

Report on the Community  
Workforce Housing  
Innovation Pilot Program  
(CWHIP)

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## **Introduction**

Florida Housing Finance Corporation (Florida Housing) is pleased to submit its report on the Community Workforce Housing Innovation Pilot (CWHIP) Program pursuant to subsection (14) of section 27 of 2006-69, Laws of Florida.

## **Background**

Over the past two years, local and regional summits have been held throughout the state as local governments and business communities come to terms with how increased housing costs are impacting the workforce. Anecdotal evidence suggests that many in Florida's workforce, such as teachers and nurses, are unwilling to relocate to or stay in Florida because they can get "more home" for their money in states like North Carolina. There is a large gap between what a median income household can afford to pay and the cost of a median priced home in many counties. The business community, including the Florida Chamber of Commerce and many local economic development councils, and public sector employers, including Florida's military installations, have acknowledged concerns with employee recruitment and retention.

Many of these employees are living in two-earner families with incomes slightly above those served by traditional affordable housing programs. The 2006 Legislature responded to these concerns by creating and providing one-time funding in the amount of \$50 million for the CWHIP Program. The purpose of the pilot is to promote innovative ways to reduce the cost of building housing and find new financing tools other than well-used housing programs to expand the affordable housing toolbox. Through financing in the form of forgivable loans, the pilot encourages development of local regulatory incentives, such as land use strategies, and involvement of non-traditional partners, such as school districts and private sector employers, which may have land or other capacity to offer for workforce housing.

The program encourages local governments to remove regulatory barriers and adopt development processes and land use incentives to support the creation of affordable housing. CWHIP targets higher incomes than generally served through other affordable housing programs. Households with incomes at or below 140 percent of area median income (AMI) may be served, with income limits going up to 150 percent of AMI in the Florida Keys.

The pilot program has evinced strong interest from diverse entities across the state, including businesses and others who haven't traditionally participated in affordable housing programs. That, combined with data compiled about the income/housing price gap and anecdotal evidence of local impacts to businesses, all suggests that the current market is failing even those with incomes above the median.

Land use and other regulatory barriers are among the complicated reasons why the market is failing this higher income group. At local workforce housing meetings, experts have indicated that the land use and development framework at the state, regional and

local level has never blended well with the affordable housing delivery system – even with the requirement of a local comprehensive plan housing element. The current framework has created an onerous and expensive development processes in many communities. While it is not the only factor, this impacts the market’s ability to ensure that families above median income can afford to purchase a home.

### **Development of the RFP**

Florida Housing held two Public Meetings and a Rule Development Workshop to solicit input from the business community and the public sector regarding CWHIP. Additionally, staff from the Division of Community Planning at the Department of Community Affairs (DCA) worked with Florida Housing to develop criteria related to innovative land use strategies. The first Public Meeting occurred on July 10, 2006 in Ft. Lauderdale. Eighty-seven people attended this first meeting, representing 31 different private sector businesses and 30 different public sector entities. Discussion topics included innovation, funding goals, set-aside levels, affordability periods and loan terms.

A Rule Development Workshop was held on July 28, 2006 in Tallahassee. Attendance was again strong with 59 people representing 29 private sector businesses and 16 public sector entities. A proposed draft of the CWHIP rule was available prior to this meeting so interested parties had a chance to review the proposal in preparation for attending the meeting. The discussion topics focused on requirements of the funding after the award was made including loan terms, credit underwriting criteria, monitoring requirements, innovation and affordability commitments.

The final Public Meeting was held on August 21, 2006 in Tampa. Sixty-three people attended this final workshop representing 27 private sector businesses and 20 public sector entities. The final 2005 numbers for High Cost Counties and High Growth Counties were distributed during this meeting. The focus of the meeting was again to garner input and suggestions relating to implementation of the law written by the Legislature.

After receiving this input, Florida Housing set forth criteria to use the \$50,000,000 CWHIP appropriation to fund at least 10 projects, with up to \$5,000,000 available to each eligible project. The funding goals were to fund four projects in High Cost Counties, three projects in High Growth Counties and the remainder to go to proposals that used innovative techniques.

