

Affordable Housing Funding Sources

Part 3

March 29, 2022



The Florida Housing Coalition

- Statewide nonprofit provider of training, technical assistance, and consulting
- From ending homelessness to first time homeownership
- See www.flhousing.org



Presenters



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Thank you.



AFFORDABLE HOUSING CATALYST PROGRAM

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Catalyst Training Schedule



www.flhousing.org



Webinar Logistics

- Participants are muted
- Enter your questions in the box in your webinar panel
- Handouts are available with this webinar
- This PPT is included as a handout
- This webinar is being recorded and will be available on our website along with the attached handouts and all the questions and answers
- A survey will immediately follow the webinar; ***please*** complete it! Thanks!





Poll #1

Who is on?

Poll #2

Did you attend
Parts 1 and 2?

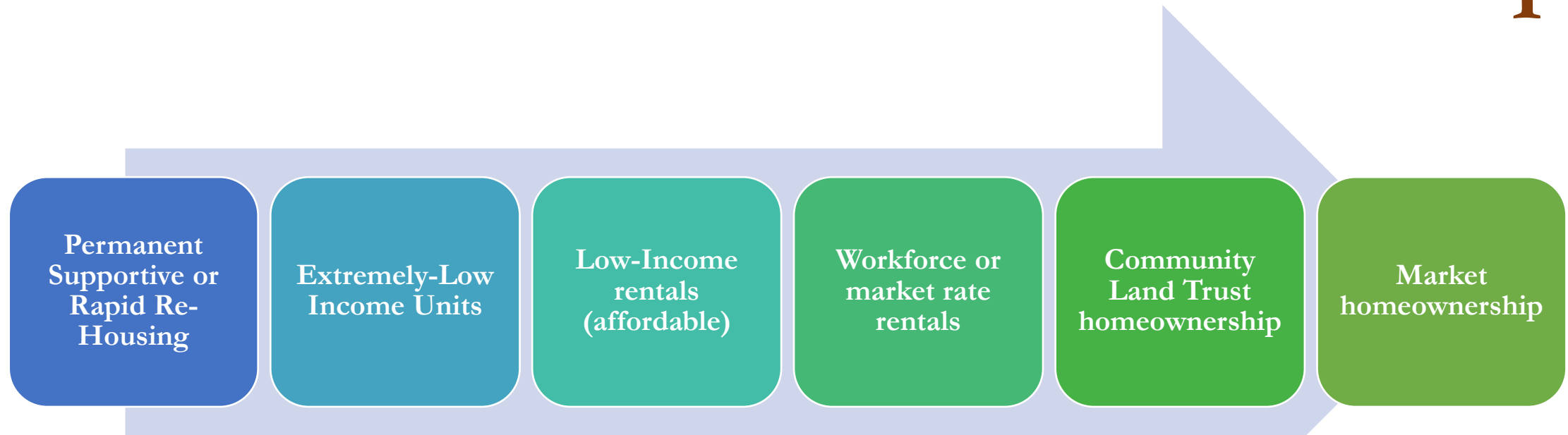
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Agenda

1. Quick review of Parts 1 and 2
2. Funding Sources for Homeownership
3. Homeownership Development Examples
4. Affordable Housing Tools
5. Q&A



Affordable Housing Resources Cover Homelessness to Homeownership





Rendering of Woodwinds Apartments in Seffner (Metropolitan Ministries)

Part 1 - Funding Sources for Ending Homelessness

- Continuum of Care
- ESG
- State grants
- TANF
- VASH, SSVF
- SHIP/SAIL
- NHTF
- HOPWA
- CDBG/HOME
- HOME ARP



Rendering of Woodwinds Apartments in Claremont (New Beginnings)

Funding Sources for Rental Development

- LIHTC
- SAIL
- MMRB
- PLP
- HOME
- SHIP
- CDBG
- OZ
- SLFRF

Funding Sources for Homeownership Development and Purchase Assistance

- SHIP** - State Housing Initiatives Partnership Program
- FHFC** - Florida Housing Finance Corp.
- CDBG** - Community Development Block Grant
- HOME** - Home Investment Partnership Program
- HOP** - Homeownership Pool Program
- SLFRF** - State & Local Fiscal Recovery Funds



SHIP: Eligible Uses



Homeownership

- Purchase Assistance
- Acquisition/construction or renovation of for-sale housing
- Owner-occupied Rehab



