Florida Focuses on Urban Revitalization; Keeps Its Position as National Leader for Affordable Housing Funding

by Jaimie Ross and Mark Hendrickson

Affordable housing legislation in 1999 centers around the theme of urban revitalization. The Legislature passed a package of initiatives that create regulatory and financial incentives for developing or redeveloping urban areas, and appropriated more than $150 million for affordable housing programs. Major initiatives, which should work in concert are: (1) 1999 Growth Policy Act; (2) the State Housing Tax Credit; (3) the Office of Urban Opportunity (the Front Porch Florida Initiative); (4) William E. Sadowski Act and, (5) other initiatives related to affordable housing and community development.

The following summary of the 1999 legislation highlights only those portions of the legislation related to affordable housing, and in particular those provisions that relate to urban revitalization.

Growth Policy Act*
The 1999 Growth Policy Act is a series of changes to Chapter 163, Florida Statutes, designed to curb urban sprawl and repair distressed urban centers.

Local governments can designate one or more “urban infill and redevelopment areas.” The statute provides guidance on what comprises an urban infill and redevelopment area; it is an area where public services are basically available, where most of the area is or will be served by public transit, where there is pervasive poverty, unemployment, and general distress, and substandard overcrowded conditions. The local government will need to amend the future land use map of its comprehensive plan to delineate the boundaries of the urban infill and redevelopment area. This amendment is not subject to the twice per year restriction on comprehensive plan amendments.

To receive designation as an urban infill area, the local government must prepare a plan using a holistic, collaborative process that involves the community in a visioning process for the urban

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FLORIDA HOUSING COALITION

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FROM THE EXECUTIVE DIRECTOR

We’ve all experienced it: the blank page on the computer screen. Faced with its intimidating white glare, I found myself with so much to say, it was difficult to decide what good news to share and what would have to be left out. Yet, we’ve all also experienced the thrill of the results from those difficult starts.

The Coalition’s technical assistance team recently stared down a few blank screens, transforming them into this issue’s useful articles on a variety of topics, the design of our 12th annual affordable housing conference, and new Catalyst workshops. Our work to enhance your continued professional development and bring together resources to create more affordable housing is both rewarding and exciting.

In This Issue of HNN

In their lead article, Jaimie Ross, Coalition Counsel, and Mark Hendrickson, Coalition Vice Chairperson, describe the results of the 1999 legislative session as these new laws and legislative funding will affect affordable housing and community development. The two substantive bills and the appropriations bill that they analyzed for the article are monumental in scope, reaching well beyond housing to create many potentially useful programs and funding sources for economic and community development. The Coalition will bring you more information about the implementation of the state’s affordable housing programs and the details about new economic development programs at our conference this fall.

12th Annual Conference

Speaking of the conference, the Coalition’s conference committee, led by committee chairperson Jim Dyal, has been hard at work planning our annual affordable housing conference: From the Front Porch to Main Street. This year, we are trying something new: a shorter format and a combination of broad, awareness-raising workshops; practical,
in-depth training in three tracks: increasing home ownership, developing multifamily rental housing, and creating housing for people with special needs; and shorter, special-topic seminars.

In addition to the training, we’ve built in the networking time you’ve told us is so valuable and we are bringing back the popular updates from the Governor’s Office, the Department of Community Affairs, and the Florida Housing Finance Corporation. We’re also putting a new twist on the popular success stories segment this year. Join us on November 8 and 9 in Sarasota to find out what it is. Pages 10 & 11 have more information about the conference and the registration details will be sent to you by mail in the next few weeks.

Catalyst Workshops
With the ink on the Catalyst workshop evaluation forms barely dry, the Coalition’s Technical Assistance Specialists and DCA’s Catalyst program manager began work on the new series of training workshops for Florida’s affordable housing programs. The 1999-2000 Affordable Housing Catalyst Program workshop series includes training sessions that will help you with overall program implementation, prepare you to develop housing programs to better serve low income households, and give you insight into the fundamentals of housing development. We are very enthusiastic about the approach the Department of Community Affairs wanted to take with this year’s workshops. As always, the workshops will help those new to affordable housing development understand program requirements; however, several new workshops are designed for those of you who are ready to explore topics in greater detail. The workshops begin in late September. The workshop catalog and registration form will also arrive in your mailbox soon.

Your Feedback is Put to Use
Two key ingredients go into the Coalition’s ability to transform blank computer screens into information you can use every day and into training programs that you can use for continued professional development. The first is the feedback you give us through your calls, letters, and conference and workshop evaluations. When you let us know about your needs for information, training, and technical assistance and how we are doing in meeting those needs, we can assure that we are delivering top-quality training. I encourage you to continue to let us know how we are doing.

The second ingredient is the expertise and dedication of the Coalition’s Technical Assistance Team. This team of professionals includes the Coalition’s Board of Directors and technical assistance specialists. Through our close work with other state and national organizations and by monitoring the implementation of Florida’s and the nation’s housing policies, not only do we maintain working knowledge of the programs and the philosophies on which they are based, but we also help to shape how the policies and plans for their implementation are developed. We also practice what we preach by investing in our own professional development so that we can bring you effective training and technical assistance on the leading affordable housing topics.

Going Toward the Goal
Typing that first word on the blank computer screen requires knowing where you want to go and what you want to say about it. Or, as Stephen Covey more authoritatively says in his often-quoted Seven Habits of Highly Effective People, “begin with the end in mind.”