To determine High Cost Counties, Florida Housing reviewed available sources of data on sales prices for housing throughout the state. County property appraiser data, in particular, single family homesteaded sales data, provided the most robust information for all types of sales in an area (e.g., Realtor, for-sale-by-owner) and can be separated by county, unlike other sources which are regional or do not provide data for non-metro areas. Florida Housing was assisted in data preparation for this pilot by the Florida Department of Revenue and the Shimberg Center for Affordable Housing at the University of Florida. The Department of Revenue reviewed 2005 property appraiser

data as the information was submitted by counties in July 2006 and immediately forwarded the data to the Shimberg Center for compilation. Then Florida Housing used median income data for a family of four in each county to derive “buying power” (income multiplied by three) which approximates the amount of home a median income family could afford based on income. Buying power was compared to property appraiser homesteaded sales prices to determine the gap in each county, and the counties were placed in order from highest gap to no gap.

The High Cost Counties were separated into three tiers. Tier I included counties with gaps that were at least double the State of Florida gap of \$77,350. Tier II counties had gaps that fell above the State of Florida gap, but below Tier I. Tier III consisted of counties with gaps less than the State of Florida’s gap. A copy of the High Cost chart is attached to this report as Exhibit “A”.

Florida Housing also developed a methodology to determine High Growth Counties, where population growth as a percentage rate of increase is greatest. In this case, the Bureau of Economic and Business Research at the University of Florida and the Shimberg Center advised Florida Housing on the methodology and compiled the population data for use in this pilot. Florida Housing used a four-year base period, 2001 through 2005, to analyze population changes in all 67 counties. Population change percentages were calculated for each year and then averaged to get the annual percentage rate of increase from 2001 through 2005. Exceptions were made for several counties that sustained major population loss as a result of the 2004 hurricanes.

High Growth Counties were also separated into three tiers. Tier I was established by doubling the State of Florida percentage change of 2.18 percent. All counties with population growth rates above 4.36 percent were included in Tier I. Tier II included counties that fell above the State of Florida percentage change but below Tier I counties. Tier III included all counties that fall below the State of Florida percentage change. A copy of the High Growth chart is attached to this report as Exhibit “B”.

For Innovation, Florida Housing focused on three different categories: land use strategies, financial strategies and “other” innovative strategies, such as green building, that did not fit into the first two categories.

### **The Review and Award Process**

Florida Housing solicited applications for CWHIP through a Request for Proposal (RFP) process. The CWHIP RFP opened on October 6, 2006 and proposals were due to Florida Housing by 2:00 p.m. on December 16, 2006. As evidenced by the strong attendance during the three public forums, interest in CWHIP was high. Florida Housing received 33 CWHIP proposals requesting \$139,305,411 to finance 774 homeownership and 217 rental units.

A CWHIP RFP Review Committee was appointed by Florida Housing’s Executive Director. Each member of the Review Committee independently reviewed each of the 33

projects submitted for funding. The Review Committee met publicly on three separate occasions (January 5, 16 and 19, 2007) to consider and discuss issues relating to each project. At the January 16, 2007 public meeting, a representative from DCA provided an overview of each community where a project was being proposed, as well as an in depth evaluation of the proposed land use strategies and how those strategies fit into the overall land use plan for that community. This presentation assisted Review Committee members in their scoring of the land use strategies of the Innovation section of the RFP.

At the conclusion of the review, scoring and ranking process, the Review Committee recommended that 11 projects receive CWHIP funding. This recommendation was approved by Florida Housing's Board of Directors at its regularly-scheduled meeting on January 26, 2007<sup>1</sup>. A list of the projects approved for funding, as well as a separate description of each project, is attached to this report as Exhibit "C".

Of the four projects approved for funding that were from the High Cost County category, three were from Tier I, and one was from Tier II. The applicants approved for funding in Tier I were located in Martin, Palm Beach and Walton counties. The Tier II proposal approved for funding was located in Sarasota County.

Of the three projects approved for funding from High Growth County category, two were from Tier I and one was from Tier II. The applicants approved for funding in Tier I were located in Osceola and St. Johns counties. The Tier II proposal approved for funding was located in Orange County.

The four projects that were approved for funding in the Innovation category were located in Highlands, Hillsborough, Palm Beach and Sarasota counties.

### **Innovation Strategies**

One of the stated goals of the CWHIP legislation was to encourage public and private sector entities to partner together and create innovative ways to meet the challenges of developing affordable housing. Below are some of the more interesting and innovative strategies proposed in the responses submitted to the CWHIP RFP.

