



HOUSING NEWS NETWORK

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Housing: The New Environment, turned out to be far newer than the Florida Housing Coalition had anticipated with passage of the Housing and Economic Recovery Act (HERA) in late July. Quick to respond, our presenters peppered key HERA provisions throughout the conference plenary sessions and workshops.



The public policy plenary ably moderated by Annetta Jenkins, brought together state and national perspectives on the mortgage and credit crisis, tools for bringing non-profit development to scale, and greening affordable housing. And each conversation begun at the public policy plenary was teased out in workshops the following day.

Clearly, we are living in a very



FHFC Executive Director, Steve Auger speaks about the substantial increase in bonding authority and changes in the tax credit environment as he addresses the state of the state of housing in Florida.

Foreclosure recovery was at the collective forefront. The combination of tracks on the mortgage market and nonprofit capacity fed directly into the start of the Florida Housing Coalition's technical assistance on the HERA Neighborhood Stabilization Program.

The keynote address, planned long before the RNC made community organizing a topic of national conversation, rang acutely relevant, as community organizer, Gihan Perera addressed the role that community organizing plays in housing and economic development. See article on page 24.

new housing environment—housing prices have fallen, and good credit is at a premium. Unfortunately, there is this constant: during the housing "boom" Florida was not adequately meeting the needs of extremely and very low income Floridians, and in the housing "bust," those at the



Gihan Perera, Executive Director of the Miami Workers Center, delivers the Keynote Address about community organizing.

lower end of the spectrum are still without sufficient housing options. The good news is that housing is nothing if not dynamic, and housing advocates are up to the task of responding to all manner of change. In this edition of the Journal, as with all others, we hope you find information and inspiration to meet our current housing challenges.





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The Florida Housing Coalition is a nonprofit, statewide membership organization whose mission is to act as a catalyst to bring together housing advocates and resources so that Floridians have a quality affordable home and suitable living environment.

The Housing News Network is published by the Florida Housing Coalition as a service to its members, housing professionals and others interested in affordable housing issues.

Jaimie Ross, Editor.

Email: info@flhousing.org, Web site: www.flhousing.org

Florida Housing Coalition, Inc., Phone: (850) 878-4219, Fax: (850) 942-6312, 1367 E. Lafayette Street, Suite C, Tallahassee, FL 32301.

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Bank of America



National City





Neighborhood Stabilization Program (NSP)

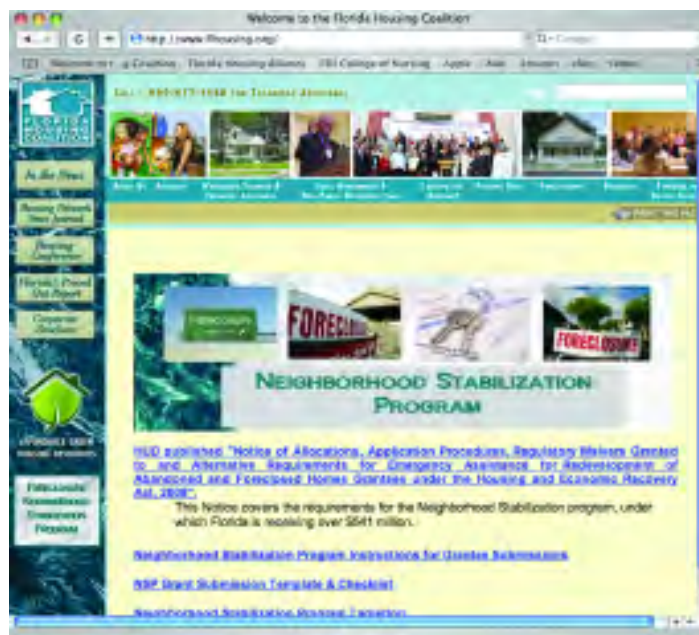
The Housing and Economic Recovery Act (HERA) signed into law on July 30, 2008 is a 694 page omnibus housing bill full of new initiatives and changes to existing programs designed to help the housing market recover. In addition to the Foreclosure Prevention Act of 2008, the Housing and Recovery Act includes numerous other benefits through the Federal Housing Finance Regulatory Recovery Act of 2008, HOPE for Homeowners Act of 2008 (FHA Foreclosure Prevention Refinancing Program), Housing Assistance Tax Act of 2008 (Bond and Credit Cap Increase and Modernization). It also establishes the National Housing Trust Fund, a dedicated revenue source (from GSEs) targeted for rental housing for extremely low income (year 2010) and the Capital Magnet Fund for CDFIs (\$175 million in 2010, estimated to reach \$350 million in 2012).

The Florida Housing Coalition is focusing its attention on on the \$3.9 billion in supplemental CDBG monies for foreclosure recovery, referred to as the Neighborhood Stabilization Program (NSP).

Florida is due to receive \$541 million in NSP funds. The Department of Community Affairs will receive \$91 million and the balance of \$450 million will be distributed directly by HUD to 48 Florida jurisdictions. See page 34 for allocation among the 48 recipients.

THE ELIGIBLE USES FOR NSP FUNDS:

- (A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers;
- (B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- (C) Establish land banks for homes that have been foreclosed upon;
- (D) Demolish blighted structures; and
- (E) Redevelop demolished or vacant properties.



Florida is ahead of the curve because of our existing infrastructure of housing partnerships arising from local SHIP programs. The extremely short time frame for using NSP funding will require local grantees to collaborate with their public and private sector partners; entities such as nonprofit housing providers, counseling agencies, housing authorities, realtors, and lenders.

Continued on page 34

NSP Outline

<p>TIMELINE</p> <p>15 day public participation requirement –Application must be posted to Web</p> <p>Submit application to HUD</p> <p>Approval by HUD and sign grant agreement</p> <p>All funds must be obligated</p> <p>NOTE: Award to a sub recipient does not meet the definition of obligated</p> <p>If HUD requires modifications to application:</p> <p style="padding-left: 20px;">Grant agreement signed</p> <p style="padding-left: 20px;">All funds must be obligated</p>	<p>November 1-15, 2008</p> <p>December 1, 2008</p> <p>January 15, 2009</p> <p>July 15, 2010</p> <p>February 13, 2009</p> <p>August 13, 2010</p>
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Acquiring Bank Owned Foreclosures



BANK OWNED

BY GLADYS SCHNEIDER
FLORIDA HOUSING COALITION

When a homeowner loses their house to foreclosure, there is a public auction. If no one bids high enough to pay the lender the amount of the first mortgage, the lender takes the property back. A deed is filed in the bank's name and the home is vacated. The home is now known as "real estate owned" or REO.



In some cases the bank held this property in its portfolio and is the full owner but most of the time the banks are the servicer of the loan and they own the property on behalf of the entity that purchased the mortgage in the secondary mortgage market. The bank transfers management of the property to its REO department. All banks treat REO's in their own manner but there are some common elements. Most banks want to sell these properties to make back their loss. Since they are not set up to actively market, manage, and show the properties, they will assign the homes to large real estate brokers who are responsible for listing, selling and even maintaining the properties.

Most banks have a website where these homes can be viewed. The contact for interested purchasers is the realtor who has the listing. If properties do not sell in a given

timeframe, 90 days for example, they will take it off the market and put it into a bulk portfolio to market to investors. Realtors are obligated to present all offers to the banks. The banks usually do not counter back with anything less than the offering price. This can be frustrating for nonprofits or investors who want to acquire the properties. The investors know that the selling amount is higher than the actual market value. For a time, the banks

do not want to show the considerable losses in the properties by selling short, so they stick to their offering price. But frequently they will decide to sell off the property more rapidly and will entertain lower offers.

The following points are a guide to further navigating the process of acquiring REO properties.

1. Identification of Properties. Where do you find REO's?

- a. Multiple Listing Service. Find a good realtor to identify listings.
- b. Bank REO websites. View the various lenders websites to see what is listed.

Example: www.bankofamerica.reo.com

- c. Florida Housing Coalition Assistance. The Coalition is working with lenders to identify properties that are within the affordable range. It may be possible to consider bulk portfolios before they are listed with realtors.

2. Consider your list. You now have a list of potential properties- start with about ten or twenty.

- a. Physically visit the homes. Take a contractor to examine the condition of the building and grounds. Try to get access to the inside- if you cannot get inside, cross it off the list. If the area is somewhere your buyers won't want to live, cross it off the list.
- b. Get real prices from the contractor for all of the items that need to be repaired, completed or replaced- many times homes will have been vandalized, neglected, or robbed. Check carefully for mold and the condition of the septic system. If mold is present, you may want to walk away. During vacancy, septic systems can become damaged by tree roots so check this carefully.
- c. Consider other costs to carry the property, including liability insurance, taxes, financing costs, legal costs, your labor costs to view the property and work up the analysis. Consider your development fee that will compensate your organization for this activity. You are providing a construction supervisor and coordinating all of the work for this house.
- d. Liability Insurance. A major pitfall is the cost to provide insurance while the nonprofit owns the home- this can be costly. Work with your insurers to find a reasonable policy.
- e. Permits. Check with the building department to make sure there is a final certificate of occupancy on the home. This is essential!
- f. Check other public records for liens. You will be getting title insurance but it's a good idea to see what is lurking with the title.
- g. Gather warranty information on systems- AC, structure, appliances. If this is a new home abandoned by the builder, many times there are warranties in place. If the builder is local, contact the company.
- h. Many times there will be no appliances and the AC will have been stolen.



- i. There will be other due diligence items to go further with just before you make an offer (ie, another visit inside).

3. Negotiate a Purchase Price.

Once you know how much money you need to put in for rehab, closing costs, insurance, financial costs, you will know what you can offer. Go in low. They may counter back with exactly what they have it listed for. They may not even respond to you. Keep trying and be persistent with your offer. Let the seller know of damage or deterioration that detracts from the value that should be reduced from the price. Make

your offer with a traditional FAR-BAR purchase contract. You will need to have a 30 day closing. A typical deposit is \$2,500. You are buying the home AS IS. Leave a 3 day acceptance period from your deposit date to clear. Try to get inside again during the 3 day period to make sure everything is still as you thought.

4. Closing Pitfalls. You now have an offer made with a cash earnest deposit with people you may not even know. They may be in a large city in another state or even in a foreign country. This is an unnerving time. You are dealing with a title company and bank you don't know. You place calls and no one answers. That is why you need to be very careful about who you are dealing with. Try to have a solid contact person that is reliable.

5. Hard Money Stage. When you have your buyer qualified, you purchase the home. You are waiting for the title policy- the seller should be paying for this. Foreclosure is supposed to clear off the title but you need to be ready to review for the odd lien that survived foreclosure. This is where you need an equity line to draw from- this will be further covered in the financial items. Your nonprofit will own the home for a short period of time before you resell it to the homeowner. Normally nonprofits are advised not to speculate and purchase properties before they have buyers. This is not that market. You should do everything you can to be confident you have willing and able buyers. You should not enter a contract with your buyer until you hold title to the property. There are other ways to do it, but this is a simple framework. This allows you to add on all of your

carrying costs and development fee before selling to the end user. Of course you need to ensure the purchase price remains affordable and competitive with the current market.

6. Appraisals. If you are using the NSP program you will be required to have an appraisal that is less than 60 days old. Your buyer will also need to get an appraisal prior to purchase. You are buying based on what works for you and your buyer. Be aware that the appraisal value may be less than your costs. If this is the case, the financing will need to have non-secured funding for a portion of the cost.

