

Attainable Housing for Hillsborough County's Growing Economy

Prepared for the Hillsborough County Affordable Housing Task Force
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A Message from the Chair of the Hillsborough County Affordable Housing Task Force

Many changes are underway affecting our community's housing. Market forces have created a growing number of families that are unable to purchase or rent a home. It is my hope and belief that this report will catalyze a county-wide effort to meet our community's existing housing needs and to proactively address future issues. I believe our economic stability and quality of life depend on it.

In 2005, the Hillsborough County Board of County Commissioners, gravely concerned about housing in our community, convened the Affordable Housing Task Force and requested that I lead the effort. The Board asked the Task Force to reduce barriers and identify efficient and effective ways of providing attainable housing in Hillsborough County.

After much deliberation and research, we have concluded that a diverse approach is required to address housing for all of our residents. Frankly, there are simply too many factors that determine a family's housing choice (and, in some cases, lack of choice) -- such as income, the number and ages of persons in the household, proximity to employment, schools, medical facilities, commercial centers, as well as special accommodations such as ADA accessibility -- to establish a "one size fits all" approach. Additionally, not every family wants to own a home. Some may prefer to rent because they do not want the responsibility of property maintenance and property taxes and insurance. Therefore, these recommendations represent our best information, reasoning and approaches to dealing in a helpful, healthful manner with the multi-level needs of the entire community.

It has been my honor to serve as a County Commissioner in Hillsborough County for the last ten years and to chair this Affordable Housing Task Force. I believe that although this report is now complete, our Task Force's work is far from over. We must now focus on facilitating and implementing these recommendations. We must closely monitor housing trends and remain flexible to the ever-changing housing market. Then, and only then, will we truly build on this framework and ensure there is a continued supply of attainable housing for everyone in Hillsborough County.

Thomas Scott
Chairman
Hillsborough County Affordable Housing Task Force

Acknowledgements

This report is the collaborative effort of many individuals committed to ensuring that Hillsborough County is well-positioned for future economic growth and is proactively addressing housing attainability to mitigate potential deficiencies. These individuals are hereby recognized for their dedication and service to the community they also call home.

The members of the Affordable Housing Task Force are hereby recognized for their dedication and service to their community. Since March 2005, these individuals have willingly given of their time to study and research a myriad of factors relating to attainable housing. They willingly accepted the duties they were assigned by the Board of County Commissioners and formulated recommendations to ensure Hillsborough County is better prepared to manage a potential housing crisis. In May 2006, the Task Force presented a preliminary report of its principles and recommendations to the Board of County Commissioners, which set the foundation for the development of this more comprehensive report.

This report and all of the Affordable Housing Task Force meetings would not have been possible without the administration and facilitation of the dedicated professionals that make up the Hillsborough County government staff. Special recognition is given to County Administrator Patricia G. Bean, under whose direction the following departments assisted in these efforts: the Office of Strategic Management Initiatives, the Department of Management and Budget, the Department of Housing Community Code Enforcement, the Department of Planning and Growth Management and the Department of Communications. In addition, acknowledgement is given to the County Attorney's Office.

Special thanks are given to the residents of Hillsborough County, whose participation and input in addressing the housing needs of the county has been invaluable. From their active participation in community meetings and telephone surveys to their providing input to the Task Force, residents have demonstrated their interest and concern for the economic and social well-being of their community.

About this Report

In early 2005, the Hillsborough County Board of County Commissioners challenged the Affordable Housing Task Force to study and recommend innovative policies and programs that would support a wide variety of affordable housing in Hillsborough County, as well as reduce barriers to creating and accessing it. Specifically, the 25-member Task Force was asked to:

- Review and assess the current state of affordable housing in the County and make recommendations to the Board of County Commissioners for improvements.
- Formulate recommendations for changes in policies or programs that may positively impact the availability and affordability of housing in Hillsborough County.
- Study existing federal and state housing programs and incentives and seek out opportunities to expand Hillsborough County's participation in these programs.
- Reach out to housing experts, private and public, in Hillsborough and surrounding counties to stimulate ideas and encourage the community to assist the Task Force in its efforts.
- Study the efforts of other agencies and recognize the best practices of other local governments in providing affordable housing locally, state and nationwide.

The Affordable Housing Task Force began its deliberations in March 2005, and by May 2006, presented a summary of its *Principles and Recommendations*, unanimously approved by the Board of County Commissioners. *Principles and Recommendations* serves as an executive summary and foundation for *Attainable Housing for Hillsborough County's Growing Economy*. This more extensive and detailed report is intended to represent the work of the Task Force and to support it with analytical findings and best practices from entities throughout Florida and the United States. Recommendations in this report are directly those of the Task Force, while analytical findings and best practice materials are the product of the University of Florida, Shimberg Center, and the University of South Florida, Jim Walter Partnership.¹

Attainable Housing for Hillsborough County's Growing Economy provides and expounds upon the following:

- An overview of households that are cost burdened and unable to afford housing at current rates within the County.
- The disparity between the buying power of Hillsborough's households and current housing prices (purchase and rental), along with factors that can further widen the attainability gap.
- Current and future supplies of attainable housing units, along with trends that are causing the county to lose significant numbers of attainable housing units.
- The impact of a lack of attainable housing on the ability of the county to achieve its economic development goals.
- Estimates of the impact of housing construction on job creation and stimulus to the local economy.
- Current efforts of Hillsborough County to mitigate its housing deficiencies.
- The implementation of the immediate and long-term recommendations of the Affordable Housing Task Force.

¹ The University Partnership's analytical work necessitated reliance on many data resources. While much data exists on housing and demographics in Hillsborough County, there are also many challenges in working with the data. One particular challenge is narrowing the time period for which information is currently available. In composing this report the most current data were collected and, when available, data were documented as far back as 1994. While the time periods vary among the tables, it is evident from the information presented that the housing needs of the current and projected populations of Hillsborough County require immediate attention and the implementation of more dynamic housing strategies.

Report Highlights

While recent years have witnessed a booming housing market in Hillsborough County and the nation as a whole, wages—even for middle-income professionals—have been relatively stagnant as compared with increases in the cost of housing. From 1994 to 2006, the median sale price for existing homes in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area rose from \$75,800 to \$230,900, an increase of more than 200%. During the same period, median household income for the area rose from \$36,400 to \$54,400, an increase of slightly less than 50%.

In 1994, the average family (as measured by the median income) in Hillsborough County could well afford the average house (as measured by the median sale price of existing homes). Indeed, using national guidelines, the average family could afford to pay \$33,400 more than the price of the average home. The average Hillsborough County family benefited from a positive buying gap in 1994. While the positive buying gap declined between 1994 and 2003, it remained positive.

In 2004, however, the average family could no longer afford the average home, as measured by median household income and the median sale price for existing homes. The buying gap became negative. Relatively small at first—it was -\$3,200 in 2004—it quickly grew to -\$67,700 by May 2006. This negative gap between wages and housing has made homeownership unattainable not only for those employed in lower-wage service occupations, but also for middle-income professionals and those who provide essential services, such as public school teachers, fire fighters and nurses.

While rental housing in the Tampa Bay area has remained relatively affordable for middle-income households during this period, that scenario may change. Because the price of homes for purchase precludes the entry of new professionals and others who have not built up significant equity through previous homeownership into the market for home purchase, rents are likely to rise. Further, those households with incomes below \$30,000 cannot afford the average two-bedroom, one-bath rental unit in the metropolitan area; average rents for these units were close to \$750 per month during the first quarter of 2006. With vacancy rates in the Bay area at historic lows of less than 2%, the market for rental housing is already feeling pressure that will translate into rising rents.

Estimates made by the Florida Agency for Workforce Innovation indicate that 75% of the jobs created between 2005 and 2013 in Hillsborough County will be for households at or below 80% of area median income (\$43,520 in 2006, based on U. S. Department of Housing and Urban Development estimates)—a level considered to be low-income under federal guidelines. The current supply of housing in Hillsborough County will be inadequate to house those working in these jobs at a cost they can afford. This poses a serious challenge to future economic growth in Hillsborough County.

Between 2006 and 2011, an estimated 19,000 additional units of housing affordable to households with incomes up to 80% of the area median will be required in Hillsborough County, based on estimates produced by the Shimberg Center for Affordable Housing at the University of Florida. While that number sounds daunting, production of these units would create a large and positive economic impact for the area.

Based on the National Association of Homebuilders' model for estimating the economic impact of affordable housing construction, construction of the 19,000 additional units would result in more than 79,000 new jobs and \$4.6 billion in new income for the region. Clearly, fostering the creation of new attainable housing opportunities will have a positive impact on Hillsborough County's economy.

With all of these facts at the forefront of their deliberations, the Hillsborough County Affordable Housing Task Force's principles and recommendations were designed to build on the work already being done to expand the pool of attainable housing opportunities for Hillsborough County residents. These principles and recommendations are presented in the pages that immediately follow these Highlights. Additional data and analysis are presented following the principles and recommendations. Data and analysis are supplemented with brief introductions to people who have benefited from various housing programs in Hillsborough County.

This is followed by a discussion of Task Force recommendations that includes information on best practices, where applicable. Finally, the report concludes with two appendices. Appendix I provides a summary of presentations made before the Hillsborough County Affordable Housing Task Force, while Appendix II summarizes resources available for developers' use in creating attainable housing opportunities.

Principles and Recommendations

The following principles and recommendations were developed by the Hillsborough County Affordable Housing Task Force and approved by the Board of County Commissioners in May 2006.

We believe that leveraging the benefits of our strong housing market base creates and preserves the County's supply of affordable apartments and houses for working families, the elderly, those with special needs and those less fortunate.

By strategically developing and preserving apartments and houses throughout Hillsborough County, we will create inclusive communities where people of all incomes, races, and cultures enjoy healthy families, lifestyles and economic opportunity.

We believe that effective policies will create new affordable housing, preserve and expand the existing housing stock, promote diversity and choice, and strengthen economic position — individually and community wide. Hillsborough County's Affordable Housing Task Force supports a balanced housing market and economic growth and development that provide opportunities for all residents at all income levels. Maintaining adequate rental apartments and for-purchase houses is a cornerstone for maintaining our economic prosperity. We attract new businesses, we expand new jobs and we enhance our quality of life when we offer rental housing and home ownership at costs affordable to those working and living in our community.

Our goal? Annually, this Task Force will work to increase our community's affordable housing stock by 1,000 new units produced throughout Hillsborough County.

The recommendations of the Affordable Housing Task Force are based on the following guiding principles:

- Affordable housing is an integral part of community building and economic development and must be implemented in an integrated and sustainable manner.
- Affordable housing is a key competitive edge in attracting new business and well paying jobs to our community and maintaining a high quality of life for everyone.
- Local government must use its authority and expertise to encourage and assist the private sector, including nonprofits, to produce rental and for purchase affordable housing.



- Local government must use current and not-yet-identified resources to enable working folks, our elderly, those with special needs and those less fortunate to find and retain apartments and houses they can afford.
- Local government must do more to facilitate the economic mobility of working lower income residents. A growing middle class is the key to Hillsborough County's future economic vitality.
- Local government must inform, educate and advocate on behalf of our working people and families, our elderly, persons with disabilities, and those in less fortunate circumstances.

Land Use Regulation, Planning & Coordination

We believe that affordable housing alone does not make a community economically healthy and vibrant. Affordable housing must be considered alongside everything that gives our community its character—our schools, parks, public safety, health care, transportation and the availability of well paying jobs.

Recommendation

- The County, its municipalities and the private and nonprofit sectors are significant stakeholders in affordable housing. Each must identify their unique affordable housing strengths to establish effective partnerships to promote affordable housing issues.

We believe that policies in the Hillsborough County's Comprehensive Plan must be amended, where necessary, to strategically support affordable rental and for purchase housing.

Recommendations:

- Evaluate and utilize existing policies to foster and support the development of affordable housing.
- Evaluate and utilize existing policies to ensure that affordable housing is a component of community plans.
- Encourage mixed use developments that incorporate residential with businesses and /or institutional (i.e. post office) development.
- Further research and study best practices on expanding the Urban Service Area.
- Further research and study best practices on possible establishment of special zones for affordable housing.



We believe that regulations, especially the Land Development Regulations and the Building Code, must be reviewed and amended to ensure that regulations not only support but do not hinder the development and construction of affordable rental and purchase housing.

Recommendations:

- Retain a private sector expert to review, evaluate and make further recommendations to improve current County approval processes and land use regulations, including recommendations to expedite reviews (including multiple reviews), streamline approvals, and resolve conflicting regulations.
- Retain a consultant to analyze and propose alternative construction techniques for attainable housing projects to include, but not be limited to modular, panelized, and steel housing.
- Expand current inventory of available lands to include existing nonprofit and church surplus lands and vacant buildings.
- Permit accessory units, commonly known as “mother in laws”, when allowed in a single family residential zone.
- Explore a rezoning option that allows affordable housing developers to file applications before meeting with community and neighborhood groups.
- Encourage attractive well-designed and well-maintained higher density developments. Apartments, condominiums and multi-family housing have traditionally been a source for affordable housing.

Incentives & Financing

We believe that the shortage of affordable housing requires selective financial incentives to ensure adequate supply. These financial incentives will encourage the participation of for profit and nonprofit sectors in the production of affordable housing.

Recommendations

- Create a land density bonus plan for residential zoning in mixed use developments.
- Increase incentives for affordable housing as the proportion of affordable housing increases within an overall development or project. These incentives may include but are not limited to density bonuses, setback reductions, parking reductions, height increases and impact fee relief.
- Allow land swaps or transfer of development rights to acquire lands dedicated for the development of

affordable housing, including “flex” units such as commercial density increases, in exchange for affordable housing units.

- Establish a program whereby nonprofits and faith-based organizations may donate land, density and other incentives to affordable housing developers.
- Further research and study to establish a program to obtain grants for building energy efficient homes with certifications.

We believe that capitalizing on existing financing programs through changes to requirements as well as creating new and innovative programs will expand available affordable housing resources.

Recommendations

- Expand predevelopment grant and/or loan programs. Many nonprofits rely on predevelopment grants to obtain land and proceed through the permitting process. The parameters of these programs should be re-evaluated given the current environment of limited land supply.
- Expand deferred loans for community based for profit and nonprofit organizations that create multi-family developments.
- Encourage development of 8-20 unit properties on in-fill and other community sites by giving selection preferences to these properties when they apply for funding through resources administered by Hillsborough County.
- Create an Affordable Housing Trust Fund with a dedicated revenue source. One such source could be the proceeds from the sale of private land obtained from nonpayment of code violations.
- Explore the creation of Community Redevelopment Areas (CRAs) to provide a sustainable revenue stream for the development of affordable housing.
- Use HOME funds for tenant-based assistance, with emphasis on single parents with children.
- Further research and study increasing capacity of nonprofits by: providing financial support for acquiring and renovating existing dwellings; acquiring lots and building new dwellings; and acquiring and retrofitting duplexes and multi-family units for conversion to owned town homes, villas or condominiums.
- Further research and study allowing affordable housing developers and nonprofits the first right of refusal on real estate foreclosures and tax sales, to include mechanism and language in mortgage documents.
- Further research and study best practices of a Community Land Trust, which will provide for long term affordability provisions.
- Further research and study best practices on establishing a local dedicated revenue source.
- Further research and study of lease-purchase alternatives.
- Further research and study on a policy that provides a sliding scale for down payment assistance based on household income and housing prices rather than a fixed dollar amount.

We believe that all costs of housing must be addressed in solving the affordability gap.

Recommendations

- Further research and study best practices that establish a co-op or program whereby materials and supplies may be purchased in bulk for distribution to nonprofit affordable housing providers at reduced cost.
- Further research establishment of a program whereby municipal tree farms may donate to affordable housing to enhance aesthetic appeal.
- Further research and study best practices on expansion of the Homestead Exemption to include a credit for affordable housing.
- Further research and study best practices on deferrals of property taxes during the affordable housing ownership period.



- Waive performance bond requirements for affordable housing projects that are developed by nonprofit agencies when the County is providing a substantial amount of infrastructure funding.
- Evaluate the impact fee relief program and consider replacing it with an impact fee waiver program for development of affordable housing.
- Further research and study best practices on concurrency requirements for affordable housing.



We believe that certain governmental requirements create a financial burden and therefore a hindrance to the production of affordable housing and must be addressed.

Education, Outreach and Advocacy

We believe that creating broad support – bringing together employers, Hillsborough County, its municipalities, developers, nonprofits, workers, and community and faith based groups – for investment, land use policy changes and finding the land is critical to addressing this issue.

The County must ensure an adequate number of professional staff and appointed leadership to expedite affordable housing issues.

Recommendations

- A permanent body should be created to maintain the affordable housing momentum created by the task force. While there are options as to the structure of such a body, it is clear that its mission will be to serve as the catalyst to make affordable housing initiatives a reality in Hillsborough County and its cities.
- Hire an officer-level administrator reporting to the County Administrator with full authority to 1) expedite issues both inter-governmentally and inter-departmentally, and 2) staff the permanent entity recommended. Responsibilities should include but would not be limited to:
 - Retaining a private sector expert to review, evaluate and make further recommendations to improve current County approval processes and land use regulations, including recommendations to expedite reviews (including multiple reviews), streamline approvals, and resolve conflicting regulations.
 - Retaining a consultant to analyze and propose alternative construction techniques for attainable housing projects to include, but not be limited to modular, panelized, and steel housing.
 - Updating the Housing Needs Assessment study last conducted by Hillsborough County in 1992.
 - Creating a consolidated toolkit of available programs to assist providers, lenders and residents.
 - Conducting semi-annual, inter-departmental workshops to update all staff on available programs, assistance and trends in affordable housing.
 - Conducting an annual summit on affordable housing.
 - Managing a multi-year, mixed-media public information campaign focused on affordable apartments and houses for working people and families.
 - Advocating for additional “fair share” state and federal support for housing initiatives and funding with specific emphasis on the Low Income Housing Tax Credit Program.)
 - Providing staff support to the BOCC-appointed advisory committee.
 - Expediting approval and permitting processes and coordinating incentives for all affordable housing projects including a basic stamp reading “Affordable Housing” for each application that arrives at County.

The Affordable Housing Officer should be accessible to the providers, builders, and developers of affordable housing.



Attainable Housing: Is There Need for Concern?

Hillsborough County prides itself on being a community that fosters its local economy, offers attainable housing and provides a high quality of life. In the past, the community has demonstrated its ability to attract investments, create jobs, develop strong neighborhoods and increase wealth for its residents. Recently, community leaders have detected signs that the county's economic vitality and quality of life could be at risk due to unattainable housing costs. The Hillsborough County Affordable Housing Task Force has identified a direct link between the community's future economic health and its ability to provide attainable housing for its diverse and growing population. The Task Force has described the county as "challenged by its own success." If action is not taken, the economic growth and quality of life the community has enjoyed may be at risk.

Attainable Housing Defined²

Simply stated, attainable housing refers to a family's³ ability to afford a place to live (whether owned or rented) with the income the family currently earns. Federal guidelines indicate that an acceptable level of housing cost⁴ is 30% or less of a family's gross income. If a family spends greater than 30% of their annual gross income on housing costs, it is deemed cost burdened.⁵ Housing cost burden places a family's quality of life and ability to meet other necessary living costs in jeopardy.

Depending on a family's income, paying more than 30% of its gross income for housing could be more of a necessity than a choice. Data indicate that families at lower income levels typically pay more than 30% of their annual gross income on housing costs and are in greater jeopardy of being unable to meet other necessary living costs⁶.

The attainable housing analysis in this report includes homeowner and renter households, cost burdened households and those who are not cost burdened. More specifically, the analysis groups households' cost burden in categories associated with the area median household income.

This report relies on the following definitions for income levels as defined by the U.S. Department of Housing and Urban Development:

Extremely Low Income	An extremely low income household has an income less than or equal to 30% of the area median income.
Very Low Income	A very low income household has an income between 30% and 50% of area median income.
Low Income	A low income household has an income between 50% and 80% of area median income.
Moderate Income	A moderate income household has an income between 80% and 120% of area median income.
Above Moderate Income	An above moderate income household has an income greater than 120% of area median income.

This report focuses on households ranging from extremely low income through moderate income.

² The terms attainable and affordable are used interchangeably throughout this report.

³ For the purpose of this report, the terms "family" and "household" will refer to the same entity.

⁴ Housing costs for a homeowner include mortgage payments, property taxes, property insurance, maintenance, homeowner association fees (if any) and utilities. Housing costs for a renter include rental payments and utilities.

⁵ A household that is "not cost burdened" by their housing costs is a household paying less than 30% of their annual gross income on housing costs. A "cost burdened" household is a household paying greater than 30% of their annual gross income on housing costs. A "severely cost burdened" household is a household paying greater than 50% of their gross annual income on housing costs.

⁶ If a family of four earning \$100,000 (gross) annually uses 30% of its income on housing costs, the family has \$70,000 (gross) annually to pay for other living costs such as: transportation, food, clothing, medical expenses, etc. A family of four earning a \$30,000 (gross) annually uses 30% of its income on housing costs; the family has \$23,000 (gross) annually to pay for other living costs such as transportation, food, clothing, medical expenses, etc.

“If I had not received assistance towards owning my home, I would still be renting. Even with my income, I still could not afford to own a home.”

Connie Boone, a single mother and County employee earning a mid-level salary, was unable to purchase a home of her own without the help of the County’s First Time Homebuyer Assistance Program. As an employee in the Department of Housing and Code Enforcement, she sees and understands first-hand the plight of many residents who are unable to purchase a home in the County, given current wages. Ms. Boone highly recommends the County’s housing programs, which are coupled with educational sessions on personal finances and budgeting, household management and home repair and maintenance to ensure these new home-owners understand the responsibilities of home-ownership prior to purchasing a home.



Attainable Housing: A Growing Family Financial Concern

Incomes and housing costs are the main drivers of attainable housing. If incomes rise and housing costs remain static, housing in Hillsborough County becomes very attainable. However, if housing costs rise (sales price, property taxes, property insurance, utilities) and incomes remain static (the current situation in Hillsborough County) families face a growing financial concern about attaining and sustaining adequate housing. When families face additional financial stress, they tend to prolong purchasing a home, reside in less preferable living accommodations or move out of the area to attain more affordable housing. In turn, this could have undesirable effects such as increased traffic congestion, increased road maintenance and the deteriorating social, economic and political fabric of the community.

Overview of Families Currently Facing Financial Concern

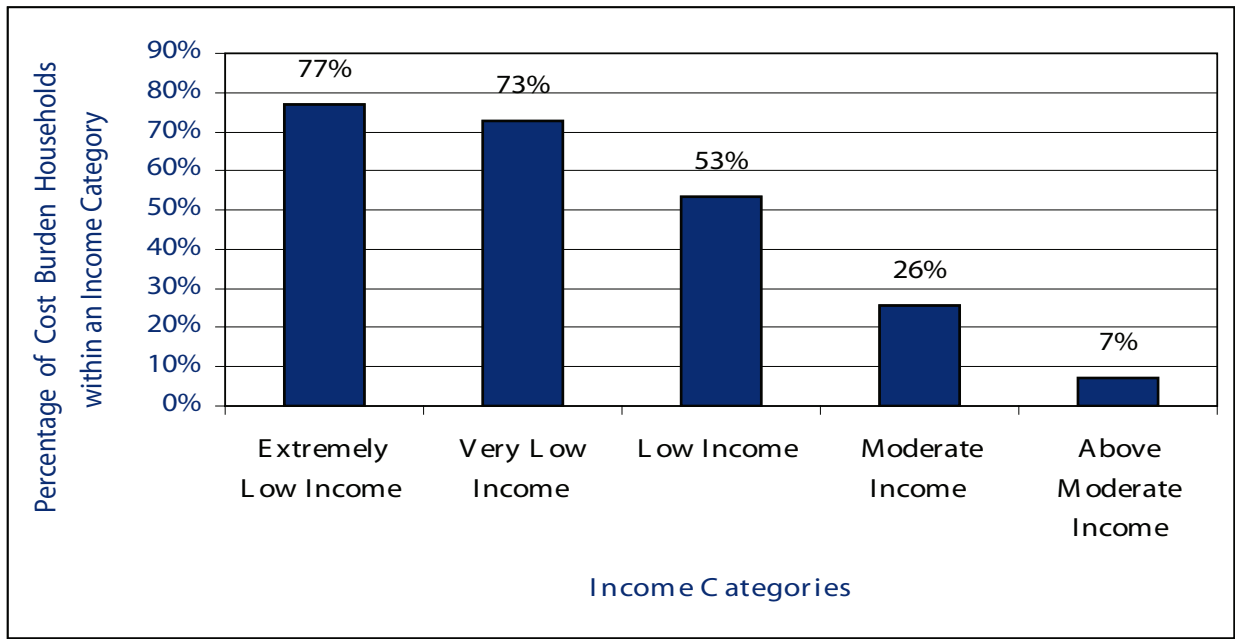
As described in the Attainable Housing Defined Section on page 16, a family would be likely to have a financial concern if they are paying more than 30% of their gross income on housing costs. The lower the family income, the higher the probability it will have a financial concern. For instance, Table 1 shows the number of families in Hillsborough County in each income category who are housing cost burdened. Figure 1 shows the percentage of cost burdened families in each income category. Figure 2 shows the cost burden relationship between families who own their homes and families who rent their homes.

