

**FLORIDA HOUSING FINANCE CORPORATION
PLANNING COMMITTEE MEETING AGENDA**

March 16, 2012

Agenda

I. CALL TO ORDER

II. MINUTES

- A. Approval of Minutes of January 27, 2012, Committee Meeting

III. 2012 RULE DEVELOPMENT AND UNIVERSAL CYCLE

- A. Timing
- B. Stakeholder Input

IV. REVISIONS TO UNIVERSAL CYCLE APPLICATION, INSTRUCTIONS, RULES AND QUALIFIED ALLOCATION PLAN

- A. Portion of allocation to new construction vs. preservation
- B. Distribution of allocation to small and medium counties
- C. 15% of allocation to nonprofit developers
- D. Targeting goals
- E. Order of funding

V. LOCATION A AREAS

- A. Process for determination in the next cycle
- B. Use of current data

VI. MINIMUM EXTREMELY LOW INCOME SET-ASIDES AND CHART

VII. TRENDS IN HOMELESSNESS

- A. Homeless set-aside or preference
- B. Geographic differences
- C. Remove homeless developments from Location A?

VIII. ADJOURNMENT

Universal Application Cycle

2011 Funding Goals

- At least one Homeless development (same as prior year funding goal) – requires additional funding typically, SAIL or HOME) to be paired with Low Income Housing Tax Credits
- At least one Elder development (same as prior year tax credit goals)
- One existing USDA Rural Development Preservation development (similar to prior year goals)
- One Public Housing Revitalization development (similar to prior year goals)
- Two developments located in the Florida Keys – this has been in place since 2002, with 451 units funded in the Keys since then (833 total)
- Three Transportation Oriented Developments (new goal).

Location A

A process of analyzing data in markets throughout the state in order for Florida Housing to determine whether multifamily financing should be limited in all or portions of any counties

General Process

- Compile physical occupancy rates and location of pipeline developments and Guarantee Program properties (particularly those with SMI loans)
- Request information on trends from stakeholders (developers, local HFAs, investors, local gov'ts, etc)
- Evaluate data in spreadsheets for county as a whole and portions of county (by demographic category)
- Map data to view geographic relationships and proximity to Guarantee Program properties
- Based on guiding parameters, prepare initial findings and proposed Location A maps for public review
- Review comments from stakeholders about draft boundaries; call stakeholders and market analysts for more information
- Refine boundaries and publicize revised updated maps for review
- Iterative process as needed

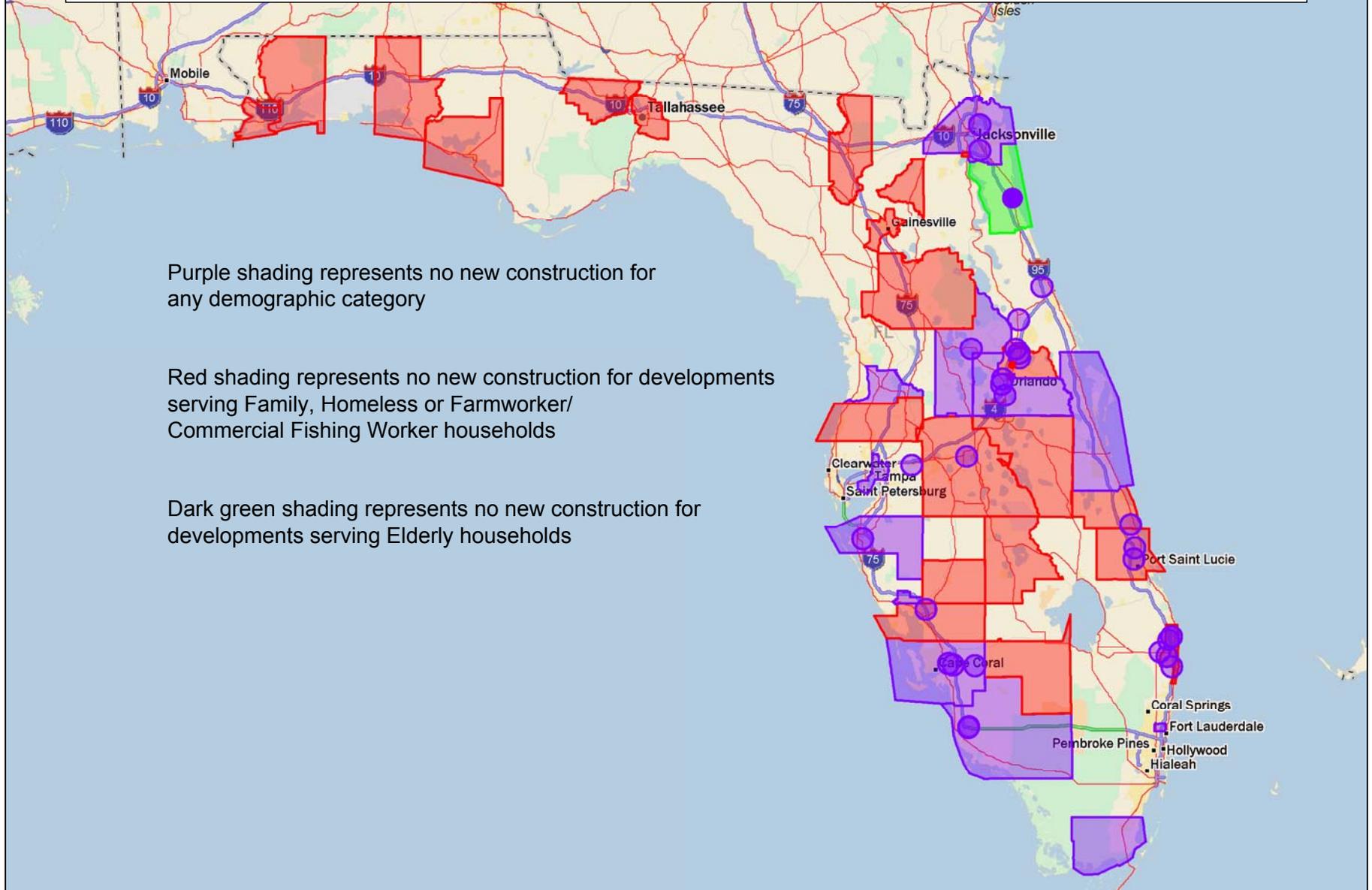
Primary Data Used for Location A Analysis

