial markets returns to more historic levels.

Federal stimulus funding from the American Recovery and Reinvestment Act has included a number of housing-related provisions to address these market challenges. Two programs have come to Florida Housing to assist with financing provided through the existing Low Income Housing Tax Credit Program. For Fiscal Year 2009-10, this federal funding was an important addition to affordable housing funding in a year when the Legislature cut the state budget to address budget deficits.

In addition, the New Issue Bond Purchase Program was authorized by the U.S. Treasury in October 2009 as a short term response to the credit and liquidity crisis that gave rise to extremely high market interest rates on tax exempt bonds, making them difficult to use for affordable housing programs. In December 2009 at the inception of the NIBP, bond rates were set based on the market at that time. However, bond market rates continued to decline, resulting in bond rates under this program once again being higher than market rates. Recognizing this condition and other market factors, the Treasury implemented new provisions that included the opportunity to reset the interest rate that had originally been set in December 2009, extending the program through December 2011, and increasing the number of times the bond issuer could access the program from 3 to 6.

For single family transactions, the program provides for the federal purchase of 60 percent of a tax exempt bond transaction while the other 40 percent of a tax exempt bond sale is at market rate. For multifamily tax exempt bond transactions, 100 percent of the bonds are purchased by the federal government through this program. Using NIBP provisions, Florida Housing is authorized to sell \$795,750,000 of its existing tax exempt bond allocation. Of this, \$248,520,000 is authorized for transactions for the acquisition, rehabilitation and development of rental housing units, and \$547,230,000 is authorized for single family transactions for new mortgages for first time homeowners.

Federal stimulus funding has been critical in ensuring that Florida Housing was able to finance the preservation of aging affordable rental apartments and support construction of rental apartments in areas of the state that continued to grow even in the recession. These funds have assisted the state in keeping people working during the downturn.

HOW STATE FUNDING CAN ADDRESS CURRENT NEEDS

At this time, the Homeownership Assistance Program (HAP) and the State Housing Initiatives Partnership (SHIP) Program can provide critical resources for the state to support efforts to ensure that the housing stock that is standing empty as a result of foreclosures can be rehabilitated as necessary and sold to eligible homebuyers. HAP funds are used as down payment assistance in conjunction with high quality, fixed-rate low interest mortgages provided through Florida Housing's First Time Homebuyer Program. SHIP provides a flexible source of funding that allows local governments to respond to the particular needs of their communities. In these times with a high number of housing units in foreclosure and standing empty, local governments could use SHIP funds to rehabilitate these units for new homebuyers, as well as provide down payment assistance. This funding generates construction jobs, supports Florida's strong Realtor network and helps to maintain the stability of neighborhoods. No state funding was appropriated to the SHIP Program in FY 2010-11. Florida Housing was appropriated \$37.5 million for down payment assistance for FY 2010-11.

With most federal stimulus funding now awarded, and with limited state appropriations from the state's housing trust funds, local governments in Florida must rely on federal resources without the gap financing provided through state funds to finance housing. Because of lower investment pricing for tax credits and limited investor interest in federal mortgage revenue bonds, it will be extremely difficult to fully use these available federal programs in the current investment climate. State funding will be critical in Florida Housing's work to target preservation of rental housing to stabilize local communities and provide down payment assistance to assist the state in decreasing the glut of housing units for sale on the market.

Florida Affordable Housing Guarantee Program. Today's market is stressing existing rental units in a number of areas of the state. As a result, properties are at greater risk of foreclosure or deferred maintenance as owners and investors struggle to make mortgage payments without the necessary rental income to cover these costs. After several years of high operating costs in an atmosphere of flat incomes and lower occupancy rates, many properties were weakened. However, in 2010, occupancy rates around the state appear to be slowly increasing.

All properties in Florida Housing's rental portfolio face these risks to some degree, but properties credit enhanced through the Affordable Housing Guarantee Program incur the most significant financial risk to the state. The Florida Affordable Housing Guarantee Program encouraged affordable housing lending by issuing a form of repayment guarantee on the financing of affordable housing. Typically, these were multifamily rental housing transactions primarily funded through the issuance of tax-exempt and taxable bonds. By guaranteeing the repayment of the underlying mortgage collateralizing the bonds, the Guarantee Program lowered overall borrowing

costs and improved the economic viability of affordable housing. In many cases, the Guarantee Program partnered with the HUD Risk Sharing program, allowing each party to assume 50 percent of the default risk of the mortgage, and ultimately encouraged affordable housing lending activities that may not otherwise have taken place.