Table 1: Estimated Number of Cost Burdened Households by Income Category in Hillsborough County, 2006

Household Income Categories	Households Paying 30% or less of Annual Income	Households Paying Greater than 30% and less than 50% of Annual Income	Households Paying Greater than 50% of Annual Income	Total Number of Households in Income Category
Extremely Low Income	10,098	6,238	27,309	43,645
Very Low Income	13,226	21,167	13,904	48,297
Low Income	35,145	32,499	7,822	75,466
Moderate Income	66,051	19,821	2,937	88,809
Above Moderate Income	173,743	11,913	1,341	186,997
Total	298,263	91,638	53,313	443,214

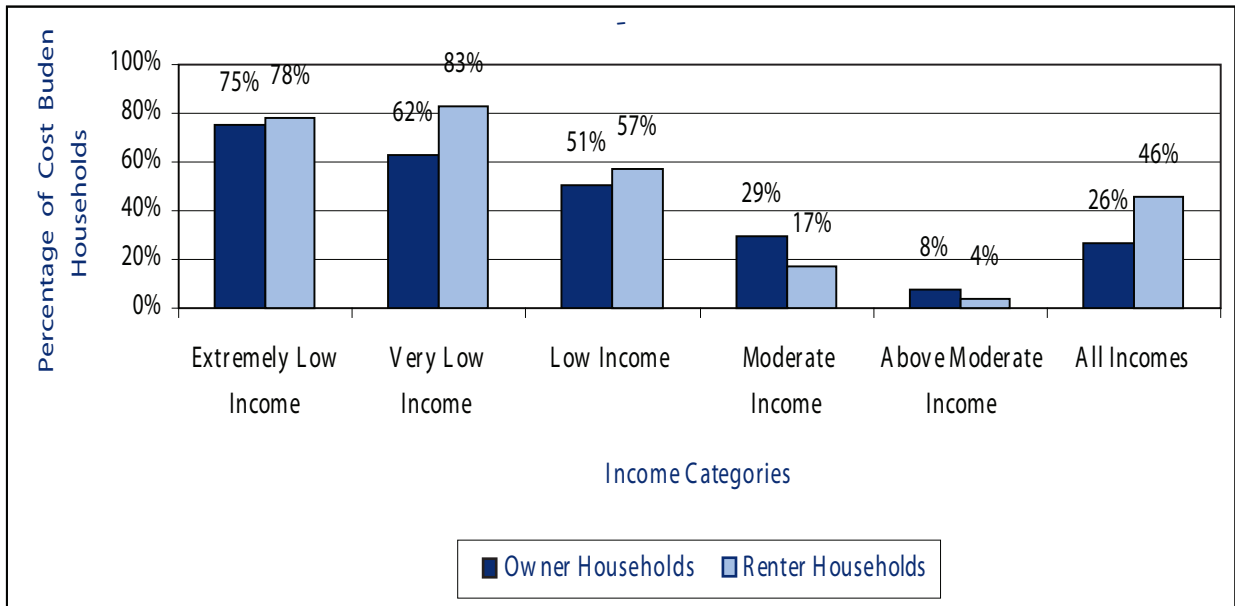
Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Figure 1: Percentage of Cost Burdened Households By Income Category in Hillsborough County, 2006



Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Figure 2: Percentage of Cost Burdened Homeowner and Renter Households By Income Category in Hillsborough County, 2006



Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Attainable Housing Income Ranges

Table 2 illustrates the annual and hourly income ranges, attainable housing costs and price ranges, and the attainable monthly payments in each of the income categories for Hillsborough households. The table describes the ranges of attainability for specific income levels and illustrates the impact increasing housing costs have on a family’s financial health. Moreover, Table 2 shows that (based on current income levels defined by HUD) an extremely low income household could afford a home priced at \$55,100 or less and a monthly payment of \$340 or less; a very low income household could afford a home priced at \$92,000

or less and a monthly payment of \$688 or less; a low income household could afford a home priced at \$147,000 or less and a monthly payment of \$906 or less; and a moderate income household could afford a home priced at \$220,000 or less and a monthly payment of \$1,360 or less.

Table 2: Attainable Income Ranges and Attainable House Prices for Extremely Low Income, Very Low Income, Low Income, and Moderate Income Households

Income Description Category	Ranges of Income or Attainable Costs	Attainable House Price Ranges
2006 Area Median Household Income	\$54,400	\$0 - \$183,000⁷
Extremely Low Income Household (ELI)		
Annual Income Range for ELI – less than or equal to 30% of area median household income	\$0 - \$16,320	\$0 - \$55,100
Hourly Income Range for ELI⁸	\$0- \$7.84	
Attainable Housing Costs – 25%⁹ of gross annual income	\$0 - \$4,080	
Attainable Monthly Payments¹⁰	\$0- \$340	
Very Low Income Household (VLI)		
Annual Income Range for VLI – greater than 30% and less than or equal to 50% of area median household income	\$16,321 - \$27,200	\$55,101 - \$92,000
Hourly Income Range for VLI	\$7.85 - \$13.06	
Attainable Housing Costs – 25% of gross annual income	\$4,080 - \$6,800	
Attainable Monthly Payments	\$341 - \$566	
Low Income Household (LI)		
Annual Income Range for LI – greater than 50% and less than or equal to 80% of area median household income	\$27,201 - \$43,520	\$92,001 - \$147,000
Hourly Income Range for LI	\$13.07 - \$20.91	
Attainable Housing Costs - 25% of gross annual income	\$6,801 - \$10,880	
Attainable Monthly Payments	\$567 - \$906	
Moderate Income Household (MI)		
Annual Income Range for MI – greater than 80% and less than or equal to 120% of area median household income	\$43,521 - \$65,280	\$147,001 - \$220,000
Hourly Income Range for MI	\$20.92 - \$31.38	
Attainable Housing Costs - 25% of gross annual income	\$10,881 - \$16,320	
Attainable Monthly Payments	\$907 - \$1,360	

Source: U.S. Department of Housing and Urban Development, 2006 and Shimberg Center for Affordable Housing, University of Florida, 2006

7. This calculation assumes a 6.75% interest rate on a 30-year loan with a down payment of 5%.

8. Hourly wage was calculated by dividing the annual gross income by 52 and then dividing by 40 hours.

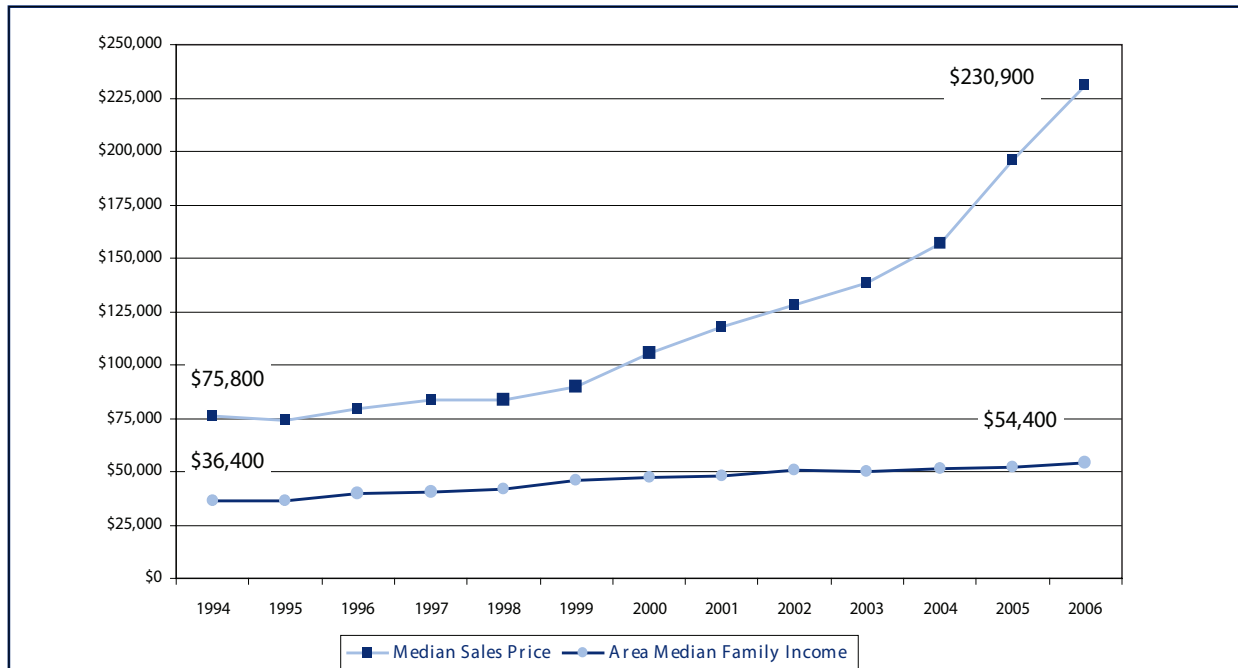
9. Attainable housing costs were calculated by taking 25% of the gross annual income (rather than 30% of the gross annual income) leaving 5% of the gross annual income to account for other housing costs, such as property taxes, property insurance and utilities.

10. Attainable monthly payments were calculated by taking 25% of the annual gross income and then dividing by 12 months.

Single-Family Home Sale Prices in Hillsborough County

Between 1994 and May 2006, the price of a single-family home in Hillsborough County has increased more than 200% while incomes have lagged behind with an increase of approximately 50%. In 1994, the median single-family home sales price in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area was \$75,800, while the median family income was \$36,400. The ratio of home price to median income of approximately 2.1 means that the median priced home was well within reach of the median income family. In May 2006, the median single-family home sales price in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area was \$230,900, while the median family income was \$54,400. The ratio of median home price to median income rose to 4.24, making the average home well out of reach of the average family. Figure 3 illustrates the trend for median incomes and median home sale prices for the period 1994 to May 2006. This information is presented in tabular form in Table 3.

Figure 3: Median Single-Family Home Sale Prices and Median Household Incomes for the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area



Note: Median sales prices are for existing single-family homes in May of each year
 Source: Florida Association of Realtors, 2006 and U.S. Department of Housing and Urban Development, 2006

Table 3: Percentage Change in the Median Single-family Sales Prices Since 1994 in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area

Year	Median Sales Price	% Change in Median Sales Price from Previous Year	% Change in Median Sales Price from 1994
1994	\$75,800		
1995	\$73,800	-2.64%	-2.64%
1996	\$79,700	7.99%	5.15%
1997	\$83,800	5.14%	10.55%
1998	\$83,900	0.12%	10.69%
1999	\$89,900	7.15%	18.60%
2000	\$105,700	17.58%	39.45%
2001	\$118,000	11.64%	55.67%
2002	\$128,300	8.73%	69.26%
2003	\$138,600	8.03%	82.85%
2004	\$156,800	13.13%	106.86%
2005	\$196,100	25.06%	158.71%
2006	\$230,900	17.75%	204.62%

Source: Florida Association of Realtors and Shimberg Center for Affordable Housing, University of Florida, 2006

The widening gap between average incomes and average home prices poses a threat to Hillsborough County’s continued economic prosperity. If the issue of attainable housing is not addressed, the local economy could suffer, as employers will have a more difficult time recruiting their workforce, while members of the existing workforce experience reductions in the amount of disposable income available to spend in the local economy.

Median Family Income

Median family income in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area has not increased proportionately to median home prices in the same region, thereby creating a significant gap between wages and the ability to afford housing.

Table 4 describes the change in median family income over the past twelve years in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area. This change, although reflective of constant growth, is not sufficient to maintain pace with the rapidly escalating costs of the region’s housing market.

Table 4: Percentage Change in Median Family Income 1994-2006 in the Tampa-St Petersburg-Clearwater Metropolitan Statistical Area.

Year	Median Family Income	% Change in Median Income from Previous Year	% Change in Median Income from 1994
1994	\$36,400		
1995	\$36,400	0.00%	0.00%
1996	\$39,400	8.24%	8.24%
1997	\$40,500	2.79%	11.26%
1998	\$42,000	3.70%	15.38%
1999	\$45,600	8.57%	25.27%
2000	\$47,500	4.17%	30.49%
2001	\$47,700	0.42%	31.04%
2002	\$50,500	5.87%	38.74%
2003	\$49,700	-1.58%	36.54%
2004	\$51,200	3.02%	40.66%
2005	\$52,150	1.86%	43.27%

Source: U.S. Department of Housing and Urban Development and Shimberg Center for Affordable Housing, University of Florida, 2006

“There is a sense of pride you get when you own your house, and you can decorate or paint without any penalty when you own your own place.”

Teresa and Luan Nguyen and their two children relocated to Tampa, Florida from Minnesota seeking better employment and housing opportunities. Renting at first, the family planned on eventually purchasing a home. After extensive research on the local housing market, the Nguyens soon realized they could not afford to purchase a home on Mr. Nguyen’s salary as a middle school teacher. They researched and considered unconventional financing options, but none of the programs fit their income, nor were they willing to compromise their family’s financial stability. Their persistence paid off. The Nguyens are now homeowners through a mutual self-help housing program, an experience they highly recommend to others.



Single-Family Home Buying Gap

One measure of a community’s housing attainability is the single-family home buying gap. The single-family home buying gap is the difference between the median household buying power¹¹ and the median single-family home sales price. Generally, household buying power is two to three times the household’s annual income depending on credit rating, interest rates, down payment, etc.

¹¹ In estimating a family’s buying power to purchase a dwelling unit, the report Recommendations for Developing Attainable Workforce Housing in the Chicago Region, 2002 stated as a rule of thumb a family could afford to buy a home 2.5 to 3 their gross yearly income. The Workforce Housing Study for the City of Fort Lauderdale, 2005 estimates that a household’s buying power is 2 to 2.5 times a household’s gross annual income. The calculations for the Hillsborough County study show that a family buying a home with a with a down-payment of 5% and 30-year loan at an interest rate of 6.75%, and 5% of their yearly income to account for property taxes, property insurance and utilities could afford to purchase a home approximately 3.37 times its gross yearly income. As a result, for the purpose of this study a family’s buying power is defined at 3 times its annual gross income. This does not consider other possible factors such as additional family debt, change in interest rates, change in down payment, etc.

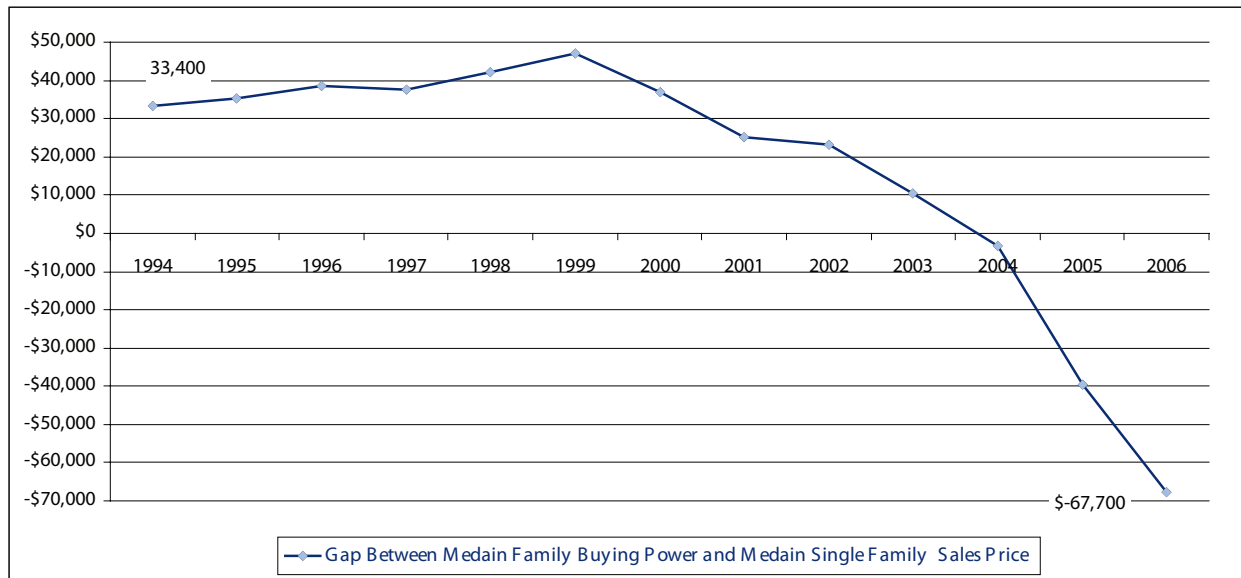
Hillsborough County residents experienced a healthy home buying gap between 1994 and 2002 (Table 5 and Figure 4). In 1994, the average family could very comfortably afford the average home, because their buying gap was more than \$33,000. In other words, they could afford a home priced \$33,000 higher than median. The positive gap continued to grow through 1999, but began a sharp decline in 2000. By 2004, the buying gap was negative, meaning the average family could no longer afford the average house. By 2006, Hillsborough County residents were experiencing a home buying gap of \$67,700. Table 5 also shows that in 2006 the median sales price reached over 400% of the median income, while in 1994 it had been approximately 200% of the median income. This gap or disparity demonstrates the challenges that many families in Hillsborough County currently face. Families are finding it increasingly difficult to afford to live in the area, businesses are finding it more difficult to fill open positions, and local government is working to find solutions to keep the economy growing and the quality of life improving.

Table 5: Gap between Median Household Buying Power and Median Single-family Sale Price Since 1994 in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area

Year	Median Household Income	Median Household Buying Power ⁵	Median Sales Price For Single Family Homes	Gap Between Buying Power and Sales Price
1994	\$36,400	\$109,200	\$75,800	\$33,400
1995	\$36,400	\$109,200	\$73,800	\$35,400
1996	\$39,400	\$118,200	\$79,700	\$38,500
1997	\$40,500	\$121,500	\$83,800	\$37,700
1998	\$42,000	\$126,000	\$83,900	\$42,100
1999	\$45,600	\$136,800	\$89,900	\$46,900
2000	\$47,500	\$142,500	\$105,700	\$36,800
2001	\$47,700	\$143,100	\$118,000	\$25,100
2002	\$50,500	\$151,500	\$128,300	\$23,200
2003	\$49,700	\$149,100	\$138,600	\$10,500
2004	\$51,200	\$153,600	\$156,800	-\$3,200
2005	\$52,150	\$156,450	\$196,100	-\$39,650
2006	\$54,400	\$163,200	\$230,900	-\$67,700

Source: U.S. Department of Housing and Urban Development, the Florida Association of Realtors, and Shimberg Center for Affordable Housing, University of Florida, 2006

Figure 4: The Median Household Buying Power Gap to Purchasing a Single-family Home Since 1994 in the Tampa-St Petersburg-Clearwater Metropolitan Statistical Area



Source: U.S. Department of Housing and Urban Development, Florida Association of Realtors, and Shimberg Center for Affordable Housing, University of Florida, 2006

Homeownership Income Gap in Hillsborough County

Hillsborough County believes in the importance of homeownership and strives to create an environment where homeownership is possible for any family with a desire to purchase a home. As a result, the County offers various housing assistance programs promoting homeownership.

However, even with housing assistance programs in place, many households are still finding themselves unable to attain homeownership. A family earning less than 120% of the area median income could find it challenging — if not unrealistic — to purchase a home in Hillsborough County’s current housing environment (Table 6 and Figure 5).

The following table demonstrates the annual income gaps for extremely low income, very low income, low income and moderate income households in Hillsborough County. These financial disparities shed light on the frustration many hard-working families face as they come to realize that their current income is not sufficient to qualify them for a traditional mortgage loan. In turn this has resulted in many families seeking alternative or more creative forms of financing to make the purchase of a home a reality. The result of such lending practices has recently begun to manifest itself in increased foreclosure rates.

According to RealtyTrac™, the leading online marketplace for foreclosure properties, Florida is one of five states reporting the highest number of new foreclosures in January 2006.¹² Consider the following statement from a recent RealtyTrac™ press release:

“Florida reported 10,334 properties entering some stage of foreclosure, a 28 percent increase from the previous month and the second most new foreclosures of any state. Florida’s foreclosure rate of one new foreclosure for every 707 households was 1.6 times the national average.”¹³

¹² RealtyTrac™, Press Release entitled National Foreclosures Increase 27 Percent In January According to Realtytrac™ U.S. Foreclosure Market Report accessed via website at <http://www.realtytrac.com/news/press/pressRelease.asp?PressReleaseID=87>

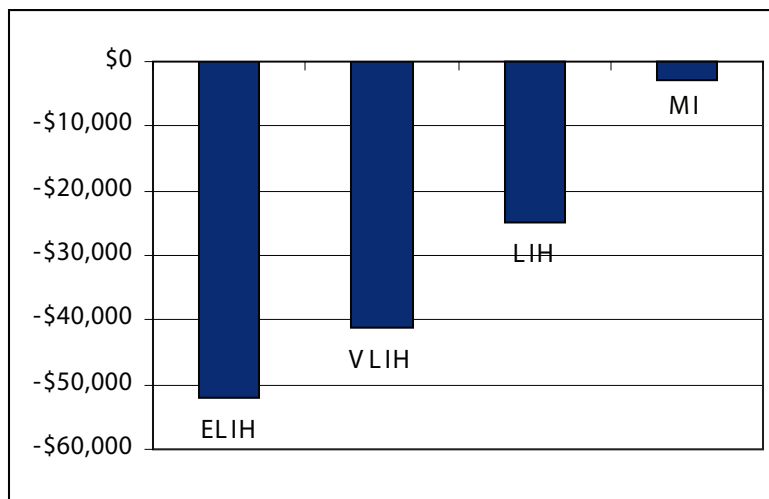
¹³ RealtyTrac™, Press Release entitled National Foreclosures Increase 27 Percent In January According to Realtytrac™ U.S. Foreclosure Market Report accessed via website at <http://www.realtytrac.com/news/press/pressRelease.asp?PressReleaseID=87>

Table 6: Annual Income Gaps for Extremely Low Income, Very Low Income, Low Income, and Moderate Income Households Purchasing a Home at the Area Median Single-Family Sales Price

Income Category	Median House Price and Interest Rate	Monthly Attainable Payments	Monthly Mortgage Payments	Annual Income at Income Category	Qualifying Annual Income Required	Annual Income Gap
ELI	\$230,900 at 6.75%	\$340	\$1,423	\$16,320	\$68,291	-\$51,971
VLI	\$230,900 at 6.75%	\$567	\$1,423	\$27,200	\$68,291	-\$41,091
LI	\$230,900 at 6.75%	\$906	\$1,423	\$43,500	\$68,291	-\$24,791
MI	\$230,900 at 6.75%	\$1,360	\$1,423	\$65,280	\$68,291	-\$3,011

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Figure 5: Annual Income Gaps for Purchasing a Single-family Home at the Median Sales Price by Income Category



Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Single-Family Home Buying Gap Further Widens

The disparity between the buying power of the median household and the median single-family home sales price is further aggravated by other variables in the housing market, such as mortgage interest rates, homeowner insurance, property taxes, and utilities.

Impact of Increasing Mortgage Interest Rates

Forecasting future house prices and interest rates is an uncertain undertaking. Table 7 shows the impact on a family's qualifying income if home prices and interest rates continue to rise. The table shows that for a 0.5% increase in the interest rate, a family requires an additional \$3,000 in annual income. Moreover, for every \$25,000 increase in sales price, a family would require approximately \$7,000 more in annual income. These increases become even more substantial when increases to other necessary items (property taxes, property insurance, utilities, transportation, food, clothing, medical expenses, etc.) are included in the equation.

Table 7: Impact of Changing Home Prices and Mortgage Interests Rates on Qualifying Income to Purchase a Home^{14,15}

Interest Rates	Estimated Qualifying Income for a \$230,900 Home	Estimated Qualifying Income for a \$250,000 Home	Estimated Qualifying Income for a \$275,000 Home	Estimated Qualifying Income for a \$300,000 Home	Estimated Qualifying Income for a \$325,000 Home
6.75%	\$68,291	\$73,940	\$81,334	\$88,728	\$96,122
7.00%	\$70,050	\$75,845	\$83,429	\$91,013	\$98,598
7.50%	\$73,621	\$79,711	\$87,682	\$95,653	\$103,624
8.00%	\$77,258	\$83,649	\$92,014	\$100,379	\$108,744
8.50%	\$80,959	\$87,656	\$96,422	\$105,187	\$113,953
9.00%	\$84,719	\$91,727	\$100,900	\$110,072	\$119,245

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Increased Homeowner's Insurance

Homeowners' insurance is a basic requirement for mortgage loans. This cost has been further aggravated due to the recent exodus of many major property insurers from the Florida market. Insurers claim the risk potential is too high due to the onslaught of hurricanes that have hit Florida over the past two years. This has left many property owners with very limited and more expensive choices to insure their homes from damage. Consider the following statement from a spokesperson of a major insurance provider.

“Clearly, Florida has the most difficult property insurance market in the country,” said Deb Clouser, a spokeswoman for Allstate Floridian, the second largest home insurer in Florida, with about 750,000 customers. “We have the largest catastrophe exposures in the country.”¹⁶

Rising Property Values Equal Rising Property Taxes

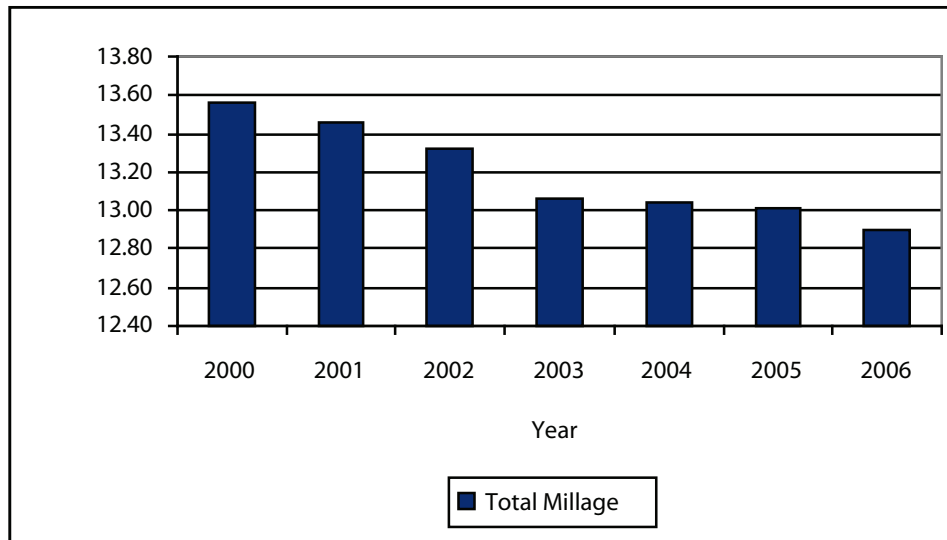
The Hillsborough County Board of County Commissioners has steadily decreased property tax millage rates in recent years. Rates dropped by nearly 5% between 2000 and 2006, as shown in Figure 6. But while property tax rates have dropped, property values have skyrocketed, placing a significant burden on those who wish to purchase a home.

¹⁴ The table uses the May 2006 median single-family home price of 230,900 as a starting point.

¹⁵ Calculation Assumptions: A 30-year loan with 5% down payment with monthly payments based on 25% of monthly gross income was used. This allows 5% for other housing costs such as property taxes, property insurance, home maintenance and utilities.

¹⁶ Florida Approves Nationwide Homeowner Insurance Increase an Associated Press report dated July 12, 2005 accessed via ABC Action News website at <http://www.abcactionnews.com/stories/2005/07/050712nationwide.shtml>

Figure 6: Hillsborough County Property Tax Millage Rates, 2000-2006



Florida’s Save Our Homes provision protects those who remain in their homes from property valuation increases by allowing the valuation to increase by no more than 3% per year or the rate of inflation (as measured by the Consumer Price Index produced by the Bureau of Labor Statistics), whichever is less. Therefore, those who remain in their homes are protected from the impact of dramatically rising property values. Homeowners who wish to purchase a house—whether they are first-time homebuyers or wish to move to a different home for whatever reason, including proximity to employment and transportation—are those who face the greatest burden associated with rising property values and the rising property taxes associated with those values.

Other Increasing Costs

In addition to increasing housing prices, households must also contend with financial pressures from other necessary living expenses. The Consumer Price Index for the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area registered increases in motor fuel, utilities, energy, and non-durables (Table 8). Within just one year, motor fuel has increased by 32%, utility costs by 22%, energy costs by 18%, and non-durables by 12%. These increases place further pressure on family budgets in Hillsborough County.