#### Land Use Strategies

Given that in the past, regional and local land use regulations have not complemented the affordable housing delivery system, the RFP required applicants to include innovative land use strategies that would be utilized in the proposed project. Florida Housing, in conjunction with DCA, developed twelve categories of land use strategies, outlined below, that could reduce regulatory barriers in or encourage the development of affordable housing. Applicants were asked to provide documentation about existing or newly created land use strategies in the local government comprehensive plan, land development regulations, other regulatory guidelines or programs that require or provide

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<sup>1</sup> Subsequent to Board approval, one of the unsuccessful applicants filed a bid protest. Florida Housing has filed a Motion to Dismiss the protest, which is scheduled to be heard on March 6, 2007.

incentives for the project or all affordable housing in the community where the housing was being proposed.

Strategy: *Development and preservation of a variety of housing sizes and types in residential areas, and within neighborhoods, including accessory units.*

Many of the local governments had existing or newly adopted policies that addressed the above strategy. Some communities created Community Land Trusts to ensure affordability in perpetuity. Others established Housing Agreements and Affordable Housing Economic Incentive Programs that require a variety of housing sizes and types within residential neighborhoods.

Strategy: *Preservation of existing housing stock near major employers and creation of housing opportunities in close proximity to new suburban, exurban, and rural employment centers.*

This strategy encourages preservation and development to take place near employment centers. There were few proposals located in communities that provide this strategy. However, there were several proposals in which proposed developments were to be located in Community Redevelopment Areas (CRA) and downtown business districts.

Strategy: *Development of affordable housing near transportation hubs, and transportation and transit improvements that allow lower income households in central cities to access jobs in surrounding suburbs.*

Proposals that included this strategy had existing policies that required affordable housing developments and/or mixed use developments to be located in proximity to transportation hubs. Many of the proposed projects were located in areas where they could maximize the existing transportation network.

Strategy: *Reduction or elimination of site development and/or subdivision standards that are not essential to protect the public health, safety, or welfare or that are not critical to the protection or preservation of the environment, and that may otherwise make a project economically infeasible (e.g., flexible lot configurations, building setbacks, road widths, parking and buffering requirements).*

Those proposals that are planned unit developments and/or mixed-use developments are located in communities with existing local policies that allow flexible design standards particularly in these types of developments. One of the proposals awarded funding will take advantage of flexible lot configurations allowed through the local government by clustering townhouses.

Strategy: *Allowance of mixed land uses in an area to allow the potential to live and work in proximity (e.g., allowance of compatible neighborhood commercial centers and mixed-use planned unit projects).*

There were proposals submitted in which local governments incorporated mixed land uses as part of their Future Land Use Elements within their Comprehensive Plans. Proposals located in downtown areas, Community Redevelopment Areas, and business districts allow for the potential to live and work in proximity to each other. For instance, one proposed development is located in a CRA and within a Development of Regional Impact (DRI) where a school and commercial space will be provided along with various housing types.

*Strategy: Allowance of home occupation and live/work regulations, providing for a range of home-work arrangements while maintaining the character of a residential neighborhood.*

There were several proposals that indicated this strategy as an existing or newly adopted policy. In these cases, local governments that allow home based occupations created special land use categories for them or allowed them in certain housing developments.

*Strategy: Mitigation of impact and permitting fees for affordable housing developments. Increased density levels for affordable housing and/or density bonuses for inclusion of affordable housing in a residential or mixed use development, or “as-of-right” density bonuses for the purposes of offsetting the cost of building below market units as an incentive for any market rate residential development that includes a portion of affordable housing. (In this case “as of right” refers to a density bonus granted for a fixed percentage or number of additional market rate dwelling units in exchange for the provision of a fixed number or percentage of affordable dwelling units and without the use of discretion in determining the number of additional market rate units.)*

There were several proposals submitted in which local governments allow density bonuses for the development of affordable housing. One local government allows one additional market rate unit for each unit of affordable housing within a development. Several local governments proposed policies that would waive, reimburse, or defer impact fees for the proposed CWHIP development.

*Strategy: Directing reservation of infrastructure capacity first for the purpose of affordable housing.*

There were very few proposals in which local governments reserve infrastructure capacity for affordable housing. However, there were many proposals in which local governments allow any affordable housing developments to be exempt from concurrency requirements.

*Strategy: Expedited processing of development orders and permits for affordable developments to a greater degree than other developments. Documentation should include information on how this process works functionally (e.g.,*

*affordable developments take x days while other developments take x days to receive development orders).*

Most proposals submitted indicated that local governments have existing policies that require expedited reviews of affordable housing developments. This is a requirement of the local State Housing Initiatives Partnership (SHIP) program. Some local governments proposed to exempt CWHIP housing developments from the local Planning Commission Review in order to reduce the time it takes to process development orders.