Each day, the members, directors, and staff of the Florida Housing Coalition begin with this end in mind: all Floridians should have access to a decent, safe, affordable home and suitable living environment. Working together, we’ll get there.
Continued from page 1

Housing Legislation

core. In lieu of preparing a new plan, the local government may demonstrate that an existing plan or combination of plans meets all the requirements of the Growth Policy Act. The urban infill and redevelopment plan must be adopted by ordinance.

Upon designation, these areas are entitled to local government regulatory relief, which may include such items as: waiver of delinquent taxes or fees to promote the return of property to productive use; prioritization of infrastructure spending within the urban infill and redevelopment area; and local government absorption of developers’ concurrency requirements, as well as financial incentives for local governments, including the ability to exercise powers of a community redevelopment neighborhood improvement district, such as the power to levy special assessments, to issue revenue bonds, and to use tax increment financing.

State agencies, such as the Department of Community Affairs, and the Florida Housing Finance Corporation, are expected to give priority in funding whether grants or loans in urban infill and redevelopment areas and these areas will be given priority in the allocation of private activity bonds from the state pool prior to July 1 of each year.

The Growth Policy Act also establishes a grant program for local governments. Thirty percent of the general revenue appropriated will go for planning grants for the local government to use in the development of its urban infill and redevelopment plan. Sixty percent of the appropriation will be available for fifty/fifty matching grants for implementing urban infill and redevelopment projects. The remaining 10 percent of the monies go for outright grants to implement projects requiring an expenditure of less than $50,000. The Department of Community Affairs will administer the grant program and will promulgate rules establishing grant review criteria. Some of the criteria are set forth in the statute, such as a preference for projects that provide employment opportunities for WAGES clients, and for projects in urban infill areas that include a Florida Main Street program, Front Porch Florida Community, sustainable community, state enterprise zone, federal enterprise zone or enterprise community, or neighborhood improvement district.

State Housing Tax Credit*

To meet the financial needs of those undertaking urban revitalization efforts, and to encourage the participation of private corporations in the effort, the 1999 Legislature created the state housing tax credit. The state housing tax credit grants a state corporate income tax credit to qualified low-income housing projects including housing specifically designed for the elderly and associated mixed-use or commercial projects.

The state housing tax credit is similar to the federal low income housing tax credit, except that it is targeted exclusively to urban infill areas and focuses on mixed income and mixed use development, and is a five-year credit (as opposed to 10 years).

Florida Housing Finance Corporation is charged with administering the program. The State Housing Tax Credit Program is created in Section 420.5093, Florida Statutes, with a $2.5 million-appropriation.

Office of Urban Opportunity** (the Front Porch Florida Initiative)

The Office of Urban Opportunity is created in Section 14.2015(9)(a), Florida Statutes. This Office is created within the Governor’s Office of Tourism, Trade, and Economic Development. “The purpose of the Office of Urban Opportunity is to administer the Front Porch Florida Initiative, a comprehensive, community-based urban core redevelopment program that will empower urban core residents to craft solutions to the unique challenges of each designated community.” No further detail is given regarding Front Porch Florida except that the Office of Urban Opportunity is directed to work with Enterprise Florida to develop a strategic plan for economic development for the state.
Office of Urban Opportunity
Front Porch Florida Initiative

A cornerstone of gubernatorial candidate Jeb Bush’s platform in his successful bid for governor was A Comprehensive Policy for Improving the Quality of Life in Florida’s Urban Cores “One Neighborhood at a Time,” also known as the Front Porch Florida Initiative.

On May 1, 1999, Patrick Hadley assumed the appointment as Governor’s Liaison for Community Development. He is also the Director of the newly established Office of Urban Opportunity, Office of Tourism, Trade and Economic Development.

In this role, Mr. Hadley will oversee the implementation of Gov. Jeb Bush’s desire of improving the quality of life and revitalizing urban areas through the Front Porch Florida Initiative.

The goal of Front Porch Florida is to advance an urban policy that will release the power of local communities in Florida’s urban cores to rebuild their neighborhoods through a redevelopment process that is neighborhood asset-based, community focused, and relationship driven. Front Porch Florida will employ a comprehensive approach, empowering urban core residents to define and craft solutions to their problems, while bringing to the table those who influence education, economic and environmental circumstances. The initiative has a specific goal of establishing three Front Porch communities this year, and 20 communities by the year 2002.

Patrick Hadley brings to the office his experience as Executive Director of the MAD DADS of Greater Ocala, Inc. Chapter, and National Vice President of MAD DADS based in Omaha, Nebraska. He oversaw the development, coordination, planning, direction and implementation of nine active programs and 41 chapters of MAD DADS throughout the State of Florida.

There is a $4,752,000 appropriation to Office of Urban Opportunities for Front Porch Florida, of which Inner City Redevelopment Grant Program gets $2,390,000. In addition, the Office of Urban Opportunity will work with other agencies in administering programs targeted for Front Porch Florida Communities. Two examples follow:

- In a separate bill,* the Urban Homesteading Act is created (see section 420.630 et.seq., Florida Statutes). The Urban Homesteading Program is intended to be another component of Front Porch Florida. It is a program for local governments or their designees (which could be public housing authorities or community non-profit organizations appointed to administer the program) to deed single family residences to qualified buyers for one dollar ($1.00). Qualified buyers must: live in the property for at least five years; have incomes below the state median; meet certain employment requirements; show that they are free from drug-related felony convictions for the three previous years; show that their children, if any, are attending school; and meet the terms of locally designed homesteading agreements and any financial requirements in those agreements.

If there is a bonded indebtedness on the property, the prospective owner may have to pay the pro rata share of the bonded debt. In that event, the Department of Community Affairs in consultation with the Office of Urban Opportunity, will provide loans to the qualified buyers. Urban Homesteading has a $400,000 general revenue appropriation.