- **Physical Occupancy Rates**
 - Less than 90% occupancy – development w/ operations that are unlikely to be self sustaining and is reliant on sources other than revenues from tenants
 - 90 – 93% occupancy – operations approaching break-even
 - 93+% occupancy – typically indicating healthy occupancy and financial operations
- **Debt Service Coverage Ratios on Guarantee Program Properties**

Evaluation of Data for Possible Use in Future Analyses

- Economic occupancy data
- Comparison of “achievable” tax credit rents to maximum tax credit rents allowable in market areas
- School enrollment growth by market
- Unit mix occupancy data
- Employment centers and job growth
- Unsold single family and condo inventory

Areas Where Florida Housing Will Not Finance New Rental Construction in the 2011 Universal Application Cycle



Purple shading represents no new construction for any demographic category

Red shading represents no new construction for developments serving Family, Homeless or Farmworker/ Commercial Fishing Worker households

Dark green shading represents no new construction for developments serving Elderly households

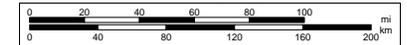
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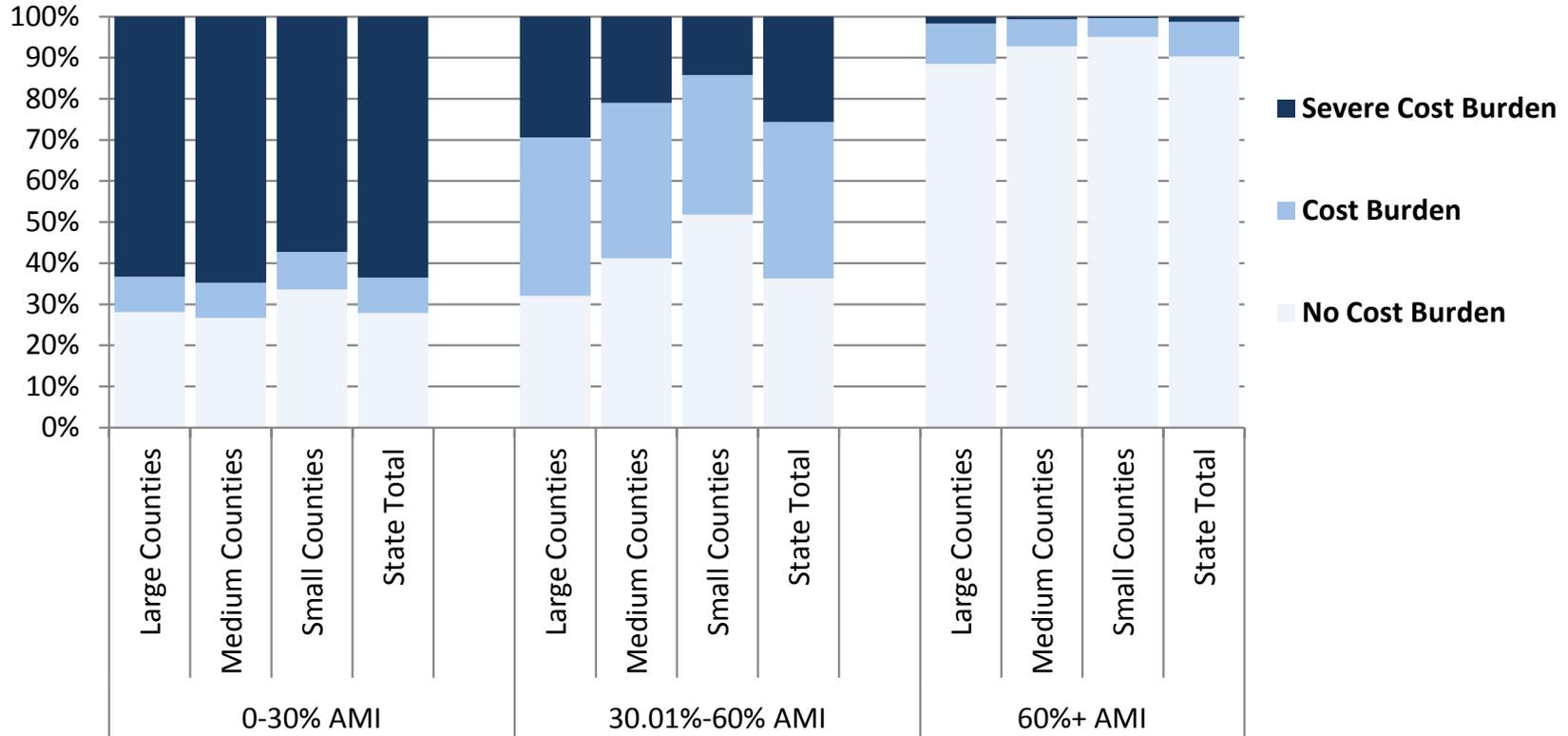
Scale 1 : 4,400,000