Construction

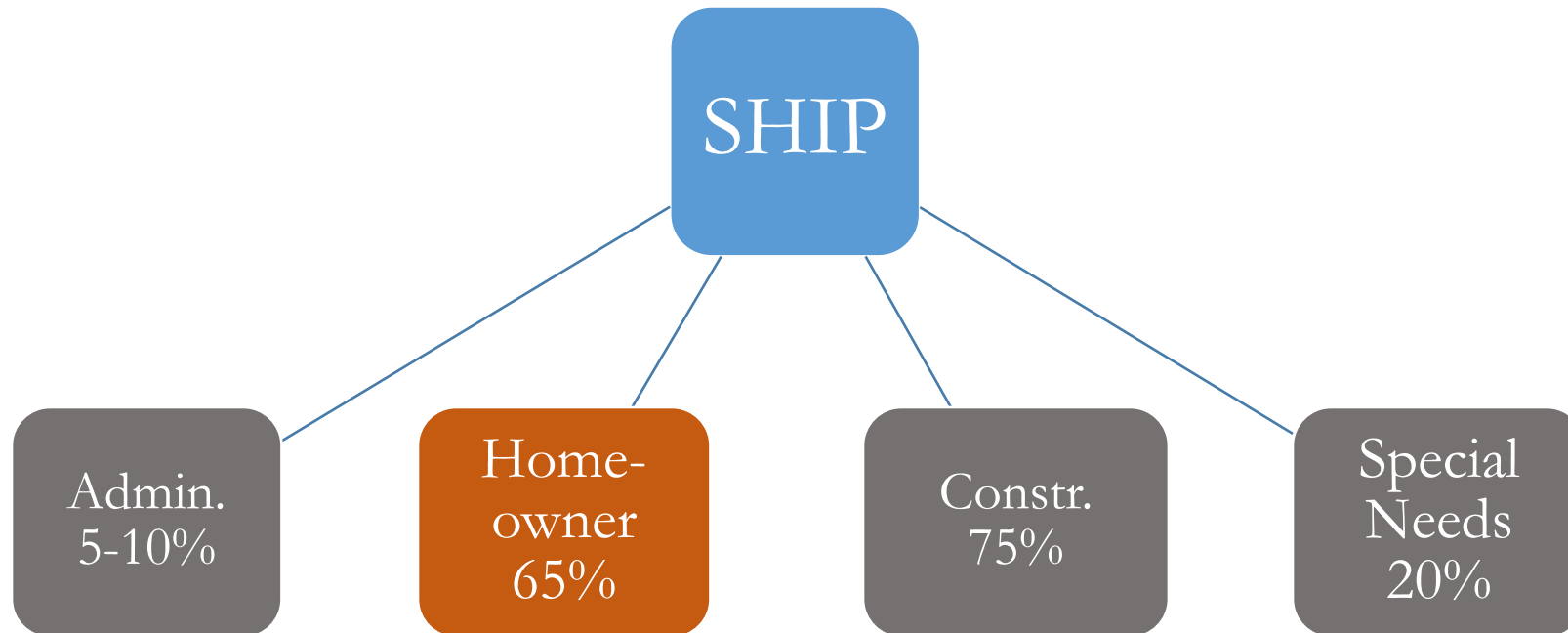
- Construction/rehab of rental housing
- Construction/rehab of ownership housing
- Local contribution for LIHTC



Special Needs

- Home modifications
- Technological enhancements and devices
- Independent living

SHIP: Program Set Asides



Local governments must fully expend SHIP within 3 years of allocation.

General SHIP Rules

Up to 140% of median can be served but

- No less than 30% very low and 60% very low and low

Can use sponsors and subrecipients to carry out activities

Local government decides:

Activity, recipient selection, sponsor selection, award, terms, default, repayment, forgiveness

2 years to encumber, 3 years to spend

New Local Housing Assistance plan must be submitted every 3 years (can be amended or revised at any time).

Local government decides how funds will be used each fiscal year

Link to LHAP's: [https://www.floridahousing.org/programs/special-programs/local-housing-assistance-plan-\(lhap\)/current-local-government-lhaps](https://www.floridahousing.org/programs/special-programs/local-housing-assistance-plan-(lhap)/current-local-government-lhaps)



SHIP Homeownership Strategies

- Purchase assistance with or without rehab
- Owner occupied rehabilitation
- Demolition/reconstruction
- New construction by sponsor/developer
- Acquisition/rehabilitation
- Emergency Repair
- Disaster Assistance
- Special Needs
- Foreclosure Prevention
- Impact Fees



Purchase Assistance Strategy

- SHIP can provide gap financing, down payment and closing cost assistance to eligible homebuyers
- Can include construction/rehabilitation
- There are maximum value limits
- Counseling may be required (who provides counseling, who receives counseling, type of counseling required)
- Local governments work with lenders, realtors and many develop loan underwriting guidelines



Purchase Assistance Strategy

- Maximum awards vary. Most common \$20,000 to \$60,000
- Income groups to be served determined by LG (very low, low, moderate up to 140%)
- Recipient selection criteria: FTHB not a SHIP requirement. Defined by LG in LHAP. May include priorities (special needs, essential service personnel).
- Loan terms vary. Most common 10-15 years
- Type of awards (grants, loans, deferred loans)
- Most common Defaults (cannot sell, rent, must be homestead property)
- Most common Interest rate - 0%



New Construction Strategy

- Upfront New Construction Subsidy
- Land Acquisition Assistance
- Donated Land from Surplus Land Inventory (Sections 125.379 and 166.0451, Florida Statutes (an incentive strategy))
- Infrastructure
- All Hard and Soft cost
- Pay Developer Fee
- Pay Impact Fees
- Down Payment Assistance to the Buyer



New Construction Strategy - Selection Criteria

- Recipient selection criteria
 - Who identifies buyer
 - First come, first qualified
 - Ranking Priority
- Sponsor/Developer Selection Criteria
 - Experience
 - Capacity (staff, financial)
 - Firm Commitment
 - Leverage



Terms for Developer and Buyer

- Repayment loan/deferred loan/grant
- Interest rate
- Years in loan term
- Forgiveness
- Repayment
- Default

FTHB Single Family Mortgage Revenue Bond

- Administered by FHFC
- Acquisition of new or existing SF homes
- Provides low-interest financing to participating lenders
- Eligible Applicants:
 - First-time homebuyers (FTHB)
 - Non-FTHB may be eligible under certain circumstances:
 - Home in federally designated target areas
 - Qualified veterans
- 30-year fixed-interest loan
- Search for participating lenders here:
<https://apps.floridahousing.org/StandAlone/FTHBWizard>



The Florida Assist (FL Assist)

Borrowers purchasing in the county selected may also be eligible to receive down payment assistance (DPA) through the **FL Assist Second Mortgage Program**. The FL Assist offers the following:

- Up to \$7,500.
- 0%, deferred second mortgage.
- The FL Assist is not forgivable. Repayment is deferred, except in the event of the sale, transfer, satisfaction of the first mortgage, refinancing of the property or until such a time the mortgagor ceases to occupy the property at which time, the Florida Assist will become payable in full.

3% and 4% HFA Preferred Grants

- Borrowers utilizing these down payment and closing cost programs receive 3% or 4% of the purchase price of the home being purchased in the form of a non-repayable grant.
- For more information, please visit the Homebuyer Program Wizard on the FHFC website.