- The 1999 Appropriations Bill also provided $600,000 to Keep Florida Beautiful, Inc. (an existing entity) to assist the Front Porch Initiative in the clean up of urban areas.

Continued on page 6
**William E. Sadowski Affordable Housing Act**

Of course, Florida’s most important affordable housing initiative remains the William E. Sadowski Affordable Housing Act of 1992, which was funded by the 1999 Legislature in the amount of $148.9 million. The Sadowski Act provides a dedicated revenue source for both state and local affordable housing programs and remains the national model for state funding. Following the end of the session a current fiscal year (FY98-99) budget amendment

<table>
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<tr>
<th>Program</th>
<th>Total Funding</th>
<th>Funding Source</th>
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<td>Florida Housing Finance Corporation</td>
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<td>SHIP</td>
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<td>SHIP Monitoring</td>
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<td>PLP</td>
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<td>HOME Match</td>
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<td>Guarantee Fund</td>
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<td>Low-Income Emergency Home Repair</td>
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<td>OPS Training</td>
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<td>Admin (FTE’s)</td>
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<td>Homeless Emergency Shelter Grants</td>
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*Neither the appropriation act nor the budget backup has a breakout between these programs.*

**Other FY 99-00 Housing and Urban Infill Appropriations**

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<th>Total Funding</th>
<th>Funding Source</th>
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<td>State Housing</td>
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<td>Tax Credit</td>
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<td>General Revenue</td>
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<tr>
<td>to $2,900,000*</td>
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<td>HOME Investment Partnerships</td>
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<td>Federal HOME</td>
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<td>Department of Community Affairs</td>
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<tr>
<td>Urban Homesteading</td>
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<td>General Revenue</td>
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<td>Affordable Housing</td>
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<td>Study Commission</td>
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<td>Building Permit</td>
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<td>Surcharge</td>
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<td>Governor’s Office</td>
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<tr>
<td>Front Porch Florida</td>
<td>$4,752,000</td>
<td>General Revenue</td>
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<td>Department of Children and Families</td>
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<td>Project specific Appropriation</td>
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<td>Tobacco Settlement</td>
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<td>TF</td>
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<tr>
<td>Front Porch Florida</td>
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<tr>
<td>(urban litter program)</td>
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<td>Solid Waste Management TF</td>
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*The State Housing Tax Credit received funding in both the appropriations act ($400,000) and in the legislation that created the program ($2.5 million). It is unclear as to whether the appropriations are cumulative.*

**Other Initiatives**

Other important housing legislation which will support the urban initiative as well as rural housing efforts are:

- Ad valorem tax exemption for nonprofit providers of affordable housing. Section 196.1978, Florida Statutes, was
created to clearly establish an ad valorem tax exemption for property fully owned by a 501(c)(3) organization, and which is funded by any state housing program authorized under Chapter 420, Florida Statutes, to provide housing for low- or very low-income persons. This was done in response to a court case that called into question whether affordable housing met the test as a charitable activity.

- **The FAMU Institute on Urban Policy**, which was created by the 1998 Legislature was funded to create nine regional urban centers to be located in the inner cities of St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Fort Lauderdale, Miami, Daytona Beach and Pensacola (see sidebar).

- **The State Apartment Incentive Loan (SAIL) program** was amended to allow the Florida Housing Finance Corporation to fund a project up to the cost of development even if the property does not appraise for the loan amount. This change addresses the problem of developing in urban infill areas and in rural areas, where the costs of development often exceed appraised value.

* See CS/CS/HB 17, Third Engrossed  
**See CS for CS for SB 1566, 2nd Engrossed

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**Institute of Urban Policy and Commerce at Florida A&M University (FAMU): A New Resource for Community Development**

The Institute of Urban Policy and Commerce at Florida A&M University is a small organization with a large mission. Because of its focus on community development and housing issues, the Florida Housing Coalition is exploring opportunities for a partnership with the Institute in the coming years. While the Institute is in its early stages of formation, the legislature has established an ambitious vision for the Institute to develop comprehensive urban strategies and partnerships to address critical economic, and physical issues through applied research and training. This vision includes:

- Conducting research in order to shape Florida policy and as a basis for sharing information;
- Building capacity within urban communities to foster and sustain economic and social vitality that is based in the community and to be a liaison for economic development; and
- Training a new generation of civic leaders and university students interested in approaches to community development.

The Institute will ultimately operate nine urban centers, as designated in the statute (see left). Currently, the Institute operates two programs:

- **The Self-Employment Training Institute.** This program targets eligible participants who have the talent and motivation to become self-employed. Potential candidates are enrolled in 6- to 8-week programs covering topics such as recruitment and assessment, business skills development, business plan development, capital search and identification, and ongoing advisory and mentoring services.

- **Revitalizing Urban Neighborhoods (RUN).** This program is a holistic and comprehensive planning process which will result in a neighborhood strategic plan. Demonstration neighborhoods include Bartlett Park and Melrose Mercy neighborhoods.

The Institute, in partnership with DCA, presented a CDC Conference on July 22-24 at the Radisson Riverwalk Hotel in Tampa.. Presenters from the Coalition included Board of Directors Chairperson Mary Sorge (Bank of America), and Past Chairperson Dan Horvath (Community Equity Investments, Inc.) The Coalition took part in the Networking Reception held on the 24th.