Table 8: Increases in the Consumer Price Index for all Urban Consumers in Tampa-St. Petersburg-Clearwater Metropolitan Service Area

Items	Percentage Increase from 2004 (2nd Half) to 2005 (2nd Half)
Motor Fuel	32%
Utility (piped) gas service	22%
Energy	18%
Non-durables Less Food	12%

Source: Bureau of Labor Statistics, Consumer Price Index for Tampa-St. Petersburg-Clearwater Second Half 2005

“People shouldn’t have to hold three jobs to keep a roof over their heads, because it takes time away from their families.”

John and Joanna Rutland currently rent a room in their parents’ home in Valrico, Florida with their 2-year-old daughter due to the high cost of rental housing. They are in the process of buying a new home in the Bayou Pass subdivision located in Ruskin, Florida because Joanna is expecting her second child in March of 2007. The Rutlands have had to struggle with several housing issues: saving for a down payment; finding a safe, affordable location; and dealing with the high cost of housing, property taxes, and homeowners insurance. The Rutlands recommend more affordable single family homes and rental housing for Hillsborough County.



Rental Housing in Hillsborough County

Housing choices exist along a continuum that runs from modest rentals through substantial dwellings for home owners. Therefore, rental units are an important component of any attainable housing strategy. Lack of adequate and well-maintained rental units would hinder Hillsborough County’s efforts in fostering and sustaining its local economy.

Rental units meet many community needs, including providing families flexibility and lifestyle choices, assistance with transitions, provide a home closer to employment, and offer homes for families who cannot afford to purchase a home. Approximately 30% of families in Hillsborough County currently rent their homes. New jobs created in lower wage occupations generate a need for additional rental housing. An adequate supply of rental housing for workers, retirees, persons with disabilities and others supports sustained economic growth.

Increased Demand for Additional Rental Units

Rental vacancy rates are used by housing experts to determine the balance of demand and supply of rental units in a given market. A vacancy rate of 5% is typically considered healthy, because it provides an adequate amount of choice in the marketplace. Hillsborough County’s vacancy rate was 1.95% in early 2006 (Table 9). This very low vacancy rate implies that more rental housing is required in Hillsborough County; the lack of it could push rents higher and hold back economic growth by making it more difficult for individuals — especially those in entry-level positions — to find an attainable place to live.

In addition, as the number of families unable to afford to purchase a home increases, so does the demand for rental units increase. This increased demand may be further aggravated by families displaced due to the loss of homes resulting from increasing foreclosure rates and those seeking housing following natural disasters, such as hurricanes.

Table 9: Vacancy Rates and Average Rents in Hillsborough County

Unit Class	Number of Units	Number Vacant	Vacancy Rate	Average Rent
All Units	75,798	1,479	1.95%	819
Efficiency	1,856	52	2.80%	524
1BR / 1BA	30,958	518	1.67%	688
2BR / 1BA	8,030	184	2.29%	721
2BR / 1.5 BA	1,600	30	1.88%	748
2BR / 2BA	23,834	450	1.89%	919
2BR / 2.5BA	427	5	1.17%	1,001
3BR / 2BA	6,169	35	2.19%	1,056
3BR / 2.5BA	231	5	2.16%	1,234
4BR / 2BA	362	13	3.59%	1,156

Source: Bay Area Apartment Association, First Quarter, 2006

Elderly Population

Many elderly residents currently reside in the homes in which they raised their children. These homes are typically two or three bedroom single-family homes. Finding themselves as empty nesters and unable to keep up with the maintenance of these larger properties, seniors may seek to downsize their residences. As the elderly population increases, it is estimated that there will be increased demand for smaller housing units and rental housing. This trend is part of a healthy housing cycle. As seniors seek to downsize, the single-family homes they vacate can now be made available to family households. (Elderly housing is further discussed in the Special Needs Housing section on page 50).

Catastrophic Event

In the event of a major catastrophe such as a hurricane, homes may be destroyed. Families experiencing such loss will likely seek apartment units in preference to living in mobile-home parks during the long-term disaster recovery process, thereby placing additional pressures on the rental housing market.

Public Housing and Rental Subsidies

Public housing and rental subsidy programs have long been a key component of government support programs for the rental housing market; however, as the following tables show, these programs are severely backlogged by the excessive demand and the limited supply of attainable rental housing units.

Public Housing

Public housing units are Housing Authority-owned units that are made available to extremely low, very low and low income families, seniors, and persons with disabilities. In order to ensure these properties remain affordable, legislation established tenant rent based on a percentage of their income. Tenants are required to pay no more than 30% of their annual income (minus eligible deductions and regardless of bedroom size) toward rent and utilities. The U.S. Department of Housing and Urban Development subsidizes the difference between what tenants can pay toward rent and the individual housing authority's calculated operating cost for a public housing unit, known as the Annual Expense Level (AEL). There are currently 7,168 families on the waiting list for public housing in Hillsborough County (Table 10).

Table 10: Combined Waiting List for Public Housing the Housing Authority of the City of Tampa, Hillsborough County Department of Housing and Community Code Enforcement and Plant City Housing Authority

Family Income Categories	Number of Families	Percentage of Total
Extremely Low Income Families	6,857	95.66%
Very Low Income Families	292	4.07%
Low Income Families	19	0.27%
Total	7,168	100.00%

Source: Housing Authority of the City of Tampa, Hillsborough County Section 8 Department, Plant City Public Housing Authority and the Shimberg Center for Affordable Housing, University of Florida, 2005

Housing Choice Voucher Program (Section 8)

The Housing Choice Voucher program (known until 1998 as the Section 8 Voucher and Certificate Programs) is a federal assistance program.¹⁷ Financial assistance in the form of a voucher is provided to individual tenants so that they may afford rents on the private market. The voucher allows recipient households to pay no more than 30% of their gross income for housing, including utilities. More than 80% of those served by this program in Florida are extremely low income families.¹⁸ Many are elderly or persons with disabilities. Federal funding for this program has been under siege in Congress for several years, and it is uncertain how much funding will be available in future years. In the meantime, waiting lists for voucher assistance are long. There are more than 4,600 families awaiting voucher assistance in Hillsborough County, as shown in Table 11. The vast majority of these families are extremely low income households.

¹⁷ Although the program name was changed by Congress in 1998, it is still most frequently referred to as "Section 8."

¹⁸ Anne Lockwood Williamson, et al., (2004) Public Housing Authorities in Florida: An Analysis of Selected Issues, Technical Note Series No. 04-01, Shimberg Center for Affordable Housing, University of Florida, Gainesville, Florida.

Table 11: Combined Waiting List for the Housing Choice Voucher Program (Section 8) from the Housing Authority of the City of Tampa, Hillsborough County Department of Housing and Community Code Enforcement and Plant City Housing Authority

Family Income Categories	Number of Families	Percentage of Total
Extremely Low Income Families	3,985	85.20%
Very Low Income Families	614	13.13%
Low Income Families	78	1.67%
Total	4,677	100.00%

Source: Housing Authority of the City of Tampa, Hillsborough County Section 8 Department, Plant City Public Housing Authority and the Shimberg Center for Affordable Housing, University of Florida, 2005

Rental Income Gap

Just as an affordability gap exists for homeownership in Hillsborough County, there are similar disparities for those who seek rental housing. Table 12 through Table 15 show the annual incomes needed to afford an average apartment rental in Hillsborough County. Information is displayed by income category and household size.

NOTE: The following assumptions were used when making the calculations for Tables 12 through 15:

Household Size	Apartment Size	Average Monthly Rent
1 Person	1 bedroom / 1 bath	\$688
2 Persons	2 bedroom / 1 bath	\$721
3 Persons	2 bedroom / 2 bath	\$919
4 Persons	3 bedroom / 2 bath	\$1,056
5 Persons *	3 bedroom / 2.5 bath	\$1,234
6 Persons	4 bedroom / 2 bath	\$1,156

Source: Bay Area Apartment Association; First Quarter 2006

Table 12: Income Gaps for Extremely Low Income Renters in Hillsborough County

Extremely Low Income	Monthly Attainable Rental Payment	Average Monthly Rent	Actual Annual Income	Annual Income Required	Annual Income Gap	Hourly Income Required
1 Person Household	\$238	\$688	\$9,500	27,520	-\$18,020	\$13.23
2 Person Household	\$272	\$721	\$10,875	28,840	-\$17,965	\$13.87
3 Person Household	\$305	\$919	\$12,208	36,760	-\$24,552	\$17.67
4 Person Household	\$340	\$1,056	\$13,583	42,240	-\$28,657	\$20.31
5 Person Household	\$340	\$1,234	\$13,600	49,360	-\$35,760	\$23.73

Source: U.S. Department of Housing and Urban Development, 2006, and Bay Area Apartment Association, First Quarter, 2006

Table 13: Income Gaps for Very Low Income Renters in Hillsborough County

Very Low Income	Monthly Attainable Rental Payment	Average Monthly Rent	Actual Annual Income	Annual Income Required	Annual Income Gap	Hourly Income Required
1 Person Household	\$397	\$688	\$15,875	27,520	-\$11,645	\$13.23
2 Person Household	\$453	\$721	\$18,125	28,840	-\$10,715	\$13.87
3 Person Household	\$510	\$919	\$20,417	36,760	-\$16,343	\$17.67
4 Person Household	\$567	\$1,056	\$22,667	42,240	-\$19,573	\$20.31
5 Person Household	\$567	\$1,234	\$22,667	49,360	-\$26,693	\$23.73

Source: U.S. Department of Housing and Urban Development, 2006, and Bay Area Apartment Association, First Quarter, 2006

Table 14: Income Gaps for Low Income Renters in Hillsborough County

Low Income	Monthly Attainable Rental Payment	Average Monthly Rent	Annual Income	Annual Income Required	Annual Income Gap	Hourly Income Required
1 Person Household	\$634	\$688	\$25,375	27,520	-\$2,145	\$13.23
2 Person Household	\$725	\$721	\$29,000	28,840	\$160	\$13.87
3 Person Household	\$816	\$919	\$32,625	36,760	-\$4,135	\$17.67
4 Person Household	\$906	\$1,056	\$36,250	42,240	-\$5,990	\$20.31
5 Person Household	\$907	\$1,234	\$36,267	49,360	-\$13,093	\$23.73

Source: U.S. Department of Housing and Urban Development, 2006, and Bay Area Apartment Association, First Quarter, 2006

Table 15: Income Gaps for Moderate Income Renters in Hillsborough County

Moderate Income	Monthly Attainable Rental Payment	Average Monthly Rent	Actual Annual Income	Annual Income Required	Annual Income Gap	Hourly Income Required
Moderate Income - Median Household	\$1,360	\$1,234	\$65,280	49,360	\$15,920	\$23.73

Source: U.S. Department of Housing and Urban Development, 2006, and Bay Area Apartment Association, First Quarter, 2006

Attainable Housing: A Growing Wage Gap Concern

The preceding tables and data have shown that a significant gap exists between the cost of housing and resident incomes. Incomes — even for mid-level professionals — have failed to keep up with escalating housing prices in recent years. This section focuses on linking wages with specific jobs in Hillsborough County and the income workforce members must earn to sustain a mortgage on a median-priced home in the county.

Tables 16, 17 and 18 show the types of occupations that are projected to create the most jobs in Hillsborough County between 2005 and 2013, along with the estimated home buying and rental gaps that currently exist for those occupations.

Table 16: Ranking of Occupations Gaining the Most Jobs between 2005 and 2013 in Hillsborough County with Hourly Wages and Income Categories

Rank	Job Title	Number of Jobs in 2005	Projected Number of Jobs in 2013	Total Number of New Jobs	2005 Hourly Wage for Jobs	Job Income Category
1	Customer Service Representatives	22,038	27,185	5,147	\$13.82	Low Income
2	Waiters and Waitresses	16,069	20,349	4,280	\$7.52	Extremely Low Income
3	Construction Laborers	10,190	13,407	3,217	\$10.73	Very Low Income
4	Laborers and Freight, Stock, and Material Movers	21,423	24,599	3,176	\$8.94	Very Low Income
5	Food Preparation & Serving Workers, Including Fast Food	12,447	15,281	2,834	\$7.13	Extremely Low Income

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, February 2006 and Shimberg Center for Affordable Housing, University of Florida, 2006

“I’ll get a better job. Once that happens, I will own a home with the assistance of Hillsborough County. Then I’ll have the opportunity to help people who need affordable housing even more, just like I was helped.”

Taushia Oliver, a single mother of two children, currently resides in Belmont Heights Estates, the result of a successful public-private partnership that began when the Tampa Housing Authority successfully competed for federal HOPE VI funds in 1997. The development also makes use of the federal Low Income Housing Tax Credit, as well as other state and local resources. Working as a leasing agent in her housing complex, Ms. Oliver regrets being unable to accommodate all the applicants she screens for housing. “There just aren’t enough units to serve everybody.”



Table 17: Estimated Home Buying Gap for Occupations Gaining the Most Jobs between 2005 and 2013 in Hillsborough County

Rank	Job Title	Total Number of New Jobs 2005 - 2013	2005 Estimated Annual Job Income	Estimated Job Buying Power for Single Family Home	2005 Median Single Family Home Price	Estimated Job Home Buying Gap
1	Customer Service Representatives	5,147	\$28,746	\$71,864	\$230,900	-\$159,036
2	Waiters and Waitresses	4,280	\$15,642	\$39,104	\$230,900	-\$191,796
3	Construction Laborers	3,217	\$22,318	\$55,796	\$230,900	-\$175,104
4	Laborers and Freight, Stock, and Material Movers	3,176	\$18,595	\$46,488	\$230,900	-\$184,412
5	Food Preparation & Serving Workers, Including Fast Food	2,834	\$14,830	\$37,076	\$230,900	-\$193,824

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, February 2006, and Shimberg Center for Affordable Housing, University of Florida, 2006

Table 18: Estimated Monthly Rent Gap for Occupations Gaining the Most Jobs between 2005 and 2013 in Hillsborough County

Rank	Number of New Jobs between 2005 - 2013	2005 Estimated Monthly Income	30% of Monthly Income for Attainable Housing	Monthly Rent for 1 BR, 1 BA Apartment	Monthly Rent Gap	Monthly Rent for 2 BR, 1BA Apartment	Monthly Rent Gap
1	5,147	2,395.47	\$719	\$688	\$31	\$721	-\$2
2	4,280	1,303.47	\$391	\$688	-\$297	\$721	-\$330
3	3,217	1,859.87	\$558	\$688	-\$130	\$721	-\$163
4	3,176	1,549.60	\$465	\$688	-\$223	\$721	-\$256
5	2,834	1,235.87	\$371	\$688	-\$317	\$721	-\$350

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, February 2006, Bay Area Apartment Market Survey, First Quarter, 2006 and Shimberg Center for Affordable Housing, University of Florida, 2006

Table 19: Percentage of Annual Income Required for the Purchase of Median-Priced Single-Family Home (MSFH) in Hillsborough County for Selected Occupations

Occupation	Entry Level Annual Income	% of Annual Income Required for Median Single Family Home
Waiters and Waitresses	\$13,020	131.21%
Pharmacy Aides	\$14,040	121.68%
Child Care Workers	\$14,080	121.33%
Retail Salespersons	\$14,380	118.80%
Hotel, Motel, and Resort Desk Clerks	\$14,600	117.01%
Teacher Assistants	\$14,616	116.88%
Bus Drivers, School	\$14,860	114.96%
Tellers	\$16,560	103.16%
Home Health Aides	\$16,620	102.79%
Secretaries, Except Legal, Medical, and Executive	\$16,820	101.57%
Nursing Aides, Orderlies, and Attendants	\$17,820	95.87%
Bookkeeping, Accounting, and Auditing Clerks	\$18,860	90.58%
Medical Assistants	\$18,380	92.95%
Emergency Medical Technicians and Paramedics	\$19,180	89.07%
Mental Health and Substance Abuse Social Workers	\$19,440	87.88%
Customer Service Representatives	\$19,900	85.85%
Child, Family, and School Social Workers	\$23,240	73.51%
Executive Secretaries and Administrative Assistants	\$23,640	72.26%
Police, Fire, and Ambulance Dispatchers	\$23,840	71.66%
Fire Fighters	\$25,280	67.58%
Licensed Practical and Licensed Vocational Nurses	\$28,680	59.57%
Elementary School Teachers, Except Special Education	\$30,942	55.21%
Middle School Teachers, Except Special and Vocational Education	\$31,445	54.33%
Secondary School Teachers, Except Special and Vocational Education	\$32,811	52.07%
Librarians	\$32,980	51.80%
Postal Service Mail Carriers	\$33,860	50.45%
Police and Sheriff's Patrol Officers	\$34,160	50.01%
Financial Analysts	\$36,400	46.93%
Database Administrators	\$37,540	45.51%
Registered Nurses	\$38,680	44.17%
Electrical Engineers	\$44,340	38.53%

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, February 2006
the Florida Association of Realtors, 2006, and Shimberg Center for Affordable Housing, University of Florida, 2006

Table 20: Percentage of Income Required for the Rental of a Two Bedroom/One Bath Apartment in Hillsborough County for Selected Occupations

Occupation	Entry Level Annual Income	% of Annual Income Required for Rent ⁶
Waiters and Waitresses	\$13,020	66.45%
Pharmacy Aides	\$14,040	61.62%
Child Care Workers	\$14,080	61.45%
Retail Salespersons	\$14,380	60.17%
Hotel, Motel, and Resort Desk Clerks	\$14,600	59.26%
Teacher Assistants	\$14,616	59.20%
Bus Drivers, School	\$14,860	58.22%
Tellers	\$16,560	52.25%
Home Health Aides	\$16,620	52.06%
Secretaries, Except Legal, Medical, and Executive	\$16,820	51.44%
Nursing Aides, Orderlies, and Attendants	\$17,820	48.55%
Medical Assistants	\$18,380	47.07%
Bookkeeping, Accounting, and Auditing Clerks	\$18,860	45.87%
Emergency Medical Technicians and Paramedics	\$19,180	45.11%
Mental Health and Substance Abuse Social Workers	\$19,440	44.51%
Customer Service Representatives	\$19,900	43.48%
Child, Family, and School Social Workers	\$23,240	37.23%
Executive Secretaries and Administrative Assistants	\$23,640	36.60%
Police, Fire, and Ambulance Dispatchers	\$23,840	36.29%
Fire Fighters	\$25,280	34.22%
Licensed Practical and Licensed Vocational Nurses	\$28,680	30.17%
Elementary School Teachers, Except Special Education	\$30,942	27.96%
Middle School Teachers, Except Special and Vocational Education	\$31,445	27.51%
Secondary School Teachers, Except Special and Vocational Education	\$32,811	26.37%
Librarians	\$32,980	26.23%
Postal Service Mail Carriers	\$33,860	25.55%
Police and Sheriff's Patrol Officers	\$34,160	25.33%
Financial Analysts	\$36,400	23.77%
Database Administrators	\$37,540	23.05%
Registered Nurses	\$38,680	22.37%
Electrical Engineers	\$44,340	19.51%

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, February 2006, the Bay Area Apartment Association, First Quarter, 2006, and Shimberg Center for Affordable Housing, University of Florida, 2006

Using 30% of gross income as the benchmark for housing attainability, none of the occupations shown in Table 19 can currently afford to purchase the median-priced single-family home in Hillsborough County at entry-level income. All occupations shown—from waiters and waitresses to electrical engineers—would be cost burdened by the purchase of the average home.

Further, many members of the workforce do not fare well in the market for an average rental unit. Table 20 depicts the percentage of gross income required to afford an average two-bedroom, one bath apartment, once again using 30% of gross income as the attainability benchmark. Using this benchmark, only those occupations with incomes above \$30,000 per year can afford an average two-bedroom, one bath apartment in Hillsborough County.

Workforce Issues

In recent times, special attention has been given to providing housing assistance and incentives to key workforce members, especially individuals in occupations that provide an essential community service such as police officers, fire fighters, nurses and teachers.

Recognizing the need for these vital occupations, the Florida State Legislature recently created the Community Workforce Housing Innovation Pilot Program (HB 1363) to provide affordable rental and home ownership opportunities for essential service workers in high-cost and high-growth counties.

“Florida is experiencing a critical shortage of housing for individuals who are employed in essential service occupations, such as teachers, police, hospital workers, and others who do not qualify for existing affordable housing programs. As a result, many communities are finding it increasingly difficult to recruit, employ, and retain personnel necessary to provide essential public services to Florida’s communities.”¹⁹

The following tables focus specifically on four workforce occupations, that are an integral part of the economy and are necessary for community stability. The occupations presented are an entry-level nurse, Sheriff’s Deputy, public school teacher and a waiter/waitress.

“People care more about where they live when they own their own home. They take better care of their properties; after all, it belongs to them.”

Mr. and Mrs. Mardi and their two daughters are enjoying their new home thanks to the Tampa Housing Authority Home Ownership Program. Mrs. Mardi works as a medical assistant at a local area clinic, and Mr. Mardi is a team leader for a Starbucks Coffee location. They completed the program requirements (20 hours of counseling on home ownership, budgeting, and home maintenance) within six months. The Mardis feel extremely blessed for the assistance they received from the Tampa Housing Authority Homeownership Program. Owning their home gives them a tremendous sense of pride.



Tables 21 through 24 show the percentages of income members of these occupations would be required to spend to sustain the mortgage on a median priced home in Hillsborough County. Possible scenarios were calculated based on five different home purchase prices ranging from, \$230,900 (May 2006 median home sale price in Hillsborough County) through \$325,000. A number of interest rates were also used, ranging from 6.00 to 9.00%. In all of the possible home purchase price and interest rate scenarios, these individuals would be considered to be cost burdened, and in some cases they would be considered severely cost burdened.²⁰

¹⁹ Florida State Legislature, Staff Analysis of HB 1363 by the House State Infrastructure Council dated April 25, 2006. Accessed at <http://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=33533&>

²⁰ Federal guidelines indicate that household paying more than 30% of gross income for housing are cost burdened, while those paying 50% or

Table 21: Percentage of Annual Income an **Entry Level Nurse** in Hillsborough County Would Need to Sustain a Mortgage on a Home, Depicted at Different Home Purchase Prices and Mortgage Interest Rates. Note: the Annual Income of an Entry Level Nurse in Hillsborough County is currently \$38,680.

Interest Rate	% Of Annual Income Required for a \$230,900 Home ²¹	% Of Annual Income Required for a \$250,000 Home	% Of Annual Income Required for a \$275,000 Home	% Of Annual Income Required for a \$300,000 Home	% Of Annual Income Required for a \$325,000 Home
6.00%	41%	44%	49%	53%	57%
6.50%	43%	47%	51%	56%	61%
6.75%	44%	48%	53%	57%	62%
7.00%	45%	49%	54%	59%	64%
7.50%	48%	52%	57%	62%	67%
8.00%	50%	54%	59%	65%	70%
8.50%	52%	57%	62%	68%	74%
9.00%	55%	59%	65%	71%	77%

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Table 22: Percentage of Annual Income an **Entry Level Sheriff's Deputy** in Hillsborough County Would Need to Sustain a Mortgage on a Home, Depicted at Different Home Purchase Prices and Mortgage Interest Rates. Note: the Annual Income of an Entry Level Sheriff's Deputy in Hillsborough County is currently \$34,160.

Interest Rate	% Of Annual Income Required for a \$230,900 Home ²¹	% Of Annual Income Required for a \$250,000 Home	% Of Annual Income Required for a \$275,000 Home	% Of Annual Income Required for a \$300,000 Home	% Of Annual Income Required for a \$325,000 Home
6.00%	46%	50%	55%	60%	65%
6.50%	49%	53%	58%	63%	69%
6.75%	50%	54%	60%	65%	70%
7.00%	51%	56%	61%	67%	72%
7.50%	54%	58%	64%	70%	76%
8.00%	57%	61%	67%	73%	80%
8.50%	59%	64%	71%	77%	83%
9.00%	62%	67%	74%	81%	87%

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

more are severely cost burdened.

21 Median-priced sale price of existing single-family homes in Tampa-St. Petersburg - Clearwater Metropolitan Statistical Area, May 2006, Florida Association of Realtors.

Table 23: Percentage of Annual Income an **Entry Level Elementary School Teacher** in Hillsborough County Would Need to Sustain a Mortgage on a Home, Depicted at Different Home Purchase Prices and Mortgage Interest Rates. Note: the Annual Income of an Entry Level Elementary School Teacher in Hillsborough County is currently \$30,942.

Interest Rate	% Of Annual Income Required for a \$230,900 Home ²¹	% Of Annual Income Required for a \$250,000 Home	% Of Annual Income Required for a \$275,000 Home	% Of Annual Income Required for a \$300,000 Home	% Of Annual Income Required for a \$325,000 Home
6.00%	75%	81%	89%	98%	106%
6.50%	79%	86%	94%	103%	111%
6.75%	81%	88%	97%	106%	114%
7.00%	83%	90%	99%	108%	117%
7.50%	88%	95%	104%	114%	123%
8.00%	92%	99%	109%	119%	129%
8.50%	96%	104%	115%	125%	136%
9.00%	101%	109%	120%	131%	142%

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Table 24: Percentage of Annual Income an **Entry Level Waiter/Waitress** in Hillsborough County Would Need to Sustain a Mortgage on a Home, Depicted at Different Home Purchase Prices and Mortgage Interest Rates. Note: the Annual Income of an Entry Level Waiter/Waitress in Hillsborough County is currently \$13,020.

Interest Rate	% Of Annual Income Required for a \$230,900 Home ²¹	% Of Annual Income Required for a \$250,000 Home	% Of Annual Income Required for a \$275,000 Home	% Of Annual Income Required for a \$300,000 Home	% Of Annual Income Required for a \$325,000 Home
6.00%	121%	131%	144%	157%	171%
6.50%	128%	138%	152%	166%	180%
6.75%	131%	142%	156%	170%	185%
7.00%	135%	146%	160%	175%	189%
7.50%	141%	153%	168%	184%	199%
8.00%	148%	161%	177%	193%	209%
8.50%	155%	168%	185%	202%	219%
9.00%	163%	176%	194%	211%	229%

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Attainable Housing: A Growing Housing Supply Concern

“The problem is not a lack of housing in general, but a lack of affordable housing. . . . There is housing; it’s just that the average family can’t afford it.”

Pablo and Lea La Torre are proud first-time homeowners thanks to a program offered by a non-profit organization in the County where participants keep the construction of new homes “attainable” by assisting in the building of the home. After renting for many years, this young couple with two incomes found they were unable to afford to purchase a home in Hillsborough, due to the rapidly rising cost of housing. This program has made it possible for the La Torre family to become homeowners



Although the need for housing affordable to workers and others with incomes at or below 80% of area median continues to grow, the supply of housing for those income groups has failed to keep pace with the need. Further, there is a danger of the loss of some units within the affordable housing stock as older subsidy programs expire.