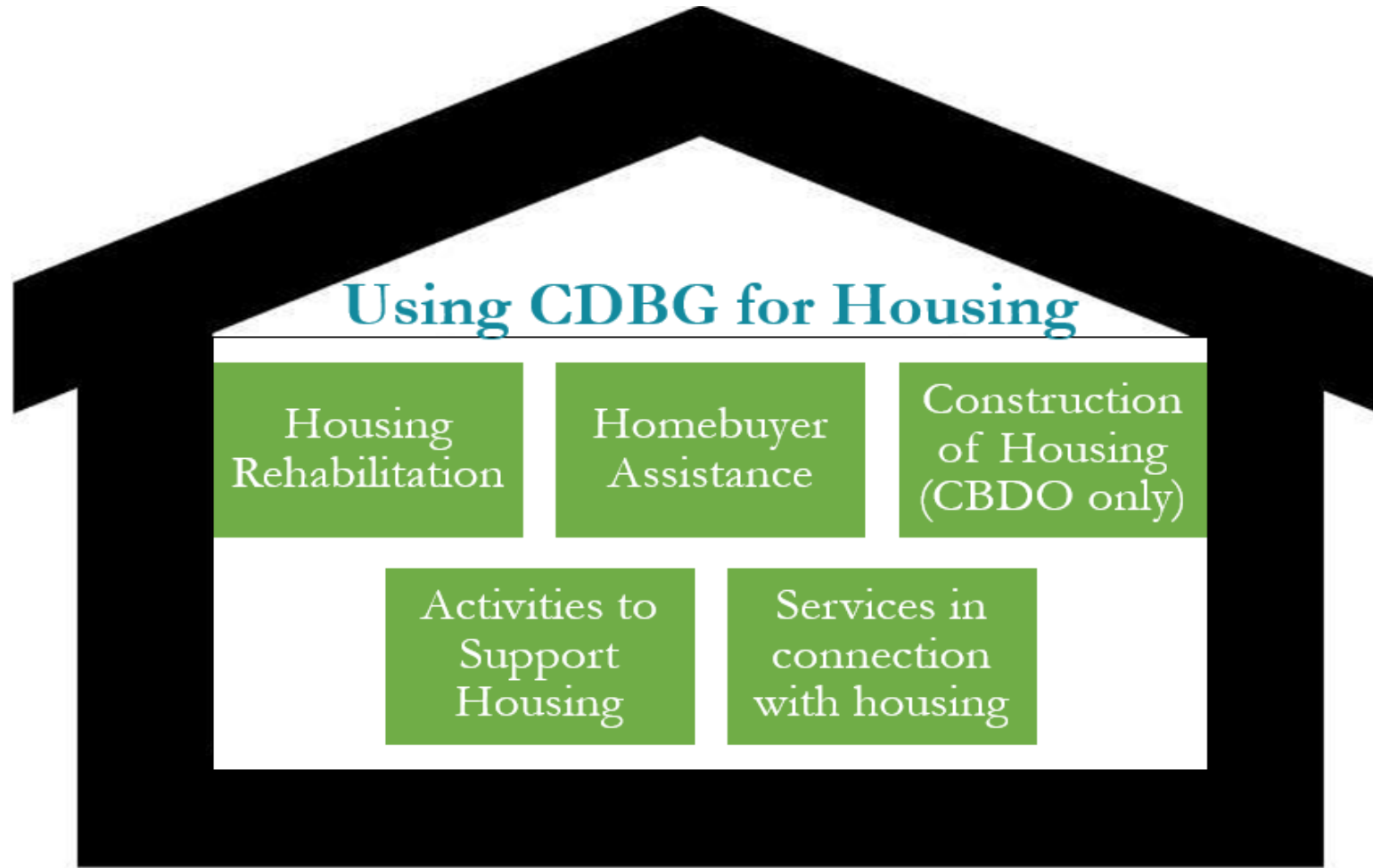


The Florida Homeownership Loan Program (FL HLP) Second Mortgage

- Borrowers purchasing in the county selected may also be eligible to receive down payment assistance (DPA) through the FL HLP Second Mortgage Program. The FL HLP offers the following:
 - Up to \$10,000.
 - 3% fully-amortizing, second mortgage.
 - 15-year term.
- The FL HLP Second Mortgage carries a monthly payment. The remaining unpaid principal balance (UPB) is deferred, except in the event of the sale, transfer of deed, satisfaction of the first mortgage, refinancing of the property or until such a time the mortgagor(s) ceases to occupy the property as his/her primary residence at which time, the FL HLP Second Mortgage will become payable, in full.
- Since the FL HLP Second Mortgage carries a monthly payment, this payment may need to be considered in a borrower's debt-to-income (DTI) ratio when credit underwriting.



CDBG for Homeownership Activities



CDBG Entitlement Program: Eligible Activities

- Eligible Activities include:
 - Acquisition of real property
 - Demolition and new construction of an existing home (considered rehabilitation)
 - Rehabilitation of residential structures



Types of eligible assistance

- CDBG can be used for
 - grants
 - loans
 - loan guarantees
 - interest subsidies

CDBG-eligible cost

- Labor and materials
- Replacement of principal fixtures and components of existing structures
- Water and sewer connections
- Installation of security devices, including smoke detectors
- Initial homeowner warranty premium
- Hazard insurance premium (except when a grant is provided);
- Flood insurance premium
- Conservation costs for water and energy efficiency
- Landscaping, sidewalks, garages, and driveways when accompanied with other rehabilitation needed on the property;
- Evaluating and treating lead-based paint
- Loans for refinancing existing debt are eligible under CDBG if the grantee determines that this type of assistance is necessary to achieve local community development objectives. This refinance must be part of a rehabilitation project -- CDBG does not permit refinance only projects.