For more information, contact Patricia Walker-McGill at (850)
Florida’s Cooperative Extension Service Offices are potential housing partners that can enhance your affordable housing programs. One of the newest and most helpful resources available from the Extension Service is training on energy efficiency. This Fall, the Extension Service will offer training to help affordable housing providers enhance the long-term affordability of the housing they produce by increasing attention on energy efficient construction practices. The success of extension offices in helping low-income home owners and home buyers is also demonstrated in several communities.

Each county has an extension office staffed with one or more full-time professionals. But what services do they provide? The Cooperative Extension Services Offices were established in the early 1900s to offer a variety of educational services to families, farmers and youth groups throughout Florida. Each extension service office receives a combination of funding from the U.S. Department of Agriculture, the State of Florida, and the county where it is located. From their inception, these offices were intended to be the educational arm for each board of county commissioners. Extension service professionals identify and address the needs of citizens in their county, including agricultural technical assistance, activities for youth, and home maintenance education, among other topics. This offers an opportunity for housing administrators to include in partnerships extension service professionals to help them focus on affordable housing needs.

ENERGY EFFICIENCY TRAINING

Information on energy efficiency is an important resource that the extension offices offer to housing administrators, home owners, and home buyers. Addressing the energy efficiency of housing is an important means of ensuring that monthly housing costs are affordable. It is important to include energy efficiency features in newly constructed housing and to add energy improvements to the list of repairs when rehabilitating houses. In addition, homeowners and homebuyers need education to encourage them to adopt behaviors that will result in lower, more affordable utility bills.

The Florida Energy Extension Service (FEES), located at the University of Florida, is the offshoot of the Extension Service network that directly addresses these important education issues. FEES works to foster partnerships among housing providers, builders, real estate professionals, mortgage lenders and home buyers to build, market, and purchase energy-efficient homes.

In September, the Energy Extension Service will offer one-day trainings on energy efficiency-related housing practices. Developed under a contract with the Department of Community Affairs, the workshops are specifically designed for Community Development Corporations and other affordable housing providers. Builders who are working directly with affordable housing providers are strongly encouraged to join their nonprofit partners at the training. The workshops will mainly address energy-efficient practices for new construction. However, some attention will also be placed on rehabilitation work. Specifically, siting and passive design features, energy and water conservation, lighting, and “green” marketing will be addressed. See the sidebar for training dates, locations and registration information.
Because the classes are interactive, class size is limited to 25. Continuing education credits are available for building officials, contractors (excluding electrical contractors) and architects. A nominal registration fee will be charged. Contact Kathleen Ruppert at kcr@gnv.ifas.ufl.edu or fax number (352) 392-4092 for a registration form. Include your name and mailing address and the site of the workshop you are interested in attending.

Other Energy Efficiency Education

FEES staff members have developed other trainings on energy efficiency. The Energy Extension Service has a two-and-a-half hour homebuyer course en-titled *Buy Green & Save*, which includes a clipboard and booklet titled *The Florida Home Buyer’s Guide to Energy and Water Savings*. This material can be incorporated into the homebuyer counseling program provided by any county extension office. In addition, *Build Green & Profit* is an education program that is useful to builders, contractors and developers working with affordable housing. The 14-hour program includes six modules that focus on energy and water conservation, indoor environmental quality, materials selection, site selection, construction operations, and marketing “green” building features. As with the September trainings, continuing education credits are available for this workshop.

Although these energy-related curricula have been developed by a core group of Energy Extension staff at the University of Florida, the staff provides in-service “train the trainers” seminars available to extension service professionals in every county. Contact your local extension office to learn how to include this valuable energy efficiency information into your local initiatives involving new construction or home buyers.

Contact Your County Office

Learn more about the services available in your county. The phone number of your Cooperative Extension Service office is in the government section of your phone book. As an alternative, contact Marie Hammer, Home Environment Specialist with the University of Florida or FAX # (352) 392-8196.

For more energy affordability news, see related article: “Low Income Customers Will Benefit From New Utility Programs” on page 14.
Florida Housing Coalition
12th Annual Statewide Affordable Housing Conference

“From the Front Porch to Main Street”
Hyatt Sarasota Hotel - November 8 & 9, 1999

Agenda at a Glance
Monday, November 8

8:00 Registration and Continental Breakfast
9:00 Opening Plenary Session
  Welcome Address
  State of the State Addresses:
  • Governor’s Office of Urban Opportunity
    (Front Porch Florida)
  • Department of Community Affairs
  • Florida Housing Finance Corporation
  Success Stories
Noon Lunch and Annual Membership Meeting
1:30 Concurrent Workshops I (see topic list)
3:00 Networking Break
3:30 Concurrent Workshops II (see topic list)
6:00 Networking Reception

Tuesday, November 9

8:00 Registration and Continental Breakfast
8:30 Workshop Sessions -
  Choose from 3 Courses (see list)
1:00 Lunch and Keynote Address
2:30 Special Topics Seminars
4:00 Conference Closes

Department of Community Affairs Secretary Steven Seibert

The Coalition’s 12th Annual Statewide Affordable Housing Conference promises to be its best ever. Department of Community Affairs Secretary, Steven Seibert, is already planning his address on Governor Bush’s administration’s initiatives in housing and community development. We will also bring you the latest from the Florida Housing Finance Corporation and Governor’s Front Porch Initiative from the Office of Tourism, Trade and Economic Development.

This year’s conference features tracks for single family and multifamily development, with roundtable settings that lend themselves to getting your questions asked and answered. Whether you need an introduction to housing development, or are an advanced practitioner with specific questions, this year’s conference has much to offer you.

The conference also features workshop sessions, special topics seminars, and, one of the most popular features of our conference, Success Stories - stories of lessons learned from great successes - and not-so-great successes - to understand both the possibilities and the perseverance required when developing housing.