Estimated Need for Attainable Housing Units

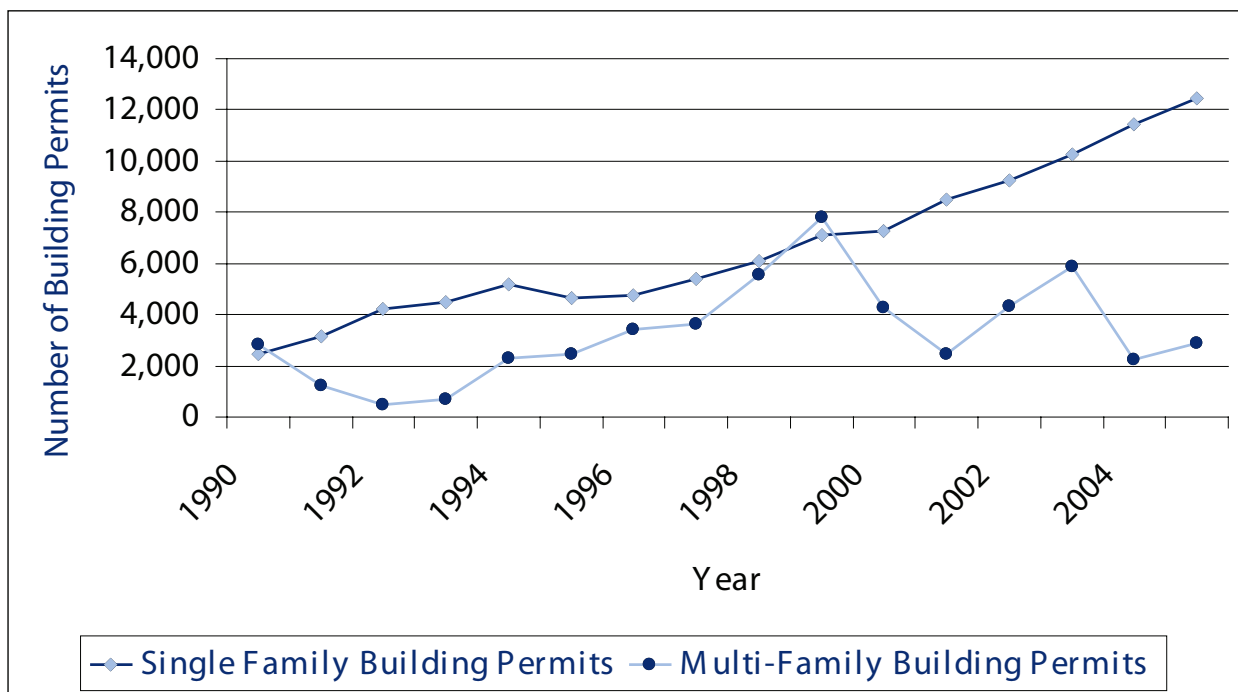
Projections follow that estimate the future supply and demand for attainable housing in Hillsborough County.

An analysis of building permit data gives some insight into the issue of housing supply. Figure 7 depicts the number of single-family and multi-family building permits issued for the construction of housing during the past fifteen years in Hillsborough County. Based on this data, the average ratio has historically been 67% single-family units and 33% multi-family residential units constructed (Table 25).

Assuming that one housing unit is added for every household in the extremely low income, very low income, low income and moderate income categories, it is estimated that Hillsborough County will need an additional 28,874 housing units to accommodate growth during the period from 2006 to 2011 (Table 26).

These calculations do not consider the current rental unit vacancy rate in Hillsborough County, which is 1.95%. Five percent is considered a healthy rental vacancy rate and allows for consumer choice among rental housing alternatives. This places additional pressure on the community to keep up with demand for attainable housing, not only for the units it will need in the future, but the units currently needed to serve people with diverse circumstances.

Figure 7: Number of Single-Family and Multi-Family Building Permits in Hillsborough County, 1990 to 2005



Source: Bay Area Apartment Association, First Quarter, 2006

Table 25: Total Number and Percentage of Single-Family and Multi-Family Building Permits Issued in Hillsborough County, 1990 to 2005

Total # of Building Permits 1990 to 2005	Total # of Single Family Building Permits 1990 to 2005	Total # of Multi-Family Building Permits 1990 to 2005
106,704	106,704	52,518
100%	67%	33%

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Table 26: Estimated Number of Additional Housing Units Required For Households of Moderate, Low, Very Low and Extremely Low Income, 2006 to 2011

Income Categories	Number of New Households
Extremely Low Income	4,903
Very Low Income	5,601
Low Income	8,502
Moderate Income	9,868
Total	28,874

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Loss of Attainable Housing Units

In keeping with the national trend of recent years, Hillsborough County has experienced a loss of housing units attainable for low- and moderate-income families. Some of this loss has occurred through the conversion of mature market-rate rental properties into condominiums, while other losses have occurred or are likely to occur through the expiration of various federal subsidy programs.

Information on losses and potential losses to the attainable housing stock in Hillsborough County is presented below. While it is impossible to know with certainty what losses will occur in the future, concern over the federal deficit and the devolution of fiscal responsibility for many public activities make it likely that federally funded affordable housing units will ultimately be lost of the attainable housing stock, unless local action is forthcoming.

Condominium Conversions

The conversion of existing rental apartment units into condominiums for sale is a trend that has become increasingly popular. As more and more households are unable to afford the purchase of a traditional single-family home, condominiums are the next affordable option. The resulting displacement of the households that once rented those units and the loss of those units for future rental add further pressure to the market for rental housing within the county [Table 27].

Table 27: Number of Properties and Housing Units Lost due to Condominium Conversions in Hillsborough County, 2001 to First Quarter 2006

Market	Number of Properties Lost	Number of Units Lost
New Tampa/Tampa Palms	11	3,319
University	3	474
Northwest	6	1,488
Central	3	484
Temple Terrace	2	274
South Central	17	4,040
Brandon	9	2,454
Town & Country	7	2,207
Hillsborough	58	14,740

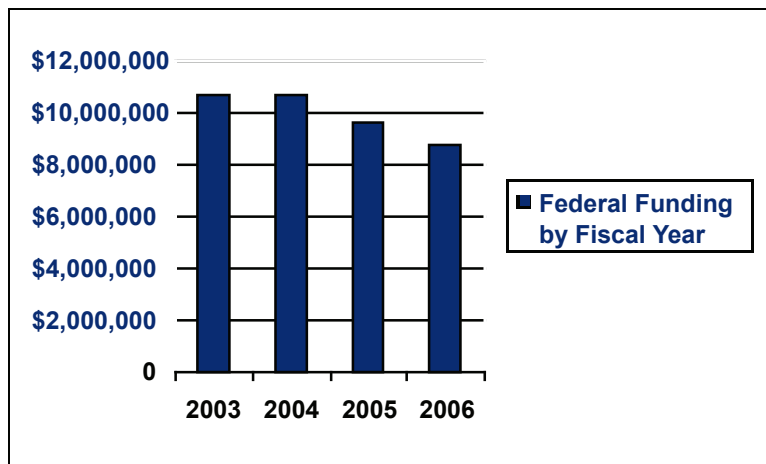
Source: Bay Area Apartment Market Association, First Quarter 2006

Since 2001, Hillsborough County has lost 58 rental properties with a total of 14,470 rental housing units to condominium conversions

Loss of Federal Housing Assistance Funds

Federal funds administered by the U. S. Department of Housing and Urban Development and granted to local governments have been declining in recent years. Hillsborough County experienced a one million dollar (10% of total funds) reduction between Fiscal Years 2005 and 2006 in federal grant programs, including the HOME Investment Partnership and Community Development Block Grant. Figure 8 shows the trend in federal funding between Federal Fiscal Years 2003 and 2006.

Figure 8: Federal Funding for Hillsborough County for the Fiscal Years 2003 through 2006 (Adjusted for 2006 Dollars) ²²



Source: Hillsborough County Housing and Community Code Enforcement Department, 2006

In addition to a reduction in grant funds awarded directly to Hillsborough County government for use in housing and related community development programs, a number of older subsidy programs—primarily federal—have funded units whose affordability is scheduled to expire by 2010. More than 4,900 units that are currently attainable for households with incomes at or below 80% of area median will be lost to Hillsborough County residents if action is not taken to preserve these units with new forms of assistance that will allow for continuing attainability and the rehabilitation of these aging units. Table 28 presents information on the number of housing developments and units that are scheduled to be lost to the County between 2006 and 2010.

Table 28: Number of Affordable Housing Units that May be Lost Due to the Expiration of Funding from Public Programs, 2006 - 2010²³

Housing Programs	No. of Developments	No. of Total Units that May be Lost
Rural Housing Service (RHS)	0	0
US Department of Housing and Urban Development (HUD)	46	4,343
Florida Housing Finance Corporation (FHFC)	6	524
Local Housing Finance Agency (LHFA)	0	0
RHS/HUD (combined)	1	42
HUD/FHFC (combined)	0	0
HUD/FHFC/LHFA (combined)	0	0
FHFC/LHFA (combined)	0	0
Totals	53	4,909

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

²² Statement of Principles and Recommendations, Hillsborough County Affordable Housing Task Force, May 17, 2006.

²³ Some developments have received assistance with construction, rehabilitation, or operating expenses from multiple public sources. These developments are noted with the designation “combined” in Table 28.

State Housing Trust Fund

Florida's State Housing Trust Fund, created by the Sadowski Act in 1992 to support affordable housing in communities throughout the state, is a nationally recognized example of how states and local governments can work together to address housing attainability issues. However, fiscal pressures at the state level have led to attempts to abolish the fund in recent years or to severely restrict how much of the trust fund can be paid out to local governments for the use in their affordable housing programs.

The uncertainty surrounding the continued existence and level of funding associated with the State Housing Trust Fund means that local jurisdictions—including Hillsborough County—must be prepared to deal with a sudden reduction or total loss of this funding in future years. When this uncertainty is coupled with the trends toward reduced federal funding for housing and other community-related purposes, it becomes clear that there is a reason for concern about the potential loss of housing choices attainable for the majority of the community's residents.

Attainable Housing: A Growing Economic Development Concern

Economic development is the stimulation and enhancement of the local economy, improvement of local living standards through the creation of jobs, reduction of unemployment, promotion of business growth, and the production of decent homes for all members of a community. Without an adequate supply of attainable housing, economic development efforts can stall.

A lack of attainable housing also affects the community's social fabric, including crime, employment, health, poverty, education, and social inclusion — all of which can affect economic viability.

Attainable and geographically accessible housing provides individual families and the community as a whole with economic and social benefits. Economic benefits include a stable and productive workforce, a robust tax base and increased consumer buying power, as well as an improved financial outlook for the entire community. Social benefits translate into an improved quality of life, as well as increased neighborhood and household stability that help to build stronger neighborhoods and communities.

Impacts on Business

If households are spending significantly more than 30% of their income on housing, they have less disposable income to spend on other goods and services. This in turn affects the ability of businesses to remain financially viable. Employers may also have a more difficult time attracting a high-quality workforce when potential employees cannot afford to rent or buy a home nearby.

Employment and Work Performance

Factors such as commuting time, financial duress, and household stability shape an individual's ability to maintain steady employment. Employers, both small and large, rely on the productive quantity and quality of each of these workers. Stable housing can significantly affect work performance, the expansion of business, and the subsequent growth of the local economy.

Economic Stress and Relocation

Local employees suffer economic stress as housing prices outstrip wage and salary incomes. Employees must live in smaller residences at more manageable prices or rents, or prolong the purchase of a home. Employees may also opt to move to outlying areas of the community, where housing is more affordable — or they may opt to leave the community altogether.

Consequences arise when workforce members do not live in the community where they work. The substitution of a more affordable location can lead to increased transportation costs, diminished real incomes due to increased transportation costs, increased traffic congestion, higher road construction and maintenance costs, a decrease in volunteer activity in the community and a deterioration of the social and political fabric of the community.

Housing Construction: Creates Jobs and Stimulates Economy

Construction of additional attainable units is a key element in a community strategy for addressing the gap between family incomes and housing costs.

“Building and rehabilitating more affordable housing not only meets a demonstrated need, but is also a major component of the larger economy, and provides significant short-term and long-term economic benefits.”²⁴

In addition to sustaining economic growth, the construction of housing creates new jobs, thereby enhancing a community's

²⁴ National Low Income Housing Coalition, 2006 Advocates' Guide to Housing and Community Development Policy; Housing as Economic Stimulus accessed via website at <http://www.nlihc.org/advocates/housingaseconstim.htm>

economic development goals. According to a National Association of Home Builders report in 2005 across all industries building 100 single-family units generated 347 jobs and \$19 million in new income, while 100 multi-family units generated 129 jobs and \$10.2 million in new income.²⁵

“The houses are too expensive, and there is no way to save for a down-payment. I have friends who pay more than half of their salaries on rent every month.”

Dawn Brothers sought to own a home for her family but found her salary as a surgical technician was not sufficient for her to qualify for a mortgage. Ms. Brothers found the solution in a mutual self-help program where buyers participate in the construction of their future homes. Ms. Brothers is excited about the housing developments being built in Hillsborough County, because “building homes develops communities and jobs.” However, she is concerned that many middle - income families are unable to keep up with the rising cost of real estate.



Economic Impact of Affordable Housing Construction

A model developed by the National Association of Homebuilders provides an estimate of the economic impact of affordable housing construction. The model uses three phases to estimate these impacts.

During Phase I, the construction and development of multi-family housing generates income, wages, and local taxes through permits, utility connection and impact fees. These jobs include on-site and off-site construction work, retail and wholesale sales of housing components, transportation to the site, and the professional services required to build a home and deliver it to the final customer (such as closing and lending officers).²⁶

During Phase II, wages earned by workers and profits earned by businesses during the construction period are spent on local goods and services, returning income back to the community in a multiplier effect. This, in turn, generates additional income for local people, which is spent on still more local goods and services.²⁷

Phase III “measures the on-going economic benefits from providing affordable housing. The increased purchasing power obtained by occupants and increased saving capabilities due to their below market rents is also spent on local goods and service, supporting local jobs in diverse industries.”²⁸

Based on the pre-established need for 19,346 single-family units and 9,528 multi-family units by 2011 (Table 29) the following table depicts estimated new jobs and new income, amount of wages that would be generated by the construction of the units for moderate, low, very low, and extremely low income households.

25 National Low Income Housing Coalition, 2006 Advocates’ Guide to Housing and Community Development Policy; Housing as Economic Stimulus accessed via website at <http://www.nlihc.org/advocates/housingaseconstim.html>

26 Economic Impact of Affordable Housing Development, Prepared by the Association of Oregon Community Development Organizations, accessed via website at www.aocdo.org/docs/EcoDevoStudyFinal.pdf

27 Economic Impact of Affordable Housing Development, Prepared by the Association of Oregon Community Development Organizations, accessed via website at www.aocdo.org/docs/EcoDevoStudyFinal.pdf

28 The Economic and Social Impacts of Housing Arizona: Preliminary Review - Stardust Center for Affordable Homes and The Family, Draft Report dated March 2, 2004; Accessed at www.asu.edu/president/stardust/Social_economic_impacts.pdf

Table 29: Total Estimated New Jobs and New Income Created from Constructing Attainable Housing Units for Moderate, Low, Very Low and Extremely Low Income Households, 2006 - 2011

Type of Unit	Estimated Number of Attainable Housing Units Required by 2011	Number of Jobs Created if Housing Units Are Built	New Income Generated if Housing Units Are Built	Average Number of Units Required Annually	Average Number of Jobs created Annually	Average Amount of New Income Generated Annually
Single Family Units (67%)	19,346	67,129	\$3,675,660,200	3,869	13,426	\$735,132,040
Multi-Family Units (33%)	9,528	12,292	\$971,898,840	1,906	2,458	\$194,379,768
Total	28,874	79,421	\$4,647,559,040	5,775	15,884	\$929,511,808

Source: Shimberg Center for Affordable Housing, University of Florida, 2006

Attainable Housing: A Growing Community Concern

Public Consensus

A telephone survey was recently conducted in Hillsborough County as part of the process for developing the county's Consolidated Plan.²⁹ This survey revealed strong support for investment in local housing. The survey was designed in a collaborative effort between Hillsborough County Housing and Community Code Enforcement Department and research teams from the Florida Survey Research Center and the Shimberg Center for Affordable Housing at the University of Florida.

The telephone survey asked citizens about the appropriate cost of buying and renting a home in Hillsborough County. This citizen input is important, because it gives local policy makers perspective on what Hillsborough County residents feel is a prudent amount to spend on housing within a family budget.

Purchasing a Home

When asked how much a household of four with a gross annual income of \$54,000 (the approximate area median income for Hillsborough County in 2006), could afford to pay to purchase a house in the County, the majority of survey respondents felt this household should be able to purchase a home for under \$125,000 (Table 30). However, as previously shown in this report, the median purchase price of a home in Hillsborough County was \$230,900 in May 2006. This demonstrates there is a significant disparity between the actual cost to buy a home and what people believe is a reasonable price for this household to pay for a home in the County.

Table 30: How Much a Household of Four with a Gross Annual Income of \$54,000 Could Afford to Purchase a Home in Hillsborough County

Purchase Price Range	Telephone Survey Results	Telephone Survey % Results
Under \$125,000	354	60.62%
\$125,000 - \$185,000	196	33.56%
\$185,001 - \$200,000	22	3.77%
\$200,001 - \$250,000	9	1.54%
More than \$250,000	3	0.51%

Source: Telephone Survey Conducted by Florida Survey Research Center, University of Florida and Hillsborough County Public Meeting and Focus Group Surveys, 2006

Renting a Home

When asked how much a household of four with a gross annual income of \$54,000 (the approximate area median income for Hillsborough County in 2006), could afford to pay to rent housing in the County, the majority of survey respondents felt this household should be able to rent a home for \$850 or less (Table 31). However, according to the First Quarter 2006 Bay Area Apartment Market Survey,³⁰ the average rent for a three-bedroom apartment with two and one-half bathrooms was \$1,258. This indicates there is a significant disparity between actual rents and the opinion of many County residents as to what would be prudent for the average family to spend on housing.

²⁹ This survey was designed in a collaborative effort between Hillsborough County Housing and Community Code Enforcement Department and research teams from the Florida Survey Research Center and the Shimberg Center for Affordable Housing at the University of Florida. This survey was designed to capture the attitudes and preferences of all Hillsborough County residents. With 601 completed telephone surveys, there is a 95% level of confidence that the results of these surveys represent the actual attitudes and preferences of Hillsborough County residents.

³⁰ The Bay Area Apartment Market Survey, First Quarter 2006, was prepared by Triad Research for the Bay Area Apartment Association.

Table 31: How Much a Household of Four with a Gross Annual Income of \$54,000 Could Afford to Rent a Home in Hillsborough County

Monthly Rental Price Range	Telephone Survey Results	Telephone Survey % Results
Under \$650	194	32.99%
\$650 - \$850	291	49.49%
\$851 - \$1200	92	15.65%
More than \$1200	11	1.87%

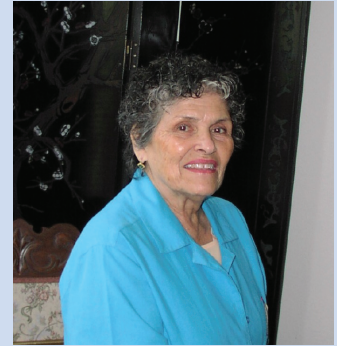
Source: Telephone Survey Conducted by Florida Survey Research Center, University of Florida and Hillsborough County Public Meeting and Focus Group Surveys, 2006

Attainable Housing: Special Needs Housing

In addition to concern with attainable housing for Hillsborough County's population at large, Hillsborough County residents have expressed concern for community members who have special needs.³¹ Those with special needs include—but are not limited to—elderly persons, persons with disabilities, and those who are homeless or at risk of homelessness.

“Tampa has to give something back and be a place like it was before; a place in which affordable housing opportunities were available to its workforce and retired citizens.”

Aracely Araquiar, a 79-year-old retired nurse, lives in a senior living complex and receives assistance through the Supportive Housing for the Elderly (Section 202) Program. Ms. Araquiar recommends the development of more independent living housing for senior citizens. If it were up to her, she would dedicate one floor of the four-story building where she lives to nursing care residents. Residents in the remaining three floors could then work together to provide companionship and support to other residents who cannot manage on their own.



Housing for Elders

Nationwide, the elderly population is large and growing. Figure 9 shows the estimated increase in the elderly population in Hillsborough County for the period between 1990 and 2010. The housing needs of elderly citizens are as diverse as they are for any other sector of the population. Their housing options oftentimes are determined by age, marital status, health, as well as proximity to medical facilities and public services.

It is important to note that the majority of persons in this population group are of moderate income or less, and they are generally no longer active members of the full-time workforce. In fact, 71% of persons 65 years of age and older in Hillsborough County are of moderate income or less.

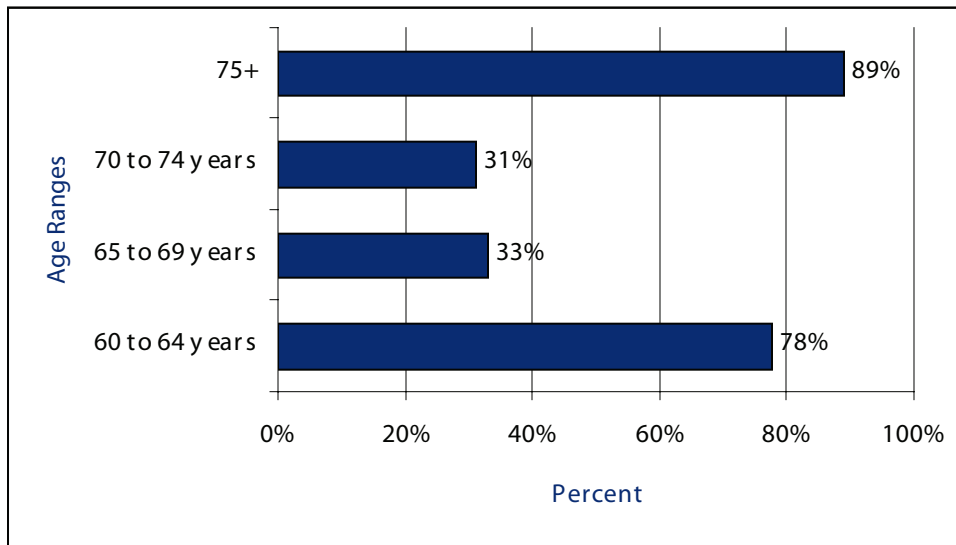
In designing housing programs for elders, consideration must be given to the development of retirement communities, convalescent centers, assisted-living centers and subsidized housing developments that provide affordable and secure residences in areas where medical and public services are easily accessible.

A significant number of elderly persons are homeowners. Assistance and counseling can help elders remain in their homes through modifications, such as the addition of handrails and ramps.

Some elders may opt to downsize their housing choice to smaller, more manageable homes. This adds to the supply of single-family homes available to younger and larger families. Thus, the creation of housing for elderly residents serves both senior and family households.

³¹ Results of telephone survey conducted by Florida Survey Research Center, University of Florida and written survey administered at public meetings held by the Hillsborough County Housing and Community Code Enforcement Department, 2006.

Figure 9: Estimated Increase in Persons 60 Years and Older in Hillsborough County, 1990 - 2010



Source: U.S. Census Bureau, 1990, and Shimberg Center for Affordable Housing, University of Florida, 2006

Sister Clare would like to see that all persons with disabilities have disability accessible homes like the one in which she lives, irrespective of their financial situation.

Sister Clare Brandon, a retired nun with a disability, advocates for the provision of more disability-accessible rental units and the construction of new units with more stringent hurricane standards. She feels these units should be affordable to elders and persons with disabilities living on a fixed income. An active senior and advocate for elders and persons with disabilities, Sister Clare serves on the Citizen's Advisory Board for the Housing Choice Voucher (Section 8) Program in Hillsborough County.



Housing for Persons with Disabilities

The Shimberg Center for Affordable Housing has produced estimates of households with persons with disabilities for local jurisdictions throughout the State of Florida. These estimates are based on a special cross-tabulation of obtained U. S. Census Bureau data. Data are presented in Table 32 for households with persons with disabilities age 15 and older, as of the last decennial census (2000).

Table 32: Number of Cost Burdened Households Including Persons with Disabilities Age 15 and Older, 2000

Cost Burden	Households
>30%	45,685
>50%	20,995

U.S. Bureau of the Census, 2000 and Shimberg Center for Affordable Housing, University of Florida, 2006

Of the 139,035 households that include one or more persons with disabilities in Hillsborough County, 45,685 were classified as moderately housing cost burdened, while 20,995 were severely housing cost burdened. Viewed as percentages, 32.8% of these households were moderately cost burdened, and 15.1% severely cost burdened.

In designing housing choices for persons with disabilities, special modifications must be made to structures such as the addition of handrails and support bars, as well as ramps and wide door frames for wheelchair access. Housing programs for this group are most effective when partnered with appropriate supportive services.

“It is very hard for people with disabilities to find affordable housing. There are very limited options available for us. I recommend more affordable independent living homes that accommodate persons with disabilities on fixed incomes.”

Kim White suffers from multiple sclerosis, a permanent disability. After losing employment due to her disability, Ms. White’s housing varied from living with friends to group-home housing. Despite her challenges, she is now a homeowner through a program offered by Habitat for Humanity. Ms. White’s home is designed to accommodate a person with disabilities and features large doorways and wheelchair-accessible bathrooms.



Homelessness

While there is no one single cause of homelessness, the largest contributing factor to the rising number of homelessness is the shortage of housing affordable to people with limited incomes.³² Lack of affordable housing, insufficient wages, unemployment, divorce, the death of a family member, poverty, domestic violence, physical and mental health illness, catastrophic illness, and drug and alcohol addiction are just some of the factors that threaten the stability and self-sufficiency of families and can ultimately lead to homelessness.