CDBG can be used for Purchase Assistance in 2 ways

1. As direct homeownership assistance under 570.201(n), a separate and permanent eligibility category that allows CDBG funding to:

Provide up to 50 percent of required down payment;

Pay reasonable closing costs;

Provide principal write-down assistance;

Subsidize interest rates;

Finance acquisition; and

Acquire guarantees for mortgage financing from private lenders (i.e., assist homebuyers with private mortgage insurance).



CDBG for Purchase Assistance as a public service

- 2. As a public service activity; the eligibility category is limited to down payment assistance only and would count towards the 15 percent public services cap under 570.201(e).
- For down payment assistance to be provided as a public service to non-LMI households, it must be located in a HUD approved neighborhood revitalization strategy area (NRSA) (see §91.215(g)).
- Counseling can be funded with CDBG



CDBG for single family New Construction

Not eligible except for

- Community-Based Development Organizations (CBDOs) may use CDBG funds to construct housing for sale to LMI homebuyers in conjunction with a neighborhood revitalization or community economic development project.
- Activities that support development of housing for LMI persons such as acquisition, clearance, and site improvements (when the land is in public ownership) are eligible for CDBG assistance.



HOME Eligible Homeownership Activities

- Homeowner rehabilitation
- Homebuyer activities
 - Acquisition and/or rehabilitation
 - New construction
 - Downpayment and closing cost assistance



HOME Investment Partnerships Program

Owner Occupied Housing Activities

1. Construction of single-family homes
2. Reconstruction of single-family homes
3. Assist in purchase of single-family homes
4. Rehabilitation of single-family homes

Can be carried out by

- Participating jurisdictions (PJ)
- States Local governments
- Consortia

CHDO must be an owner, sponsor or developer



Construction of single-family homes

1. Acquisition of land eligible
2. Construction on land owned by the owner, local government or other entity
3. Must meet local government construction standards
4. Must not exceed the value limits
5. Must meet the HOME affordability period
6. Household must be 80% or less of median



Rehab Eligible Costs

- Rehab is subject to minimum and maximum subsidy requirements
- Virtually all types of hard costs eligible:
 - Actual rehab/reconstruction
 - Accessibility improvements
 - Utility connections
- Soft Costs
- Relocation Costs
- No luxury items or off-site infrastructure
 - A/C, dishwashers, minor landscaping not considered luxury

Refinancing existing debt is eligible if:

- Housing is owner-occupied
- HOME funds are loaned for rehab
- It reduces costs to borrower and housing is made more affordable

CHDO & Nonprofit Roles

- Homeowner rehab is NOT an eligible CHDO set-aside activity
- Nonprofits may act as:
 - Subrecipient
 - Competitively procured administrator
 - Community advocate/advisory group
 - Counselor to owners

Eligible Property Types

- To be eligible, housing must be:
 - Owned & occupied by income-eligible homeowner
 - The owner's principal residence
 - Types of eligible housing:
 - Single-family housing (1-4 units)
 - Townhome
 - Condo unit
 - Coop or mutual housing unit (if recognized by state law)
 - Manufactured home



Maximum Property Value

- New or Existing homes
- Applies to rehab and new construction

<https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>

- Perform local market survey

HOME and Housing Trust Fund Homeownership Sales Price Limits - FY 2021				
FL	Ocala County	Crestview-Fort Walton Beach-Destin, FL HUD Metro FMR Area	\$200,000	\$210,000
FL	Walton County	Walton County, FL HUD Metro FMR Area	\$247,000	\$260,000
FL	Volusia County	Deltona-Daytona Beach-Ormond Beach, FL HUD Metro FMR Area	\$195,000	\$205,000
FL	Flagler County	Palm Coast, FL HUD Metro FMR Area	\$218,000	\$229,800
FL	Alachua County	Gainesville, FL MSA	\$197,000	\$206,995
FL	Gilchrist County	Gainesville, FL MSA	\$196,000	\$206,500
FL	Citrus County	Homosassa Springs, FL MSA	\$170,000	\$178,900
FL	Clay County	Jacksonville, FL HUD Metro FMR Area	\$209,000	\$220,000
FL	Duval County	Jacksonville, FL HUD Metro FMR Area	\$209,000	\$220,000
FL	Nassau County	Jacksonville, FL HUD Metro FMR Area	\$237,000	\$248,950
FL	St. Johns County	Jacksonville, FL HUD Metro FMR Area	\$274,000	\$288,000
FL	Baker County	Baker County, FL HUD Metro FMR Area	\$171,000	\$180,000
FL	Polk County	Lakeland-Winter Haven, FL MSA	\$200,000	\$210,000
FL	Broward County	Fort Lauderdale, FL HUD Metro FMR Area	\$295,000	\$310,000
FL	Miami-Dade County	Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$318,000	\$334,500
FL	Palm Beach County	West Palm Beach-Paca Paton, FL HUD Metro FMR Area	\$280,000	\$295,000



Homebuyer Eligible Activities

- HOME can be used for:
 - Acquisition
 - Acquisition/rehabilitation
 - New construction
 - Lease-purchase if conveyed within:
 - 36 months of signing OR
 - 42 months of project completion



Form of Subsidy

- Lots of choices
 - Loans
 - Interest or no interest
 - Payments or no payments
 - No payments for a while, then payments
 - Forgiven over time
 - Grants
 - Interest Subsidies
 - Equity Investments
 - Loan Guarantees
- Can include construction financing as well as permanent financing

Amount of Subsidy

Minimum = \$1,000 per unit (except TBRA)

- Calculated as average HOME investment across all HOME units in single project
- Available from HUD Field office

24 CFR 92.250(b) requires each PJ to evaluate each project in accordance with the subsidy layering and underwriting guidelines it has adopted before it commits HOME funds to a project. PJs must analyze each project to ensure that the HOME investment is necessary and reasonable to provide quality affordable housing that is financially viable throughout the period of affordability.