Join us at our 12th Annual Statewide Affordable Housing Conference.
It’s worth your while!
Florida Housing Coalition
12th Annual Statewide Affordable Housing Conference

“From the Front Porch to Main Street”
Hyatt Sarasota Hotel - November 8 & 9, 1999

Preliminary Workshop Topics
- Urban Revitalization and Economic Development
- Community Building Approaches: Getting to the Real Problems
- Legislative Update - Report from 1999 Session
- Housing Preservation - Mark to Market/Hope VI
- Affordable Housing; Tools for Advocacy
- Mixed Income Affordable Housing Developments

Choose from 3 Courses:
- Course 1
  Increasing Homeownership
- Course 2
  Developing Multifamily Rental Housing
- Course 3
  Creating Housing for Special Needs

These courses will be presented in a round-table format, with plenty of time for one-on-one interaction with the presenters. For beginners and seasoned professionals, these workshops will provide an opportunity to receive guidance on current projects, or on concepts that you may be interested in developing into actual successes.

Preliminary Seminar Topics
- Elderly Housing
- Farmworker Housing
- Community Reinvestment Lending
- Fair Housing
- Predatory Lending Practices
- Homebuyer Counseling and Training
- Grassroots Organizing

Hotel Information
Hyatt Sarasota on Sarasota Bay
1000 Boulevard of the Arts
Sarasota, Florida 34236-4898

Room rates for the conference are $85.00 for single/double rooms. The hotel is located on Sarasota Bay and guest rooms feature a water view. To reserve a room, contact the Sarasota Hyatt at (800) 233-1234, or (941) 953-1234 by Monday, October 18, and identify yourself as a Florida Housing Coalition conference participant to receive our special rate. Special conference room rates are also available to conference participants 3 days prior to the conference.

Annual Meeting Notice

Wednesday, Nov. 10th- Special Training for Lenders
This special session for lenders is an add-on to the conference for lenders who want to learn more about Florida’s affordable housing programs and policies and how they can create partnerships.
MARK TO MARKET

Expiring Section 8 Properties: Can Florida Afford to Lose Any?

by Melanie Greene
Technical Assistance Specialist

As I talk with tenants and community leaders around the state about privately held Section 8 properties with expiring contracts, the overwhelming response is “I had no idea this was happening,” or “What can we do?”

This is the coming avalanche of expiring Section 8 contracts currently held by private owners of multi-family properties and the potential for their loss - creating an even wider gap in the stock of affordable housing and those who need it.

In an attempt to lower the escalating costs associated with Section 8 subsidies, particularly project based assistance paid to owners of privately held, (not Public Housing Authorities) multi-family rental properties, HUD embarked on a strategy integrating the need to restructure some contracts alongside the desire to renew expiring contracts. For properties currently receiving in excess of 100% of comparable market rents, HUD is offering owners an opportunity to restructure their mortgages through the Mark to Market Program, also known as M2M. For those with rents below comparable market rates, HUD may consider raising the subsidies if certain market conditions exist - the goal being to limit all Section 8 subsidies to a rate comparable to or below the local market. There are of course many exceptions, rules and regulations, and criteria to be applied making the “portfolio re-engineering” process complicated and often overwhelming for tenants, owners, and concerned communities alike.

Organizations involved in carrying out the HUD restructuring program are:
the Participating Administrative Entity (PAE) which for Florida is the Florida Housing Finance Corporation. They will be in charge of directing the restructuring process;
the Outreach and Training Grantee (OTAG) which is the Florida Housing Coalition - in charge of assuring a broad base of participation from tenants and community entities in the restructuring process;
the Intermediary Technical Assistance Grantee (ITAG) which is the Low Income Housing Fund located in California. They are in charge of providing technical assistance and HUD dollars to tenants and community entities in their efforts to organize and engage in preservation activities.
Each of these organizations work together closely along with the tenants and community entities to provide the best solutions to maintain affordable rents, improve and preserve the physical condition of the housing, and ensure competent property management.

The Florida Housing Coalition has been contracted by HUD through the Outreach and Training Grant to provide information and assist tenants and communities in organizing, planning preservation strategies, and identifying resources to carry out those strategies. In an attempt to provide raise awareness of tenants, community leaders and policy makers, Coalition technical assistance staff are prepared to provide direct services in addressing issues and organizing tenants in communities where properties will be eligible for HUD’s Mark to Market program. Besides face to face (or phone to phone as you prefer) assistance FHC has in-
More than 300 Florida Properties have contracts that will expire before the end of 2002 - the bulk of them expiring in 1999.

More than 300 Florida Properties have contracts that will expire before the end of 2002 - the bulk of them expiring in 1999. These properties provide over 35,000 units of housing to families with low incomes, the elderly and persons with disabilities. Though many private owners will renew their contracts with HUD for a one year period, it is estimated that between 10 and 25% will not renew and “opt-out” of the program or pre-pay their mortgages thus relieving them of obligations to keep rents affordable to low-income tenants. In 2003 and beyond, many thousands of units each year will be added to the number of properties considering renewal on a year to year basis.

A recent study published by the National Housing Trust using HUD data showed Florida experienced a 1400% increase in opt-outs and pre-pays in a recent eight month period (April 1998 to December 1998) as compared to the previous 12 month period. As of December 1998, Florida lost over 4,000 units as owners declined contract renewals or pre-paid their HUD insured mortgages. Most likely to opt out are those receiving subsidies substantially lower than the comparable market - whose buildings are in reasonably good shape allowing them to compete with other nearby properties. These owners will feel they can do as well or better without the subsidy, continue to service their debt and maintain their buildings and since HUD is renewing contracts on a one year basis (renewable yearly but not guaranteed) and tenants are given vouchers, some owners will feel even less compelled to stay in the program. Hardest hit will be communities experiencing rapid growth where housing costs continue to rise and those areas where vouchers will not cover actual costs to tenants or housing providers are unwilling to accept vouchers.