7. Once you hold title you should turn on the power. This will enable other systems to be further inspected that you could not when it was an REO. Yes this sounds risky, but there will not be power on in the homes when you first inspect them. That is why you need a good contractor to examine everything as carefully as possible.

8. Your buyer. By this time, your buyer should have visited the home. You are selling them the home not as someone else's discard, but as a new home they can be proud of. These are the steps they need to have completed.

- a. Income qualified
- b. Homebuyer training
- c. They visited the home and want to buy it
- d. Qualified for their mortgage
- e. Subsidies applied for and approved - per program requirements

9. Are you selling the home AS IS? No! You are selling a new or used home that is in good working order. You can purchase a homeowner warranty (HOW) for about \$375 to cover the big items- trusses, structure, etc. This provides comfort and security for the buyer. If you bought new appliances, you will have those warranties in place. Along with the HOW warranty and the appliances warranty, you should also provide a blanket one year warranty to cover other items not covered by the other warranties. A good business practice would be to have a \$2,000 reserve from the purchase proceeds that will be there for any repairs that are needed in the first year. (HOW - NAHB Homebuyer Warranty- \$375)

10. All legal matters of the home- permits, code liens, assessments, other liens- have been cleared up. You are selling the home with clear title.

11. Financing. As a nonprofit, you need capital to make the initial purchase of the home. Many SHIP programs discourage such speculation and they are set up to reimburse nonprofits after they have purchased land or homes. In this case, there is a need for a revolving line of credit with little or no interest that nonprofits can use to purchase the home. The line of credit would be repaid with each sale to the end user. There is and will be debate about having a pool of funding for this purpose. Various requirements could be placed on such a pool. One would be a resale requirement that homes are to remain affordable. Another suggestion

would limit the number of units that could be outstanding before more funds could be drawn down. This would ensure that the fund revolves.

12. Know your numbers. Your organization has a mission and it has a fiduciary responsibility. This is a new business line for many. It is essential that adequate analysis be done up front to determine what the carrying costs are for acquiring and rehabilitating homes. A suitable developer fee is appropriate and can be used to cover these costs and keep the organization afloat. Remember, just because something is inexpensive, doesn't mean it's a good deal.

13. This is a summary of what you need to Acquire Bank Owned Foreclosures:

- a. Your Team- elements include: homebuyer outreach, home inspector, contractor, construction supervisor, supportive county or city SHIP policies and funding, a cooperative permanent lender, a title company you can trust, good legal counsel to assist with FAR BAR contracts. Plus you need basic organizational capacity- leadership, financial systems, staffing.
- b. You must understand how to inspect a home and determine its rehabilitation needs. This includes codes, costs and carrying out the work. If projected costs make the deal infeasible, be ready to walk away.



Members of Polk County, City of Lakeland and Keystone Challenge Fund staff discuss NSP strategies and challenges with Stan Fitterman and Gladys Schneider.

- c. Multiple or Volume approach. You need to gear up to be able to work on several homes at a time. Doing them one at a time will not be efficient.
- d. Line of Credit- you need some type of below market rate funding that is easy to draw down. Federal funds for foreclosure acquisition are approved and will be available in many areas. A faster closing date may get a better price.
- e. Ready buyers with subsidy. This means income eligible, counseling completed and a demonstrated desire to buy the home.
- f. Sensible appraisals- the first mortgage needs to be based on an appraisal that reflects the replacement cost of the unit, not the unstable market conditions we have become accustomed to.

14. Timeframe. Here is an idea of the timing for this activity:

Search for Properties	Price Evaluation and Negotiation	Closing with Seller	Preparing Buyer and Rehab of House	Closing with Buyer
60-90 days	60 days	30 days	45 days	45 days

THE FLORIDA HOUSING COALITION WORK

The Florida Housing Coalition is providing workshop training and on-site technical assistance on the Neighborhood Stabilization Program thanks to funding support provided by the Bank of America Foundation. The Coalition has provided on-site strategic planning for Jacksonville, Tampa, Hillsborough, Polk County-Lakeland, Ft. Myers-Lee County, Palm Beach County Community Land Trust Collaborative, Orlando, and Miami-Dade. Two workshops were held in October both of which were over-subscribed due to high demand for this training. The Coalition is currently discussing the possibility of providing additional technical assistance through the Florida Department of Community Affairs for those communities whose NSP funding will come from that department.

The 48 entitlement communities receiving direct allocations from HUD face a tight deadline to complete a substantial amendment to their Consolidated Plans detailing their intentions to expend over \$450 million in Housing and Economic Recovery Act funds. After a fifteen day public participation requirement the plans are due to Jacksonville

HUD by December 1. If plans are approved, funding could be available as early as January 15, 2009. The Florida Department of Community Affairs statewide plan for its portion of the HERA dollars, just over \$91 million, is under the same timeframe although communities wishing to participate will submit their proposals directly to DCA. DCA has already held two workshops seeking input for the state plan. DCA will administer that portion of the NSP for entitlement and non-entitlement communities that did not meet threshold allocation formulas over \$2 million. Based on foreclosure risk data, the DCA plan will allocate funding to these communities.

In its strategic planning sessions with targeted areas, the Coalition has outlined the issues and opportunities presented by the NSP program, including eligible activities, target areas, and data needs. A basic question revolves around who will administer the program and conduct

the actual purchases. Some are persuaded the local government can secure the best discounts for the acquisitions and some are delegating to nonprofit partners. Others are considering

the use of purchase assistance allowing the homebuyers to locate and negotiate a purchase for bank owned properties. Perhaps the most feasible for most is the delegation to sub-recipients, or those nonprofit partners who possess the capacity for transitioning their business line to that of acquisition-rehabilitation. The underlying question for all of the homeownership options is the availability of buyers in the current market and their access to financing for permanent mortgages.

Since a minimum of 25 percent of the NSP funds must be reserved for households below 50 percent of the area median income, most communities are providing rental and supportive housing strategies. There will be program income and resale obligations which have been discussed at the Coalition’s workshops and strategic planning sessions. Since the maximum income level for the program is 120 percent of the area median, there is an opportunity for mixed income in both the ownership and rental strategies. This will also allow for targeting in areas that may not be the typical CDBG blighted areas, but newer single family subdivisions that have a high rate of sub-prime lending and risk of foreclosure. There were many questions and discussions about the available data and its sources. Communities are tasked by HUD to select areas that have



Gladys Schneider provides on-site NSP strategic planning assistance to the Lee County Coalition of Affordable Housing Providers.

the greatest risk and incidence of foreclosure so that the program funds will be most effective in stabilizing these neighborhoods with occupied homes and an infusion of construction dollars.

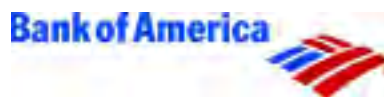
The Coalition is working with communities and workshop participants to sort through the issues and opportunities presented by the NSP program. The Coalition will be focusing primarily on implementation of the strategies through building the capacity of nonprofit partners who are

sub-recipients of the funding. This is where strategic planning is essential to ensure that the homes proposed for acquisition are inspected and evaluated for not only current market appraised value, but also the condition of the home, location, and the ability of buyers to meet stronger credit requirements to qualify for a mortgage. It is evident that many of the homes will need to be rented prior to sale. Both acquisition-rehab and scattered site rental property management are new business lines for most of Florida's nonprofits. The Coalition will emphasize the retooling of skill sets to be able to not only navigate the purchase, but to rehabilitate the homes, and sell or lease them while preparing to manage them for an indefinite period.

At no time has housing had a national spotlight such as this and it is the responsibility of the Coalition and all its members to implement the Neighborhood Stabilization Program successfully to help bring economic life back to shuttered and overgrown home sites and their surrounding environment. All funds must be obligated by June 30, 2010. For technical assistance, contact the Florida Housing Coalition at 850-878-4219 or email info@flhousing.org. Visit our website at www.flhousing.org and click on the NSP link to view current information on the program.

Bank of America Foundation Sponsors FHC Foreclosure Recovery Work

The Florida Housing Coalition has held workshops, strategic planning meetings and site visits across Florida. Under the Catalyst program a workshop was held in Sarasota focusing on developing strategies under the SHIP program for recovering foreclosure affected houses for use in affordable housing programs. Two Bank of America sponsored workshops were held, in Ft. Myers and Plantation, on neighborhood stabilization through the acquisition of foreclosed properties. Strategic planning meetings were held in Jacksonville, Tampa, Hillsborough County, Polk County/Lakeland, Lee County-Ft. Myers, Orlando, Palm Beach County, and Miami-Dade.



The strategic planning meetings have been attended by local governments who are HUD NSP grantees, partnering

nonprofit organizations and lenders. The workshops and planning meetings have emphasized the implementation of the NSP program from targeting, to acquisition strategies, rehabilitation, land banking, community land trusts, and working with the buyer or renter of the properties. The Coalition has clarified many elements of the NSP program and provided examples of funding the strategies and rehabilitation budgets. The overall intent has been to ensure that local governments and their partnering nonprofit organizations have the capacity for unique acquisition opportunities, conducting rehabilitation on pre-owned homes, and managing scattered site rental housing. The Coalition is available for on-site strategic planning meetings. Contact us to discuss this opportunity further.





Community Land Trust Caucus:



Neighborhood Stabilization Program Opportunities

The Community Land Trust Caucus held in conjunction with the FHC annual conference was a roundtable discussion about how the new housing environment is affecting CLTs in Florida. Most community land trusts were developed in areas where housing prices had skyrocketed—those are the parts of Florida where the workforce was faced with renting or moving to a lower cost community. These are the very same communities that have seen the steepest decline in housing prices during this economic crisis.



For those who had purchased land at the height of the housing boom, with plans underway, the prospect of selling those homes is bleak—the new CLT home has to compete with an available stock of non-CLT housing in the same price range—something CLTs are not able to do. In those instances, the CLT may need to use a lease-purchase instrument until the market changes and or the prospective home buyer can obtain a loan to purchase the CLT home.

But when one door shuts, another often opens. The Neighborhood Stabilization Program in the Housing and Economic Recovery Act (HERA) provides a tremendous opportunity for community land trusts in Florida. The purpose of the program is to stabilize neighborhoods that are in decline due to foreclosure and abandonment of property, while creating a stock of energy efficient and long term affordable housing.


According to the Act, NSP grantees shall ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed-upon homes and residential properties remain affordable. HUD will consider HOME program standards to be the minimal compliance and expects any other standard proposed and applied by a grantee to be enforceable and longer in duration.

Who better to ensure long term affordability than a Community Land Trust?

The community land trust can be a key partner for the NSP grantees in several respects. Most community land trusts already have a good working relationship with their local government NSP grantee; and with the urgency for expending NSP monies quickly (18 months to obligate), local government grantees are going to need partners capable of acquiring, rehabbing, and reselling properties with the assurance of long term affordability. The community land trust is already set up to provide permanent affordability.

With the combination of reduced prices for REO properties and the additional subsidy available from the NSP, the CLT should be able to resell a rehabbed REO property at a price that is considerably lower than the existing housing supply and or with financing that is better than what is available in this tight credit market. The CLT can also be used to land bank- one of the permitted uses for NSP monies.

Due to the oversupply of housing in some areas, the tight credit market, and the current volatility in employment, grantees and CLTs may find themselves without an adequate pipeline of homebuyers. In that case, the CLT may need to manage a lease purchase program. As discussed at the Caucus, for most community land trusts, being a landlord is a new line of business, and not one that is particularly attractive. But the NSP is a tremendous opportunity for community land trusts and the communities they serve. If the NSP money is used simply for grants to get people into rehabilitated homes without providing for long term affordability, we will have lost a golden opportunity to provide stability in the affordable housing market and the concomitant long term economic health of the community at large.