2021 MAXIMUM SUBSIDY LIMITS
HOME Program
Effective September 9, 2021

I

Capped at 240% Maximum Subsidy Per Unit

LOCALITY	0 BR	1 BR	2 BR	3 BR	4 BR
Cocoa (Brevard)	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Daytona Beach	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Ft. Pierce	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Gainesville	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Jacksonville	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Lakeland	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Orlando	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Panama City	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Pensacola	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Sarasota	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Tallahassee	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490
Tampa	\$153,314	\$175,752	\$213,718	\$276,482	\$303,490



HOME Affordability Period

Affordability

- Homebuyer assistance and rental projects
- Depends on activity type and funding amount
- Period of affordability = Period of compliance
- Local Government can establish a longer affordability period

HOME Assistance per Unit or Buyer	Length of Affordability Period
Less than \$15,000	5 Years
\$15,000 - \$40,000	10 Years
More than \$40,000	20 Years
New construction of rental housing	20 Years
Refinancing of rental housing	15 Years



Homeownership Pool Program (HOP)

- Funding from HOME at FHFC
- Available to non-profit and for-profit builders/developers
- DPA to purchase newly-constructed homes from HOP Member builders ([HOP Member Contact List](#))
- Homebuyers with income below 80% AMI
- 0% deferred second mortgage
- Up to \$25,000 (\$35,000 for homebuyers with disabilities or very-low income homebuyers)



- How to become a HOP Member: [Membership application](#)

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Homeownership Pool (HOP) Program

HOMEOWNERSHIP POOL PROGRAM (HOP)



Available Funds:	
Hurricane Michael:	\$799,241.00
Self-Help Housing:	\$19,160.00
Non-Participating Jurisdictions (Non-PJs):	\$704,130.00
Participating Jurisdictions (PJs):	\$193,603.00

Florida Housing Finance Corporation, in response to the recognized need to enhance the ability and process of Developers to match qualified homebuyers with purchase assistance, has created the HOMEOWNERSHIP POOL ("HOP") PROGRAM. The "HOP" Program is designed to be a noncompetitive and on-going program, where Developers, by way of an online system have the ability to reserve funds for eligible homebuyers to provide purchase assistance on a first-come, first-served basis.

HOP Members


[HOP Member Login \(for existing members only\)](#)[HOP Member Registration \(for new members\)](#)

QUICK LINKS
>

[HOP Member Contact List](#)[Rule & Program Documents](#)[Program Forms](#)[Related References & Links](#)[Public Meetings & Notices](#)[Program Limits](#)[HOP One Pager](#)[HOP Flyer](#)

State and Local Fiscal Recovery Funds

- From the American Rescue Plan
- \$350 billion to support state, local, and Tribal governments in their response and recovery
- Many Uses
 - Including affordable housing!!!
- Allocation information at the [Treasury's website](#)



Using Coronavirus State & Local Fiscal Recovery Funds (SLFRF) for Affordable Housing

The American Rescue Plan (ARP) created the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), which can be used on a number of activities to address the public health and economic effects of the pandemic. This program provides a once-in-a-generation opportunity for local governments to address the affordable housing crisis. Now is the time for advocates, housing professionals, and local governments to devote a substantial amount of SLFRF dollars to address the housing crisis.

How can this money be spent on affordable housing?

Local governments have the flexibility to spend their SLFRF funds on a broad variety of affordable housing activities. The following list describes the activities that Treasury has confirmed are eligible. Even if a use is not stated here or in the Treasury Final Rule, a use may be eligible if the local government can show that the use is addressing the economic effects of COVID-19.

Construction costs	Rent and mortgage assistance	Demolition or deconstruction of vacant or abandoned buildings
Land acquisition and title clearing	Environmental remediation	Conversion of vacant or abandoned properties into affordable housing
Down payment assistance	Housing vouchers and relocation assistance	Inspection fees
Gap Financing	Supportive housing services	Site prep work and infrastructure
Operating support, housing counseling, and legal aid	Home repair and preservation	Home repair and preservation

This program provides a **once-in-a-generation opportunity for local governments to address the affordable housing crisis.**

Who is eligible?

Any housing activity that would be eligible under the HOME Investment Partnerships Program (HOME) or the National Housing Trust Fund (HTF) is presumed eligible for SLFRF funding. The following households and communities are also presumed to be eligible. Even if a household or population is not presumed eligible, a local government may still serve them if it can show the household or population was impacted economically by the pandemic.

Low- or moderate-income households or communities as defined by Treasury	Households that qualify for LIHEAP	Households and developments in a Qualified Census Tract (QCT)
Households that qualify for Section 8 vouchers	Households that experienced unemployment or housing insecurity	Households that qualify for Medicaid, TANF, SNAP, SSI, and other listed programs.

What are the main messages for advocates?

- Even though local governments are allowed to use these federal funds for a broad range of programs, there are few as pressing as the ones that address the affordable housing crisis.
- This is a once-in-a-generation opportunity to address the affordable housing shortage.
- The amount in ARPA funds that a local government receives drastically exceeds what a local government receives in SHIP funds annually.

For questions on advocacy or implementation of SLFRF-funded affordable housing programs, contact Kody Glazer at glazer@flhousing.org



Other Homeownership Funding Sources

- USDA
- Conventional Lending
- Local Housing Finance Authority
- Local Housing Trust Funds
- Community Development Finance Institutions
- Federal Home Loan Bank
- Philanthropic Organizations



Surplus Lands

- FL Statute 125.379 for counties & FL Statute 166.0451 for municipalities
- Every 3 years create an inventory list of real property with fee simple title appropriate for affordable housing
 - Address
 - legal description
 - vacant or improved
- Review the list at a public hearing and may revise it at the conclusion of the public hearing
- Adopt a resolution with the inventory list



Disposition of Surplus Land

- Offered for sale and the proceeds used to purchase land for the development of affordable housing
- Increase the local government fund earmarked for affordable housing
- Sold with a restriction that requires the development of the property as permanent affordable housing
- Donated to a nonprofit housing organization for the construction of permanent affordable housing
- Make the property available for use for the production and preservation of permanent affordable housing



Community Land Trusts

- The vehicle of separating land from building.
- The nonprofit that holds title to the land and leases the improvements subject to restrictions that keep the improvements affordable in perpetuity.