The 2005 Hillsborough County Homeless Coalition Homeless Census Survey reports that there were 11,023 men, women and children who were homeless in Hillsborough County in 2005 – 26% increase from the 8,082 homeless persons who were counted in 2003.³³ Consider the following quote taken from a recent news article about a homeless family with two children in Tampa:

“Last year, a census counted nearly 1,800 homeless children in Hillsborough County and advocates for the homeless expect that number to top 2,000 this year.”³⁴

32 The Homeless Coalition of Hillsborough County, Facts about Homelessness accessed via website at <http://www.homelessofhc.org/HHomelessfacts.htm>

33 The Homeless Coalition of Hillsborough County, Facts about Homelessness accessed via website at <http://www.homelessofhc.org/HHomelessfacts.htm>

34 News article entitled Out of the Shadows, published in The Tampa Tribune on August 20, 2006.

The homeless census indicated that:

10% were children (a 48% increase in 2 years)
25% were veterans
31% were employed full time
55% have some kind of income
25% have drug and alcohol addictions
23% suffer from mental illness
1% have the HIV/AIDS virus
56% were Caucasian
36% were African-American
18% were Hispanic
21% have a physical disability³⁵

³⁵ The Homeless Coalition of Hillsborough County, Facts about Homelessness accessed via website at <http://www.homelessofhc.org/HChomelessfacts.htm>

Attainable Housing: What is Currently Being Done?

Hillsborough County has already made progress in bridging the housing-wage gap and fostering economic growth within the county through the creation of additional attainable housing units and the implementation of housing assistance programs for the purchase and rental of housing within the county.

Hillsborough County has utilized several funding sources (local, state and federal) in public-private partnerships to finance single-family, first-time homebuyer programs and multi-family new construction and rehabilitation. Financing sources have included:

Single-family Mortgage Revenue Bonds
Multi-Family Housing Revenue Bonds
Home Investment Partnership Program (HOME)
State Housing Initiatives Partnership Program (SHIP)
State Apartment Incentive Loan Program (SAIL)
Impact Fee Relief
Low Income Housing Tax Credits (LIHTC)
Community Development Block Grant (CDBG)³⁶

Advocacy

Hillsborough County is actively involved in advocating for the continuation and augmentation of state and federal funding sources. The County and the Affordable Housing Task Force have advocated for full funding of the State Affordable Housing Trust Fund. The trust fund was established by the William E. Sadowski Act in 1992. It created a state-dedicated revenue source for affordable housing programs. The trust fund provides resources through such programs as the State Housing Initiatives Partnership program (SHIP) and the State Apartment Incentives Loan (SAIL), as well as the newly introduced Community Workforce Housing Innovation Program (CWHIP), designed to provide financial assistance for the development of housing for essential workforce members.

Down-Payment Assistance Program

In a partnership effort, the Hillsborough County Housing Finance Authority and the County provide an 80/20 loan at below-market rates, for down-payment assistance to qualifying families purchasing a single-family home within the county. Hillsborough County also offers a traditional downpayment assistance program with a 30-year deferred loan. Homes located in a Community Development Block Grant target areas are eligible for additional assistance. Further assistance is provided if the applicant is a state certified teacher, nurse, firefighter, or a law enforcement officer. The County actively promotes this program through educational meetings.

Inter-Departmental Coordination

County staff regularly conducts training sessions between Hillsborough County's departments of Planning and Growth Management and Housing and Community Code Enforcement to discuss and coordinate permitting, inspection services and zoning regulations. Numerous meetings are regularly conducted with the Hillsborough County City-County Planning Commission to address the policy guidelines contained in the Housing Element of the Comprehensive Plan. Housing and Community Code Enforcement also offers training sessions on state and federal housing programs to all County staff; these training sessions illustrate the effective use of such programs in meeting Hillsborough County goals. Staff members also regularly meet one-on-one with directors of other departments such as Aging Services, Headstart and Library Services to answer questions and promote the use of grant programs in improving the community.

Inter-Governmental Coordination

County staff and local government representatives meet regularly to coordinate and evaluate the First-Time Home Buyer

³⁶ Hillsborough County Department of Housing and Community Code Enforcement, Affordable Housing, accessed via website at <http://www.hillsboroughcounty.org/hcce/affordablehousing/>

programs, price limits, documentation requirements, down-payment assistance, and loan repayment terms. The County and the City of Tampa staff meet regularly to discuss the coordination of owner-occupied housing rehabilitation programs, and address issues such as policies and procedures, assistance levels and loan terms.

Partnerships

The County works closely with non-profit organizations and non-profit developers to foster partnership opportunities for the development of attainable housing within the county. With the closure of the Local Initiatives Support Corporation's Tampa office, staff is seeking a new partner to provide technical assistance and capacity building for affordable housing developers.

Land Trust Development

County staff has engaged the Florida Housing Coalition to provide technical assistance for the establishment of a Land Trust program to foster long-term affordability for the community.

Housing Stock Inventory

County staff regularly inventories and tracks the levels and quality of the existing housing stock.

Owner-Occupied Rehabilitation Program

In an effort to maintain the quality and integrity of its existing housing stock, Hillsborough County offers an owner-occupied property rehabilitation program to help families make needed repairs to their existing single-family homes. The program provides loans and grants to fund the rehabilitation and repair work. This program also includes barrier removals and emergency assistance for elders and persons with disabilities.

Waiver of Impact Fees

In an effort to encourage the construction of additional attainable housing units, the County has provisions in place to absorb or waive many impact fees (fees assessed on new construction). Water and sewer fees may be absorbed by the County (subject to a general fund allocation), and transportation fees may be waived in the established no impact fee zone within the county (University Area). The County also offers an Affordable Housing Impact Fee Relief Program for families below 80% of area median income. The program pays transportation, parks and fire impact fees for these households.

Fostering the Construction of Additional Affordable Rental Housing

Hillsborough County innovatively uses existing federal, state and local resources to foster the development of affordable rental housing units. Currently, Hillsborough County has funded approximately 40 existing and planned affordable housing projects comprised of more than 6,000 units, with total development costs of approximately \$300 million. Local funds have provided almost \$33 million of these development costs.³⁷

Additional Programs

The County also offers and participates in additional housing programs and services such as home ownership counseling, mortgage buy-downs, gap financing, matching funds for federal housing grants and programs, and the acquisition of property for affordable housing.³⁸

Creation of the Affordable Housing Task Force

Recent changes in the housing market have increased the number of households unable to purchase or rent a home in Hillsborough County. Recognizing the potential threats such a housing imbalance could cause to the local economy, the Board of County Commissioners responded by creating the Hillsborough County Affordable Housing Task Force. The Task Force formulated findings and recommendations; these recommendations were approved by the Board of County Commissioners in May 2006.

³⁷ Hillsborough County Department of Housing and Community Code Enforcement, Affordable Housing, accessed via website at <http://www.hillsboroughcounty.org/hcce/affordablehousing/>

³⁸ Hillsborough County Department of Housing and Community Code Enforcement, State Housing Initiative Partnership (SHIP) Program, accessed via website at <http://www.hillsboroughcounty.org/hcce/affordablehousing/ship.cfm>

The Hillsborough County Strategy: Discussion and Best Practices

The Hillsborough County Affordable Housing Task Force was established for the purpose of reducing barriers to affordable housing and finding efficient and effective ways of providing attainable housing in the county. The Task Force held numerous study sessions and met in specialized subcommittees to develop a set of principles and recommendations; these principles and recommendations were approved by the Hillsborough Board of County Commissioners in May 2006.

While some of the recommendations call for immediate implementation, others are part of an attainable housing strategy that will require intermediate- and long-term implementation. Recommendations for immediate implementation are presented below, followed by intermediate- and long-term recommendations.

ACTIVITIES ALREADY UNDERWAY

- Proceed with the detailed report of the recommendations, their implementation, timeframes and additional support in addition to the proper documentation of local housing issues.
- Hire an administrative level affordable housing officer with full authority to expedite the development of affordable housing programs and projects within the county. On July 6, 2006, the County launched a national recruitment effort for this position. As of August 2006, 55 applications were received. Interviews are planned for mid-September 2006, and the County intends to fill the position by early October 2006.
- Retain a consultant(s) to review and evaluate development regulations and building codes to identify areas where conflicting regulations may exist within the County's codes and to recommend amendments to the permitting processes to streamline and provide a more efficient system. A Request for Proposals and Scope of Services has been issued for the retention of these services. Final recommendations for modifications and amendments to the code are expected to be made in mid-2007.
- Create a permanent advisory body to maintain the affordable housing momentum built by the Affordable Housing Task Force and serve as the catalyst to make attainable housing a reality in Hillsborough County. At a minimum, this body should have an appointee from the Board of County Commissioners serving as its chair, individual appointments by each County Commissioner and representatives from various stakeholder groups related to affordable housing. The current membership of the Affordable Housing Task Force will continue to serve in that capacity through December 2006
- Conduct an affordable housing summit to explore the work and achievements of other jurisdictions in the area of affordable housing and to consider the other recommendations made by Task Force. The summit is tentatively scheduled for October 27, 2006 at the Quorum Hotel in Tampa and County staff is in the process of identifying keynote speakers.
- Provide a quarterly housing report to the Board of County Commissioners and its municipalities documenting progress made in achieving the goal of increasing the County's affordable housing stock by 1,000 units annually. The soon-to-be hired housing administrator will produce these regular updates for the Board.
- Regular coordination and sharing of information amongst County departments is underway and ongoing. Staff is coordinating the work and recommendations of the Task Force with the recommendations contained in the recently prepared Consolidated Plan and the update to the Comprehensive Plan.

The recommendations for immediate implementation will allow Hillsborough County to maintain the positive momentum generated by the work of its Affordable Housing Task Force by providing a visible, ongoing focus on attainable housing and

its relationship with the economic and social well-being of the county. Implementation of these recommendations will also facilitate the County's ability to innovate and implement future strategies with appropriate speed and effectiveness.

Intermediate and Long-Term Recommendations

Those Task Force recommendations likely to require an intermediate- or long-term period for implementation (e.g., one to five years) are presented in the following pages. Task Force principles are also woven into this material. Each recommendation or principle is followed by a discussion of the issue, as well as best practices from around the state and nation, where appropriate.

Intermediate- and long-term recommendations of the Affordable Housing Task Force have been grouped into four topic areas:

- Land Use Regulation, Planning and Coordination
- Incentives and Financing
- Education, Outreach and Advocacy

Land Use Regulation, Planning and Coordination

We believe that affordable housing alone does not make a community economically healthy and vibrant. Affordable housing must be considered alongside everything that gives our community its character—our schools, parks, public safety, health care, transportation and the availability of well paying jobs.

Recommendation: The County, its municipalities and the private and nonprofit sectors are significant stakeholders in affordable housing. Each must identify their unique affordable housing strengths to establish effective partnerships to promote affordable housing issues.

Building successful public-private partnerships that include government, for-profit and nonprofit organizations, and the community at large is at the heart of a jurisdiction's ability to effectively address the challenges of attainable housing in the twenty-first century. This recommendation is an explicit recognition that no one entity can make a success of addressing this essential need alone.

We believe that policies in the Hillsborough County Comprehensive Plan must be amended where necessary to strategically support affordable rental and purchase housing.

Recommendation: Evaluate and utilize existing policies to foster and support the development of affordable housing.

Policies such as density bonuses and special accommodations for design standards such as setbacks and parking requirements already exist in Hillsborough County.³⁹ However, Task Force members expressed concern that the Hillsborough County Land Development code may also contain some inconsistencies with other local policies and regulations that tend to create barriers to the development process. Evaluation and effective utilization of existing policies can serve to facilitate additional innovation for the provision of attainable housing in Hillsborough County.

Recommendation: Evaluate and utilize existing policies to ensure that affordable housing is a part of community plans.

Because community plans empower neighborhood residents to craft land use regulations dictating the pattern of permissible development, these plans may introduce not-in-my-backyard (NIMBY) attitudes into land use regulations. Effective local policies are needed to ensure that affordable housing is not excluded from community plans.

³⁹ Hillsborough County Land Development Code, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=12399&sid=9>, accessed August 1, 2006

Recommendation: Encourage mixed-use developments that incorporate residential with businesses and/or institutional (i.e. post office) development.

Modern mixed-use development practices mirror older cities, which were built around networks of trolleys, trains, taxis and buses. Commercial and service activities were located close to residential neighborhoods, transportation hubs were located within walking distance of most neighborhoods, and development was planned according to efficient access and proximity. Consequently, older cities were much denser than their modern counterparts.

Recent trends related to the availability and costs of land, as well as transportation costs, have caused land use planners and others to take a fresh look at mixed-use development. Not only does mixed-use development make access to services and transportation more convenient for residents, but infrastructure requirements are lower with the denser form of development. This facilitates the development of housing that is more affordable than it might otherwise be.

Best Practices

- The City of Gainesville, Florida encourages developers to provide a mixture of land uses in the development of property. Where applicable, mixed use zoning districts allow for the development of up to 75 residential dwelling units per acre, an ideal density for the development of affordable housing or other multi-family housing projects.⁴⁰

While density of up to 75 residential dwelling units per acre is relatively high for Gainesville, it is commonplace in South Florida—and in South Florida, this density level does not tend to produce affordable housing units. Production of attainable housing in a mixed-use development likely requires additional incentives and commitment, such as those found in the example from Orlando, Florida below.

- The City View Apartments at Hughes Square, Orlando Florida entailed the development of 266 apartments, half of which were reserved for affordable housing; 25,000 square feet of neighborhood-oriented shopping; and a 1,000-space parking garage. The project was completed in 2004.⁴¹ While Orlando's mixed-use zoning regulation facilitated the development, the inclusion of affordable housing came about through the developer making a commitment to provide affordable housing and taking the initiative to successfully compete for public resources (including the Low Income Housing Tax Credit) to make the affordable component financially feasible.

Recommendation: Further research and study best practices on expanding the Urban Service Area.

Expansion of urban service area boundaries is one of the most controversial actions in urban planning circles today. Strong points have been made for both sides of the controversy; thus, this issue requires further research and study before a recommendation can be formulated.

Some advocate the expansion of urban service areas as a means for increasing the supply of densely developable land at relatively low prices. Those who oppose such expansions argue that increased commuting times and transportation expenses will eventually offset any gains made by lowering the cost of land on which residential housing is built.

Recommendation: Further research and study best practices on possible establishment of special zones for affordable housing.

Special zoning districts for affordable housing typically involve increased densities and other incentives to facilitate the development of affordable housing. Increased densities reduce the cost of each unit, and local jurisdictions may add incentives such as special financing or tax deferments.

⁴⁰ The City of Gainesville, Florida Comprehensive Plan, Future Land Use Element, The City of Gainesville Website: <http://www.cityofgainesville.org/comdev/common/docs/compplan/futureland01.pdf>, accessed on July 13, 2006.

⁴¹ Orlando Neighborhood Improvement Corporation, Project List, ONIC Website: <http://www.orlandoneighborhood.org/projects.asp>, accessed July 25, 2006.

Best Practices

- Orange County, Florida's Comprehensive Plan allows for the creation of separate affordable housing districts that include density bonuses as an incentive to build low- and moderate-income housing. In addition to higher densities, such zones may include less restrictive setback and parking requirements. Orange County only permits special zoning districts in areas where sufficient services (such as sewer, water, road capacity) exist to serve them.⁴²

Although Orange County's Comprehensive Plan allows for the creation of special zoning districts for affordable housing, it also warns against the danger of segregating affordable housing in ways that may lead to slum conditions. This concern may be addressed by an implementation strategy that combines the Task Force's recommendation related to mixed-use development with that of special zones for affordable housing. If mixed-use development and affordable housing are promoted simultaneously, the complementary uses will minimize the potential for negative conditions to arise.

- Grand Forks, North Dakota has an affordable housing district that provides additional benefits to those who purchase a home there. In addition to the affordable purchase price of homes in the district, those who purchase are eligible for a two-year deferral of special assessments. Homes may also be eligible for a two-year property tax exemption on the first \$75,000 of property value, depending on the post-construction value of the property.⁴³

The addition of benefits that accrue directly to consumers differentiates the Grand Forks example from many special zoning districts for affordable housing throughout the country. By combining direct consumer benefits with incentives for developers to building affordable housing in these districts, this policy increases the local government's capacity to foster attainable housing.

- The City of Aspen, Colorado has created an affordable housing district with requirements that may minimize the potential for such districts to become segregated sources of community blight. The district allows a limited number of market-rate lots or units to off-set the cost of developing affordable housing. The district is primarily for permanent residents of the community, and recreational and institutional uses typically found in proximity to residential uses may be included as conditional uses. Affordable housing districts are to be scattered throughout the city so that there is a mix of housing types, including homes that are affordable to working residents. Further, these districts are to be located within walking distance of the city center or on transit routes.⁴⁴

We believe that regulations, especially the Land Development Regulations and the Building Code, must be reviewed and amended to ensure that regulations not only support, but do not hinder the development and construction of affordable rental and purchase housing.

Recommendation: Retain a private sector expert to review, evaluate and make further recommendations to improve current county approval processes and land use regulations, including recommendations to expedite reviews, streamline approvals, and resolve conflicting regulations.

For most jurisdictions, comprehensive plans, land development codes and building codes are lengthy documents regulating everything from the permitted uses in a given zoning district to the long-range goals, objectives and policies of the entire jurisdiction. Policies contained in comprehensive plan are sometimes vague or may advocate conflicting positions. At other times, regulations may be outdated or in need of revision due to new policy. The external review of Hillsborough County's

⁴² Orange County, Florida Comprehensive Policy Plan, Housing Element. Orange County Government Website: <http://www.orangecountyfl.net/NR/rdonlyres/ejjjtruyumhzclr34hs5r3wz3cyl6jmavoo3bwgtqxwgh2fpy55hwkbnnewum6mgjtlutzdq3j4d5g5ghlt7o3luxe/HOUSING..doc>, accessed July 12, 2006.

⁴³ Grand Forks, North Dakota, Affordable Housing Districts Report, Grand Forks Housing Authority Webpage: http://grandforksgov.com/Affordable_Housing.pdf, accessed July 20, 2006.

⁴⁴ Aspen/Pitken County Employee Housing Guidelines, City of Aspen website electronic resource: [http://www.aspenhousingoffice.com/GUIDELINES_06/guide2006_04_28_06\(1\).pdf](http://www.aspenhousingoffice.com/GUIDELINES_06/guide2006_04_28_06(1).pdf), accessed August 11, 2006.

existing county approval processes and land use regulations by an independent expert will facilitate the resolution of conflicting regulations and the streamlining of the review and approval processes.

Best Practice

- The City of Minneapolis engaged the services of a private firm to evaluate its land use regulations and make recommendations related to potential conflicts in the city's land development code and comprehensive plan in 2002. The City of Minneapolis has reported that the effort was a success; the document created by the outside firm is currently used as the basis for land use decisions, rezoning and affordable housing policy throughout the city.

Recommendation: Retain a consultant to analyze and propose alternative construction techniques for attainable housing projects to include, but not be limited to, modular, panelized and steel housing.

Alternative construction techniques require a specialized type of construction expertise. Modular, panelized and steel housing are all characteristics of affordable innovations and are not typical of the construction industry as a whole. Therefore, Hillsborough County can best facilitate this type of innovation by taking the lead in providing guidance to developers regarding alternative construction techniques. An external expert with expertise in alternative construction techniques will allow the County to develop guidelines and training materials that will provide this guidance.

Recommendation: Expand current inventory of available lands to include existing nonprofit and church surplus land and vacant buildings.

Making available a current inventory of land that includes not only County-owned properties, but also those owned by nonprofit and church groups will give not only local policy makers and administrators important information that may contribute to the financial feasibility of affordable housing development, but will also provide this information to developers (both for-profit and nonprofit) and investors who are willing to innovate in the production of attainable housing.

Recommendation: Permit accessory units, commonly known as “mother-in-laws,” when allowed in single-family residential zone.

Accessory dwelling units (or mother-in-law suites) are auxiliary structures separate from the main dwelling; they may be small cottages or placed above a garage or in a basement. The units typically have central heat, a bathroom and kitchen facilities. Because the units are usually small and make use of existing infrastructure, their cost is usually modest.

Many jurisdictions around the country permit accessory dwelling units. Hillsborough County currently permits these units as a conditional use, although a public hearing is required if kitchen facilities are to be included in the unit.⁴⁵

The accessory units may provide housing for a family member or rental income that helps offset the homeowner's mortgage payments. These units can boost the supply of affordable housing without the need for public subsidy.

Best Practices

- Alachua County, Florida allows a single accessory dwelling unit in estate, low- and medium-density residential land use areas, as well as in rural/agricultural land uses. Owner occupancy of the main residential structure (as evidenced by homestead exemption) is required. The unit may be either attached or detached and must be of similar architectural design to the primary dwelling unit. At least one parking space must be provided for the accessory unit. In residential zones, the unit must contain a minimum of 400 square feet of heated area; the maximum area is 40 percent of the principal living space or 800 square feet, whichever is less. Further, the unit

⁴⁵ Hillsborough County, Florida, Land Development Code, Article II, Part 2.02.00, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=12399&sid=9>, accessed August 31, 2006.

may contain no more than one bedroom. In rural areas, the accessory unit living area may be no more than 50 percent of the principal residence or 1,000 square feet, whichever is greater. Rural/agricultural accessory units may contain no more than two bedrooms.

- Accessory units are also being built into newly constructed homes in New Urbanism-style developments, frequently above a garage or in alley space. Typically 500 to 600 feet, these units have been built in new housing developments in Florida, California, Oregon, Colorado, Illinois, Maryland and North Carolina.⁴⁶

Recommendation: Explore a rezoning option that allows affordable housing developers to file applications *before* meeting with community and neighborhood groups.

The development of affordable housing is particularly time sensitive, as any delays add to development costs; additional costs diminish the financial feasibility of the affordable development and can endanger the project. Allowing developers to file rezoning applications before meeting with community and neighborhood groups reduces the time required for pre-development activities, and therefore potentially reduces costs associated with affordable housing production.

Recommendation: Encourage attractive, well-designed and well-maintained higher-density developments. Apartments, condominiums and multifamily housing have traditionally been a source for affordable housing.

Higher-density developments can translate into the availability of more affordable homes. However, poorly designed and maintained developments often deteriorate into unacceptable conditions. This particular recommendation seeks to foster improved design and maintenance standards for higher-density developments.

Best Practice

- Manatee County encourages attractive affordable housing development through its Tree Protection Trust Fund. Developments with at least 25% of total units designated affordable may apply for funds from the Tree Protection Trust Fund to meet landscaping requirements.⁴⁷

Incentives and Financing

We believe that the shortage of affordable housing requires selective financial incentives to ensure adequate supply. These financial incentives will encourage the participation of for-profit and nonprofit sectors in the production of affordable housing.

Recommendation: Create a land use density bonus plan for residential zoning in mixed use developments.

Density bonuses are frequently used as an incentive for the development of attainable housing. Because the price of the attainable unit is lower than the comparable market-rate unit, the density bonus allows the developer to generate sufficient revenue to make the project financially feasible.

Best Practices

- The Tallahassee-Leon County Comprehensive Plan authorizes the city to provide density bonuses of up to 25% of the limit otherwise established by future land use classification in exchange for the construction of affordable housing.⁴⁸

⁴⁶ Nelson, Arthur C., Top Ten Local Strategies to Increase Affordable Housing Supply, Housing Facts and Findings, Fannie Mae Foundation Website: <http://www.fanniemae.foundation.org/programs/hff/v5i1-topten.shtml>, accessed July 12, 2006.

⁴⁷ Manatee County Land Development Code, Chapter 13-Housing Program, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=12202&csid=9>, accessed July 17, 2006.

⁴⁸ Tallahassee-Leon County Planning Department, www.talgov.com (Inclusionary Housing Ordinance, 2005.)

- San Diego County, California uses four specific density bonus policies. Under the State Density Bonus Law, a 25% increase is allowed in the number of housing units, subject to the requirement that for the next 30 years at least 10% of the total units be reserved for very low-income households; or 20% of total units be reserved for low-income households; or 50% of total units be reserved for qualifying senior citizens. Under the County's Affordable Housing for the Elderly program, additional units are negotiated on a case-by-case basis, provided that 35% of total units are reserved for very low-income elderly households. The Mobile Home Park Density Bonus Plan allows up to 8 units per acre both within and beyond the Urban Service Area. Finally, the Housing for Lower Income Families Program allows the development of low-income housing with up to 20 units per acre in designated areas, provided all units are affordable to low-income families.⁴⁹

Recommendation: Increase incentives for affordable housing as the proportion of affordable housing increases within an overall development or project. These incentives may include but are not limited to density bonuses, setback reductions, parking reductions, height increases and impact fee relief.

This recommendation focuses on the offer of multiple incentives that may be used together to make the production of attainable housing financially feasible. It also suggests that the incentives be awarded based on the proportion of affordable housing provided.

Impact fee relief for attainable housing can be a powerful tool in making homes affordable. While impact fees are necessary to ensure that new developments pay their way in terms of infrastructure, urban services and schools, evidence exists that smaller (and typically more affordable) homes have fewer school-aged children, fewer cars, and use urban services at a lower rate than larger homes.⁵⁰

Best Practices

- The City of Bradenton, Florida uses an impact fee system that is proportional for certain services. Fees for parks, police and fire protection are all assessed based on the square footage of the residence. Impact fees for water, sewer and schools vary by the type of unit, but are not proportional.⁵¹ Although the system is not wholly proportional, it does provide some relief for smaller, more affordable homes.
- The City of Austin, Texas fosters affordable housing through a different impact fee waiver system. Termed the S.M.A.R.T. (Safe, Mixed-Income, Accessible, Reasonably Priced, and Transit-Oriented) program, developers are provided fee waivers based on the proportion of affordable housing built that meets its S.M.A.R.T. program guidelines. The table below illustrates the relationship between affordable housing and fee waivers.

Developer Provides	The City of Austin Provides
10% S.M.A.R.T Housing	25% Fee Waivers
20% S.M.A.R.T Housing	50% Fee Waivers
30% S.M.A.R.T Housing	75% Fee Waivers
40% S.M.A.R.T Housing	100% Fee Waivers

⁴⁹ The County of San Diego, Developer Incentive Programs, The County of San Diego Website: http://www.sdcounty.ca.gov/sdhcd/organizations/developer_incentive.html, accessed July 20, 2006.

⁵⁰ Arthur C. Nelson, *Impacts of Impact Fees*, Report to the City of Albuquerque, New Mexico, 2003.

⁵¹ The City of Bradenton, Impact Fee Program Information Sheet, The City of Bradenton Website: <http://www.cityofbradenton.com/vertical/sites/{2D1C3C91-86C5-4ACC-86B6-CFA76381D46}/uploads/{0F30A5A3-3A70-48F5-8469-E661F9AA92D1}.PDF>, accessed July 13, 2006.

Recommendation: Allow land swaps or transfer of development rights to acquire lands dedicated for the development of affordable housing, including “flex” units such as commercial density increases, in exchange for affordable housing units.

A land swap or transfer of development rights refers to the reassignment of property entitlements from one piece of land to another. For example, a particular property may have entitlements for 10 dwelling units per acre but be located in an environmentally sensitive area. The local government might agree to transfer the property’s development rights to another property in exchange for a conservation easement. With regard to attainable housing, the transfer or swap would take the form of transferring the density from one property to another where affordable housing was being developed.