You can contact the Florida Housing Coalition to get assistance in making the connection between NSP and CLTs and the tools you may need to implement your local program. 

Straight Thinking About the Foreclosure Crisis

FORECLOSURE

BY JOHN TAYLOR, NCRC

There will be plenty of time to sort out what caused our nation's economic crisis and who is to blame. Just a few years ago, consumer confidence and liquidity were strong throughout our entire financial services system. Money was plentiful; banks and investors were searching for opportunities in which to put money. Yet this scenario changed overnight. After over five years of deregulation and regulatory enforcement failure, the mortgage lending industry, from top to bottom, was able to engage in an unprecedented period of greed and malfeasance.

Today, the American system of mortgage finance, once the envy of the world, has produced over six million "toxic mortgages." These mortgages have directly resulted in over two million American families going into foreclosure. Four to five million more foreclosures loom on the horizon.

Silly and indefensible allegations that the poor, or federal government's fair lending and housing laws, caused this problem serve to distract attention from the massive regulatory failure that allowed for this widespread unethical lending. Investors don't lack confidence in America, they lack confidence in the integrity of the American finance system. From real estate appraisers that lack any independence, to malfeasant lenders and brokers, to compliant bond rating agencies and finally to investment banks that operate with little or no accountability, investors simply have lost trust.

SOLUTION PROPOSED BY NCRC- "HELP NOW"

Over a year ago the NCRC offered a workable solution to ending the foreclosure crisis. Under "HELP Now," the federal government would purchase these troubled loans from Wall Street, at a substantial discount (a loss already on the books of Wall Street). Existing banks would then refinance these mortgages, pay the government in full, and



utilizing the substantial discount from Wall Street, reduce the mortgage principle, and in turn provide homeowners with the appropriate, traditional mortgages that they should have received in the first place.

HELP Now will reverse the foreclosure crisis, but investor confidence and liquidity will not occur without two additional steps. First, Congress must now, finally, pass an anti-predatory lending law that would make illegal the malfeasant lending practices that have brought our economy to its knees. Second, those regulatory institutions that failed to protect the interests of the American consumer and investor should be studied, assessed, overhauled and held accountable. These efforts will signal to investors that it is safe to return to the American market.

In *The Wealth of Nations*, Adam Smith tackled the question: What makes an economy grow? He spoke to the need of a free market, with liquidity and free trade, but he was also emphatic that the Rule of Law must also be present to ensure the fairness and integrity of the market. In Alan Greenspan's *Age of Turbulence* he said: "Reputation and the trust it fosters have always appeared to me to be the core required attributes of market capitalism." Take their word for it; our economic growth is dependent upon our returning integrity to our system of finance. Do that, stop the foreclosures, enforce the Rule of Law to ensure fairness, and we will witness the resurrection of consumer/investor confidence, liquidity and of our nation's economy.

SEPARATING CRA FACT FROM FICTION

In *Risky Borrowers or Risky Mortgages: Disaggregating Effects Using Propensity Score Models* by Lei Ding, Roberto Quercia, Wei Li, and Janneke Ratcliffe,¹ the authors use a propensity score model to identify comparable borrowers

MYTH AND FACTS

Myth: The Community Reinvestment Act (CRA) caused the foreclosure crisis.

Facts:

The majority of subprime loans were originated by non-CRA covered financial institutions. In fact, about 75 percent of sub-prime loans were not covered by CRA.²

CRA was passed in 1977. The explosive growth in subprime lending occurred more than two decades later, nearly doubling from 2001-2006 alone. No major changes to CRA were enacted during this time.

CRA does not mandate banks to make only home loans. Banks are encouraged to examine credit needs and lend appropriately based on these needs (for small business, home, and other types of loans).

CRA penalizes banks for reckless, irresponsible and otherwise predatory lending.

Myth: Rapid growth of subprime loans was a direct response to financial institutions' efforts to expand homeownership for low, moderate and minority households.

Facts:

Between 1998-2006 over half of subprime mortgage originations were for refinancing.³

In that same time, less than 10% of subprime mortgage originations went to first time homebuyers.⁴

Significant gains in homeownership occurred in the 1990s when prime lending was offered to low and moderate income and minority borrowers.

Myth: Federal banking agencies encouraged banks to engage in risky lending practices. In particular, a 1992 Boston Federal Reserve Bank publication, *Closing the Credit Gap: A Guide to Equal Opportunity Lending*, provided unsound advice to banks.

Facts:

Federal Reserve Guidance: Lack of credit history should not be seen as a negative factor for potential homebuyers.

Justification: Willingness to pay debt promptly can be determined through alternative sources of information including timely rent, utility bills, and other scheduled payments.

Foreclosure Reality: Foreclosures are not a result of alternative credit scoring, but rather the product of excessive interest rates and unearned fees making loans unaffordable.

Federal Reserve Guidance: Valid income sources may include social security, second jobs, and other sources.

Justification: Many low to moderate-income households have varying sources but consistent or rising income levels throughout the year.

Foreclosure Reality: Subprime loans are not failing as a result of the use of alternative sources of income. Rather, problematic subprime loans are characterized by a lack of income verification, not source of income.

(“subprime like” borrowers) and compares their experience receiving subprime loans as opposed to CRA-related loans. The CRA-related loans in the sample are offered through a program called the Community Advantage Program (CAP) administered by the Self-Help Ventures Fund. CAP loans were generally held in bank portfolios as they had relatively high debt-to-income ratios and loan-to-value ratios. They were offered at prime rates, were fixed for 30 years, and had no prepayment penalties or balloon payments.

The study compared CAP and subprime loans that were first lien, single family, home purchase, owner-occupied and had full income documentation. With these controls, the study found that CAP loans were 70 percent less likely to default than subprime loans. When considering subprime loans made through brokers, the subprime loans were 3 to 5 times more likely to default than CAP loans. Other terms that increased the subprime default rates were adjustable rates and prepayment penalties. Further, the authors suggest that the subprime default rates may have been even higher had they considered low- or no-income documentation loans or loans made to non-occupant owners (that is, investors).

The authors conclude lenders can serve minority and low- and moderate-income borrowers responsibly. Prudent loan terms and conditions can result in sustainable homeownership for these populations. “Special lending programs stimulated by CRA...or the GSE affordable lending goals provide LMI and minority households more sustainable homeownership, compared to subprime loans.”

See www.ccc.unc.edu/documents/RiskyBorrowers_RiskyMortgages_1008.pdf for a copy of the paper.



JOHN TAYLOR is the President & CEO of the National Community Reinvestment Coalition, a trade association of 600 non-profits across the country that work to promote fair and equal access to credit and capital. Mr. Taylor has served on the Federal Reserve Bank Board's Consumer Advisory Council, was appointed by President Clinton to serve on the Community Development Finance Institution Advisory Board, has received two congressional citations for his work in promoting housing, and is a frequent lecturer on issues relating to community reinvestment and neighborhood revitalization.

1 Center for Community Capital, University of North Carolina – September 2008
2 Testimony before the House Financial Services Committee, Michael Barr, February 13, 2008.
3 Subprime Lending is a Drain on Homeownership, Center for Responsible Lending March 27, 2007
4 Subprime Lending is a Drain on Homeownership, Center for Responsible Lending March 27, 2007



Using HOME Funds for Tenant-Based Rental Assistance

BY WIGHT GREGER, DIRECTOR

HOUSING AND NEIGHBORHOODS DEPARTMENT, CITY OF JACKSONVILLE



Jacksonville has an inadequate supply of rental units that are affordable to very-low and extremely-low income households. Our public housing units, which typically serve households at or below 50 percent of area median income, number more than 2,657, yet there are over 2,800 people on the waiting list for those units and another 6,500 waiting for housing vouchers.



- If the family is in need of assistance due to loss of employment, the applicant can demonstrate employability through employment history, explanation of current unemployment and attest to the objective to regain employment.
- Families will be required to attend a financial counseling session in order to develop a family self-sufficiency plan.

We have established that we have a need for rental units for very-low and extremely-low income households, and we appear to have a supply of units that are available for immediate occupancy. What is the missing link? Tenant-based rental assistance.

As an Entitlement City, Jacksonville receives over \$3.2 million in HOME dollars annually, and accrues a significant amount of program income annually due to loan repayments and interest earned. Since Tenant-Based Rental Assistance (TBRA) programs are eligible activities under the HOME program, we decided to launch a pilot TBRA to help bridge the gap between what housing costs and what people can afford. *The objective of the program is to assist families that require time-limited assistance but have a realistic expectation of being self-sufficient once the assistance ends.* The City has partnered with the Public Housing Authority and a local nonprofit agency to implement the program. We plan to seed the program with approximately \$800,000 for the first year. **The elements of our program include:**

- One-year of rental assistance to working families with incomes of 20 percent - 50 percent of the Area Median Income and one time security deposit assistance.
- Families will have to demonstrate a reasonable expectation that upon the end of assistance they will be able to pay their rent independently.

- The minimum tenant contribution to rent will be \$250 per month or 30 percent of their income, whichever is higher.

We estimate that the average amount of monthly rental assistance will be approximately \$600 per month. While families can qualify for assistance up to one year, we do have the ability to extend to a 24 month period, as long as the family demonstrates an ability to become independent within that time.

The City has created a partnership to implement the program. The selected nonprofit will be the City's grantee, and will in turn have an administration agreement with the Jacksonville Housing Authority. The nonprofit provider will conduct all intake and perform all qualifications of the families, maintain the waiting list, oversee grant compliance, be responsible for audits and conduct all ongoing client support.

The Jacksonville Housing Authority (JHA) will conduct all verifications of applicants, enter contractual agreements with eligible applicants and landlords, inspect units according to Housing Quality Standards, ensure the lease is in compliance with HOME regulations, and issue monthly checks to the landlords.

It is our hope that this will be a successful venture which will not only benefit families in need of housing, but also will improve the economic viability of our assisted rental housing.





Using HFA Funds for Tenant-Based Rental Assistance

BY ED BUSANSKY, BOARD MEMBER

HOUSING FINANCE AUTHORITY, HILLSBOROUGH COUNTY

Local Housing Finance Authorities and local Homeless Coalitions seem unlikely partners. By their nature, HFA's function as public purpose lending institutions—selling bonds to finance developments that must make sense economically. Homeless Coalitions serve a clientele that often has little ability to pay rent, making financing of developments targeted to the homeless very difficult to structure from a lending perspective.



Before entering the program, the participants must develop a self sufficiency case management plan with a recognized case management provider in the Tampa/Hillsborough system of care. They are required to meet at least monthly with their case manager, with flexibility given if employment, education or child care limits their ability to meet in person.

Like most housing finance agencies, the HFA of Hillsborough County does not receive any appropriated monies, such as SHIP, SAIL, HOME, or CDBG funds. However, by financing successful rental developments and prudent structuring of homeownership bond issues, the HFA generates a limited amount of funds that can be used to subsidize either its own bond programs or create small innovative new programs.

The Board of the HFA of Hillsborough County decided to invest some of its resources in new programs where the HFA's limited monies could actually make a difference. HFA's cannot replicate SHIP, but they can focus on innovative actions where a limited amount of money can be effective. The partnership with the Homeless Coalition of Hillsborough County provided such an opportunity—with funding for the Up and Out Program.