Based on data gathered to date, there are no community or state-wide preservation programs for these properties in place though some larger metropolitan areas are beginning to discuss strategies. First hand accounts of rising rents and forced moves are starting to come in. As stated earlier, it would be unreasonable to think that the bulk of this housing will leave the program but even a minimal loss state-wide could be devastating for a single community. To find out more about expiring Section 8 contracts in your area, contact Melanie Greene, Technical Assistance Specialist with FHC at 941-698-4184 or at  and attend the M2M workshop at our upcoming annual conference - “From the Front Porch to Main Street” on November 8 and 9 in Sarasota.

MARK TO MARKET RESOURCES

- Florida Housing Coalition M2M web site with HUD and other links:
  http://www.nettally.com/fhc

- Mark to Market: A Fundamental Shift in Affordable Housing Policy : Housing Policy Debate Volume 10 Issue 1 p.143

- HUD's New Plan for Section 8:
  Affordable Housing Finance Volume 7, No. 6 June '99
Three of Florida’s largest utility companies have recently agreed to enhance the energy efficiency services and resources they provide to low income customers. The agreements improve opportunities for many affordable housing providers to partner with these utility companies and increase the energy affordability of the houses on which they work.

On July 6, the Florida Public Service Commission (PSC) approved and formalized these new utility company programs and initiatives. As the body that regulates Florida’s largest utility companies, the PSC has reviewed these program as part of its five year review of the energy conservation goals that Florida’s investor-owned utility companies must observe. The following utility company agreements are part of a package of environmental and energy efficiency programs contained in negotiations between the Legal Environmental Assistance Foundation (LEAF) and Florida Power Corporation, Florida Power and Light, and Gulf Power. LEAF is a nonprofit organization that advocates before the Florida Public Service Commission on environmental and low income issues. Tampa Electric Company is currently working with LEAF on a similar agreement for its low income customers.

- **Florida Power Corporation (FPC)** has been a leader among investor owned utility companies in working with housing groups to ensure that low income customers in its service area have energy efficient housing. During the past two years, FPC has established a successful program to provide Weatherization Assistance Program (WAP) providers with up to $880 per household to pay for energy improvements when a house is weatherized or rehabilitated. Its recent agreement now offers this program to every WAP provider in its service territory.

- **Florida Power and Light (FPL)** has agreed to replicate the success of FPC’s WAP program in its area of service. FPL will work with both WAP providers and other affordable housing groups to provide up to $953 per household to pay for energy improvements. In addition, FPL will waive the $300 fee for its new construction program when working with affordable housing providers on a limited number of houses. This program offers housing groups a valuable series of construction inspections and consultation services to ensure that new homes are properly built and include energy efficiency features.

- **Gulf Power** has agreed to work more closely with several affordable housing providers in its service territory in the Panhandle. The utility company recognizes that these housing groups can perform some of its utility services while they are rehabilitating the homes of their low income customers. The utility company will pay these groups for conducting energy audits in the houses as a routine part of their home inspection process.

The Florida Housing Coalition will provide more details about how housing providers can get involved as the utility companies develop and begin to implement their new programs. For more information about how this may enhance your housing initiatives, call Michael Chaney at the Florida Housing Coalition (850) 878-4219.
We have an elderly couple who have applied for rehabilitation assistance. Their home is a life estate. Is this considered owner-occupied?

Generally yes. It is common for elderly persons to place their property in trust as a means of providing for their children after they are gone. Local governments can decide how they want to define ownership. In some communities, the local government has decided to tightly define ownership and in many cases will not provide assistance to a home if the deed is held in another family member’s name, or if there are judgments against the owner, such as those made by the local government for payment of back taxes. While this may seem like a prudent and wise use of public funds, these types of policies do little to address the furtherance of overall community improvement through affordable housing activities, not to mention that the households which are denied assistance in these instances may have no choice but to continue to live in substandard units.

Is construction management which is outsourced considered a project soft cost?

Yes, construction management activities, including work write-ups, inspections, and contractor oversight are all related to project delivery, and are considered to be soft costs. Soft costs can be paid with program funds rather than tapping into the very limited administrative funds. For example: An owner-occupied rehabilitation job is estimated to cost $20,000 in materials and labor. Your construction management company charges you $500 to manage the project, perform the work write-ups and inspections, and provide contractor oversight. The total amount of the job is now $20,500. If you have a maximum per unit cap of $20,000, then you must reduce the amount of work to be done by $500, so that the total job cost is $20,000. If for some reason this is not feasible, then the construction management fee of $500 must be paid from the administrative portion of your SHIP funds. Remember that you may exceed the maximum per unit amount ONLY with the approval of the local governing body on a case by case basis, and evidence thereto must be retained in the individual applicant file. Note: If part of the service is a feasibility test which results in a “no-go” decision, then the fee paid for that service cannot be paid from program funds, because there is no work performed on the unit.

Is it ok to provide our downpayment assistance on a construction-perm loan?

Yes. If you do provide the assistance at the construction loan closing, which is before the unit is built, you cannot count funds as expended until the unit is finished and occupied.

Based upon a recent file review, we have recently discovered that the annual reports from previous (closed out) years, as submitted to FHFC, are incorrect. If I report the activity accurately, we will not be able to meet the very low-income set-aside. What should we do?