How Does it Work for Homeownership?

- A CLT acquires and retains ownership of land
- The improvements are sold or leased to income eligible households
- Owners have the right to use the land by virtue of a 99-year lease agreement with the CLT (functional equivalent of ownership)

CLT & SHIP Purchase Assistance Strategies

- CLT can help your SHIP \$ go farther;
- Meets the 65% homeownership set-aside
- Subsidy retention
 - One-time subsidy in **unit** – SHIP dollars stay with the house
 - Creates **permanently affordability**
- CLT stays involved - stewardship
- [Model DPA Strategy with CLT Add-on Language](#)





PSL Homeownership Program

Neighborhood Services Department

Background & Housing Analysis

Pop. 200,000+ (full built out 400,000+)

7th largest City in Florida surpassing Tallahassee

3rd largest City in South Florida surpassing Ft. Lauderdale

Exponential increase in population and single-family home (SFH) construction (avg. 300 new SFH permits per month)

Approx. 120 sq. miles, 50 miles north of West Palm Beach

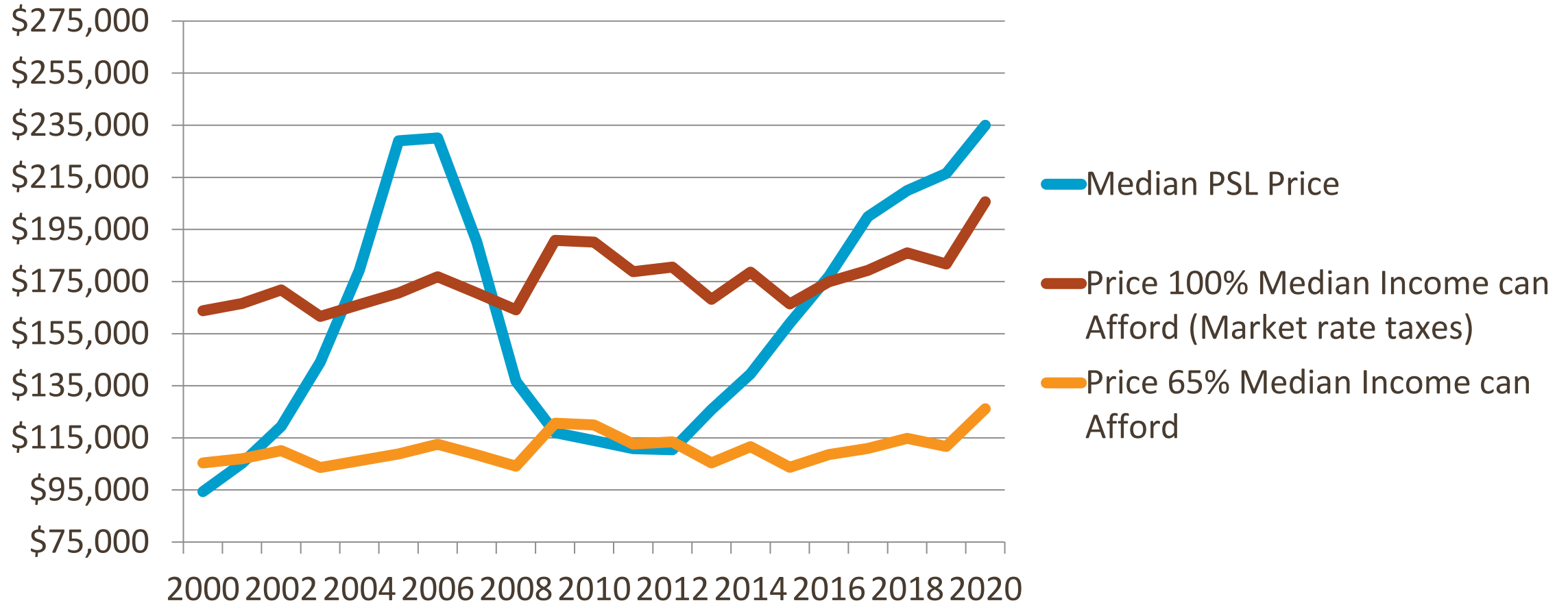
Growing community, growing business and economic development

75% homeownership rate!