Up & Out provides a two-year rental subsidy to formerly homeless households that are securing housing at an approved HFA property. Eligible households include single adults or families that are employed and involved in on-going case management services to attain self-sufficiency. Emergency and transitional housing programs in Hillsborough serve as the referring agencies for this program.

From the HFA's perspective, the key component is that the homeless clients are in transition to self sufficiency—meaning that they will need HFA subsidy for only a 1-2 year period.

The program accepted its first participant in October 2006, and today is at full capacity of ten families. The program has been so successful and cost effective that the HFA has recently increased funding to 15 households for the upcoming fiscal year. An individual in a one-bedroom apartment receives a rental subsidy of \$286 a month and a family in a two-bedroom or larger receives \$403.

Two entities that seemingly serve different parts of the needs continuum have created a mutually beneficial and successful partnership. From the HFA of Hillsborough County's perspective, this partnership has provided an opportunity to invest a limited amount of funds, yet still achieve meaningful ongoing impact with a segment of our community that we cannot serve with traditional bond programs. Families moving from homelessness need temporary assistance, and the HFA can cost effectively provide that assistance.

According to Rayme Nuckles, the Chief Executive Officer of the Homeless Coalition of Hillsborough County, "Overall, the families and individuals participating in the Up & Out program have had a positive experience; four consumers have moved out of the program. Our first participant completed her self sufficiency plan in twelve months by improving her employment and moving to an affordable, unsubsidized, property near her new employer. Another participant finished her training ahead of schedule and moved from the program to take a well paying job in another county. The majority have been able to set aside some income for their future and are working together with their case manager to attain their goal of self sufficiency."





Domestic Violence and Affordable Housing

The 2005 Hunger and Homelessness Survey conducted by the United States Conference of Mayors concluded that half of the surveyed cities reported that domestic violence is a primary cause of homelessness. In addition Congress found that 92% of homeless women had experienced severe physical or sexual abuse in their lifetimes.

BY LISA HOFFMEYER
FLORIDA HOUSING COALITION

Locating decent, safe and affordable housing in Florida is a daunting task for any low income household, but for victims of domestic violence it can be a much more serious matter.

This summer, at the invitation of The Florida Coalition Against Domestic Violence, technical advisors from the Florida Housing Coalition provided an intensive two day affordable housing workshop designed for executives and staff of certified Domestic Violence (DV) centers. While shelter and transitional housing continue to be the traditional models for DV survivors, the shortage of permanent affordable rentals is an ongoing concern.

The workshop participants got a crash course in rental development, funding sources and property management. The information helped some participants to determine that taking on the role of “developer” was not a business line they chose to pursue. Those agencies were encouraged to



explore partnerships with other non profits and housing groups in their area. Other attendees embraced the idea of producing rental units specifically for their clientele and welcomed the opportunity to add housing to the array of services they already provide.

The group also learned the importance of advocating for their clients during the public comment processes at the local government level so that SHIP, HOME and other housing funds could be targeted specifically to victims of domestic violence.

Rosa Ramos Morgan, Director of Economic Justice and Special Initiative at the Florida Coalition Against Domestic Violence, provided valuable information on Violence Against Women Act (VAWA). In January 2006, Federal legislation amended VAWA to include important protections for victims of domestic violence, dating violence or stalking. Here are some highlights:




- Local housing plans must include housing needs of these victims in the Public Housing Agency’s five year plan, PHA annual plan and the local HUD consolidated plan.
- HUD issued guidance in 2006 for VAWA implementation through PIH 2006-23, however, no HUD regulations have been issued at this time.
- VAWA protections apply only to tenants receiving federally funded housing vouchers or living in federally funded public housing.
- The law prohibits PHAs and private landlords accepting housing choice vouchers (Section 8) from evicting victims due to criminal activity “directly related” to incidents of domestic violence, dating violence and/or stalking (ie, police called for loud disturbance).
- Provisions in the law allow for “lease bifurcation”. This means that the lease can be divided to evict only the perpetrator of the violence, allowing the victim to remain.
- Allows for “voucher portability” for households who are moving to protect the health and safety of a DV victim as long as they are in compliance with all other obligations of the housing program.
- VAWA makes it illegal to reject an applicant for public housing or a housing choice voucher because the applicant is a DV or stalking victim.

Domestic Violence affects women (and to lesser extent, men) of all income categories, ages and social classes. If someone you know is affected by intimate partner violence, reach out and let them know that help is available and that all services are strictly confidential. HOTLINE 1-800-500-1119

FLORIDA COALITION AGAINST DOMESTIC VIOLENCE

www.fcadv.org

It is important to note that, although this legislation became effective over two years ago, many DV victims encounter resistance from landlords and in some cases, even from Housing Authorities, regarding proper enforcement. The Florida Coalition Against Domestic Violence can provide training, technical assistance and legal referrals for advocates and their clients. Contact them at www.fcadv.org or 850-425-2749. 

ROSENE’S SUCCESS HOUSE

For the past several years, the Florida Housing Finance Corporation (FHFC) has made a special allocation of SAIL (State Apartment Incentive Loan) funding available to nonprofit agencies for the development or renovation of rental housing for targeted groups, including low income victims of domestic violence. Watch for information and announcements regarding this special needs funding at www.floridahousing.org - click the Special Needs tab. In August, over \$12 million was awarded to seven projects from the 2008 round.

Two years ago, the Desoto County Homeless Coalition. Inc. was awarded \$1.5 million of SAIL funds from the Florida Housing Finance Corporation’s “Special Housing and Assistance Development Program” to develop Rosene’s Success House. The facility is named in honor of 92 year old Rosene McQueen who provided struggling individuals and families with free rooms at her boarding home in Arcadia. Guests stayed

until they were able to return to their normal home environment or until they were financially stable. Many lives were transformed through her generosity.

Continuing Rosene’s vision, the new 17 unit Success House and adjacent Activities Building will assist victims of domestic violence and other targeted households for up to 24 months. During their residency clients will receive the supportive services they need along with a safe and affordable place to live.

According to Mirna Marcia, a Rural Victim Advocate at the Safe Place and Rape Crisis Center (SPARCC) of Sarasota, approximately 15-20 homeless and potentially homeless women each year are transported from DeSoto County to be housed elsewhere. SPARCC is working in partnership with DeSoto County Homeless Coalition, Inc. to meet the needs of this population. Rosene’s Success House will allow these victims of domestic violence and their families to stay

in their neighborhood so their children can remain in the local school system, adding some normalcy to a stressful situation

The two million dollar project got underway in January 2007 when the Desoto County Housing Authority entered into an agreement to sell a tract of land in Arcadia to the Homeless Coalition for just \$1. The \$1.5 million in SAIL was leveraged with \$175,000 from the FHFC Pre-development Loan Program and \$500,000 from The Federal Home Loan Bank of Atlanta. The project is expected to break ground in early 2009 for completion later the same year.

“Our core values are to provide C.P.R.” said Valerie Gilchrist, Homeless Coalition President, “Compassion toward every person we serve, Provide resources to increase their quality of life, and Respect without judgment. Our goal is to transform lives by equipping minds with the keys to life that will open the doors of opportunity.”



Sustainable Development More Important Now Than Ever

BY CHARLES PATTISON

As the national financial crisis deepens, Floridians are hurting. Our state is third in the country in the rate of foreclosures, and thousands of families are facing the loss of their homes. With today's higher gas prices, residents are paying considerably more for their everyday commutes to work, school and the store. The threat of climate change looms large here, as sea rise could displace millions by the next century. Even with slowed growth, we still expect to pass New York to become the nation's third largest state in the next several years, and after the recovery, perhaps a doubling of the current population in the next half century.

There is a common thread through all of this bad news—Floridians are paying the price for the way this state has grown and developed over the last 50 years. Taxpayers are subsidizing roads and sewer lines for unnecessary sprawling development, and then get hit in the pocketbook again when they pay for gas for their long commutes. The bills have come due for the “cheap”, “affordable” housing in the suburbs that has driven up the cost of living, making housing unaffordable in the midst of our biggest economic challenge. Because we do rely so heavily on automobiles for



all of our daily needs, transportation generates almost 40 percent of the state's contribution to greenhouse gases, adding to and speeding the impacts of climate change. If we continue on the same sprawling path of development for the next 50 years, the state could lose as much as another 7 million acres of rural open lands, permanently altering the face of Florida.

Some citizens are desperately looking for a quick fix to the state's problems, even going so far as to suggest the elimination or substantial curtailment of growth management, water and wetland protection laws, all in an ill-advised effort to “jump start” the economy. Unfortunately, this will just make our existing problems even worse.

Now more than ever, Florida needs sensible leadership and sane public policy to meet the challenges that lay ahead. If we are to save taxpayer dollars, promote sustainable economic development, protect natural lands and address climate change, we must drastically reduce water and energy consumption and lessen greenhouse gas emissions. To do this, we must change the way we accommodate growth in this state. We must shift to more compact, sustainable,



Some citizens are desperately looking for a quick fix to the state’s problems, even going so far as to suggest the elimination or substantial curtailment of growth management, water and wetland protection laws, all in an ill-advised effort to “jump start” the economy.

growth patterns with a mix of uses instead of the single purpose, trip inducing development that is far too common.

Governor Crist has shown this kind of leadership in acknowledging Florida’s critical role in the climate change arena, and has made this a focus of his administration. He has laid the foundation for a new direction that recognizes how sustainable growth can positively affect us all, whether it is through power generation, transportation, building design and the use of renewable resources.

Instead of continuing costly, sprawling low-density development, our efforts have to focus on creating great urban places and keep Florida’s rural lands rural. We need to promote affordable, energy-efficient housing close to jobs, schools and shops. This new housing needs to take advantage of the latest “green” technology, using less energy and water to build and maintain. We have to locate our housing nearer to employment centers, and give citizens the kind of transportation alternatives to a car like public transit, walking, or biking.

Our communities need to be walkable and bike-able, not only reducing our dependence on the automobile but also helping our waistlines and health. We need to support public transportation to reduce our reliance on fossil fuel and give citizens alternative, less costly ways to get to their jobs. Public investment in the building of this new infrastructure can help create jobs and stimulate the economy while protecting the natural areas that make Florida so desirable.

We must maintain Florida’s quality of life in the face of growth. Vibrant cities include attractive and usable parks and recreation areas and protected natural features. Recycling historic and older buildings for new uses can save

energy and help maintain a community’s unique identity. Promoting cultural opportunities is essential. These must remain high priorities if our cities are to flourish.

In return, our rural lands can remain natural, providing opportunities for recreation for humans and habitat for wildlife. This state’s farmlands must remain productive, providing fresh and reasonably priced nourishment for Floridians and others. These undeveloped lands also offer the greatest potential for carbon sequestration to offset the impacts of greenhouse gas emissions.

All of this can only be accomplished through careful oversight and thoughtful incentives administered by Florida’s state growth management agency – the Department of Community Affairs. Now is not the time to dismantle these efforts. Rather we must refocus them to support smart, sustainable communities throughout our state.

Strong and decisive leadership is needed to bring Florida into the 21st Century. In this time of economic hardship and declining natural resources, no longer can we afford to pay the high costs associated with sprawling, automobile-dependent development. We must find new ways to shape our communities and live our lives. Our very future depends on the success we must have to refocus our necessary and important growth management programs at the local, regional and state levels to bring this about.



CHARLES PATTISON, FAICP, is President of 1000 Friends of Florida. This statewide non-profit organization was created in 1986 to serve as watchdog over growth management in Florida. He has more than 30 years of experience in comprehensive planning in Florida with local, state and regional government. Senate appointee to the Century Commission for a Sustainable Florida and member of the Governor’s Climate Action Team that just completed the State Climate Plan.