You should file amended reports, and shift files to cover the very low-income set-aside. Since the income set-asides are statutory, they must be strictly adhered to; therefore shifting files between program years to ensure that you meet the income set-asides is an accepted business practice.
On Tuesday, March 30, representatives of the Florida Housing Coalition met with housing staffs of several Florida Congressional delegates in Washington, DC. The meetings were part of the activities during the joint conference of the National Low-Income Housing Coalition and the National Congress for Community and Economic Development. Representatives of the Coalition included board members, Jaimie Ross of 1000 Friends of Florida, Dan Horvath of Community Equity Investments, Inc., and Barbara Burnham of Greater Miami LISC; Coalition members included Maria Pellerin of Carrfour Corporation, Ignacio Esteban of the Florida Community Loan Fund Inc., and Chloe Coney of the Corporation to Develop Communities of Tampa, Inc. and Tracy Suber. The group met with housing staffs for Senators Mack (R-Florida) and Graham (D-Florida), Rep. Bill Young (R-10th), Rep. Carrie Meek (D-17th), Rep. Peter Deutch (D-20th) and with the housing and banking staff for Rep. Peter McCollum.

The purpose of the meeting was two-fold; first, to introduce congressional staff to the information and resources on housing and community development issues that are available through the Coalition, and second, to deliver the message that congressional support for housing and community development issues, including increasing discretionary domestic spending caps, sponsoring HB 425 to further affordable housing preservation and not weakening provisions of the Community Reinvestment Act, are vital to supporting affordable housing policies and programs innovated by the state of Florida.

The Department of Community Affairs Affordable Housing Catalyst Program has extended its contract with the Florida Housing Coalition to provide direct telephone and on-site technical assistance to SHIP administrators, nonprofit organizations, and other members in the local housing partnership. You may be eligible for direct, on-site technical assistance! If you have questions about program design or program regulations, or are interested in scheduling an on-site visit, contact the Florida Housing Coalition at (800) 677-4548.

The Florida Housing Coalition is pleased to announce its 1999-2000 workshop series, sponsored by the Florida Department of Community Affairs. This series features a number of new workshops, specifically designed as a result of the feedback the Coalition has received from past workshops, and better suited to the individual needs of affordable housing providers. New workshop topics include Understanding the Income Qualification Process, Using SHIP for Rental Development, When to Partner with a Developer, Designing a Responsive Downpayment Assistance Program, Setting up Your Homebuyers Club, Financial Management for Nonprofits, and Project Financing. Watch your mailbox for a workshop brochure and registration form; for more information, contact the Coalition at (850) 878-4219.

The Florida Housing Coalition congratulates Board Member, Barbara Burnham. Barbara has left her position as Senior Program Director with Greater Miami LISC to return to her native Boston as -----with the Boston Redevelopment Authority.
The Florida Housing Coalition is an organizational member and an active participant in the larger efforts of the National Low-Income Housing Coalition, located in Washington, DC. We urge you to join us by becoming organizational or individual members of this critical organization.

As you know, Florida is the national leader in generating state revenues for affordable housing through our dedicated Sadowski Act funding. The Florida Housing Coalition is ever vigilant in protecting that funding through legislative efforts at the state level and the work we do in training and technical assistance throughout the state. But most of Florida’s funding for affordable housing does not come from the Sadowski Act. It comes from federal programs, such as the Low Income Housing Tax Credit, HOME, and indirectly, from the Community Reinvestment Act. We rely upon our national “sister” organization, the National Low Income Housing Coalition to be our effective voice in ensuring that these and other important programs are healthy. To secure affordable housing it takes a partnership at the state and national level. We need the National Low Income Housing Coalition to speak for us in Washington, and they need us to count among their membership when they are speaking.

When you join the National Low Income Housing Coalition, you will receive “Memo to Members”, a weekly e-mail and fax summary of current and critical Washington information. It is a highly readable, fact-filled, no frills publication that connects us to valuable knowledge we need to be effective housing advocates. “Point of View”, the weekly column from the president, Sheila Crowley, is a must read for reflective and creative thinking about housing and community development.

The National Low Income Housing Coalition serves as the information and advocacy hub for all state coalitions, helping housing advocates to connect and learn from one another. In short, we urge you to join the National Low Income Housing Coalition. As a NLIHC member, you will both benefit from and support this critical housing policy advocacy organization. The NLIHC is the national voice of all low income people who need affordable housing.

Please see page 18 for a membership form.
National Low Income Housing Coalition Membership Form

Please check the appropriate category for your membership:

<table>
<thead>
<tr>
<th>Individuals</th>
<th>Private or Community based organizations (by budget size)</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Low Income: $ 20</td>
<td>☐ Under $25,000: $ 40</td>
<td>☐ Corporations: $ 300</td>
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<tr>
<td>☐ Regular: $ 50</td>
<td>☐ $25,000-$100,000: $ 100</td>
<td>☐ Government Agencies: $ 300</td>
</tr>
<tr>
<td>☐ Contributing: $ 200</td>
<td>☐ Over $100,000: $ 200</td>
<td>☐ National Organizations: $ 300</td>
</tr>
</tbody>
</table>

___ Yes! I want to join NLIHC. I enclose: ____________________________

___ Yes! I would also like to make an additional contribution. $___________

___ Yes! I would like to contribute to the Scholarship Fund to support the participation of low income people in NLIHC. $___________

Total Amount Enclosed: $___________

Member Name: _____________________________________________________________
Organization: __________________________________________________________________
Address: __________________________________________________________________
City: __________________________ State: ______________ Zip+4: ________________
Telephone: ________________ Fax: ________________ E-Mail: ____________________
Congressional District (or US Representative’s Name): ____________________________
I would like to receive the weekly Memo to Members by: ☐ Fax ☐ E-Mail

PAYMENT

Check One: ☐ Visa ☐ MasterCard ☐ Check enclosed
Credit Card Number: ____________________________ Exp. Date: ________________
Cardholder Signature: _______________________________________________________

Please return this form and payment to:
NLIHC
1012 14th Street, NW, Suite 610
Washington, DC 20005
(202) 662-1530 ext. 224
(202) 393-1973 (fax)
http://www.nlihc.org

Dues and gifts are tax-exempt under Section 501(c)(3) of the Internal Revenue Code, except $15 for production costs.