Best Practices

- Collier County, Florida allows the transfer of development rights for the provision of affordable housing. Under their Affordable Housing Density Bonus Program, density may be increased to up to 16 dwelling units per acre. Any further increase in density must be accomplished through the transfer of development rights.⁵²
- Manatee County, Florida encourages the transfer of development rights for affordable housing. The transfer of development rights from elsewhere in the unincorporated county is encouraged for projects with a minimum of 25% affordable units.⁵³

Recommendation: Establish a program whereby nonprofits and faith-based organizations may donate land, density and other incentives to affordable housing developers.

Nonprofits and faith-based organizations may wish to donate land, density or other incentives to affordable housing developers. Implementation of this recommendation will involve creation of a centralized clearinghouse of information for developers on opportunities to work with donated land, density or other incentives provided by nonprofit- and faith-based organizations. It will also require developing program guidelines through a collaborative effort of Hillsborough County staff and representatives of nonprofit, faith-based, and development organizations.

Recommendation: Further research and study to establish a program to obtain grants for building energy efficient homes with certification.

Housing affordability can be dramatically affected by energy costs. Low- to moderate-income households are particularly susceptible to financial stress in times of rising utility bills. This recommendation addresses this concern by calling for further analysis of how energy efficiency-certified homes can be made financially feasible through grant programs.

Best Practices

- The City of Austin’s S.M.A.R.T. program requires all “reasonably priced” units to meet requirements of the city’s Austin Energy Green Builder standards.
- The City of Santa Monica, California adopted its Sustainable City Program in 1994. Under this program, Green Building Design and Construction guidelines were developed. A number of green projects have been developed under this program. One of the most notable is Colorado Court, which employs green building practices in the delivery of affordable housing. The building is 100% energy independent, and provides 44 affordable single-occupancy units. Energy efficient features include passive daylighting and orientation, as well as heat recovery systems to conserve energy.⁵⁴

52 Collier County Land Development Code, Chapter 2.06.01, Affordable Housing Density Bonus, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=13992&csid=9>, accessed July 17, 2006.

53 Manatee County Land Development Code, Chapter 13-Housing Program, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=12202&csid=9>, accessed July 17, 2006.

54 The City of Santa Monica, California, Santa Monica Green Building Program, Program Website: <http://greenbuildings.santa-monica.org/>

We believe that capitalizing on existing financing programs through changes to requirements as well as creating new and innovative programs will expand available housing resources.

Recommendation: Expand predevelopment grant and/or loan programs. Many nonprofits rely on predevelopment grants to obtain land and proceed through the permitting process. The parameters of these programs should be re-evaluated given the current environment of limited land supply.

The predevelopment process can be a long and costly undertaking. Nonprofits may have the commitment and energy to provide attainable housing, but lack the financial resources to meet predevelopment costs.

Best Practice

- Sarasota, Florida offers predevelopment loans through its Housing Partnership Program. These loans allow nonprofit organizations that intend to develop ownership units for families at or below 80% of area median income (which is defined as low-income, under federal guidelines) to meet the costs of purchasing vacant land, acquiring and demolishing blighted structures to create new housing, or to acquire and renovate existing homes. The loan terms do not require repayment until the projects are complete and units have been sold to qualified low-income households.⁵⁵

Recommendation: Expand deferred loans for community-based for-profit and nonprofit organizations that create multi-family developments.

Deferred loans can make the difference between a project's financial feasibility and its infeasibility. Expansion in the availability of deferred loans for community-based developers—both for-profit and nonprofit—can play a role in expanding the quantity of attainable housing developed in Hillsborough County.

Recommendation: Encourage development of 8-20 unit properties on in-fill and other community sites by giving selection preference to these properties when they apply for funding through resources administered by Hillsborough County.

Smaller developments have traditionally played a strong role in providing housing that is affordable to low- and moderate-income households, regardless of whether these developments have been owned by for-profit or nonprofit entities. Given the rising cost of land, this recommendation to foster development of small multifamily complexes on in-fill and other community sites increases the financial feasibility of affordable development. These developments will be able to make use of existing infrastructure, further enhancing their financial feasibility. In addition, housing placed on these sites is likely to reduce commuting times and transportation costs among householders who live in these developments.

Best Practices

- Orange County, Florida has initiated an Infill Housing Program. The program provides subsidies for new housing construction on vacant lots within Community Development Target Areas in an effort to stabilize or revitalize deteriorating neighborhoods.⁵⁶
- The City of Phoenix, Arizona has adopted an ordinance designed to encourage infill development using several incentive strategies. The city waives a number of development-related fees, contributes to the cost of off-site improvements, and has created an "Infill Development Team" that helps to speed infill projects through the city planning process. Since the program was established, 3,175 new single-family homes have been built; about

[introduction/introduction.html](#), accessed August 3, 2006.

⁵⁵ City of Sarasota, Department of Housing and Community Development, Home Buyer Improvement Programs, City of Sarasota Website: <http://www.sarasotagov.com/LivingInSarasota/Contents/Housing/Programs.html>, accessed July 13, 2006.

⁵⁶ Orange County Comprehensive Policy Plan, Housing Element, Orange County, Florida Website: <http://www.orangecountyfl.net/NR/rdonlyres/ejjtruyumhzclr34hs5r3wz3cyl6jmavoo3bwgtqxwgh2fpy55hwkbnnewum6mgjtlutzdq3j4d5g5ghlt7o3luxe/HOUSING.doc>, accessed July 12, 2006.

one-third of these units are affordable to low- and moderate-income families.⁵⁷

- The City of Jacksonville, Florida has made acquisition of vacant lots suitable for infill housing a part of its Comprehensive Plan. These lots are made available to for-profit and nonprofit developers with the express purpose of providing affordable housing.⁵⁸
- The City of St. Petersburg, Florida has initiated an infill program through a system of land banks. Under this system, properties are rehabilitated to provide additions to the stock of affordable housing. Not only does this program expand the availability of attainable housing, it also expands the tax base. Rather than have tax liens on a property, these properties generate property tax revenues each year following their rehabilitation and purchase by qualified buyers.⁵⁹

Recommendation: Create an Affordable Housing Trust Fund with a dedicated revenue source. One such source could be the proceeds from the sale of private land obtained from nonpayment of code violations.

Affordable Housing Trust Funds allow local governments flexibility in dealing with the issue of attainable housing. They are also independent of the vagaries of state and federal funding cycles.

- Pinellas County, Florida created a Housing Assistance Trust Fund. Currently, this fund's resources are grant funds received from the State of Florida's State Housing Incentives Partnership (SHIP) program. However, it has been established in such a way that additional revenues may be used to fund it in the future.
- Manatee County, Florida has also created a fund known as the Housing Trust Fund. The purpose of this fund is the development and rehabilitation of affordable housing. Funds must be used for projects that include 25% or more affordable units.⁶⁰
- The Washington Area Housing Trust Fund is a regional housing loan fund providing predevelopment and interim development loans to nonprofit and for-profit affordable housing developers in the Washington, DC metropolitan area. The trust fund has received resources from numerous sources, including federal and local grants and private foundations. The trust fund's long-term capitalization goal is \$15 million. Over time, this fund is intended to assist with the creation or preservation of 10,000 units throughout the region.⁶¹
- Fairfax County, Virginia created the One Penny for Housing Flexibility Fund in 2005. This appropriation is based on local property taxes, and it is estimated that it will aid in the preservation of at least 1,000 existing affordable housing units by the end of 2007. The fund is also intended to provide ongoing support to affordable housing development. The fund is used to supplement other federal and state resources for affordable housing.⁶²

57 The City of Phoenix, Arizona, Infill Housing Program, The City of Phoenix Website: <http://phoenix.gov/BUSINESS/inflinct.html>, accessed July 20, 2006.

58 The City of Jacksonville 2010 Comprehensive Plan, Revised May 2000, Housing Element. The City of Jacksonville Website: <http://www.coj.net/NR/rdonlyres/ex7lag7j7n6j7v6l575mxqj6f4spkpcg7pygmkrxj3vm7bhvylqubrard5gt3j2pjgpx2n2snfiuszuf2xyhewwpa/COMP+PLAN-HOUSING-%5blast+updated+May+2000%5d.pdf>, accessed July 12, 2006.

59 Broward County Human Services Department, Thinking Outside the Traditional Affordable Housing "Box", Affordable Housing Focus Groups Report and Best Practice Research Findings Draft, Broward County Website: **No longer available**

60 Manatee County Land Development Code, Chapter 13-Housing Program, Municode Website: <http://www.municode.com/Resources/gateway.asp?pid=12202&csid=9>, accessed July 17, 2006.

61 The Washington Area Housing Trust Fund, Overview, WAHTF Website: <http://www.wahtf.org/about.html>, accessed July 20, 2006.

62 Fairfax County, Virginia, Fund 319-The Penny for Affordable Housing Fund, Fairfax County Virginia Website: http://www.fairfaxcounty.gov/dmb/advertised/FY2007/pdf/Volume2/Capital_319.pdf, accessed July 20, 2006.

Best Practices

Recommendation: Explore the creation of Community Redevelopment Areas (CRAs) to provide a sustainable revenue stream for the development of affordable housing.

Community Redevelopment Areas make use of tax increment financing (TIF). Taxes for the CRA are assessed before improvements are made (the base year). Once properties are improved and the tax base increases, the increased tax revenue is used to make further improvements to the area or to recoup expenditures made during the improvement phase. Revenue generated through a CRA may also be used for the development of affordable housing.

Recommendation: Use HOME funds for tenant-based assistance, with emphasis on single parents with children.

Using HOME funds for tenant-based assistance is permitted under federal regulations, but HOME funds are far less frequently used for this purpose than for other purposes, such as down payment assistance for homebuyers. Given the rise in the number of homeless families with children, and given that single parent families are typically at greatest risk of homelessness, this recommendation can serve as an important tool in the prevention of homelessness. Providing tenant-based assistance (similar to a Housing Choice/Section 8 Voucher) on a temporary basis to households with children at risk of homelessness will allow for successful transition into permanent housing.

Best Practice

- Falls Church, Virginia uses a portion its HOME program dollars to fund tenant-based rental assistance. Their program gives preference to households with dependent children. Income-eligible households receive assistance for up to 18 months, while also paying a portion of their rent. Participants receive supportive services such as budget counseling and health care referrals. They are also encouraged to “graduate” into homeownership through the city’s Affordable Dwelling Unit purchase program.⁶³

Recommendation: Further research and study increasing capacity of nonprofits by providing financial support for acquiring and renovating existing dwellings; acquiring lots and building new dwellings; acquiring and retrofitting duplexes and multifamily units for conversion to owned town homes, villas or condominiums.

Nonprofit organizations may be particularly interested in serving the community through the production of affordable housing. While these organizations possess the necessary commitment to attainable housing, they may lack organizational capacity to undertake the complex housing development process. Therefore, a capacity building program can serve as a means of increasing the number of developers within a community prepared to be successful providers of affordable housing.

Recommendation: Further research and study allowing affordable housing developers and nonprofits the right of first refusal on real estate foreclosures and tax sales, to include mechanism and language in mortgage documents.

The intent of this recommendation is to determine whether offering first right of refusal on mortgage foreclosures and tax sales to affordable housing developers and nonprofits would provide an effective means to increase the stock of attainable housing in Hillsborough County.

Recommendation: Further research and study best practices of a Community Land Trust, which will provide for long-term affordability provisions.

Community land trusts have long been popular in traditionally high cost-of-living regions of the U.S., particularly New

⁶³ Washington Area Housing Partnership, Toolkit for Affordable Housing Development, Electronic Resource: http://www.wahpdc.org/Toolkit_for_Affordable_Housing_Development.pdf, accessed August 8, 2006.

England. With recent trends placing housing out of reach of increasing numbers of low- to moderate-income households, land trusts are a topic of interest throughout the country.

Community land trusts can reduce the cost of housing by allowing the homebuyer to purchase the house, but not the land on which it is situated. Rather, the homebuyer enters into a long-term land lease (frequently 99 years) with the community land trust. This reduces the amount necessary to purchase the home, thereby increasing affordability. Homebuyers in these arrangements must be income qualified, and any future purchaser of the home must also meet income qualifications.

While community land trusts make homeownership possible for those who might otherwise be locked out of the home purchase market in high-cost areas, they do not result in the kind of wealth building through equity that results from traditional homeownership. The community land trust homeowner does typically make more financial gains over time than a renter, but these gains are also less than those of a traditional homeowner. Community land trusts can be particularly appropriate for areas experiencing gentrification. By the establishment of the land trust, people with ties to the community are able to remain in the area or return to the area in which they may have grown up.

Best Practices

- The City of Winter Park, Florida is home to the Hannibal Square Community Land Trust, an effort that has won statewide and national acclaim as an example of preserving a community's character and affordability. This segment of Winter Park has historically been African-American. Over the years, gentrification threatened the continued viability of the area for those of low- to moderate-income. The Hannibal Square Community Land Trust is working to ensure that the area continues to be home to people of all income levels.
- The City of Burlington, Vermont was the first municipality in the U.S. to fund a community land trust. The Burlington Community Land Trust is a national model of locally controlled affordable housing. The trust provides a wide range of housing opportunities, with more than 370 shared-appreciation single-family homes and condominiums and 270 rental apartments. Through its land stewardship, the Burlington Community Land Trust ensures that these properties will remain affordable.⁶⁴
- The Durham Community Land Trust (North Carolina) was organized in 1987 by residents of a predominantly African-American low-income neighborhood adjacent to the campus of Duke University. The trust's efforts were launched with technical assistance and project financing from the Institute for Community Economics Revolving Loan Fund, which supports community land trusts around the country. As the land trust's success grew, funding has come from a number of additional sources, including the Federal Home Loan Bank, municipal bonds, Duke University, the City of Durham, and the North Carolina Community Development Initiative. The Durham Community Land Trust has had a significant impact on conditions in the neighborhood, including increased morale and serving as a basis for community organizing and advocacy.⁶⁵
- The New Columbia Land Trust in Washington, D.C. provides an example of low-, moderate- and upper-income households working together to develop resident-controlled housing in the northwest area of the district. Gentrification intermingles with disinvestment in this area. The New Columbia Land Trust has tackled land acquisition, housing development and community education for more than a decade. The organizing effort has attracted an especially diverse coalition of people, not only in terms of income, but in terms of cultural and educational background. The efforts of the land trust have resulted in a permanent stock of attractive, affordable housing with access to commercial and other built spaces.⁶⁶

Recommendation: Further research and study best practices on establishing a local dedicated revenue source.

This recommendation links well with the recommendation presented earlier in this document on establishment of a local

64 Burlington Community Land Trust, BCLT Website: <http://www.bclt.net/aboutbclt.shtml>, accessed July 25, 2006.

65 Durham County Land Trustees, About DCLT, DCLT Website: <http://www.dclt.org/aboutdclt.htm>, accessed July 26, 2006.

66 New Columbia Community Land Trust, NCCLT Website: <http://www.cdsc.org/ncclt/>, accessed July 20, 2006.

affordable housing trust fund. Funding for affordable housing from federal and state sources are subject to budgetary cycles and changing priorities over time. With a dedicated local revenue source for affordable housing, Hillsborough County's ability to address housing affordability issues will be less constrained and more assured.

Recommendation: Further research and study of lease-purchase alternatives.

Lease-purchase housing is a strategy that can facilitate homeownership for those with lower incomes, those with poor credit, and those with little or no savings. Lease-purchase arrangements allow a household time to cure its barriers to homeownership, including improving credit and saving towards down payment and closing costs.⁶⁷ Further study of whether this alternative is an effective means of expanding affordable housing opportunities will ensure that if a program is launched, it will be formulated in the way calculated to bring the best results in a cost-effective manner.

Recommendation: Further research and study on a policy that provides a sliding scale for down payment assistance based on household income and housing prices rather than a fixed dollar amount.

From a public policy perspective, a sliding scale for down payment assistance based on household income is the most equitable way to administer this housing program. This equity arises from the fact that those who need less receive to make a home purchase receive less assistance from the publicly funded program. Use of a sliding scale may also allow more households to be served, since some households will need less assistance than others in making a home purchase.

Best Practice

- Washington, D.C. offers a down payment assistance program that employs a three-tiered system to determine how much assistance is provided to an individual household. Their system takes into account a combination of factors, including income, household size and the amount of assets each applicant must commit toward a property's purchase price.⁶⁸

We believe that all costs of housing must be addressed in solving the affordability gap.

Recommendation: Further research and study best practices that establish a co-op or program whereby materials and supplies may be purchased in bulk for distribution to nonprofit affordable housing providers at reduced cost.

This recommendation would allow nonprofit housing providers—which are frequently operating on a smaller scale than for-profit providers—benefit from reduced material prices through the economies of scale generated by bulk purchases.

Recommendation: Further research establishment of a program whereby municipal tree farms may donate to affordable housing to enhance aesthetic appeal.

The use of municipally donated trees in affordable housing development would allow for more attractive, livable affordable development while also reducing the cost of landscaping—as a cost that would typically be passed on to the home buyer.

This recommendation is a more direct form of the assistance provided in Manatee County, Florida (described on page 61). While Manatee County assists developers of multifamily affordable housing financial resources for landscaping from the Tree Protection Trust Fund, the Hillsborough County recommendation would eliminate the necessity for a separate fiscal enterprise to serve that purpose. Instead, attainable housing development would be directly assisted with in-kind donations of trees.

⁶⁷ The Enterprise Foundation, Alternative Financing Models-Hybrids of Homeownership Lease/Purchase Housing, Knowledgeplex Website: <http://www.practitionerresources.org/cache/documents/19612.doc>, accessed August 11, 2006.

⁶⁸ Washington D.C., Department of Housing and Community Development, Home Ownership Opportunities, Department of Housing and Community Development Website: <http://dhcd.dc.gov/dhcd/cwp/view,a,1243,q,629912.asp#HPAP>, accessed July 26, 2006.

Recommendation: Further research and study best practices on expansion of the Homestead Exemption to include a credit for affordable housing.

The basic Homestead Exemption in Florida is \$25,000. In addition, Florida provides an additional Homestead Exemption for those who are elderly or have a disability. An added exemption for those who can document that their income falls into the federal low-income guidelines would reduce monthly housing payments and enhance the attainability of homeownership for low-income households.⁶⁹

Recommendation: Further research and study best practices on deferrals of property taxes during the affordable housing ownership period.

This recommendation addresses the challenges posed by property taxes for those with low to moderate incomes. The deferral of property taxes during a specified period of time may contribute to the attainability of properties covered by such a policy, if implemented.

We believe that certain governmental requirements create a financial burden and therefore a hindrance to the production of affordable housing and must be addressed.

Recommendation: Waive performance bond requirements for affordable housing projects that are developed by nonprofit agencies when the County is providing a substantial amount of infrastructure funding.

Waiving performance bond requirements for affordable developments undertaken by nonprofits when the County is providing a substantial amount of infrastructure funding is one way in which the cost of developing attainable housing may be reduced.

Recommendation: Evaluate the impact fee relief program and consider replacing it with an impact fee waiver program for development of affordable housing.

Hillsborough County currently provides an Affordable Housing Impact Fee Relief Program that pays impact fees for transportation, parks and recreation, and fire protection on behalf of households at or below 80% of area median income. However, this relief currently does not cover impact fees for water and sewer, the largest impact fees assessed by the County.

The County also has designated the University Area (near the University of South Florida) as a no-fee zone. This designation is supportive of efforts to revitalize this neighborhood.

Best Practices

- The City of Santa Fe, New Mexico offers impact fee waivers for developments certified as affordable housing. Certification includes verification of home sale prices, size of unit, size of household purchasing unit, and proof that household income meets the city's affordable housing standards. These waivers are available to for-profit and nonprofit developers creating developments in which at least 25% of the units are affordable to low-income households.⁷⁰
- Sarasota's Office of Housing and Community Development (a department operated jointly by the City and County of Sarasota) administers an Impact Fee Program for new construction that was designed to assist low-income homeowners. The program offers a 0% deferred payment loan to pay for the impact fees for new

⁶⁹ The federal guideline related to low-income households is those households at or below 80% of area median, as estimated each year by the U. S. Department of Housing and Urban Development.

⁷⁰ Washington Area Housing Partnership, Toolkit for Affordable Housing Development, Electronic Resource: http://www.wahpdc.org/Toolkit_for_Affordable_Housing_Development.pdf, accessed August 8, 2006.

affordable home construction. Repayment of the loan is required if the home is sold, the property transferred or the home is no longer owner-occupied; this requirement stays in place for 30 years.

- Orange County, Florida offers discounted impact fee payments as an incentive to increase affordable housing construction. The program offers a discount ranging from 25% to 75% of impact fees, sewer capital charges and water capacity demand charges to those who develop affordable housing. The program is available for both single-family and multifamily housing units.⁷¹
- Jacksonville, Florida's Comprehensive Plan gives the consolidated Jacksonville-Duval government the discretion to waive certain fees and minimize other costs associated with affordable housing development.⁷² While making the fee waivers discretionary allows flexibility, it may not lead to equity in the production of affordable housing for the jurisdiction.

Recommendation: Further research and study best practices on concurrency requirements for affordable housing.

Concurrency requirements have been instituted in Florida to ensure the adequacy of public facilities in response to development. Typical facilities that must meet concurrency requirements include schools, roads, water, sewer, drainage, parks and recreation, solid waste and other public facilities and services. These requirements may diminish or eliminate the financial feasibility of affordable housing development, however. Therefore, further research and study is warranted and will make it possible for Hillsborough County policy makers to make a well-informed decision in this regard.

Education, Outreach and Advocacy

We believe that creating broad support – bringing together employers, Hillsborough County, its municipalities, developers, nonprofits, workers, and community and faith based groups – for investment, land use policy changes and finding the land is critical to addressing this issue.

Recommendation: A permanent body should be created to maintain the affordable housing momentum created by the Task Force. While there are options as to the structure of such a body, it is clear that its mission will be to serve as the catalyst to make affordable housing initiatives a reality in Hillsborough County and its cities.

In many ways, this recommendation has the potential to be the most important recommendation made by the Hillsborough County Affordable Housing Task Force. The reason it is so important is that it gives Hillsborough County a permanent focus on attainable housing. The body will be able to study issues, recommend actions, and monitor progress toward attainable housing goals. This recommendation goes hand-in-hand with the recommendation that immediately follows.

Recommendation: Hire an officer-level administrator reporting to the County Administrator with full authority to (1) expedite issues both inter-governmentally and inter-departmentally; and (2) staff the permanent entity recommended. Responsibilities include but would not be limited to:

- Retaining a private sector expert to review, evaluate and make further recommendations to improve current County approval processes and land use regulations, including recommendations to expedite reviews (including multiple reviews), streamline approvals, and resolve conflicting regulations.
- Retaining a consultant to analyze and propose alternative construction techniques for attainable housing projects to include, but not be limited to modular, panelized, and steel housing.
- Updating the Housing Needs Assessment study last conducted by Hillsborough County in 1992.
- Creating a consolidated toolkit of available programs to assist providers, lenders and residents.
- Conducting semi-annual, inter-departmental workshops to update all staff on available programs, assistance

71 Orange County Comprehensive Policy Plan, Housing Element, Orange County, Florida Website: <http://www.orangecountyfl.net/NR/rdonlyres/ejjjtruyumhzclr34hs5r3wz3cytl6jmavoo3bwgtqxwgh2fpy55hwkbnmnewum6mgjdlutzdq3j4d5g5ghlt7o3lux/HOUSING.doc>, accessed July 12, 2006

72 The City of Jacksonville 2010 Comprehensive Plan, Revised May 2000, Housing Element. The City of Jacksonville Website: <http://www.coj.net/NR/rdonlyres/ex7lag7j7n6j7v6l575mxqj6f4spkpcg7pygmkrxoj3vm7bhvvlqubrard5gt3j2pjgpx2n2snfiuszuf2xyhewwpa/COMP+PLAN-HOUSING-%5blast+updated+May+2000%5d.pdf>, accessed July 12, 2006.

and trends in affordable housing.

- Conducting an annual summit on affordable housing.
- Managing a multi-year, mixed-media public information campaign focused on affordable apartments and houses for working people and families.
- Advocating for additional “fair share” state and federal support for housing initiatives and funding with specific emphasis on the Low Income Housing Tax Credit Program.
- Providing staff support to the BOCC-appointed advisory committee.
- Expediting approval and permitting processes and coordinating incentives for all affordable housing projects, including a basic stamp reading “Affordable Housing” for each application that arrives at the County for approval.

The Affordable Housing Officer is intended to be accessible to service providers, builders, and developers of affordable housing. The Housing Officer will create important linkages among stakeholders both within and outside government so that creation of attainable housing will be facilitated on an ongoing basis.

Appendix I: Summary of Presentations Submitted to the Hillsborough County Affordable Housing Task Force

USDA Mutual Self-Help Housing

USDA Mutual Self Help Housing allows clients (families) under 80% median income to become new homeowners by exchanging “sweat equity” labor for a down payment. USDA further subsidizes monthly payment to keep homes affordable. Families put in a minimum of 600 hours, saving over \$10,000 in labor costs. Land, materials and labor are purchased wholesale. There are no mark-ups for profit, labor or commission. USDA subsidizes monthly payments with equivalent interest rate as low as 1%. Hillsborough County may also contribute with down payment assistance. The program serves families in rural areas only (population under 10,000), though the program may be tailored to fit urban environments through different funding partnerships. The program is very labor intensive, and requires the supervision of workers unfamiliar with the construction process. USDA Mutual Self-Help Housing is program sponsored by the United States Department of Agriculture, Rural Development, and co-sponsored by Hillsborough County.

Shimberg Center for Affordable Housing

The presentation by William O’Dell discussed the state of affordable housing in Hillsborough County. The definition of affordable housing according to the Department of Housing and Urban Development dictates that no more than 30% of a household’s income can be spent on housing. This includes expenses such as rent or mortgage payments, electricity, gas, sewer and water. If a household is paying more than 30% of its income for these items, the household is defined as cost burdened.

In Hillsborough County, a significant portion of the population is cost burdened. While the Area Median Income is \$52,150, wages have not kept pace with the price of housing and many residents find themselves paying more for housing than they can afford. According to the Shimberg Center for Affordable Housing, 92,834 households are considered cost burdened in Hillsborough County, a number that may include professions such as entry-level firefighters, entry-level public school teachers, secretaries and child care workers.

Affordable Housing Study Commission

The Affordable Housing Study Commission was created in 1986 pursuant to the provisions of Section 420.609, Florida Statutes. Each year, the Commission makes public policy recommendations to the Governor and Legislature to stimulate community development and revitalization to promote the production, preservation, and maintenance of safe, decent affordable housing for all Floridians.