1" = 69.44 mi

Data Zoom 5-5

Portion of Income Spent by Florida Renters on Housing



Source: Shimberg Center for Housing Studies, 2010.

"Cost Burden" here refers to renters paying 40% and 60% of their household income for rent and utilities each month.

"Severe Cost Burden" refers to renters paying more than 60% of household income for rent and utilities each month.

Homeless Households in Florida

- The 2011 counts found 56,771 people in Florida were homeless and living on the streets or staying in shelters, a 1.35% decrease from 2010
- However, the number of homeless persons is projected to be 250,000, including those living doubled up in non-permanent housing or in substandard conditions such as campgrounds
- Nationally, families are the fastest growing segment of the homeless population, with an increase of over 30% in the last three years
- Adults aged 18 to 60 made up the majority of homeless persons (76%); children accounted for 18% (up from 16% in 2010); and elders over age 60 made up 6%
- Just over 25% of homeless people had children in their households
- 13% of the “on the street” homeless are people who served on active duty in the U.S. military
- 44% of homeless people have one or more disabilities
- 49% cited employment and financial problems as a reason for their homelessness; medical issues and/or disabilities (18%) was the second most cited reason
- 53% interviewed were homeless for the very first time; 28% had been homeless two or three times

Florida Department of Education Student Homeless Survey of 2010-2011

- 56,680 students were identified as homeless, and of those:
 - 74% were temporarily sharing the housing of others due to loss of housing and/or economic hardship
 - 14% were living in emergency/transitional shelters, FEMA trailers or abandoned in hospitals
 - 8% were living in motels or hotels
 - 2% were living in vehicles, campgrounds, public spaces and/or abandoned buildings
 - 12% statewide were unaccompanied youth, not living with any parent or guardian (but Broward (37%), Franklin (30%), Lee (28%) and Hernando (25%) counties reported percentages listed)
- The DOE figures show that the official state count is, in fact, not counting all homeless households

Florida Housing Approaches to Serve ELI and Homeless Households

UAC

- 1-2 homeless developments funded each UAC since 2002 (requires additional infusion of Florida Housing funding on top of tax credits AND additional external non-traditional financing to lower property debt
- 10% of units in each development typically set aside for extremely low income households, potentially supporting those vulnerable to homelessness
- Link Initiative (reservation of 50% of ELI units for special needs households, including homeless or vulnerable to becoming homeless)

Special Funding Cycles

- Funding not predictable, but traditionally higher homeless and ELI commitments with a required supportive services plan

Total Number of Homeless and Special Needs Units in Florida Housing's Rental Portfolio

There are also ~800 Link Initiative special needs units scattered throughout the portfolio.¹

Counties	Homeless Total Units²	Special Needs Total Units³
Brevard	10	
Collier	4	
Columbia	32	
Duval	231	30
Escambia	30	
Hardee	17	
Highlands	16	
Hillsborough		32
Indian River		9
Leon		37
Miami-Dade	815	37
Orange	178	4
Palm Beach	93	40
Pinellas	214	14
Sarasota		42
St Johns		6
Grand Total	1,640	251

¹ The Link Initiative incentivizes developers coming in for financing to commit to reserve 50% of the ELI units in the property for special needs households, including homeless or those vulnerable to becoming homeless.

² Not all of the 1,600+ units in homeless developments are set aside for homeless persons; ~1,200 are for homeless, and the rest are typically family. However, in practice most of the units do rent to homeless persons.

³ The focus of some special needs developments is such that targeted residents are likely to be vulnerable to homelessness (e.g., survivors of domestic violence).