Tribute to Shirley Taylor-Prakelt

Housing and Community Development Director receives award from the Florida Housing Coalition



Davie Town Council members Mike Crowley, Bryan Caletka, Susan Starkey, Marlon Luis; Mayor Tom Truex; Housing & Community Development Director Shirley Taylor-Prakelt; Aida Andujar from the Florida Housing Coalition; Town Administrator Gary Shimun; Town Attorney John Rayson.

“Nothing is going to stop me this time!...” she said the morning of the meeting. “I can't wait to stand there proudly (even if shakily) to be so honored by the Florida Housing Coalition. This means more to me than you know. I am both honored and humbled by this tribute.”

The Florida Housing Coalition Board rarely presents housing awards, but in those instances when a program or person embodies best practices for the rest of the state, the Board will recognize that program or person to serve as a model for others. The Town of Davie’s Housing and Community Development Director is a public servant who serves as such a model for her exceptional dedication to ensuring that all of the Town’s residents are properly housed.

Although every local government in Florida is charged with ensuring that their residents are properly housed, many fail to use their best efforts to do so. The Town of Davie, in large part due to Ms. Taylor-Prakelt’s passion and professionalism, has been at the forefront of addressing one of the state’s most pressing housing issues: the displacement of mobile home park residents.

The Town of Davie adopted a moratorium on mobile home park closures, finding that the inadequate supply of housing for those who would be displaced from park closures created a housing crisis. The Town appointed a task force comprised of an equal number of mobile home park owner and mobile home park resident interests. Ms. Taylor-Prakelt staffed the task force and oversees the implementation of the relocation plan ordinance and inclusionary housing ordinance that were ultimately adopted by the Town Council. Currently, the Town of Davie is facing the largest mobile home park closure in its history- some 3,000 residents are facing displacement from the impending closure of the Palma Nova Mobile Home Park. Ms. Taylor-Prakelt is committed to ensuring that these Davie residents, including over 250 children are able to find suitable housing.

Affordable housing advocates and professionals look to Ms. Taylor -Prakelt as an affordable housing expert and praise her for being the voice of those that lack representation and resources. In the State of Florida among affordable housing practitioners, Shirley is known for her passion, conviction and for always standing up for what is right and fair. She is a role model and has been a mentor to many in this field. I say that with first hand knowledge because she has been a mentor to me.

When I was 21 years old, Shirley hired me as a Housing Counselor with the City of Hialeah. I worked under Shirley’s supervision for many years. At that young age she taught me the fundamental values of what it takes to run a good program. I was taught to be ethical, to respect the rights of others, to fight for what is right, to never compromise my character and to always comply with the letter of the law. I served the City of Hialeah for 27 years until I retired and I am proud of what we accomplished in the area of affordable housing. I can thank Shirley for the values she instilled in me at such a young age. I was taught to care about whether families had enough to eat or a place to sleep. I learned that we need to fight for those who are less fortunate and who depend on us, affordable housing advocates, for solutions to their affordable housing needs. That foundation, formed over 28 years ago has allowed me to do the work that I do today through the Florida Housing Coalition. Shirley is not just a mentor, she is a friend and it is with such honor that I presented her with this award on behalf of the Florida Housing Coalition.



Shirley Taylor-Prakelt with Aida Andujar of the Florida Housing Coalition

Aida Andujar, Florida Housing Coalition

“I think that I will now consider this to be one of my finest achievements. As a widow with no children, the only thing I have to leave behind is my good name and reputation. Thank you from the bottom of my heart for being such a special person, who I now feel sure will carry on my legacy.”- *Shirley Taylor-Prakelt*



Attorney Mitchell Chester is also well known for his legal advocacy on behalf of mobile home park residents and presented at the Florida Housing Coalition’s mobile home park preservation workshop.

Shirley is a tireless advocate for workforce and affordable housing in the Town of Davie. Her depth of knowledge, experience and expertise have inspired and educated the Community, which admires and supports her efforts. Her knowledge of housing policy is unparalleled. Her dedication, and that of the excellent staff she motivates, have produced meaningful and tangible "real world" results which have housed low income and very low income families when few other options exist. Shirley's advocacy against mobile home displacement is an inspiring story of conviction and hard work to produce meaningful solutions. She understands the key role that a healthy housing policy, for all income levels, plays in the overall economic and social vitality of the Community. We are all extremely lucky to have Shirley Taylor-Prakelt as our advocate, our teacher and our housing professional. She is a model for our Town, our state, and our nation.

-Mitch



Indiantown Nonprofit Receives First Place in National Competition

BY DONNA CARMEN, EXECUTIVE DIRECTOR,
INDIANTOWN NONPROFIT HOUSING, INC.

The partnership between Indiantown Non-Profit Housing, Inc. and the Martin County Sheriff's Office has been selected as a First Place Winner for the Metlife Community-Police Partnership Award. We still can't believe that our partnership was selected as the #1 application out of 520 other worthy communities nationwide to receive a \$25,000 award. It is a huge honor and we were particularly pleased to receive the award at the Florida Housing Coalitions' statewide annual conference. We would not be in this position had it not been for all the help we have received from the Florida Housing Coalition as a key partner in all that we have accomplished at Indiantown Nonprofit, including the revitalization of the Booker Park neighborhood and the development of Heritage Park.



Board. This allows each agency to have input at the earliest stages of one another's projects and provide insight as to how their programs can work together to achieve intended results.

CRIME REDUCTION

One of the primary components of the plan to reduce crime in Indiantown is the emphasis on outreach to residents on how to prevent crime. To this end, the Sheriff's Department has made a concerted effort to have a presence at every meeting of local citizens' organizations representing the varied populations of Indiantown. These meetings serve as a way for citizens and the MCSO to determine the needs and concerns of the community. One of the needs identified by the community was a way for residents who for various reasons were uncomfortable contacting the police station to report crime. INPHI offered office space to the Sheriff's Office in its Community Service Center which is centrally located in the community to meet this need.

As a direct result of the partners' involvement in the Citizens Advisory Board, a Citizens Police Academy was convened to teach local residents more about what the police do and how they can help the MCSO reduce crime in the community.

THE PARTNERSHIP

INPHI serves as the lead community development agency in Indiantown and lead long-term recovery agency in Martin County, providing residents the opportunity for safe, decent, and sanitary housing through federally funded rental properties, single-family homeownership, and property repair. INPHI also operates the Indiantown Community Service Center which provides below market office space to non-profit and community organizations that provide services to low-income residents of Indiantown.

The Martin County Sheriff's Office provides services to the communities developed and/or revitalized by INPHI through public meetings with residents, helping clean up the crime in neighborhoods prior to the start of physical redevelopment, and being the lead agency in the Citizens Advisory Board which listen to residents concerns and provide them the information needed to make the situations improve.

A representative from the Sheriff's Department sits on the Board of Directors of Indiantown Non-Profit, and the Executive Director of INPHI sits on the Citizens Advisory



Bi-Lingual Citizens Academy. By teaching these 44 people Sheriff's Office policies, programs and services, they have been able to pass this information on to the public who may not be able to communicate with deputies due to the language barrier.



Citizens Academy graduating class. Also in picture is Sheriff Robert Crowder, Captain Lloyd Jones, Lieutenant Forrest Yingling, Sergeant James White and Community Programs Laura Passanesi of the Martin County Sheriff's Department.

Graduates of the academy serve as volunteers in the community and staff the office at the Community Service Center.

Indiantown has a large Hispanic population of 3,838 residents, comprising 42.7 percent of the population, which creates challenges for the Sheriff's Department in overcoming the population's fear of the police based on the abuses found in their country of origin, as well as fears translated to any public officials as it relates to their immigration status. To counteract these fears, organizations in Indiantown make special efforts to outreach to this population to ensure that crimes committed against them are reported and prosecuted to the full extent of the law. Included in this effort was the first Bi-Lingual Citizens Academy to teach local Hispanic residents about the Sheriff's Office policies, programs, and services to pass on to other residents of the Hispanic Community.

When tenants at the INPHI rental properties started voicing concerns about increased crime in the area, INPHI invited the Sheriff's office to attend all tenant meetings. Prior to these meetings, the organizations review statistics in the areas of concern to see which crimes are most

prevalent so that residents can be informed on how to prevent those crimes and what to look for when reporting criminal activity. As a result of these meetings, a Sheriff's substation was created at the site, a Crime Watch was organized for all the properties, and crime has gone down.

These efforts have helped increase community awareness, provided greater code compliance by property owners, reduced trespassing and loitering which has hindered the sale of drugs on the streets, increased security measures taken by local business to reduce theft, and provided crime victims with more options in moving forward with their lives

through the various individual funding opportunities available through INPHI and the agencies housed in the Community Service Center. Crime is down and residents feel safer. Residents are more likely to call the police and report suspicious activities in their neighborhoods (156 percent increase). Residents now know that they have a voice in the future of their community.

YOUTH ACTIVITIES

Due to the limited activities available for young people of our community, youth crime was rising. To combat this, Indiantown Non-Profit Housing, Inc. offered free space for the Boys and Girls Club of Martin County (BGC MC) to move into the community center at their rental property New Hope I. They provide a comprehensive youth development curriculum when school is not in session. Using scientifically proven programs, trained and dedicated professionals focus on five core areas: Education and Career Development, Health and Life Skills, Leadership and Character Development, the Creative Arts and Sports and Fitness.

With the office space at New Hope Community I, the Community Police Officer is located in the same building as the Boys and Girls Club and the children who use that program have the opportunity to see law enforcement as a positive contributor to their future through various partnership programs like the National Night Out and the Bike Rodeo.



Boys and Girls Club at New Hope I, a rental community of Indiantown Non-Profit Housing, Inc. on the National Night Out Campaign.



Captain Lloyd Jones reads to children at Perkins Day Care in Booker Park on Dr. Seuss Day.

THE FUTURE

Community revitalization requires a full community effort. Reducing crime is impacted by reducing the number of vacant and abandoned buildings conducive to criminal activity. Keeping rental projects as a place to call home requires extra efforts to keep crime at a minimum. The future of our town is dependent upon giving young people opportunity for a future and a desire to create that future here as leaders of the community. The partnership works together to create a community that all citizens can be proud to call home.





Regulatory Reform is a Home Builder “Hot Button” for Sadowski Act

The Florida Legislature revived and expanded the role of the Affordable Housing Advisory Committees for communities receiving SHIP funding, the local housing trust fund portion funded by state Sadowski Act monies.

The Florida Housing Coalition has been training throughout the state about the new requirements for the AHAC, having workshops, on-site visits, and answering questions on our Catalyst telephone hotline (800/677/4548).

According to Doug Buck, chief negotiator on behalf of the Florida Home Builders Association at the time the Sadowski Act was hammered out in 1991 and still at the Sadowski Coalition table today, regulatory reform is the Home Builders number one “hot button.” The Florida Home Builders Association considers the increase in the documentary stamp tax that funds Florida’s dedicated trust funds to be a tax



Jaimie Ross and Gladys Schneider addressed the annual conference of the Florida Chapter of the American Planning Association.

on the home building industry, and a prime consideration for agreeing to that tax was that “local governments would do their part to bring the costs associated with permitting down.”

Under the Bush Administration, the Sadowski Act was targeted for elimination by the Governor’s office and leadership in the House. Ultimately, the Sadowski trust funds were capped. Without the support of industry groups such as the Florida Association of Realtors and the

Florida Home Builders Association, it is unlikely that Florida’s dedicated revenue source would have survived. And today, those same industry groups are committed to restoring the Sadowski funding to its original purpose by removing the cap.