The presentation before the Hillsborough County Affordable Housing Task Force focused on State administered affordable housing programs, and a summary of the Affordable Housing Study Commission’s annual meetings from 2002 through 2005. Topics covered and recommendations were made for the following subject areas: NIMBY syndrome, manufactured housing as a source of affordable housing, Extremely Low Income and farm worker housing, hurricane recovery and the preservation of affordable housing with a focus on State policy.

Housing Authority of the City of Tampa

As a major provider of affordable housing in the City of Tampa, as well as large portions of Hillsborough County, the Housing Authority of the City of Tampa administers a combination of Section 8 housing choice vouchers and Public Housing. As a developer, the Housing Authority of the City of Tampa is involved with HOPE VI redevelopment, acquisition and development, public/private partnerships, and affiliated non profit entities. Initiatives for the future entail the following objectives:

- Modernization of viable public housing portfolio
- Redevelopment of non-viable public housing
- Section 8 program expansion and management

- Affordable Homeownership Opportunities and Education
- Progressive Resident Initiatives programs and self-sufficiency opportunities
- Agency Operational Innovations and Improvements

The Housing Authority of the City of Tampa still faces obstacles in achieving its goals for the future and the continued provision of affordable housing. There is a backlog of unfunded capital replacement needs totaling \$170,000,000 and an annual capital allocation of approximately \$4,800,000. Though the agency has vastly improved the provision of services rendered to Tampa and Hillsborough residents and significantly improved the financial standing of the agency, significant obstacles have yet to be overcome.

Hillsborough County Housing and Community Code Enforcement

The Hillsborough County agency administers a number of affordable housing programs. Sources of funding for the agency come from State Housing Initiatives Partnership program, Community Development Block Grant, and HOME Investment Partnership program. Through these funding sources, the agency has enabled the development of 6,597 units of multi-family housing, 556 units of farm worker housing, 865 units of senior assisted housing, and 328 single-family units. Through other programs, the Hillsborough agency has assisted 4,754 first time home buyers with down payment assistance, participated in 1,513 home rehabilitation projects, and provided impact fee relief for affordable housing projects.

United States Department of Housing and Urban Development

The presentation from the department of Housing and Urban Development's Tampa Office describes the "housing divide" in the state of Florida and the Tampa Bay area. The presentation covers the rapid growth experienced by many municipalities around the State and the resultant appreciation of land and property. Since wages have not kept pace with the rate of growth or appreciation, many families have been priced out of the market, experiencing housing cost burden, mortgage foreclosure and higher incidences of homelessness. HUD suggests that effective partnerships between local government, the private sector and nonprofit institutions can enable the development of communities that close the "housing divide" by providing safe, decent and affordable housing. Numerous examples of successful developments are used to illustrate the potential of such partnerships in the Tampa area.

Hillsborough County Housing Finance Authority

The Housing Finance Authority (HFA) is charged with ensuring affordable housing opportunities for citizens of the County in coordination with the City of Tampa, the City of Plant City, the City of Temple Terrace, and other housing providers in the County. The HFA enables such opportunities by forging effective partnerships with first mortgage lenders, local government, local realtors, Fannie Mae, Florida Housing Finance Cooperation, credit underwriters/servicers, bond counsel, auditors and monitors, social service providers, and private sector developers. The HFA is involved with both single-family and multi-family development. The presentation details the application process, bond issues, and examples of successful affordable housing partnership projects.

Health and Social Services Department

The Health and Social Services Department administers a housing voucher program designed to provide financial rental assistance for low-income individuals and families who meet income eligibility requirements for affordable, safe, decent and sanitary housing in privately owned dwellings throughout the County. The department is authorized to issue 1,993 vouchers, and has 1,250 applicants on the waiting list, with an average wait time of 23 months. Minimum family rent is established at \$0, however, the payment standard is set at 100% of HUD's published Fair Market Rent (FMR). Preference is given to applicants with disabilities, who are working, or who have been displaced by condemnation or other government action, or as a consequence of domestic violence. A number of other services are available to participants in the housing voucher program, such as: health care, financial and transportation assistance. Participants may also be eligible for employment, life skills and technical training, transitional child care, tuition assistance, work uniforms and clothing, and employment opportunities. Additional emphasis is placed on homeless recovery, shelter and utilities assistance, food programs and special youth programs and children's needs. The Health and Social Services Department seeks to improve the program through the provision of senior citizens, migrant workers, and disabled persons programs. Additional focus will be given to family self-sufficiency, homeownership, individual development account, and family enrichment programs. The presentation also describes the

agency's funding sources, and the effectiveness of the administration of the program.

The City of Plant City

The presentation by James McDaniel describes the affordable housing issues faced by the City of Plant City. The municipality provides three types of assistance: up to \$15,000 for site acquisition, up to \$5,000 for site preparation, and down payment and closing cost up to \$5,000. These programs have enabled the construction of 158 dwelling units between 1991 and 2004. The City of Plant City employs leverage financing in combination with the private sector at an average ration of \$1:\$8. As typified by other municipalities in the area, the price of housing has increased rapidly over the last ten years and income has remained stagnant. Consequently, the main obstacles to owning a home in Plant City are derived from the price of the home, the family's income, debt, and previous credit history. In order to overcome these obstacles, the City of Plant City is aiming to strengthen public and private partnerships by targeting lender participation and private as well as nonprofit builders. The City would also like to focus on home buyer education in relation to the management of finances, protection of credit history, and home owner maintenance. Overall, the City's aim is to continue acquiring building sites, encourage and support self-help apprenticeship programs, and to minimize the regulatory impediments to affordable housing.

Affordable Housing

The presentation by James Hosler of the Research and Economic Development Team of the Hillsborough County City-County Planning Commission outlines County policy with regard to affordable housing. Mr. Hosler first explores the Evaluations and Appraisal Report and Comprehensive Plan of Hillsborough County, citing recommendations for broadening the development of affordable housing to all development, exploring infill development and urban self-help housing programs, looking at no fee zones to lower costs of water and sewer and by using funding sources that offset these costs. Other recommendations suggest incorporating the findings of the Hillsborough County Affordable Housing Task Force into the Comprehensive Plan.

Mr. Hosler continues by outlining the cost of living in the Tampa metro area, and the associated problems with an ever increasing divide between the costs of living and the comparably slight increases in income. Mr. Hosler concludes by suggesting the following strategic initiatives: allocate 10.9 million dollars to the establishment of no fee zones, amend the comprehensive plan to foster denser development, push rehabilitation funding as much as purchase funding, provide funding mechanisms for parking, stormwater and infill, and revise policies regarding the provision of mass transit.

Hillsborough County Alliance for Citizens with Disabilities

The presentation by Joe DiDomenico of Self Reliance, Inc.-Center for Independent Living, defines a disability as a chronic, permanent medical condition, injury or illness that impairs a major life function and creates barriers to independent living. This definition includes certain forms of mental illness.

If other housing options are not available, this segment of the population is particularly prone to cost burden, low income, and potentially homelessness, as employment options are scarcer. In effect, there is a huge need for affordable and accessible housing options for the disabled. While many sources of funding and programs give priority to disabled persons, the lack of provision of affordable housing for disabled citizens is symptomatic of the system as a whole. Affordable housing projects face zoning, NIMBY, availability restrictions. Further impediments to the provision of affordable housing for the disabled include: the layering of financing, operating costs, financing services, and a lack of a local match from government. Mr. DiDomenico also provides the Task Force with a n outline of the affordable housing funding sources available to persons with disabilities. Much like the housing market as a whole, the lack of provision of affordable housing is hindered by lack of funding, political will, and simple economics.

Hillsborough Kids Incorporated

As stated by program presenter Jeff Rainey, the mission of Hillsborough Kids Incorporated is to ensure the safety and permanency of children and families in Hillsborough County by strengthening and redesigning the child protection system where families and the community are partners and in service provision and intervention. Currently, there are 5,027 children under the supervision of Hillsborough Kids Incorporated, 1,564 children in licensed foster care, 3,423 receiving out of home care, and 455 available for adoption in Hillsborough County.

Often times, children require the assistance of Hillsborough Kids Incorporated due to housing issues. While not specifically related to housing affordability, many children are forced into protective care because of parent illness, domestic violence, substance abuse problems, or unemployment. In some cases, the lack of affordable housing resulting from long waiting lists for Section 8 and Public Housing in the County is to blame, by imposing families with cost burden and with little or no availability to safe, sanitary or decent housing. At times, the situation becomes untenable and parents are obligated to give their children to those who can better protect them. Mr. Rainey recommends increased advocacy at local, state and federal levels, and increase efforts toward local child welfare and other service components to match families with affordable housing.

Homeless Coalition of Hillsborough County, Incorporated

Chief Executive Officer Rayme L. Nuckles presents an overview of the services rendered by the Homeless Coalition in this presentation. Established in 1986, the Homeless Coalition is an official 501c.3 organization supplying education, advocacy and continuum of care for homeless services rendered in Hillsborough County. Mr. Nuckles reports two trends that contribute to the homeless problem directly: lack of affordable housing and an increase in poverty. Specifically, Mr. Nuckles makes reference to the discrepancy between the federal wage and the housing wage, alluding to a figure of \$15.48 per hour for Hillsborough County. Additionally, Mr. Nuckles points out that the overall decline in the availability of affordable units stems from a decrease in federal funding for low-income, affordable housing projects. Evidenced by the size of the waiting lists for Section 8 and Public Housing, affordable housing is lacking in Hillsborough County. In effect, the Homeless Coalition is seeking to combat this trend by providing a transition toward permanent supportive housing, job training, health care, mental health care, and substance abuse counseling. Overall, the presentation is a detailed account of the Homeless Coalition's 10-year strategic plan.

Appendix II: Developer Resources

Community Workforce Housing Initiative Pilot Program (CWHIP)

The Community Workforce Housing Initiative Pilot Program (CWHIP) was created to enable the purchase and rental of housing for essential service personnel such as police officers, fire fighters, health care workers, teachers, and skilled building trades personnel. Due to the rapidly increasing price of housing for rent and for purchase in the State of Florida, many such workers are unable to afford dwellings in the municipality where they serve. In response, the Florida legislature adopted CWHIP in 2006.

Florida Housing Finance Corporation is charged with administering the program at the state level. Information provided by Florida Housing indicates that, “CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers.”

CWHIP partnerships must involve at least one public sector entity and one private sector for-profit or nonprofit entity. Funds are flexible and may be used toward the construction or rehabilitation of housing in the form of loans with interest rates of one to three percent, which may be forgivable if the housing meets long term affordability requirements.

At least 50 percent of the affordable housing units built using CWHIP funds should be set aside for essential services personnel. Eighty percent of the units built using CWHIP funds should be available to households earning incomes up to 140 percent of area median income (AMI). This program may serve a broad range of incomes up to 140 percent of AMI. CWHIP will specifically target counties with high cost (relative cost to purchase home compared to incomes), high growth and counties that have innovative ideas for housing. The program will also target counties willing to make regulatory changes and financial investments in affordable housing.

The corporation shall award loans with interest rates set at 1 to 3 percent, which may be made forgivable when long-term affordability is provided and when at least 80 percent of the units are set aside for workforce housing and at least 50 percent of the units are set aside for essential services personnel.

Program details were not finalized as of the date of this report. However, the Florida Housing Finance Corporation anticipates accepting the first Requests for Proposals for the CWHIP program between October 6, 2006 and January 5, 2007. The program has been allocated a total of 50 million dollars.⁷³

Program Contact:

Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301
Phone: (850) 488-4197

Community Contribution Tax Credit (CCTC)

As defined by Chapter 220 of the Florida State Income Tax Code, businesses may deduct a credit of 50 percent of a community contribution against any tax due for a taxable year, resulting in a maximum reduction of up to \$200,000 for any given year. The program is funded with an allocation of \$10.5 million annually for projects that provide homeownership opportunities for low-income or very-low-income households and \$3.5 million annually for all other projects. All projects must be located in an area designated as an enterprise zone or a Front Porch Community.

The source of funding for the program is appropriated by the State of Florida. Eligible applicants include non-profit and other community entities, and the application cycle is open and non-competitive. Tax credits are available for rental or

⁷³ Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/home/developers/WorkforceHousing> accessed September 11, 2006; Shimberg Center for Affordable Housing.

homeownership opportunities, and the program is administered through the Office of Tourism, Trade and Economic Development. Funds may also be used for acquisition, construction, and rehabilitation of properties.

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Burt Von Hoff

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Office of Tourism, Trade, and Economic Development

The Capitol, Suite 2001, Tallahassee, FL 32399-0001

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Website: http://www.flgov.com/financial_incentives⁷⁴

Federal Home Loan Bank (FHLB) Affordable Housing Program-AHP

As part of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989, the Federal Home Loan Bank's Affordable Housing Program (AHP) provides below market loans and grants on a semi-annual, competitive basis. Grants and loans are allocated for new construction, rehabilitation, and the acquisition of property.

AHP projects must be demonstrated to be financially feasible. Subsidized units must serve households with incomes at or below 80 percent of the area median income, while rental projects are required to ensure that 20 percent of the total units are for families with incomes at or below 50 percent of the area median income (AMI). Owner occupied units must remain affordable for five years, and rental properties must remain affordable for 15 years.

Program Contact:

Louis Freeman

Community Investment Services

Federal Home Loan bank of Atlanta

P.O. Box 105565

Atlanta, GA 30348

Phone: 404-888-8451 or 800-536-9650 extension 8441

Fax: 404-888-5632

Email: ahpapplication@fhlbatl.com

Website: www.fhlbatl.com⁷⁵

Federal Home Loan Bank-FHLB Community Investment Program-CIP

Pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Federal Home Loan Bank administers the Community Investment Program (CIP), which offers below market rate loans and grants to low and moderate income families. Typically, the Community Investment Program (CIP) provides long-term advances for residential loans benefiting low- and moderate-income families at rates from 5 to 21 basis points below regular advance rates.

Fixed rate advances are available for periods of up to 20 years, and interest only or amortizing payments may be made depending on the needs of the institution or customer. In addition, the CIP can be used to supplement other programs.

⁷⁴ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Shimberg Center for Affordable Housing.

⁷⁵ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Federal Home Loan Bank of Atlanta, electronic resource: http://www.fhlbatl.com/misc/CIS/NewUsersWebinar_021406.pdf, accessed September 11, 2006; Shimberg Center for Affordable Housing.

CIP funds are available to homebuyers, for-profit, non-profit housing developers, or public housing developers for the provision of single-family, owner-occupied homes where family income does not exceed 115% of the Area Median Income, rental housing where the rents charged are affordable to households with incomes not exceeding 115% of the area median income, or manufactured housing parks located in neighborhoods where the median income does not exceed 115% of the area median income.

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Email: ahpapplication@fhlbatl.com
Website: www.fhlbatl.com⁷⁶

Florida Community Loan Fund

Established in 1994, the Florida Community Loan Fund (FCLF) is a community development financial institution. FCLF provides capital and technical assistance to qualifying organizations with insufficient access to capital from conventional lending sources.

Community nonprofit organizations across the state are eligible to borrow from the Loan Fund. Loans are made exclusively to non-profit organizations involved in affordable housing, economic development and essential social services in urban and rural low-income communities throughout Florida.

The loan fund provides below market loans for the purposes of new construction, rehabilitation and acquisition. Both rental and home ownership projects are eligible to receive loans.

Applications for the fund are processed on an ongoing basis in an open cycle.

Program Contact:

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Development Officer
Florida Community Loan Fund
3107 Edgewater Drive, Suite 2
Orlando, FL 32804
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Email: jbeaton@fclf.org
Fax: 407-246-0856
Website: www.fclf.org⁷⁷

Affordable Housing Guarantee Program

As defined by Section 420.5092, FS Rule Chapter 67-39, FAC, the Affordable Housing Guarantee Program is used to guarantee the purchase, construction, rehabilitation, financing, or refinancing of affordable housing projects for non-profit, for-profit, public agencies, and individuals. Funds are allocated pursuant to the Sadowski Act. The program provides both "A"

⁷⁶ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Federal Home Loan Bank of Atlanta, electronic resource: http://www.fhlbatl.com/fhlb_content.cfm?lev1=5cis&lev2=aaahp&lev3=5cip, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁷⁷ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Community Loan Fund, electronic resource: <http://www.fclf.org/aboutTheLoanFund.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

rated loans and bond guarantees

The Affordable Housing Guarantee Program is administered through the Florida Housing Finance Corporation through a qualified lending institution. Applications are accepted year round.

Program Contact:

Laura Cox

Administrator

Florida Affordable Housing Guarantee Program

Florida Housing Finance Corporation

227 North Bronough Street, Suite 5000

Tallahassee, FL 32301-1329

Phone: 850-488-4199 x1211

Email: laura.cox@floridahousing.org

Website: www.floridahousing.org⁷⁸

Home Investment Partnerships Program (HOME) Hillsborough County

The HOME Investment Partnerships Program (HOME) is a federal program administered directly by entitlement jurisdictions, including Hillsborough County. Funds may be used to provide down payment or other assistance for homeownership (such as rehabilitation). HOME may also be used to provide loans for affordable housing development, including acquisition, new construction and rehabilitation.

Eligible parties for HOME include individuals seeking homeownership assistance, as well as for-profit developers, nonprofit housing providers, Community Housing Development Organizations (CHDOs), redevelopment organizations or public housing authorities.

When HOME is used to acquire, develop or rehabilitate affordable housing, 20% of the HOME-assisted units must be occupied by families whose annual incomes do not exceed 50 percent of the area median family income; the remainder must be occupied by families whose annual incomes do not exceed 60 percent of the area median family income.

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Website: <http://www.hillsboroughcounty.org/hcce/>

⁷⁸ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/home/developers/multifamilyprograms/guaranteeprogram.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Home Ownership Assistance Program (HAP) Construction

As regulated by Rule Chapter 67-50, Florida Administrative Code, and sections 420.507 and 420.5088 of the Florida statutes, the Home Ownership Assistance Program provides construction loans to developers of affordable housing.

The program provides 3-year, 0% interest loan to developers, limited to 25% percent of the total development cost, or \$1,000,000, whichever is less. Both non-profit and for-profit developers may participate in the program, and local government public housing authorities may also apply, with preference given to FHFC Certified Community Based Organizations and to developments that have received funding from Florida Housing's Predevelopment Loan Program.

Another condition of eligibility requires that a minimum of 30% of the homes must be sold to eligible homebuyers who have an adjusted income that does not exceed 50% of the area median income (AMI). A minimum of another 30% of the homes must be sold to eligible homebuyers who have an adjusted income that does not exceed 80% AMI.

Any remaining homes must be sold to persons or households that have an adjusted income that does not exceed 150% AMI. These units are not eligible for homebuyer purchase assistance.

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Website: www.floridahousing.org⁷⁹

Home Ownership Assistance Program (HAP) Down Payment Assistance/Permanent Loan

As regulated by Rule Chapter 67-50, Florida Administrative Code, and sections 420.507 and 420.5088 of the Florida statutes, the Home Ownership Assistance Program provides down payment assistance and permanent loans to eligible applicant homebuyers.

Applicants with an adjusted income of 80% of the area mediana income or less are eligible to receive the loans, which are not to exceed 25% of the purchase price of the home, or the amount necessary to meet credit underwriting criteria. The term of the loan is 30 years, or the term of the first mortgage, whichever is less. The loan is due upon maturity, sale, refinancing, or rental of the property.

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Website: www.floridahousing.org⁸⁰

⁷⁹ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation. electronic resource: <http://www.floridahousing.org/Home/Developers/MultifamilyPrograms/HOME/default.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸⁰ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance

Homeless Housing Assistance Grants (HHAG)

This state grant program can assist in the construction of new, or the repair of existing housing for the homeless. The housing assisted may be either permanent housing or transitional with supportive services linked to the residents. As a condition of receiving funding, housing shall be reserved for occupancy by homeless persons or families for at least ten years.

Housing projects to be assisted must be contained and consistent with the local homeless continuum of care plan. The applicant for the grant can only be the designated lead agency for that local homeless continuum of care plan. The lead agency applies on behalf of specific housing sponsors and/or development teams. The grant is distributed in an annual competitive application cycle. Individual project awards are limited to \$750,000. No matching funding is required, but the leveraging of other sources of funding is a grant selection criterion.

Program Contact:

Tom Pierce

Executive Director

Office on Homelessness

1317 Winewood Boulevard

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Phone: 850-922-4691

Fax: 850-487-1361

Email: tom_pierce@dcf.state.fl.us

Website: www.dcf.state.fl.us/homelessness⁸¹

Low Income Housing Tax Credits (LIHTC)

The Low Income Housing Tax Credit is a federal program administered by a designated state housing credit agency in each state. In Florida, this organization is the Florida Housing Finance Corporation. The tax credit provides for-profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition and substantial rehabilitation, or new construction of rental units for households with incomes no greater than 60% of area median.

Organizations who obtain an allocation of housing tax credits typically form partnerships with investors known as syndicators. Syndicators purchase the tax credits from the development organization in order to provide equity that can be used in the development process.

Housing credits can also be used in conjunction with the HOME Investment Partnerships program, the State Apartment Incentive Loan program, the Predevelopment Loan program, SHIP or the Multifamily Mortgage Revenue Bonds program. Developments receiving the Low Income Housing Tax Credit must restrict incomes on 40% of the units to no more than 60% of area median or on 20% of the units to no more than 50% of area median.

Program Contact:

Vicki Robinson

Florida Housing Finance Corporation

227 North Bronough Street, Suite 5000

Tallahassee, FL 32301-1329

Phone: 850-488-4198

Website: www.floridahousing.org⁸²

Corporation. electronic resource: <http://www.floridahousing.org/Home/Developers/MultifamilyPrograms/HOME/default.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸¹ Florida Housing Coalition, *Creating Inclusive Communities in Florida*, Guidebook for Local Government, June 2002; Florida Department of Children and Families, electronic resource: <http://www.dcf.state.fl.us/homelessness/hhagrants.shtml>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸² Florida Housing Coalition, *Creating Inclusive Communities in Florida*, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/NewDevelopers/MultifamilyPrograms/HOME/>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Housing Opportunities for People With AIDS (HOPWA)

HOPWA funds are allocated via one of three methods: the HOPWA formula program, the HOPWA competitive program, and the HOPWA National Technical Assistance program. Via the HOPWA formula program, funds are allocated according to a jurisdiction's AIDS population as described through the Consolidated Plan process. Evidently, the requirement of the submission of a consolidated plan excludes some communities.

However, 10% of the HOPWA program's annual allocation goes to the competitive program, allowing states, cities, local governments and non-profit agencies to apply.

Since requirements change from year to year, applicants are encouraged to read the NOFA each year. Nonprofit organizations, States, cities, and local governments may apply for HOPWA Competitive Program grants through HUD's SuperNOFA process.

HOPWA funds may cover expenses for financial support services, transitional housing, new construction, leasing, rehabilitation, and the acquisition of property.

Program Contact:

Office of Community Planning and Development
U.S. Department of Housing and Urban Development
451 Seventh Street SW, Room 7212
Washington D.C. 20410-7000
Phone: 202-708-1934 or 1-800-877-8339 TTY.
Fax: 202-708-9313
Website: <http://www.hudgov/offices/cpd/aidshousing/index.cfm>

For a List of Florida Providers Contact:

Department of Health and Human Services
4052 Bald Cypress Way, Bin #A00
Tallahassee, FL 32399-1701
Phone: 850-245-4321
Website: http://www.myflorida.com/disease_ctrl/aids/care/hopwa.html⁸³

Low-Income Emergency Home Repair Program (LEHRP)

The Low-Income Emergency Home Repair Program (LEHRP) provides grants to local agencies administering the Weatherization Assistance Program to assist low-income people, especially the elderly and physically disabled, with emergency housing repairs.

Funds are limited to an average of \$1,000 per house. The following activities are covered in The Low-Income Emergency Home Repair Program:

- Correcting structural deficiencies
- Repairing or replacing unsafe or nonfunctional space or water heating systems
- Improving accessibility or making repairs for the physically impaired
- Repairing plumbing to ensure safe drinking water and sewage disposal
- Repairing electrical wiring or fixtures
- Repairing deteriorating walls, floors, and roofs
- Making other interior or exterior repairs necessary for health and safety of the resident

⁸³ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the Department of Housing and Urban Development, electronic resource: <http://www.hud.gov/offices/cpd/aidshousing/programs/>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Priority is given to persons 60 years of age or older, and persons who are physically disabled. Applicants must be Weatherization Assistance Program agencies in good standing with the department.

Program Contact:

Norm Gempel-Planning Manager
Weatherization Programs
Bureau of Community Assistance
Florida Department of Community Affairs
2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100
Phone: 850-488-7541
Email: norm.gempel@dca.state.fl.us
Website: www.dca.state.fl.us/fhcd/programs/liehrp/index.htm

Program Contact for Hillsborough County:

Lynn Knox
Tampa/Hillsborough Action Plan
Phone: 813-626-9695
Email: thap@email.com⁸⁴

Low-Income Home Energy Assistance Program (LIHEAP)

The Low-Income Home Energy Assistance Program provides grants to local governments and non-profit agencies to assist eligible low-income households in meeting the costs of home heating and cooling. The majority of the funds are used for utility payment assistance.

In total, three categories of assistance are provided: home energy assistance, crisis assistance, and weather related or supply shortage emergency assistance. Each category has unique requirements.

To be eligible for the program, household income may not exceed 150% of the poverty guidelines according to allowable and unallowable sources of income. If the household's income is greater than this amount, the household may still be eligible because some types of income are not counted. The household must provide proof, such as a utility bill, that they are responsible for all or part of the energy costs for the household.

Program Contact:

Hilda Frazier
Planning Manager
Bureau of Community Assistance
Florida Department of Community Affairs
2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100
Phone: 850-488-7541
Email: hilda.frazier@dca.state.fl.us
Website: www.floridacommunitydevelopment.org

Program Contact for Hillsborough County:

Lynn Knox
Tampa/Hillsborough Action Plan
Phone: 813-626-9695
Email: thap@email.com⁸⁵

⁸⁴ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Department of Community Affairs, electronic resource: <http://www.floridacommunitydevelopment.org/wap/index.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing

⁸⁵ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Department

Pre-Development Loan Program (PLP)

The Predevelopment Loan Program (PLP) helps nonprofit and community based organizations, local governments, and public housing authorities plan, finance, and develop affordable housing. Eligible organizations may apply for a loan of up to \$500,000. The loan carries a non-amortizing three percent interest rate, with principal and interest deferred until maturity. The loan generally matures either upon the closing of construction or three years after the original PLP loan closed, whichever occurs first.

PLP loans may be applied toward costs such as rezoning, soil tests, engineering fees, title searches, appraisals, feasibility analysis, legal fees, audit fees, earnest money deposit, impact fees, insurance fees, commitment fees, administrative costs, marketing expenses and acquisition expenses. Rental developments must set aside 60 percent of its units for persons earning 60 percent or below of area median income (AMI). Homeownership developments must set aside 100 percent of their units for persons earning 80 percent or below of AMI.