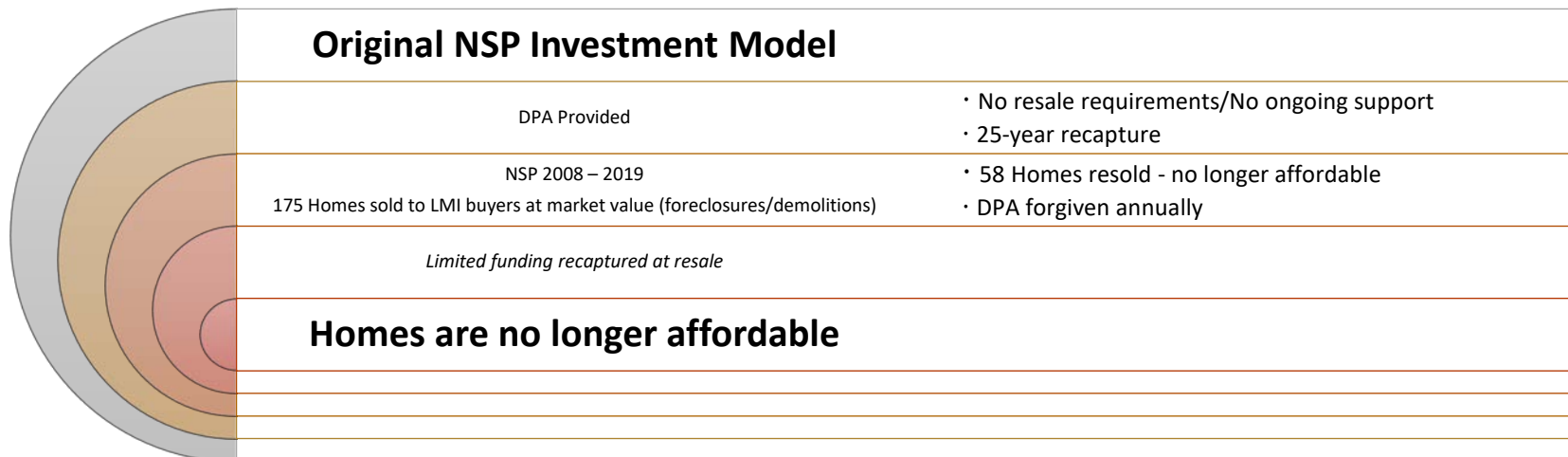
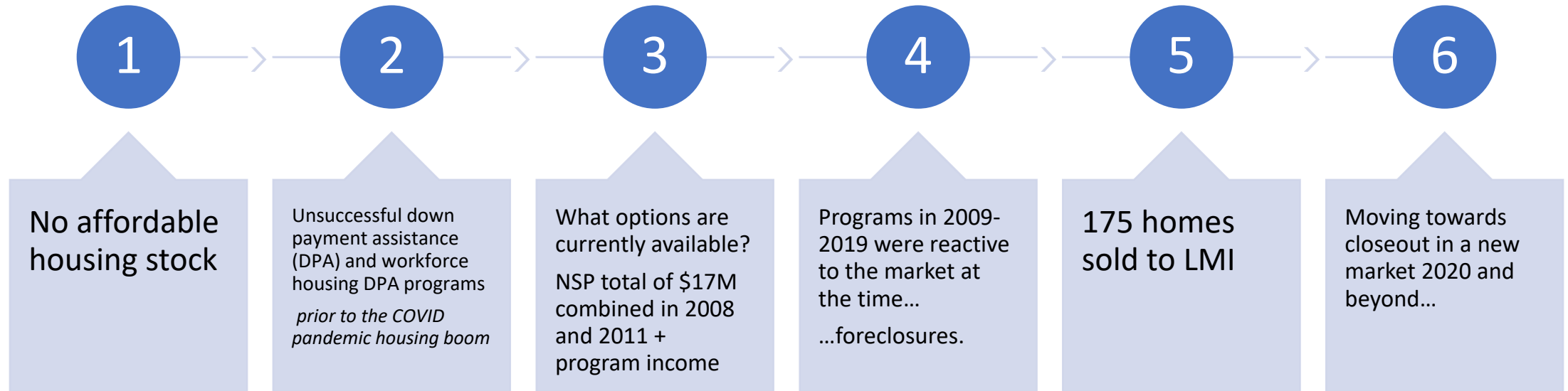
Existing Programs

- SHIP = strong focus on owner occupied repair and rehabilitation
- CDBG entitlement community = strong focus on infrastructure improvement
- Neighborhood Stabilization Program (NSP 1 & 3 from 2008 & 2011)
- Strong support for Water and Sewer connections
- Strong support for Economic Development
- What is next?

PSL Affordability Gap



Growing Affordability Issue



NSP 2011 Example

- \$97,000 Cost to City
 - -\$25,000 Developer Subsidy
 - To get to \$72K Appraised Value/Price
- \$72,000 Value/Price
 - \$41,000 1st Mortgage
 - \$31,000 PSL DPA
- \$56K = Total 2011 Investment
 - \$25,000 in Developer Subsidy
 - \$31,000 in DPA

- \$97,000 Cost to City
 - \$72,000 Value/Price
 - **2011 Investment = \$56K**
 - \$25,000 in lower price
 - \$31,000 in DPA
- ↓
- 2016 – sold \$145,000
 - **\$26,000 recaptured**
 - **\$78,000 appreciation to seller**
- ↓
- 2021 – \$228,000 Est. Value
 - \$26K – DPA Available
 - **\$128K – New \$ Needed**
 - 50% AMI Buyer

Challenges with old model

- Have not met NSP 50% AMI targets
- Today's market – HOT
- No new NSP funding
- Planning for tomorrow



The Future



Subsidy Retention and Subsidy Recapture

*White Paper Prepared by the Florida Housing Coalition
November 6, 2018*

The **community land trust model employs a subsidy retention** approach to homebuyer assistance. This is different from the **subsidy recapture approach** most local governments use to provide homebuyer assistance. While the traditional *subsidy recapture* approach aims to recapture the funds provided to the new home buyer through a loan, the *subsidy retention* approach aims to keep housing permanently affordable. The next few paragraphs will explain how each approach works, and **why subsidy retention is more effective.**

Subsidy Retention

Hypothetical 2011 example under a Community Land Trust (CLT) Model

- 2011 – Sold for \$72,000
 - > Restricted Resale Values
- ↓
- 2016 – \$76,500 Price
 - Seller PITI = \$430/Month
 - Seller Cash = \$9K
- ↓
- 2021 -- \$81,281 Price
 - Seller PITI = \$430/Month
 - Seller Cash = \$21K

Remains affordable to future 50% AMI buyers!

New Best Practice = CLTs

CLTs across the country

- USA CLTs > 40 years
- Dramatic Expansion - 15 years
- Best practices – Learn from others
 - Model Ground Lease (Freddie/Fannie approved)
 - Model Deed Restriction (Condos)
 - CLT Technical Manual
 - Model Stewardship Manual
- Down markets = protects homeowners
- Hot markets = protects affordability

CLTs in Florida

- FL home to 26 CLT Programs
- South Florida CLTs
 - CLT of PBCTC
 - Habitat for Humanity SLC (NEW)
 - Habitat for Humanity SPBC
 - Delray Beach CLT
 - South FL CLT
- Florida Housing Coalition
 - Community Land Trust Institute
 - Statewide CLT Certification Program
 - Statewide support and advocacy
- State legislation re: CLTs + property taxes
- New programs every year!