Historically, documentary stamp tax collections distributed to the State Housing Trust Fund were used for debt service payment on the bonds issued to capitalize the Guarantee Program. Additionally, documentary stamp tax collections distributed to the State Housing Trust Fund may be used for the Guarantee Program as identified in Section 420.5092 (6)(a) and (b), Florida Statutes. While the program currently provides guarantees for approximately 22,500 units statewide that were constructed some years ago, no new guarantees are being provided from this program because of the market availability of such guarantee instruments and the reassessment of the financial condition of the guarantee fund.

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

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

A total of 2,255 privately-owned subsidized multifamily developments are found in Florida, with approximately 254,000 units targeted to low-income families. Of these, over 175,000 are Florida Housing units targeted to a particular income level. Over 70,000 units have some type of federal project-based rental assistance, making them more affordable to the state's lowest income renters. In addition, there are over 38,000 public housing units, which generally are the state's oldest affordable housing stock. While some of these units may be functionally obsolete, many are worth saving but need more rehabilitation funding than is appropriated by the federal government. Public housing units are another important source of low cost housing for extremely low income households.

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

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

Furthermore, in the long run it is less costly per unit to rehabilitate older properties than to build new ones. Even if affordability restrictions and rental assistance are maintained on these units into the future, they are aging and in need of rehabilitation. In the long run, this is a less expensive, more sustainable alternative, but it means diverting resources to this preservation effort from the construction of new units. Over the next few years, Florida Housing expects to develop an array of strategies to support the existing rental stock. Implementation of these strategies will also provide an important economic benefit to the state in the coming years – keeping Florida's construction engine moving, while keeping the addition of new units to just those locations in the state where strong enough growth is occurring to warrant the addition of new rental housing.

SERVING LOWER INCOME FLORIDIANS

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

As a result of the federal government's decreased funding for housing programs that serve these lower income households, Florida Housing programs are continually being evaluated to determine whether they can be efficiently used to help meet these housing needs. It is difficult to work within federal and state parameters to serve these lowest income Floridians while maintaining economic feasibility. However, with additional "ELI" (i.e., extremely low income) funding over the past few years, Florida Housing was able to target units to these lower income Floridians.

Florida Housing is currently working with state agencies, including the Department of Children and Families, the Department of Elder Affairs, the Florida Department of Veterans Affairs, and the Agency for Persons with Disabilities to carry out the "Link Initiative," an integrated housing strategy that incentivizes affordable housing developers to set aside a few rental units in each apartment complex for persons with special needs, such as persons with disabilities and youth aging out of foster care. The idea is to ensure that residents living in these units will be assured of receiving the appropriate supportive services they need while living in an affordable independent community setting. Florida Housing implemented this strategy with its 2009 rental development cycle and plans to continue this strategy in the 2011 rental development cycle. To date, 317 units in funded multifamily developments have been committed to serve persons with special needs.

Through discussions with stakeholders, Florida Housing has also identified a need to encourage more non-traditional developers to apply for funding. It is these developers who are more likely to develop housing for harder to serve populations, such as homeless people and those with disabilities. These households often need more specialized housing with attached services.

GREEN BUILDING

"Green building" is a whole-systems approach to the design, construction and operation of buildings from the early stages of development through to operation and maintenance of a property. The objectives of this approach are to increase building longevity, reduce utility and maintenance costs and enhance comfort, health and livability. Homes built with funds from Florida Housing's Homeownership Pool Program (funding is not currently available for this program) are required to achieve certification from a green building certification program. For multifamily rental housing, Florida Housing now requires energy efficient building features based on the U.S. EPA and DOE's Energy Star program, and incentivizes certification from a green building certification program.

THE FLORIDA HOUSING DATA CLEARINGHOUSE

Florida Housing's decisions on how to target scarce federal and state resources are based on data on housing need. Through the Florida Housing Data Clearinghouse a variety of data is available to the public through the Clearinghouse website. The Clearinghouse provides the state with a one-stop data source for all of the programs – federal, state and local – providing affordable housing in Florida. Clearinghouse staff also responds to one-time requests for housing data from Florida Housing and other entities. The website address is: <http://flhousingdata.shimberg.ufl.edu/index.html>

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

Florida Housing also provides free, web-based and call center affordable housing locator services to assist individuals and families in their search for affordable rental housing across Florida. Florida Housing's web-based locator service is set up as a one-stop clearinghouse of up-to-date information about available rental units in their communities. The locator provides detailed information on units, amenities, accessible features and rents, along with mapping capabilities that allow prospective tenants to search for housing near schools, community services and places of employment. Florida Housing also provides a toll-free call center that assists people without computer access to conduct rental searches. Both services are available to Spanish speaking people. The locator has become an important resource to Florida's citizens in normal times, as well as in response to economic crises and natural disasters. Nearly 150,000 affordable rental units statewide are registered with the locator. More than

100,000 affordable rental searches are conducted every month on the locator website. The call center handles nearly 5,000 calls per month.

