

we make housing affordable

Florida Housing
Finance Corporation

Live Local Program

Marisa Button
Managing Director of Strategic Initiatives

Florida ALHFA
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227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
850.488.4197 • 850.488.9809 Fax

www.floridahousing.org

Overview of Florida Housing Finance Corporation

- Chapter 420, Part V, Florida Statutes governs Florida Housing Finance Corporation (FHFC).
- FHFC was created to meet statewide affordable and workforce housing needs through the administration and implementation of programs related to the allocation of resources for the development and preservation of rental housing and homeownership opportunities.
- FHFC is governed by an eleven-member Board of Directors. The Governor appoints nine members. The Senate and House appoint one member each.
- The 2023 Live Local Act expanded FHFC programming!

Guiding Principles of Florida Housing Finance Corporation

- Prioritize mission and strategic plan.
- Conduct data-based decision making.
- Obtain public and stakeholder feedback and participation.
- Operate with transparency.
- Administer programs with maximum flexibility for market conditions.
- Ensure predictability for private sector financing partners.

Overview of Affordable Housing Delivery System

- Private developers seek financing from Florida Housing to build rental housing.
- In exchange for the financing, the owner of the development agrees to reserve units to be set aside at certain Area Median Incomes (AMIs), with associated rents, which are designated by state or federal statute.
- The rental units are then required to be set-aside for 30-50 years, depending on the financing program.
- Most resources are administered competitively.

What is the Difference Between Affordable and Workforce Housing?

- Nothing!
- Traditionally, workforce housing is considered housing for individuals whose incomes are greater than 60% AMI, but less than 120% AMI.
- Affordable housing has been considered housing for individuals whose incomes are at or below 60% AMI; however, data reflects these individuals are part of the workforce.
- What AMIs have the greatest need for housing?
- How is need determined?

Example Occupation AMIs

Occupation	Collier County AMI 1 Person HH	Orange County AMI 1 Person HH
Childcare Worker	45%	45%
Home Health Aide	45%	45%
Food Service Worker	50%	55%
Hospitality Worker	45%	55%
Construction Laborer	60%	65%
Customer Service Rep.	60%	70%
Auto Mechanic	70%	70%
Firefighter	90%	80%
Police Officer	90%	90%
School Teacher	110%	80%
Nurse	120%	120%

Source: Shimberg Center, 2023 Wage Data; FHFC 2023 Income and Rent Limits

Overview of the Live Local Act

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

Florida Housing Live Local Programs

- Florida Hometown Heroes Program
- Live Local Program Tax Credit Contribution
- Multifamily Middle Market Certification
- Additional Innovative and Transformational Live Local SAIL Funding Opportunities
- NEW in 2024! “Year One” Affordable Housing Ad Valorem Tax Exemption

Florida Hometown Heroes Program

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

Live Local Program Tax Credit Contribution

- Taxpayers with corporate or insurance premium tax liability can apply to Department of Revenue (DOR) for Live Local Program Tax Credit allocation.
- Taxpayer makes contribution in the amount of the tax credit allocation request to Florida Housing at any point prior to corporate tax filing deadline.
- If taxpayer's credit allocation is approved by DOR, they must make a monetary contribution to the [Florida Housing Finance Corporation](#) before claiming a credit against tax due.
- After taxpayer's submission of contribution, Florida Housing will issue a Certificate of Contribution containing the amount of the contribution and the date received.

How to Apply for Reservation

The screenshot displays the Florida Department of Revenue website. At the top left is the Great Seal of the State of Florida. The main header features the Florida Department of Revenue logo and a search bar. A navigation menu includes links for HOME, CHILD SUPPORT, PROPERTY TAX, GENERAL TAX (highlighted in red), TAX DATA, and CONTACT. Social media icons for Instagram, LinkedIn, X, and Facebook are in the top right. The main content area is titled 'Live Local Program Tax Credit' and contains the following text:

The Live Local Program Tax Credit was established in 2023 to support the Florida Housing Finance Corporation State Apartment Incentive Loan Program.

Under the program, taxpayers can make private monetary contributions to the Florida Housing Finance Corporation and receive a dollar-for-dollar credit against the following Florida taxes:

- corporate income tax
- insurance premium tax

Beginning October 1, 2023, taxpayers who wish to participate must apply to the Department of Revenue for an allocation of tax credit.

References: Sections 220.02, 220.13, 220.1878, 420.50872, 624.509, 624.51058, Florida Statutes; Chapter 2023-17, Laws of Florida.

On the left sidebar, there are sections for 'Important Information' (Privacy Notice - Disclaimer), 'Quick Links' (Contact Us, Taxes and Fees or Refunds, Tax Incentives for Businesses), and 'Resources' (Tax Information Publications).

Multifamily Middle Market Certification

- Ad valorem property tax exemption for multifamily rental developments at:
 - ❖ 75% of the assessed value - if the property leases housing to natural persons or families whose annual household income is greater than 80% AMI, but no more than 120% AMI
 - ❖ 100% of the assessed value - if the property leases housing to natural persons or families whose annual household income does not exceed 80 AMI
- The property must contain more than 70 units (unless Are of Critical State Concern – + 10 units) dedicated to persons or households whose incomes are no more than 120% AMI.

Multifamily Middle Market Certification

- Property owners must seek a certification from Florida Housing.
- Property owners will submit the property certification request, including a recent market study and other required documentation through an on-line registration and request submission portal.
- Florida Housing will review the request and documentation. If the property meets the requirements, Florida Housing will issue a certification to the property owner and notify the respective local property appraiser.
- 2025 Opt Out for 120% AMI set aside.
- Portal for 2025 will open September 2024.

Additional SAIL – Innovative Multifamily Development

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

Additional SAIL – Innovative Multifamily Development

➤ Innovative Criteria through RFA Development

- Mixed Income
- Urban Infill
- Public Lands
- Youth Aging out of Foster Care
- Elderly
- Redevelopment
- Housing Near Military Installations
- Housing in Rural Areas of Opportunity

Florida Housing Data Clearinghouse

➤ Creation:

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

➤ Purpose:

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

➤ Functions:

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

➤ The Clearinghouse website:

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

“Year One” Affordable Housing Ad Valorem Tax Exemption

- Beginning with the 2026 tax roll, multi-family project property that meets the requirements of the new subsection is considered property used for a charitable purpose and is exempt from ad valorem taxation beginning the first January 1 after the property was placed into service. The multifamily project must:
 - Be an improvement to land where the improvement did not previously exist or be a new improvement where an old one was removed and was substantially completed within 2 years before the first submission of an application for this exemption.
 - Contain more than 70 units for affordable housing.
 - Be subject to a land use restriction agreement with the Florida Housing Finance Corporation which requires the property to be used for affordable housing (up to moderate income) for 99 years and the agreement must include a specific penalty for ceasing to provide affordable housing before the end of the agreement term.
 - Require the property owner to submit an application to the property appraiser by March 1. The property appraiser must review the application and make a determination of eligibility and may request additional information as necessary.

FHFC Live Local Act Listserv

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

Thank you!