The moral of this story: the work of the Affordable Housing Advisory Committees and local government commitment to regulatory reform is key to preserving Sadowski Act funding.



At a minimum, each advisory committee shall submit a report to the local governing body that includes recommendations on, and triennially thereafter evaluates the implementation of, affordable housing incentives in the following areas:

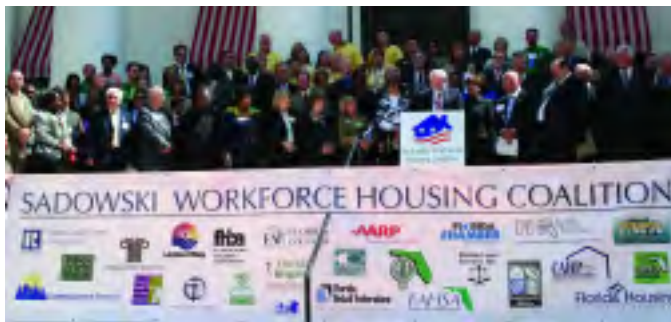
- (a) The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.
- (b) The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- (c) The allowance of flexibility in densities for affordable housing.
- (d) The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.
- (e) The allowance of affordable accessory residential units in residential zoning districts.
- (f) The reduction of parking and setback requirements for affordable housing.
- (g) The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.
- (h) The modification of street requirements for affordable housing.
- (i) The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
- (j) The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- (k) The support of development near transportation hubs and major employment centers and mixed-use developments.





Restore Full Funding for Florida's Housing Trust Funds in 2009

The housing trust fund cap went into effect in July 2007. The total appropriation for housing in fiscal year 2008-09 was \$303 million- the balance in the trust funds of \$250 million was swept to general revenue. **We will never again see more than approximately \$243 million available for affordable housing unless the cap is repealed.**



governments in stabilizing neighborhoods through foreclosure recovery efforts. Our SHIP administrators will need down payment and closing cost assistance funds to ensure that those properties can be sold to low and moderate income homebuyers

(the federal funds can only be used for families at or below 120% of area median income- which neatly coincides with our SHIP programs). **There is a tremendous opportunity for leveraging these federal resources.**

WHY SHOULD THE CAP BE REPEALED WHEN THE HOUSING MARKET IS IN THE TANK?

Housing is our greatest economic engine: when that engine is fueled our economy thrives, when that engine is starved our economy dies. The state and local housing trust funds have been starved by the cap. We need to lift that cap and fuel our economy. Right now we have tens of thousands of homes, single family and condominiums in foreclosure. To put these homes back on the market they need to be acquired, rehabbed, and resold.

We can accelerate Florida's economic recovery by lifting the cap to get Florida's housing industry to work on recovering and rehabbing foreclosed properties.

The crash in the housing market is killing Florida's economy—we are a national leader in foreclosures, and we now have an unemployment rate that exceeds the national average. The depressed housing market leads to loss of jobs which leads to loss of housing.

The foreclosures destabilize neighborhoods, which leads to lower values for the rest of the properties in the neighborhood. The lower values decrease tax revenues for local government making it increasingly harder for local government to provide services and amenities that support the development of housing and jobs. It is a vicious downward spiral.

LEVERAGE FEDERAL FUNDS.

The Housing and Economic Recovery Act of 2008 (HERA) includes a supplemental CDBG appropriation to assist local

Florida will also receive \$561 million in additional private activity bond allocation from the HERA, which will not be able to be accessed if Florida does not have adequate resources in its SAIL program to match with those bonds.

NO REVENUE IMPACT.

The revenue projections for 2009-10 are that collections will not exceed the \$243 million cap. It won't actually cost the general fund any monies to lift the cap in 2009. But if the cap is lifted and Florida's state and local housing trust funds are restored in the future, we can get back to fueling Florida's economic engine—the housing industry.

RENTAL DEVELOPMENT.

—Too much housing stock? Doesn't make sense to develop new affordable housing? Not so. Single family home prices are down—apartment rates are not. The deficit of affordable rental housing continues to grow. Many families losing homeownership are in need of rentals. Land prices are down—it is an excellent time to acquire land and construct affordable housing rental communities that will be affordable for 50 years to come. The downturn in the housing market will not last forever; the units built now will remain affordable long after the housing market recovers.

For further information, contact Jaimie Ross, Affordable Housing Director, 1000 Friends of Florida – jaimieross@aol.com or visit the Florida Housing Coalition website www.flhousing.org.





Keynote Address from Gihan Perera



Gihan Perera

After a rousing video, and humorous introductory remarks, Gihan Perera inspired us with his keynote address about the role and value of community organizing. The following are excerpts.

The collective purpose of community organizing is to: address systemic inequities; build the power needed to change the premise of institutional inequities; and to do that through agency within organizing. It's not just how we build a house or get a job, or move a policy—it is the process of getting rights, which has to be led by those people most directly impacted by those inequities.

Community organizers concentrate on communities that are hardest hit by foreclosures – the communities that have experienced historic disenfranchisement—structural relationships of inequities—those are our members and our leaders.

Community organizers believe that results and policy and solutions that do not come from a process that involves the

community are inherently flawed. People who are going to benefit from changed policies must have ownership of the solutions. Central is the leadership of community organization members. Community members must be at the table.

HOW DO WE BUILD POWER?

There are many strategies- here are three: (1) we build organizations with accountability; (2) we build coalitions between our organization and other stakeholders in the community; (3) with our members and our coalitions, we shift public opinion toward policies that matter.

Community organizations were the “canary in the coal mine” for the economic downturn felt now by the community at large.

In 2005, Hurricane Wilma swept through South Florida two weeks after Hurricane Katrina. Similar to the destruction left by Katrina, Wilma destroyed vulnerable housing in low-income communities. The government was slow to

respond, there was no preparation for recovery, just a place of chaos and stagnation. Our organizers went into the community to find out for themselves the extent of damage and what was happening.

The Miami Workers Center opened when electricity was restored and became an unofficial hurricane shelter. FEMA, the Red Cross, and our congressman came to us to find out what happened in the community. Sushma Sheth, MWC Director of Programs, organized a press conference; assembled a coalition; which brought together residents of storm-ravaged apartment buildings, members, leaders, social service-, advocacy- and religious organizations; and drew up a set of 10-12 policy recommendations to decrease hazard risk of South Florida's most vulnerable communities. This happened 2 days after the storm, when government couldn't even figure out how to distribute ice. We camped out at FEMA and the Red Cross, and on the sixth day of Miami Herald coverage, the paper announced Sushma Sheth as mayor of South Florida.



Sushma Sheth

For the third anniversary of Katrina, those same buildings are in even worse condition. Organizers agree that we have not done our job. What exists now is severe triangulation. The community-side identifies needs, changes policy and wins public will, and that policy becomes a government program which is then alienated in terms of its original intent. Developers then try to make money off of those contracts at the expense of the benefit of the community. If we want to break through to the other side, we have to make it our mission to show developers that it is about developing communities, not just buildings.

We have to build your capacity to get us aligned so that our purpose matches your purpose – brick-and-mortar to match the policy of people as well as sustainability to address inequity. That is our challenge.

Earlier I spoke about the science of organizing. The other part is the art of organizing. Recognizing moments and combining those opportunities into action, to create new partnerships that reflect something bigger.

We are working toward a partnership of economic organizing toward a new vision of governance in this period that is

community-grounded and actually gets government back to doing its job.

Will we take this moment to charter a new course? As community organizers, how do we act strategically for wealth, assets and building communities? As developers, how do we look past structures and deals to partner with communities? In government, how do we begin to be an agent of change as an institution?

Mr. Gihan closed with the poem *“To be of Use,”* by Marge Piercy.

*The people I love the best
jump into work head first
without dallying in the shallows
and swim off with sure strokes almost out of sight.
They seem to become natives of that element,
the black sleek heads of seals
bouncing like half-submerged balls.*

*I love people who harness themselves, an ox to a heavy cart,
who pull like water buffalo, with massive patience,
who strain in the mud and the muck to move things forward,
who do what has to be done, again and again.*

*I want to be with people who submerge
in the task, who go into the fields to harvest
and work in a row and pass the bags along,
who are not parlor generals and field deserters
but move in a common rhythm
when the food must come in or the fire be put out.*

*The work of the world is common as mud.
Botched, it smears the hands, crumbles to dust.
But the thing worth doing well done
has a shape that satisfies, clean and evident.
Greek amphoras for wine or oil,
Hopi vases that held corn, are put in museums
but you know they were made to be used.
The pitcher cries for water to carry
and a person for work that is real.*





THE FLORIDA HOUSING COALITION'S 21ST ANNUAL STATEWIDE AFFORDABLE HOUSING CONFERENCE



Representative Gary Aubuchon receives an award for his affordable housing leadership from the Florida Housing Coalition. Pictured from left to right: FHC Past President Melvin Philpot; Steve Auger, Executive Director of the Florida Housing Finance Corporation; FHC President, Jaimie Ross; Representative Gary Aubuchon; FHC Chair Jeff Bagwell.



FHC Chair Jeff Bagwell shows off our recyclable conference bags during the Opening Plenary.



FHC Vice Chair Annetta Jenkins moderates the Public Policy Plenary.



From left to right: Alyce Gowdy Wright, South Florida Jobs with Justice; Chuck Elsesser, Community Justice Project, Florida Legal Service; Sushma Sheth, Miami Workers Center.



Suzi Ruhl, of the Environmental Law Institute in Washington D.C., speaks on redeveloping Brownfields for affordable housing.



The conference brought together a variety of interests working on mobile home park issues. Pictured from left to right: Jim Ayotte, Florida Manufactured Housing Association; Cheryl Sessions, ROC USA; Mitchell Chester, Law Office of Mitchell A. Chester; Alyce Gowdy Wright, South Florida Jobs with Justice; Jaimie Ross, Florida Housing Coalition; Attorney Janet Riley, Broward County Legal Aid; Attorney David Eastman, Juan Ruiz, 1000 Friends of Florida intern.

WACHOVIA WINNER!



Michelle Braun of Wachovia, presents Lynn Brockwell-Carey of Brevard Neighborhood Development, with Wachovia's \$1,000 lunch time Nonprofit Give Away!



WACHOVIA



Mark Hendrickson, President of the Hendrickson company, presents with Sharon Lee, Executive Director of Low Income Housing Institute in Seattle, in *Designing a New Environment for Nonprofit Developers*.

GREEN AWARDS



Cristina Regino received an award on behalf of MerryPlace Development, LLC.



Bill Lazar received an award on behalf of St. John's Housing Partnership.



Stephanie Lampe received an award on behalf of City of St. Petersburg.



David Herkalo received an award on behalf of Neighborhood Housing and Development Corp.



Diane Ledford and Marcela DeLeon on behalf of Bonita Springs Area Housing Development Corp.