EXISTING TASK FORCES

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

FLORIDA HOUSING FINANCE CORPORATION'S GOAL

Florida Housing has established one goal designed to help Floridians obtain safe, decent housing that might otherwise be unavailable to them. This goal is: to maximize the capacity of local governments and the private sector, both for profit and nonprofit, to develop and preserve affordable housing.

This goal is consistent and aligned with the Governor's priorities. Overall, the security of a safe home and neighborhood allows children to take full advantage of educational opportunities, diminishes crime, and provides people at all income levels, including those with special needs, with an opportunity to have an enhanced quality of life. Poor quality housing and overcrowded conditions contribute to both mental and physical health problems in adults and children alike. Access to decent, affordable housing is a foundation of a strong neighborhood. In addition, Florida Housing's programs annually funnel millions of dollars into the creation and support of jobs, promoting a more stable business climate in Florida. State funding is a critical tool for Florida Housing to use in leveraging federal funding for this purpose.

PRIORITIES AND OUTCOMES

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

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

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

Justification: The final projection for this outcome is based on current efforts of Florida Housing in making affordable housing available to hard to serve populations. Safe, decent affordable housing is a critical issue for all Floridians, including farmworkers, commercial fishing workers, homeless people, and elders. In light of the Legislature's goal to ensure that decent and affordable housing is available for all residents by 2010, continued appropriation of available documentary stamp tax collections is required in order to meet the need as indicated by the most recent rental and homeownership market studies.

Objective 1B: To maximize leveraging of state resources.

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

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

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

Outcome: Percent of units exceeding statutory set asides.

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

LRPP Exhibit II - Performance Measures and Standards

Department: DEPARTMENT OF COMMUNITY AFFAIRS	Department No.: 520000
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Program: Florida Housing Finance Corporation	Code: 52980000
Service/Budget Entity: Affordable Housing Finance	Code: 52980100

NOTE: Approved primary service outcomes must be listed first.

Approved Performance Measures for FY 2010-11 (Words)	Approved Prior Year Standard FY 2009-10 (Numbers)	Prior Year Actual FY 2009- 10 (Numbers)	Approved Standards for FY 2010-11 (Numbers)	Requested FY 2011-12 Standard (Numbers)
Percent of targeted dollars that are allocated to the targeted population	96%	--	96%	96%
Ratio of non-state funding to state appropriated dollars	2:1	2:1	2:1	2:1
Percent of units exceeding statutory set-asides	105%	231%	105%	105%
Number of applications processed	563	2,120	563	563
Number of affordable housing loans funded	540	2,113	540	540
Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) program	115	120	115	115
Number of local governments served (SHIP) program (incentive funds)	115	120	115	115

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

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

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
96%	0%	-96%	-100%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Due to a lack of appropriated funds, no loans were funded in the SAIL program in 2009. Since there were no targeted dollars available, no funds were allocated to serve the targeted population.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

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

Action (check one):

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

Data Sources and Methodology:

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

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

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

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

Validity:

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

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

Reliability:

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

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Ratio of nonstate resources to state appropriated dollars

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Percent of units exceeding statutory set-asides

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

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

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of affordable housing loans funded

Action (check one):

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

Data Sources and Methodology:

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

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

Action (check one):

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

Data Sources and Methodology:

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

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Community Affairs

Program: Florida Housing Finance Corporation

Service/Budget Entity: Affordable Housing Finance

Measure: Number of local governments served through the SHIP program

Action (check one):

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

Data Sources and Methodology:

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

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

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

Validity:

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

Reliability:

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

Office of Policy and Budget – July 2010

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

Measure Number	Approved Performance Measures for FY 2009-10 (Words)		Associated Activities Title
1	Percent of targeted dollars that are allocated to the targeted population		Sadowski Programs (SAIL only)
2	Ratio of non-state funding to state appropriated dollars		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
3	Percent of units exceeding statutory set-asides		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
4	Number of applications processed		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
5	Number of affordable housing loans funded		Sadowski Programs (SAIL, HAP, PLP, Guarantee Program, and HOME Match)
6	Number of local governments under compliance monitoring for the State Housing Initiatives Partnership (SHIP) Program		State Housing Initiatives Partnership Program Compliance Monitoring
7	Number of local governments served (in the SHIP program)		SHIP Program

Office of Policy and Budget – July 2010

APPENDIX

GLOSSARY OF TERMS AND ACRONYMS

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

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

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

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

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

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

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

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

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

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

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

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

Essential services personnel – Persons in need of affordable housing who are employed in occupations or professions in which they are considered essential services personnel by the county or municipality, including but not limited to, local school and college educators, police and fire employees, health care personnel and skilled building trades personnel.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FREQUENTLY USED ACRONYMS

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