Community land trust organizations acquire, own and steward land **permanently** for the common good by providing affordable housing, resale restrictions, long term stewardship



Benefits and CLT Best Practices

- Stewardship
 - Pre purchase AND post purchase
 - Resale oversight
 - Support: inspections, respond to code violations
- Foreclosure crisis
 - 4% Foreclosure rate nationwide
 - Only .4% amongst CLT homeowners
- Compliance
 - Initial LMI buyer in place satisfies Funder
 - But CLT creates opportunity for FUTURE buyers too!
- Statewide CLT Certification from FL Housing Coalition



Community Land Trust of Palm Beach County, Inc.

has successfully completed the Community Land Trust Institute training and certification program, a training presented by the Florida Community Land Trust Institute, a program of the Florida Housing Coalition, and has earned designation as a

CERTIFIED COMMUNITY LAND TRUST

On

May 17, 2021



Future Funding in PSL

City of Port St. Lucie CLT Funding Options

“PSL Homeownership Program”

- Current homes subsidized by NSP Program Income (PI)
- Each CLT sale produces more NSP PI that can be used to create more CLT homes
 - \$130,500 from each 80% home
 - \$74,000 from each 50% home
- SHIP Funding – New Construction for additional CLT homes
- New funding – Recovery Dollars?



Other partnerships

- Habitat for Humanity 2018, lot acquisition and donation
- Adding to the CLT or “PSL Homeownership Program”
- Developer partnerships for furthering incentives



Affordable Housing Tools



Expedited Permitting

- “The processing of expedited permits or development orders to a greater degree than other projects for affordable housing.”
- Local land use planning and zoning codes can Break or Make affordable housing.
- Purpose: **Time is Money!**



Many TYPES of Expedited Review

- Variances, re-zoning, waivers, request for re-platting, review of the builder's plans.
- Various departments must be aware of the requirement.
- Timing of public hearings may be unavoidable

Fee Waivers for Affordable Housing

- Fees to consider for waiver or reduction:
 - Impact fees
 - Permitting fees
 - Inspection fees
 - Site plan review
 - Rezoning or other hearing fees
 - Engineering Fees

Creative Fee Options

- Fee Deferment – must be repaid at some point
- Fee Waiver
 - F.S. 163.31801 – local governments can waive impact fees for affordable housing without using any revenues to offset the impact
- Fee Modification – adjust for smaller or lower cost units.
 - Impact fees collected on a square footage basis facilitate small unit development
 - Fees collected on a per unit basis are regressive and disproportionately harm smaller units
- Alternative sources of payment for fees

Implementation

- Ensure there is a Land Use Restriction Agreement (LURA) that requires the homes supported by the fee waiver to be affordable long-term or permanently.
- Consider reserving fee waivers for non-profit housing developers

Infrastructure Surtax

- Florida Statutes Section 212.055(2)(e)
- Can be used for land acquisition expenditures
- 30 percent of the units developed must be affordable to individuals or families whose total annual household income does not exceed 120 percent of AMI
- Land must be owned by a local government or by a special district that enters into a written agreement with the local government to provide such housing



Garden Trail Apartments in Clearwater (Southport) financed in part using infrastructure surtax funds

Inclusionary Zoning

- A local land use regulation (planning tool) that requires a percentage of affordable units in market rate developments
- Variety of forms: ordinance, overlay district, negotiated development agreement; mandatory or voluntary
- Flexibility: offsite, in-lieu of fee, land donation, mix of incentives
- Why is this important?
 - Land value capture
 - Tool for equitable development
 - Resources of market rate developers
 - Facilitates partnerships



Linkage Fees

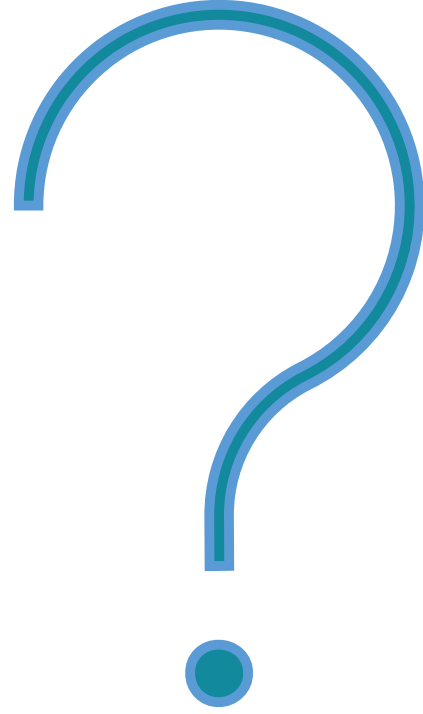
- Considers the affordable housing demand created by commercial (and sometimes high-end residential) development
- Generally charged on a per square foot basis and paid at permitting
- Steps to establish are
 - Nexus study
 - Implementation plan
 - Adoption
- Why is this important?
 - Demand for commercial space will continue
 - Potential trend: service-rich, decentralized office

Zoning Flexibility and Other Creative Resources

- Allow variety of housing types
 - ADUs
 - Missing Middle
- Consider other property types
 - Vacant commercial/industrial/office
 - Excess surface parking
 - Other underutilized properties



Two-Family house by CHAF in St. Petersburg, contains a 3 BR unit in the front and 2 BR unit in the back.



Upcoming Trainings/Webinars

1. Addressing Defaults and Foreclosures in Affordable Housing
 - April 5, 2:00 PM (ET)
2. New Construction Strategies and Partnerships
 - April 12, 2:00 PM (ET)
3. SAIL Training Series
 - April 7, 14 and 21, 2:00 PM (ET)
4. Predevelopment Process Series
 - April 20 and 27, 10:00 AM (ET)

Register at our training calendar site: <https://www.flhousing.org/events/>



Thank you.



AFFORDABLE HOUSING CATALYST PROGRAM

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