Mark Your Calendar

22nd ANNUAL STATEWIDE AFFORDABLE HOUSING CONFERENCE

September 21, 22, 23, 2009

Rosen Shingle Creek Resort and Golf Club • 9939 Universal Blvd. • Orlando, FL 32819 • (866) 996-9939 • Web: www.shinglecreekresort.com



The Intersection between Fair Housing and Affordable Housing: NIMBY, Disabilities, and More

BY DAVID BAADE

NIMBYISM

There are several ways that Fair Housing and Affordable Housing concerns intersect. The highest profile may be the Not In My Back Yard activities that seek to limit or eliminate affordable housing developments. NIMBY opposition may sometimes have an adverse and disproportionate impact on one or more groups protected by the State and Federal Fair Housing Acts. Both acts prohibit discrimination in housing based on race, color, national origin, religion, sex, handicap, and familial status. In addition, the Florida Fair Housing Act—Section 760.26 F.S. makes it unlawful to discriminate in land use decisions or in the permitting of development based on the source of financing of a development or proposed development.”

If the only reason a land use or permitting request for an affordable housing development is denied is because the housing is subsidized, then a city or county commission’s decision will be in violation of the Florida Fair Housing Act; effectively making low-income persons a protect class whenever land use decisions by a local government impact affordable housing.

ZONING POLICES FOR GROUP HOMES

Many local governments still have antiquated rules and policies that have restrictive definitions of families, definitions of a person with a disability, the number of people unrelated by blood that can reside in one building, or the distances between properties.

MOBILE HOME PARK CLOSURES

Finally, consider the loss of current affordable housing as mobile home parks across Florida are rezoned to make way for the development of high rise housing projects or non-housing development. If it can be shown that the closure of a mobile home park will have an adverse and disproportionate impact on one or more groups protected by the Fair Housing Act, the Act may




Florida Fair Housing Continuum Executive Director, David Baade makes a workshop presentation at the Florida Housing Coalition’s Statewide Conference.

help prevent a park closure and preserve an important source of affordable housing.

INDIVIDUALS WITH DISABILITIES

Most people do not think about the need for both affordable and accessible housing until it affects them directly. By the time a person has the need, they may also have limited income to use to acquire reasonable accommodations or reasonable modifications that allow an equal opportunity to use and enjoy their dwelling.

The workshop reviewed the Rights and Responsibilities of both the housing seeker and

the housing provider, since this understanding is critical in avoiding misunderstandings, conflicts, and expensive litigation. One participant asked whether an assistive animal requires a certification. In some cases—such as for companion animals for depression—the animal will not have or require any certification. What if, however, the animal barks excessively or lunges and bites? If the animal poses a direct threat to other residents or guests, then it would not meet the guidelines of a Reasonable Accommodation and would not have to be allowed. The group considered the responsibility of a housing provider when a resident asks for a Handicapped Parking Space. The first step is to ask if the person needs a fully compliant handicapped space or if a reserved space close to the resident’s unit will meet his or her needs. A compliant handicapped space is wider, since it includes an access aisle as well. This may require the reduction of three general parking spaces into two handicapped spaces. If the complex has the required number of handicapped spaces already and all spaces are assigned to units, this may not be a reasonable accommodation. Also, it is important to recognize that anyone with a handicapped license plate or placard can park in a handicapped parking space. 

DAVID BAADE is the Executive Director for the Fair Housing Continuum, Inc. His work includes fair housing education, enforcement of the Fair Housing Act through systematic testing procedures, investigation of alleged housing discrimination, and assisting community leaders develop fair housing strategies. fairhousing32922@bellsouth.net



Affordable Housing Study Commission Addresses Nonprofit Capacity for 2008-2009

BY ODETTA MACLEISH-WHITE, AHSC STAFF DIRECTOR

The 2008 study topic for the Affordable Housing Study Commission is increasing the capacity and effectiveness of Florida’s nonprofit organizations to address affordable housing issues. The Commission has held three meetings, including its Stakeholders Breakfast at the 2008 Florida Housing Coalition statewide conference. To date, the Study Commission has received testimony from a wide range of stakeholders – national intermediaries, for profit and nonprofit affordable housing developers, representatives from community development lenders, the Florida Housing Coalition and HUD – as well as public comment from community development corporations and other nonprofits.

Through this input, the Study Commission has identified a number of characteristics relating to nonprofit developers:

- Nonprofit developers are more likely to get involved in projects that serve the most vulnerable populations;
- Nonprofits are typically more willing to take on more difficult, less profitable transactions and maintain perpetual affordability at these properties;
- Nonprofits are focused on addressing a community’s unique set of circumstances and needs, of which affordable housing is but a part, albeit an important one.

Challenges facing nonprofits, especially those developing rental housing, include:

- Lack of financial resources, especially predevelopment loans and operating capital
- Nonprofits tend to operate with very small staff and experience high turnover, which makes it difficult to develop expertise and nurture a new generation of leadership

- All stages of affordable housing production – from development to project management through asset management – are complex and difficult to execute



Allan Schnier, from Hudson Housing Capital, LLC, was one in a long line of individuals and diverse organizations who spoke with a strong and unified voice in calling for the end to the lottery system.

At the 2008 Stakeholders Breakfast, a recurring observation shared during the public comment period was the uneven playing field nonprofits face in Florida Housing Finance Corporation’s Universal Application Cycle. Speakers mentioned the lottery, in particular, as an unfair feature of the process which rewards those developers who are able to submit a large number of shell applications, effectively “buying” more chances for a good lottery number. The Study Commission also heard that nonprofits need more access to predictable, consistent sources of operating and predevelopment funding, as well as technical assistance to help develop internal financial capacity, learn project and asset management skills, and recruit and retain staff.

The Affordable Housing Study Commission is charged with making public policy recommendations to stimulate community development and revitalization, and to promote the production, preservation, and maintenance of safe, decent affordable housing for all Floridians.

All Study Commission meetings are open to the public, who are welcome to address the Commission during the public comment period. The meeting schedule, reading materials and agendas for each meeting are available on the Study Commission’s website at www.floridahousing.org/AHSC under the link for Meeting Information. Visitors to the website can also see a list of the Study Commission members and read previous final reports.





SHIP CLIPS

STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM

Frequently Asked SHIP Questions

Q: *Do I have to use the AHAC Report Template distributed by the Coalition?*

A: No, this report outline is available for use, but not required. However, the FHFC staff asked that we remind everyone that the Incentive items A through K as outlined in the statute must be included in the report along with the advisory committee's recommendation.

Q: *Our Advisory Committee report is going to the Board of County Commissioners on November 12. Will that be the start of our 90-day clock for the Board to adopt any incentives or do we still have until March 31, 2009?*

A: Your 90-day clock begins when the Advisory Committee presents their report to the Board. The last day allowed by statute to submit the report to the governing body is December 31, 2008, making the 90-day deadline March 31, 2009. According to FS 420.9076 (6) "Within 90 days after the date of receipt of the local housing incentive strategies recommendations from the advisory committee, the governing body of the appointing local government shall adopt an amendment to its local housing assistance plan to incorporate the local housing incentive strategies it will implement within its jurisdiction. The amendment must include, at a minimum, the local housing incentive strategies required under s. 420.9071(16). The local government must consider the strategies specified in paragraphs (4)(a)-(k) as recommended by the advisory committee."

Q: *Are the dates that are in the timeline just suggested or are they required by rule and statute?*

A: The SHIP statute and rule are very clear regarding due dates for meeting the requirements of the AHAC committee. Some items, such as the Public Hearing, are suggested to give the AHAC enough time to advertise, hold the public hearing and submit the final report by the statutorily defined December 31, 2008 deadline.

Q: *Our Affordable Housing Advisory Committee does not want to make any changes to the LHAP now, but wants to wait until January since we have a new LHAP due in May. Is this okay?*

A: No. The Affordable Housing Advisory Committee is required by FS 420.9076 to meet and review regulatory barriers to affordable housing, make recommendation on items A through K and submit a report to the governing board by December 31, 2008. Incentives shall be adopted by amending the LHAP within 90 days and then forwarded to FHFC by May 2. They should follow the statute and rule time line.

Q: *Can the BCC approve the incentives and adopt the amendment to the LHAP at the same time or do they have to approve the incentives before adoption into the LHAP?*

A: There is nothing in the statute or rule that requires the incentives to be adopted prior to amending your LHAP. However, the incentives that will be adopted may require a Comprehensive Plan Amendment, Ordinance or policy change that will

need to be approved by your Board separately. FS 420.9076 states:

(6) Within 90 days after the date of receipt of the local housing incentive strategies recommendations from the advisory committee, the governing body of the appointing local government shall adopt an amendment to its local housing assistance plan to incorporate the local housing incentive strategies it will implement within its jurisdiction.

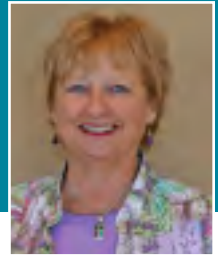
Q: *Is it the approval of the incentives that has to be by resolution or the adoption of the amendment to the LHAP that has to be the resolution?*

A: The amendment to the LHAP must be adopted by Resolution.

Q: *Can we split our AHAC committee into two sub-committees; one to review items a-k and another to review our LHAP since it is due on May 2, 2009?*

A: The statute is clear in its intent and AHAC membership, therefore the entire committee should meet in accordance with FS 420 9076 (4), ... the advisory committee shall review the established policies and procedures, ordinances, land development regulations, and adopted local government comprehensive plan of the appointing local government and shall recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. The recommendations may include the modification or repeal of existing policies, procedures, ordinances, regulations, or plan provisions; the creation of exceptions applicable to affordable

Have you got a question about the SHIP program? Free telephone technical assistance is available to help you successfully implement your SHIP funded work. Call the Florida Housing Coalition's SHIP telephone line at (800) 677-4548.



BY EVELYN RUSCIOLELLI

housing; or the adoption of new policies, procedures, regulations, ordinances, or plan provisions, including recommendations to amend the local government comprehensive plan and corresponding regulations, ordinances, and other policies. At a minimum, each advisory committee shall submit a report to the local governing body that includes recommendations on, and triennially thereafter evaluates the implementation of, affordable housing incentives in the following areas: review incentives a - k.

However the statute and rule do not require the LHAP to be reviewed by the AHAC. This is a local decision only. If your city/county decides that it wants the AHAC to review the new LHAP there will be ample time since the new LHAP is not due until May 2, 2009.

Q: *When my Commission approves the AHAC incentive plan, does there have to be a public hearing?*

A: The statute only requires a public hearing when the Advisory Committee takes its vote on the local housing incentive strategies recommendations. The statute provides the following information regarding the public hearing: FS 420.9076 (5) "The approval by the advisory committee of its local housing incentive strategies recommendations and its review of local government implementation of previously recommended strategies must be made by affirmative vote of a majority of the membership of the advisory committee taken at a public hearing. Notice of the time, date, and place of the public hearing of the advisory committee to adopt final local housing incentive strategies recommendations must be published in a newspaper of general paid circulation in the county.

The notice must contain a short and concise summary of the local housing incentives strategies recommendations to be considered by the advisory committee. The notice must state the public place where a copy of the tentative advisory committee recommendations can be obtained by interested persons."

The rule and statute do not require an additional public hearing when the Commission votes on the recommendations, so unless your local policy dictates otherwise you can have the incentives adopted by an amending resolution to your Local Housing Assistance Plan during a regular board meeting.

Q: *When we advertise the public hearing for our AHAC incentives, how much notice are we required to give?*

A: Both the rule and the statute are silent on this issue, so check to see if you have any local policies that govern advertisement of public hearings. If not, 15-30 days notice would provide sufficient time for the public to review the plan and make arrangements to attend.