Program Contact:

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227 North Bronough Street, Suite 5000

Tallahassee, FL 32301-1329

Phone: 850-488-4198 x 1170

Email: robert.dearduff@floridahousing.org

Website: www.floridahousing.org⁸⁶

Mortgage Revenue Bonds for Rental Housing (MRB)

The Multifamily Mortgage Revenue Bond program (MMRB) uses both taxable and tax-exempt bonds to provide below market-rate loans to non-profit and for-profit developers who set aside a certain percentage of their apartment units for low income families. The program requires that at least 20 percent of the units be set aside for households earning at or below 50 percent of the area median income (AMI). The developer may also opt to set aside 40 percent of the units for households earning at or below 60 percent of the AMI.

Affordable housing developers are also able to use the dollars from this program in conjunction with other Florida Housing programs, such as the Affordable Housing Guarantee Program.

Program Contact:

Wayne Conner

Florida Housing Finance Corporation

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Tallahassee, FL 32301-1329

Phone: 850-488-4198 x 1136

Email: wayne.connor@floridahousing.org

Website: www.floridahousing.org⁸⁷

of Community Affairs, electronic resource: <http://www.floridacommunitydevelopment.org/liheap/index.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸⁶ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/NewDevelopers/SpecialPrograms/>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸⁷ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/Developers/MultifamilyPrograms/MMRB.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)

As established by the McKinney-Vento Homeless Assistance Act, the Department of Housing and Urban Development administers the Single Room Occupancy Moderate Rehabilitation program. Funds are designed to provide housing for homeless persons and may be allocated for the purposes of moderate rehabilitation of residential properties. Participating Public Housing Agencies make Section 8 rental assistance payments to participating owners on behalf of homeless individuals who rent the rehabilitated units. The rental assistance payments cover the difference between a portion of the tenant's income (normally 30 percent) and the unit's rent, which must be no more than the fair market rent established by HUD.

Both non-profit and public entities are eligible for funding, with the exclusive uses of apartment rehabilitation and rental assistance permitted.

Program Contact:

The Office of Special Needs Assistance Programs
HUD's Office of Community Planning and Development (CPD)
451 7th Street S.W.
Washington D.C. 20410
202-708-0614 ext. 4497
Hearing Impaired May Call the Federal Information Relay Service at 1-800-877-8339
Website: www.hud.gov/offices/cpd/homeless/programs/sro/index.cfm⁸⁸

Section 202 Supportive Housing for the Elderly

Similar to Section 811 (Supportive Housing for Persons with Disabilities), Section 202 provides capital advances and rent subsidies for the development of Supportive Housing for the Elderly

The Department of Housing and Urban Development provides the funding and applicants from private and nonprofit sponsors are eligible. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years.

Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent.

Occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy.

Program Contact:

Supportive Housing for the Elderly (HUD Handbook 4571.3) and Supportive Housing for the Elderly-Conditional Commitment-Final (HUD Handbook 4571.5)
Website: www.hudclips.org
HUD Multi-Family Clearinghouse: 1-800-685-8470⁸⁹

⁸⁸ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the Department of Housing and Urban Development, electronic resource: <http://www.hud.gov/offices/cpd/homeless/programs/sro/index.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁸⁹ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the Department of Housing and Urban Development, electronic resource: <http://www.hud.gov/offices/hsg/mfh/progdsc/eld202.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Section 811 Supportive Housing for Persons with Disabilities

In a similar fashion to Section 202, Section 811 provides funding for Supportive Housing for Persons with Disabilities in the form of capital advances and rent subsidies.

Both non-profit sponsors and private developers are eligible. The capital advance can finance construction, rehabilitation, or acquisition with or without the rehabilitation of supportive housing. The advance does not have to be repaid as long as the housing remains available for very low-income persons with disabilities for at least 40 years.

The Department of Housing and Urban Development also provides project rental assistance covering the difference between the HUD-approved operating cost of the project and the amount the residents pay, usually 30 percent of adjusted income. The initial term of the project rental assistance contract is 5 years and can be renewed if funds are available.

A household must consist of a single qualified person must be very low-income (within 50 percent of the median income for the area) and at least one member must be 18 years old or older and have a disability, such as a physical or developmental disability or chronic mental illness to be eligible for Section 811 benefits.

Program Contact:

Section 811 Supportive Housing for Persons with Disabilities (HUD Handbook 4571.2) and Supportive Housing for Persons with Disabilities, Conditional Commitment to Final Closing (HUD Handbook 4571.4)

Website: www.hudclips.org or www.hud.gov/offices/hsg/mfh/progdsc/diab811.cfm⁹⁰

Single Family Mortgage Revenue Bond Program (SFMRB)

Also known as the Florida Housing's First Time Homebuyer Program, the Single Family Mortgage Revenue Bond Program provides low-interest 30 year fixed-rate loans, down payment and closing costs assistance as well as access to credit counseling.

Teachers, firefighters, healthcare workers, police officers, as well as active duty and veteran military personnel may be eligible for funding, provided they meet the necessary criteria. Applicants must:

- have never owned a home,
- not claim their mobile home as real property,
- not have owned and occupied a home as their primary residence within the past three years,
- have established credit worthiness
- have an annual income that does not exceed program limits

The program is administered by the Florida Housing Finance Corporation through lenders and local authorities on an annual cycle.

Program Contact:

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850-488-4198 x 1143

Email: wallisa.cobb@floridahousing.org

Website: www.floridahousing.org⁹¹

⁹⁰ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the Department of Housing and Urban Development, electronic resource: <http://www.hud.gov/offices/hsg/mfh/progdsc/disab811.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁹¹ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/HomebuyersRenters/FTHB/DefaultFTHB.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing

State Apartment Incentive Loan Program (SAIL)

The State Apartment Incentive Loan program (SAIL) provides low-interest loans on a competitive basis to affordable housing developers each year. Funding is available to individuals, public entities, not-for-profit or for-profit organizations who propose the construction or substantial rehabilitation of multifamily units affordable to very low income individuals and families. A minimum of 20 percent of the development's units must be set aside for families earning 50 percent or less of the area median income. Developments that use housing credits in conjunction with this program may use a minimum set-aside of 40 percent of the units for residents earning 60 percent of the area median income.

Loans are issued for a maximum of 15 years unless housing credit syndication requirements or Fannie Mae requirements dictate longer terms. In most cases, the SAIL loan cannot exceed 25 percent of the total development cost and can be used in conjunction with other state and federal programs.

Program Contact:

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Tallahassee, FL 32301-1329

850-488-4198 x 1175

Email: vicki.robinson@floridahousing.org

Website: www.floridahousing.org⁹²

State Housing Initiatives Partnership Program (SHIP)

The Florida Housing Finance Corporation administers the State Housing Initiatives Partnership program (SHIP), which provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The program was designed to serve very low, low and moderate income families.

To participate, local governments must establish a local housing assistance program by ordinance; develop a local housing assistance plan and housing incentive strategy; amend land development regulations or establish local policies to implement the incentive strategies; form partnerships and combine resources in order to reduce housing costs; and ensure that rent or mortgage payments within the targeted areas do not exceed 30 percent of the area median income limits, unless authorized by the mortgage lender.

SHIP funding can be used to fund gap financing, new construction, repairs, rehabilitation, acquisition, down payment assistance and homeownership counseling. Funds may not be used to assist mobile homes or manufactured housing with the exception of manufactured buildings with the Florida Department of Community Affairs' insignia.

A minimum of 65 percent of the funds must be spent on eligible homeownership activities; a minimum of 75 percent of funds must be spent on eligible construction activities; at least 30 percent of the funds must be reserved for very-low income households (up to 50 percent of the area median income or AMI); an additional 30 percent may be reserved for low income households (up to 80 percent of AMI); and the remaining funds may be reserved for moderate-income households (up to 120 percent of AMI.). It is important to note that no more than 5 percent of SHIP funds may be used for administrative expenses. However, if a local government makes a finding of need by resolution, a local government may use up to 10 percent for administrative expenses.

Program Contact:

Darlene Raker

Florida Housing Finance Corporation

227 North Bronough Street, Suite 5000

⁹² Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/Developers/MultifamilyPrograms/SAIL/default.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Tallahassee, FL 32301-1329
850-488-4198 x 1156
Email: darlene.raker@floridahousing.org
Website: www.floridahousing.org⁹³

Supportive Housing (SHP)

The Supportive Housing Program is designed to develop supportive housing and services for homeless persons. States, units of local government, other governmental entities such as Public Housing Authorities, and private nonprofits are eligible to apply. Funds may be used for new construction, leasing, rehabilitation, and the acquisition of property.

Grants under the Supportive Housing Program are awarded through a national competition held annually. Funding is designed to promote the local Continuum of Care strategy and the development of supportive housing and supportive services to assist homeless persons in the transition from homelessness.

Grant recipients are required to monitor their clients' progress in meeting their performance measures on an ongoing basis. In addition to recordkeeping and evaluation that grantees may conduct for their own purposes, the Department of Housing and Urban Development requires recordkeeping and annual progress reports. Grantees are expected to make changes in their program or adjust performance measures in response to ongoing evaluation of their progress.

Program Contact:

Jean Whaley

451 7th Street S.W.

Washington D.C.20410

Phone: 202-708-0614 ext. 4473

Hearing impaired users may call the Federal Information Relay Service at 1-800-877-8339⁹⁴

U.S. Department of Agriculture, Rural Housing Services-USDA/RHS

Direct Loan Program (Section 502)

The Direct Loan program provides home loans at an affordable interest rate to individuals or families.

Most of the loans made under the Direct Loan Program are to families with income below 80% of the median income.

The Guaranteed Loan program guarantees loans made by private lenders. In the event that an individual borrower defaults on a loan, the Guaranteed Loan program will pay the private financier. An individual or family may borrow up to 100% of the appraised value of the home.

Program Contact:

Daryl Cooper-Director

Florida Office, Rural Housing Services

4440 NW 25th Place

Gainesville, FL 32606

Phone: 352-338-3435

Fax: 352-338-3437

Website: www.rurdev.usda.gov/rhs/index.html⁹⁵

⁹³ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; Florida Housing Finance Corporation, electronic resource: <http://www.floridahousing.org/Home/Developers/MultifamilyPrograms/SAIL/default.htm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁹⁴ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the Department of Housing And Urban Development, electronic resource: <http://www.hud.gov/offices/cpd/homeless/programs/shp/index.cfm>, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁹⁵ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States

Section 523- Mutual Self-Help Housing Program

The Mutual Self-Help Housing Program makes homes affordable through “sweat equity”. In other words, potential homeowners contribute to the labor force of a given construction project to offset the ultimate price of the home. Each qualified applicant is required to complete 65% of the work to build his or her own home.

Technical Assistance Grants and Site Loans are provided to nonprofit and local government organizations, which supervise groups of 5 to 12 enrollees in the Self-Help Program. Members of each group help work on each other’s homes. Applicants can only move into their homes when moving in only when all the homes are completed.

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Daryl Cooper-Director

Florida Office, Rural Housing Services

4440 NW 25th Place

Gainesville, FL 32606

Phone: 352-338-3435

Fax: 352-338-3437

Website: www.rurdev.usda.gov/rhs/index.html⁹⁶

Section 504-Home Repair Loan and Grant Program

For very low income families who own homes in need of repair, the Home Repair Loan and Grant Program offers loans and grants for renovation. The program also provides funds to make a home accessible to someone with disabilities.

Money may be provided, for example, to repair a leaking roof, replace a wood stove with central heating, construct a front-door ramp for someone using a wheelchair; or replace an outhouse and pump with running water, a bathroom, and a waste disposal system.

Homeowners 62 years and older are eligible for home improvement grants. Other low income families and individuals receive loans at a 1% interest rate directly from the Housing and Community Facilities Program.

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Florida Office, Rural Housing Services

4440 NW 25th Place

Gainesville, FL 32606

Phone: 352-338-3435

Fax: 352-338-3437

Website: www.rurdev.usda.gov/rhs/index.html⁹⁷

Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

96 Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

97 Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Section 515-Multi-Family Housing Loans

Rural Rental Housing Loans are direct, competitive mortgage loans made to provide affordable multifamily rental housing for very low-, low-, and moderate-income families, the elderly, and persons with disabilities. This is primarily a direct mortgage program, but its funds may also be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems.

The program is adaptable for participation by a wide variety of owners. Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, State or local public agencies, consumer cooperatives, and profit or nonprofit corporations.

Program Contact:

Elizabeth Whitaker

Florida Office, Rural Housing Services

4440 NW 25th Place

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Phone: 352-338-3435

Fax: 352-338-3437

Website: www.rurdev.usda.gov/rhs/index.html ⁹⁸

Section 538-Guaranteed Rural Rental Housing Program

The Rural Housing Programs guarantee loans under the Rural Rental Housing Guaranteed loan program for development of multi-family housing facilities in rural areas of the United States. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.

Eligible applicants include citizens of the United States or a legally admitted alien for permanent residence, nonprofit organizations such as a local government, community development groups or American Indian tribes, bands, groups, or nations (including Alaskan Indians, Aleuts, Eskimos, and any Alaskan native village), or a for-profit corporations.

Eligible lenders include those who are currently approved and considered eligible by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank members, or the Department of Housing and Urban Development for guaranteed programs supporting multifamily housing. State Housing Finance Agencies may also be considered eligible.

Housing occupants must be very low, low or moderate-income households, elderly, handicapped, or disabled persons with income not in excess of 115% of the area median income. The average rent of all units is 30% of 100% of the median income of the surrounding area (adjusted for family size).

The program is limited to rural areas. Generally, communities are eligible if they have populations of not more than 10,000, or more than 20,000 if there is a serious lack of mortgage credit.

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Fax: 352-338-3437

Website: www.rurdev.usda.gov/rhs/index.html ⁹⁹

⁹⁸ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

⁹⁹ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

Section 514/516-Farm Labor Housing Loan

The Farm Labor Housing Loan and Grant program provides capital financing for the development of housing for domestic farm laborers. Farm Labor Housing loans and grants are provided to buy, build, improve, or repair housing for farm laborers, including persons whose income is earned in aquaculture (fish and oyster farms) and those engaged in on-farm processing. Funds can be used to purchase a site or a leasehold interest in a site, to construct housing, day care facilities, or community rooms, pay fees to purchase durable household furnishings, and to pay construction loan interest.

Loans are for 33 years at 1% interest, except as noted above. Grants may cover up to 90% of development costs. The balance may be a Farm Labor Housing Program loan.

Program Contact:

Florida State FSA Office
P.O. Box 141030
Gainesville, FL 32614-1030
Phone: 352-379-4500
Fax: 352-379-4580 ¹⁰⁰

Section 533-Housing Preservation Grant (HPG)

The Housing Preservation Grant (HPG) program provides grants for the repair or rehabilitation of low- and very low-income housing. The grants are competitive and are made available in areas where there is a concentration of need.

Those assisted must own very low or low-income housing, either as homeowners, landlords, or members of a cooperative. Eligible sponsors include state agencies, units of local government, Native American tribes, and nonprofit organizations.

The Housing Preservation Grant program is designed to facilitate the repair or rehabilitation of individual housing, rental properties, or co-ops owned or occupied by very low and low-income rural persons.

Housing Preservation Grant assistance is available to both home owners, and owner of rental property provided the resulting units are made available to very-low and low-income families. Financial assistance is provided in the form of a grant, loan, interest reduction on commercial loans, or other comparable assistance.

Program Contact:

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Gainesville, FL 32606
Phone: 352-338-3435
Fax: 352-338-3437
Website: www.rurdev.usda.gov/rhs/index.html ¹⁰¹

¹⁰⁰ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006; Shimberg Center for Affordable Housing.

¹⁰¹ Florida Housing Coalition, Creating Inclusive Communities in Florida, Guidebook for Local Government, June 2002; the United States Department of Agriculture, electronic resource: www.rurdev.usda.gov/rhs/index.html, accessed September 11, 2006 Shimberg Center for Affordable Housing.

Neighborhood Lending Partners

Originally founded as the Tampa Bay Community Reinvestment Corporation (TBCRC), Neighborhood Lending Partners provides loan assistance for the purposes of community revitalization, affordable housing development, commercial revitalization, and community support services. The company was created through the joint efforts of 18 separate lenders and the Federal Home Loan Bank of Atlanta.

As the Neighborhood Lending Partners of West Florida, Inc. has expanded, corporate restructuring has enabled the creation of affiliate companies: the Neighborhood Lending Partners of South Florida, Inc. (NLPSF), the Neighborhood Equity Partners, Inc. (NEP), and the Neighborhood Lending Partners Homeownership Fund, Inc. (NLPHF).

Each affiliate organization administers a revolving loan pool from which loans are funded. Each loan is approved in accordance with the execution of a mortgage on the property. Once in place, the loans are designed to be sold to the secondary market, thereby allowing the funds to recycle and finance future projects.

The Neighborhood Lending Partners administer six types of financial assistance to qualified applicants:

- Multi-Family Rental Properties: Construction/Rehabilitation Loans
- Multi-Family Rental Properties: Permanent Loans
- Real Estate Based Economic Development Loans
- Single Family Acquisition, Development and Construction Loans (both attached and detached)
- CDFI Loans
- SHIP Underwriting and administrative services

A brief narrative of each respective programs is provided in the following paragraphs.

Multi-Family Rental Properties; Construction/Rehabilitations Loans

Construction and rehabilitation loans are to be used for new construction or substantial rehabilitations on multi-family rental properties. As defined under the loan program, multi-family properties are those that contain at least five rental units.

Although the construction and rehabilitation loans are funded by the member loan pool, the Neighborhood Lending Partners are considered the sole provider. Therefore, there is only one loan, one loan fee, one loan closing and one lender.

Multi-Family Properties; Permanent Loans

Permanent loans are also funded by the Member Loan Pool. Loan terms are available for 15 or 30 years. The 30 year loans apply to pre-sold transactions. All pre-sold loans with a loan term greater than 15 years will have a loan condition that the loan term will be reduced to 15 years if the sale does not close.

Prepayment premiums will follow the Fannie Mae Yield Maintenance formula when the interest rate adjustment period exceeds 5 years, or if the loan is to be sold in the secondary market. For interest rate adjustment periods of 5 years or less, it will be a predetermined percentage of 1%-3%, based on the remaining years in the adjustment period.

Real Estate Based Economic Development Loans

Economic development loans are geared toward properties located in empowerment zones, enterprise zones, low and moderate income neighborhoods, other areas targeted for redevelopment, or properties owned by non-profit organizations where the respective non-profit provides services. Property types may include: commercial, industrial, and retail properties, with a preference for retail and mixed-use development, including some percentage of residential. Loans are available for construction and rehabilitation as provided for in the multi-family property permanent loan program.

Single-Family Acquisition, Development and Construction Loans (both attached and detached)

Financing for the acquisition, development and construction of single family housing for developers and builders is available through the Neighborhood Lending Partners South Florida (NLPSF) office, and the Neighborhood Lending Partners Homeownership Fund (NLPHF). The loan program offers one loan structure for the acquisition of horizontal development of the lots, and two loans structures for the construction of the homes. In this manner, the loans can be tailored according to the type of construction. For example, different loan structures may suit single-family detached homes better than town homes, or condominiums.

CDFI Loans

Community Development Financial Institutions loans are funded through the CDFI pool. Loans must be used for the provision of affordable or special needs housing, and must comply with the following restrictions

At least 20% of the units must be either occupied by households earning not more than 50% of the area median income for the appropriate MSA or county, or serve one or more of the following special need populations: the elderly, the disabled, farm workers, large families, single parent households, individuals in substance abuse recovery programs, individuals that are chronically mentally ill, and individuals requiring assistance in living.

At least 40% of the units must be occupied by households earning not more than 60% of the area median income for the appropriate MSA or county, or at least 51% of the units must be occupied by households earning not more than 80% of the area median income for the appropriate MSA or county.

Loans must also be approved for matching funds by a local government provider. In the case of Hillsborough County, the county government would be responsible for this approval. Loans available through this plan may be used for construction, rehabilitation, and permanent loans.

SHIP Underwriting and Administrative Services

The Neighborhood Lending Partners (NLP) provide second and third mortgages for projects targeting very low income residents and those with special housing needs, for example the elderly, disabled, single parent and farm worker families.

The NLP also works in conjunction with local government in the administration of SHIP funds, providing loan origination, loan underwriting, and loan management. Other services include semi-annual property inspections and compliance monitoring.

Affordability Requirements

All multi-family projects by the NLP are subject to the following affordability requirements:

- At least 20% of the units must be occupied by households earning less than or equal to 50% of the area median income of the appropriate Metropolitan Statistical Area.
- At least 40% of the units must be occupied by households earning less than or equal to 60% of the area median income of the appropriate Metropolitan Statistical Area,
- At least 51% of the units must be occupied by households earning less than or equal to 80% of the area median income.

Contact Information for all of the NLP programs:

3615 West Spruce Street
Tampa, FL 33607
Phone: 813-879-4525
Fax: 813-873-9767

1500 San Remo Avenue, Suite 140
Coral Gables, FL 33146
Phone: 305-666-6153
Fax: 305-666-5317

The City of Tampa

The City of Tampa’s Department of Housing and Community Development offers several programs designed to assist in the development of affordable housing. In response to the decline of many Tampa neighborhoods during the 1980s, the Department of Community Development (formerly the Community Redevelopment Agency) sought to assist residents in housing repair, the preservation of the City’s housing stock, and to provide first-time home buyers with homeownership opportunities. The majority programs are of special interest to this report, and are described as follows.

Down Payment Assistance Program

The City offers down payment and closing costs assistance in the form of a Deferred Payment Loan to income qualified homebuyers purchasing a single family home in the City of Tampa. As defined by the Department of Housing and Community Development, a deferred payment loan is second mortgage with a zero percent interest rate, which requires no monthly payments as long as the property remains as the primary residence. A deferred payment loan is secured by a mortgage and a promissory note (i.e. a second mortgage or lien), which defers repayments until a default occurs. This lien remains in effect indefinitely. A default will cause the loan to become due and payable. Default occurs in any of the following situations:

- Transfer of title
- Failure to maintain the residence as primary homesteaded property
- Failure to maintain Fire & Hazard Insurance
- Failure to pay Property Taxes
- Default on first mortgage

An applicant may be eligible for a deferred payment loan provided he has not owned a home in the last three years, has been approved for primary financing by a lender, whose debt ratio is at or below 31% (Principal, Interest, Taxes, Insurance ÷ monthly income) and 43% ([Principal, Interest, Taxes, Insurance + monthly debt] ÷ monthly income), and whose income is less than or equal to 80% of the area median income as defined by HUD, or less than or equal 120% median income as defined by the SHIP program and household size. Furthermore, the annual percentage rate of annual financing cannot exceed the 30-year fixed rate as defined by the FHA.

Eligible homes include single family detached structures, condominiums, and town homes. The home must be the applicant’s primary homestead, and the total purchase price must not exceed \$226,000.

A down payment is generally required for these transactions, although this is dependent on the lender and the income level of the applicant. Certain requirements for down payment may vary depending on the applicant, and certain fees may be waived as a result of income.

Several agencies offer approved homebuyer education classes. As provided by the Department of Housing and Community Development, a list of said agencies is as follows:

The Housing and Education Alliance.....phone: 813-261-5151

The Center for Affordable Housing (THA)(16 hours) phone: 813-251-5402
 Third Federal Savings and Loan (Ida Campbell)..... phone: 813-333-1671
 ACORN* phone: 813-333-2846
 NACA* (Neighborhood Assistance Corp. of America) phone: 813-287-5051

*Note: some agencies provide homebuyer education as part of a complete homebuyer assistance program, which includes more than homebuyer education.

Rehabilitation of Owner Occupied Residences-Deferred Payment Loan Program

The City of Tampa shall provide Deferred Payment Loans for the Rehabilitation of owner occupied residences. The maximum loan for such rehabilitation is \$50,000. The program is designed to accommodate the needs of low and very low income households.

In order to be eligible for assistance, the subject building must be in violation of the Minimum Standards Code, and repairs are limited to specific code violations. The removal of trees, inoperative vehicles, accumulations and overgrowth are services not eligible for this program. If, due to the extent of deterioration, the structure cannot be made decent, safe and sanitary, for a total cost that does not exceed the maximum amount of assistance available under this program, the structure shall be determined to be ineligible for this program. If the owner of the structure can provide the additional funds needed to make the structure decent, safe, and sanitary, the structure can then be considered eligible. Owner’s funds must be verified prior to closing, and placed in a construction escrow account at time of rehabilitation loan closing. The dwelling must be located within the City of Tampa.

The interest rate on these loans shall be 0% and payments on the loan shall be deferred while the property remains the applicant’s primary homestead residence. Property taxes must be current. Applications shall not be approved for funding if there are delinquent property taxes outstanding.

Applicants are also subject to the income limits as defined by the federal government and the Department of Housing and Urban Development. These income limits are as follows:

Table 32: HUD Income Limits

Household (number of people)	Low-Income (80%)	Very Low (50%)	Extremely Low (30%)
1	\$28,300	\$17,700	\$10,600
2	\$32,300	\$20,200	\$12,100
3	\$36,350	\$22,750	\$13,650
4	\$40,400	\$25,250	\$15,150
5	\$43,650	\$27,250	\$16,350
6	\$46,850	\$29,300	\$17,550
7	\$50,100	\$31,300	\$18,800
8	\$53,350	\$33,350	\$20,000

Contact Information:

City of Tampa
Housing and Community Development Division
2105 North Nebraska Avenue
Tampa, FL 33602
Phone: 813-274-7954
Fax: 813-274-7927

Bond Program-Hillsborough County

City of Tampa residents are also eligible for a program offered by Hillsborough County, through the Housing Finance Authority. The Bond program provides a “blended” mortgage rate of 4.79%. The 100% financing will be provided by a combination of a 5.99% first mortgage for 80% of the loan, with a 0% second mortgage for 20% of the loan. Funding will be allocated through either Hillsborough County or City of Tampa SHIP funds.

First-time buyers must qualify for credit and qualify under income and sales price limits. Eligible applicants include those earning less than or equal to 80% of the area median income as defined by the Department of Housing and Urban Development, or those earning 120% of area median income as defined by SHIP.

For buyers earning above 80% of median, the 0% City of Tampa or Hillsborough County financing will be limited to 20% of the purchase price. For buyers at or below 80% of median income, additional assistance (up to a maximum of \$60,000) is available, with the actual amount of assistance based upon need (contact City of Tampa or Hillsborough County for details).

Contact Information:

Interested buyers should contact the SHIP Program. Those buying a home within the city limits of the City of Tampa should call 274-7954, and ask for the Down Payment Assistance Program. Those buying anywhere in Hillsborough County other than within the City of Tampa should call 274-6673 and ask for the Bond Program.