Jaimie Ross currently serves on the Board of Directors for the National Low Income Housing Coalition, and would welcome answering any questions you may have. She may be contacted at jaimieross@aol.com
PUBLICATIONS

Federal Funding Sources for Rural Areas: Fiscal Year 1999 is an annual report from the Rural Information Center Publication Series. It provides extensive listings of federal assistance programs, national, regional, and local office contacts and grant application procedures. For a catalog, call (800) 669-8331, or visit www.gsa.gov/tdac.

Nonprofit Accounting Software Guide. The Nonprofit Financial Center of Chicago has published this guide intended to help nonprofits in choosing accounting software. The handbook evaluates 26 fund accounting software programs, weighing their features, costs, compatibility with Financial Accounting Standards Board criteria and Y2K compliance. The 63-page handbook includes chapters about accounting system requirements, selecting software, cost summaries of popular programs for both small and large organizations, and tables that summarize each program’s features, ease of use and hardware requirements. The booklet costs $40. Contact the Nonprofit Financial Center on the Web by e-mail, call (312) 606-8250, or write to the center at: 111 W. Washington, Chicago, IL 60602.

America’s Best and Worst Lenders is available for $28.00 from the National Community Reinvestment Coalition. Call (202) 628-8866 to order a copy.

Rent Control: Regulation and the Rental Housing Market is available for $14.95 from the Rutgers Center for Urban Policy Research. Call (732) 932-3133, ext. 5555 to order a copy.

RESOURCES

FINAL RULE AND NOFA PUBLISHED FOR SECTION 538. The deadline is August 31, 1999 for lenders applying to make RHS-guaranteed loans for rural multifamily housing projects. Approximately $74 million in loans will be available in FY 1999. See Federal Register, 6/16/99, pp. 32370-72 (rule) and 32373-75 (NOFA). For more information, contact Carl W. Wagner, RHS, (202) 720-1604.

HAC RECEIVES ADDITIONAL SHOP FUNDS HUD has announced HAC will receive $6 million in 1999 Self-Help Homeownership Opportunity Program funds to be passed through as loans and grants to local self-help builders. The HAC News will announce when applications are available from HAC in several months. For HUD’s press release, visit http://www.hud.gov/news.html.

SHORT-TERM GRANTS AVAILABLE FOR POLICY RESEARCH RELATED TO WELFARE REFORM OUTCOMES. Nonprofits, for profits, and educational institutions can apply by July 26, 1999 for $75,000 - $150,000 from the Department of Health and Human Services to analyze well-being, participation in government programs and other data. Research on “important subgroups” including rural residents is encouraged. Visit http://aspe.os.dhhs.gov, or call Audrey Mirsky-Ashby at (202) 401-6640 for more information.
The Florida Housing Coalition wishes to acknowledge and thank the following organizations and individuals for their commitment to improving housing conditions in the state of Florida.

### PARTNERS FOR BETTER HOUSING MEMBERSHIP

Partners for Better Housing Membership is for those who wish to support the work of the Florida Housing Coalition by making a tax deductible donation of $500 or more. Partners for Better Housing members receive subscriptions to Housing News Network, free job posting service on the Coalition’s web page and unlimited membership rates for registration at the conference. They also receive recognition at the conference, in all conference-related publications, the Coalition’s Webpage and in each issue of Housing News Network.

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- **$7,500 Silver Sponsor**
- **$5,000 Sponsor**
- **$2,500 Co-Sponsor**
- **$1,000 Patron**
- **$500 Contributor**

### BASIC MEMBERSHIP

Basic membership is for those who wish to subscribe to Housing News Network, post job announcements free of charge on the Coalition’s web page and receive membership rate registrations at the annual conference. An individual member receives one subscription and one member rate registration. Organizational members receive up to five subscriptions and five member rate registrations. (Please indicate additional names, addresses and phone numbers on an attached sheet.) Each membership is entitled to be represented by one voting member at the annual meeting as designated below.

- Individual: $75
- Nonprofit Organizations: $150
- Government Agencies: $200
- Private Organizations: $250

### Authorized Representative (please print or type):

Title: __________________Signature: ________________
Organization: ____________________________________________
Mailing Address: _________________________________
City: ____________________________ State: _________
Zip: ______________ County: ____________________
Phone: (__)______ Fax: (__)_______ Email:_______________

Make check payable to: Florida Housing Coalition
1367 E. Lafayette St., Suite C, Tallahassee, FL 32301 - Phone: (850) 878-4219 Fax: (850) 942-6312
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### Florida Housing Coalition

1367 East Lafayette Street, Suite C
Tallahassee, FL 32301

Please check your mailing label for your membership expiration date. If you are due for renewal, please mail membership form and check to 1367 E. Lafayette St., Suite C, Tallahassee, FL 32301