Q: *What will be required if the AHAC does not make recommendations on changes to the current incentives or recommends new incentives or if the Board does not adopt any new incentives and keeps the current two required incentives as they currently exist in the LHAP.*

A: A copy of the Advisory Committee's report which provides evidence that the incentives listed in 420.9076(4), F.S. have at least been reviewed and made the recommendation that no changes be made must be sent to

FHFC. A copy of the report must be submitted to FHFC as outlined by 420.9076 (7) "The governing board of the county or the eligible municipality shall notify the corporation by certified mail of its adoption of an amendment of its local housing assistance plan to incorporate local housing incentive strategies. The notice must include a copy of the approved amended plan" and 67-37.010 (3) "The county or eligible municipality shall transmit to the Corporation an electronic copy of the report which has been submitted to the local governing board for consideration by May 2 of the year following the report due date."

Each local government LHAP currently includes the two required incentives. If the local government decides that no new incentives, other than the two required incentives are needed at this time, then no amendment is required. However, if there are changes to the two required incentives including policies or procedures, then a technical revision to the plan to incorporate those changes would be required. In addition, if the local governing body decides to implement any of the other incentives listed in 420.9076, F.S., then an amendment to include the new incentives in the LHAP would be required. By definition of Plan Amendment in 420.9071(22), F.S.: (22) "Plan amendment" means the addition or deletion of a local housing assistance strategy or local housing incentive strategy. Plan amendments must at all times maintain consistency with program requirements and must be submitted to the corporation for review pursuant to s. 420.9072(3). Technical or clarifying revisions may not be considered plan amendments but must be transmitted to the corporation for purposes of notification."





From left to right: Denise Freedman, Gladys Schneider, Debbie Pierson, Michael Davis, Stan Fitterman, Jaimie Ross, Katrina Wright, Jeff Bagwell.



The Florida Housing Coalition received a \$50,000 grant from the Bank of America Foundation to kick-off training and technical assistance to nonprofits and local governments for the acquisition and rehabilitation of vacant and abandoned foreclosures that are causing blight and declining values in Florida's neighborhoods.

SHANK JOINS FHC BOARD



ARDEN SHANK is the President & Executive Director of Neighborhood Housing Services of South Florida, Inc. NHS provides a full line of homeownership services

from pre-purchase to foreclosure intervention in English, Spanish, and Creole. NHS is a certified homeownership trainer and counselor, a licensed lender, a CDFI, and a licensed real estate brokerage company. NHS develops homeownership housing including single family, townhouse, and condo. Shank joined NHS after a successful 15-year stint with an Indiana-based NeighborWorks® organization. Shank is a graduate of the first community development Advanced Practitioner Program, an 18-month program jointly sponsored by NeighborWorks® America and the Kennedy School of Government at Harvard University. Shank is the Board President of the South Florida Community Development Coalition, which educates and advocates on behalf of community development in Miami-Dade County and a board member of the National NeighborWorks® Association.

Ross Appointed to Florida Financial Action Team and Housing and Growth Management Think Tank

CFO Sink appointed **JAIMIE ROSS**, in her capacity as President of the Florida Housing Coalition, to serve on a 17 member group charged with evaluating the Housing and Economic Recovery Act from their stakeholder's perspective and to design a comprehensive outreach strategy to explain the benefits of the HERA to



Floridians. For more information, see www.myfloridacfo.com. Governor Crist appointed Jaimie Ross, in her capacity as Affordable Housing Director for 1000 Friends of Florida, to serve on a Housing and Growth Management Think Tank, scheduled to meet on November 19th as part of the Governor's Accelerate Florida Initiative. See www.myflorida.com.

Raley Joins FHC Financial Services Committee

CLAIRE RALEY has 30 years of experience in the public, private and non-profit sectors with a focus on the areas of community development, affordable housing development and commercial real estate development. Her work with WaMu, now a part of Chase, has included responsibility for the Eastern Region markets of New York, New Jersey, Connecticut, Florida and Georgia. Raley is currently WaMu's, Sr. Community Affairs Relationship Manager for the South Florida and Orlando markets.



Before joining Washington Mutual, Raley spent 15 years working in the non-profit sector in senior management positions with Greater Miami LISC and Greater Miami Neighborhoods. Prior to working in the non-profit sector, she worked with a national union pension fund based in Washington D.C. She is a board member of the Florida Community Loan Fund and the Human Services Coalition of Miami-Dade County.



The Florida Housing Coalition's Affordable Green Housing Work

AFFORDABLE GREEN HOUSING RESOURCES:

The Florida Housing Coalition launched the Green section of its website in September 2008. The website is sponsored by Wachovia Bank and provides information related to:

- Green Highlights of Florida's Affordable Housing Conference
- Affordable Green Housing Training/Resources
- Green Financing
- Energy Resources

FLORIDA HOUSING COALITION BOARD AND STAFF GREEN COMMITTEE:

The Green Committee includes Annetta Jenkins, Tei Kucharski, Bill O'Dell, and Melvin Philpot and staff member Lydia Beltrán. It was established to:

- Further incorporate affordable green housing topics within the annual affordable housing conferences sponsored by FHC
- Establish a collective of interested individuals/developers in addressing challenges in affordable green housing construction
- Consider possibilities in affordable housing green policy and research
- Compile an inventory of Florida's affordable green housing projects
- Join efforts of other established affordable green housing advocates



CATALYST WORKSHOP: INCORPORATING GREEN DESIGN INTO AFFORDABLE HOUSING

February 10, 2009, Orlando
(registration based on availability)
www.flhousing.org

This workshop will provide an understanding of the connection between green building and affordable housing. Participants will gain knowledge in green terminology, funding resources and community development benefits. The Florida Green Building Coalition certification

requirements will be discussed along with local and state green building strategies and initiatives.

Homeownership and Rental projects will be highlighted along with what has been learned in the process. Participants will benefit from the workshop given that most affordable housing funding sources award for green building design and features.

We invite you to send in any ideas or suggestions for the **FHC Green Committee** by e-mailing beltran@flhousing.org or by calling 954-458-4969.



The Florida Housing Coalition is a nonprofit, statewide membership organization whose mission is to act as a catalyst to bring together housing advocates and resources so that Floridians have a quality affordable home and suitable living environment. Call **1-800-677-4548** for free assistance provided under the Catalyst Program of Training and Technical Assistance. Check our website for free workshops—www.flhousing.org.

NSP Grantees

FLORIDA STATE PROGRAM	91,141,478
MIAMI-DADE COUNTY	62,207,200
ORANGE COUNTY	27,901,773
PALM BEACH COUNTY	27,700,340
JACKSONVILLE-DUVAL	26,175,317
PASCO COUNTY	19,495,805
HILLSBOROUGH COUNTY	19,132,978
LEE COUNTY	18,243,867
BROWARD COUNTY	17,767,589
POLK COUNTY	14,586,258
TAMPA	13,600,915
PORT ST LUCIE	13,523,132
MIAMI	12,063,702
ST PETERSBURG	9,498,962
MIRAMAR	9,312,658
PINELLAS COUNTY	8,063,759
HOLLYWOOD	7,534,603
COLLIER COUNTY	7,306,755
SARASOTA COUNTY	7,140,861
CAPE CORAL	7,065,484
SEMINOLE COUNTY	7,019,514
MIAMI GARDENS CITY	6,866,119
ORLANDO	6,730,263
DELTONA	6,635,909
MARION COUNTY	6,324,055
HIALEAH	5,385,046
MANATEE COUNTY	5,283,122
BREVARD COUNTY	5,269,667
VOLUSIA COUNTY	5,222,831
PALM BAY	5,208,104
TAMARAC	4,772,218
ESCAMBIA COUNTY	4,565,918
PEMBROKE PINES	4,398,575
POMPANO BEACH	4,366,157
WEST PALM BEACH	4,349,546
LAUDERHILL	4,293,288
FT LAUDERDALE	3,700,096
SUNRISE	3,494,986
CORAL SPRINGS	3,378,142
LAKE COUNTY	3,136,967
BOYNTON BEACH	2,963,311
HOMESTEAD CITY	2,887,010
NORTH MIAMI	2,847,089
KISSIMMEE	2,371,749
FT MYERS	2,297,318
MARGATE	2,106,555
PLANTATION	2,016,309
LAKELAND	2,005,781
DEERFIELD BEACH	2,005,699

All of these housing partners need to collaborate quickly to meet the short time frame for the obligation and expenditure of NSP funds. But the urgency to expend the monies should not overshadow spending these monies wisely. The purpose of the NSP funding is to stabilize neighborhoods. It is entirely possible to expend the NSP monies in accordance with the eligible uses and fail to meet the overriding goal of the program if the grantees do not use these monies strategically to alleviate the neighborhood decline that is the result of foreclosed, abandoned, and vacant properties.

In thinking strategically about the NSP, ask these questions about your plan: Will the activities...

- Restore housing market activities- these include first mortgages from lenders, closing services, contractors and subcontractors
- Encourage new residents to move to the area
- Increase property values in the neighborhood
- Add or restore properties to the tax rolls
- Decrease government costs in clean up, policing, and nuisance abatement

Are the activities consistent with local market dynamics? For example, are mixed uses typical in the community? Is this primarily a single family market? Multi-family? Are buyers first time homeowners?

Do other coordinated neighborhood stabilization activities include...

- A committed, capable and effective foreclosure prevention program
- Focused code enforcement efforts
- Coordination with other public works projects including infrastructure, roads, parks, economic development
- Jobs and employment programs

Grantees and their partners need to assess whether a particular property or area is a good candidate for NSP funds—whether rehabilitating properties in the area will lead to neighborhood stabilization, whether some properties are better demolished or reused for another purpose. The NSP funds should be used as a catalyst to be complemented by other existing strategies.

The measurement of success for NSP funds should not be how many houses have been bought, demolished, rehabbed, and sold, but rather how many neighborhoods have been stabilized by these activities.





MEMBERSHIP APPLICATION

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. Membership benefits include:

- complimentary conference registrations (Patron Level or higher only, quantity indicated below)
- unlimited membership rates for registration at the conference
- free job vacancy posting service on the Coalition's Web site
- access to the Coalition's e-newsletter Member Update

\$20,000 Platinum Sponsor (20 comps)

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\$5,000 Sponsor (6 comps)

\$2,500 Co-Sponsor (3 comps)

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ADDITIONAL BENEFITS FOR PLATINUM, GOLD, & SPONSOR

- Subscriptions to Housing News Network Journal (up to 20)
- Logo displayed on home page of Coalition's Web site
- Logo displayed in all conference-related publications, on the Coalition's Web site and in each triennial issue of *Housing News Network Journal*
- Complimentary booth at conference expo (if reserved by July 31)

ADDITIONAL BENEFITS FOR CO-SPONSOR, PATRON, & CONTRIBUTOR

- Subscriptions to Housing News Network Journal (up to 8)
- Company name displayed in all conference-related publications, on the Coalition's Web site and in each triennial issue of *Housing News Network Journal*

BASIC MEMBERSHIP

Basic membership is for those who wish to subscribe to *Housing News Network*, post job vacancy announcements free of charge on the Coalition's Web site 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. All memberships are on a unified membership cycle, memberships are due on August 1st and expire on July 31st of each year. (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 coalition's annual meeting as designated below.

\$25 Student

\$75 Individual (payment by personal check only)

\$150 Nonprofit Organizations

\$200 Government Agencies

\$250 Private Organizations

Authorized Representative (please print or type):

Title: _____ Signature: _____

Organization: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____ County: _____

Phone: (____) _____ Fax: (____) _____ Email: _____

Make check payable to:

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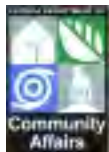


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Florida Housing Coalition
1367 East Lafayette Street, Suite C
Tallahassee, FL 32301

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