*Strategy: Establishment of a single, consolidated permit application process for all housing development OR affordable housing development that includes building, zoning, engineering, environmental, and related permits. Conduct of concurrent, not sequential, reviews for all required permits and approvals.*

Few proposals were submitted in local governments that had policies outlining this strategy. Generally, development orders are reviewed sequentially rather than concurrently. Of those proposals awarded funding; only one includes a public-private partnership agreement requiring the review process to be performed concurrently, saving time and money.

*Strategy: Establishment of time limits for government review and approval or disapproval of development orders and/or permits in which failure to act after the application is deemed complete by the government within the designated time period results in automatic approval.*

While local governments generally have existing policies requiring an expedited review process for affordable housing developments as a result of their SHIP program requirements, none of the winning proposals indicated that local governments have in place a process with time limits and automatic approvals.

### Financial Strategies

*Strategy: Public and private sector employer-assisted housing programs, especially those which encourage employees to own or rent in the neighborhood adjacent to the employer.*

Several of the public-private partnerships proposed the creation of communities in commercial districts or in proximity to schools. Many proposals consider educators to be an important target population and partnered with school systems. One local government, facing a severe shortage of teachers, will offer incentives for affordable housing to support the proposal, including a grant of \$1,000,000. The school board agreed to waive school impact fees and provided leased land to the not-for-profit partner. Another role that local school boards play as partners will be to defer school impact fees to the homebuyers, reducing the initial cost of the home. In some cases, after living in the home for five years, this subsidy will become a grant to the homeowner. These strategies are combined with the direct financial assistance to homebuyers described below.



*Strategy: Tax increment financing for the support of affordable housing and/or residential community revitalization.*

Three of the successful proposals are in areas that have tax increment financing through a Community Redevelopment Area already in place for infrastructure needs and the redevelopment of blighted areas. In one case, a county agreed to designate the development project a new Tax Increment Area and use these funds toward the interest payment on the CWHIP loan. When the interest rate is no longer applicable, the funds can be used for operation of the project.

*Strategy: Involvement of public and private sector partners in the development and preservation of affordable housing.*

One applicant estimated that by instituting concurrent reviews, re-zoning, and permitting, the city saved the project over \$600,000. Another applicant realized that, due to expedited review and permitting, they would be able to include another 400 affordable units in their development in addition to the 50 units funded by the CWHIP proposal. Some local government partners will offset impact fees to new residents, and utility tap and connection fee assistance will be provided for the lower income residents. This will result in as much as \$4,000 per home in impact fee waivers. In one proposal, the not-for-profit entity has involved local businesses to bring down development costs by donating funds and providing in-kind services, such as land planning, engineering, traffic studies and population analysis to the development. Other private sector involvement includes development of the housing and local Chambers of Commerce providing outreach to employers.

*Strategy: Involvement of local banking/financial institutions in affordable housing development and preservation (e.g., through financial matches, provision of low interest financing programs for affordable housing).*

Two of the successful proposals partnered with a consortium of local financial institutions to create a low interest loan product to assist buyers with down payment and closing costs and to reduce the amount of mortgage insurance they need. In other proposals, no-interest loans will facilitate the development, including no-interest loans for predevelopment soft costs. In these cases, the savings realized will be reflected in the selling price of the homes.

*Strategy: Provision of land for affordable housing (e.g. transfer of density bonus rights, land assembly mechanism, land donation policies).*

Land donation was a strategy used in many of the proposals, with local governments and school systems usually providing the land. In one case, a utility company which had excess land became a partner by asking the county to declare the land surplus, and for a small compensation, the land was ultimately donated for housing and two new schools. Concurrent and expedited reviews, as well as transfer of density bonuses, were other

financial strategies used to acquire the land for the developments. In one case, the regional planning council is a partner because the housing development will be located within a Development of Regional Impact (DRI). By offering expedited reviews and concurrency for the whole DRI, the entire DRI becomes more cost efficient.

*Strategy: Advertisement and provision of financial assistance to house a range of populations in the community, including such strategies as employer down payment assistance, shared equity and/or a community land trust model to promote perpetual affordability, access to credit and homebuyer counseling.*

Several of the proposals' local government partners will provide outreach campaigns to eligible municipal employees for the housing. Some school board partners will offer down payment assistance to eligible teachers. The local Chambers of Commerce are involved in some cases, committing to provide outreach campaigns to local employers about how their employees can qualify for the housing. The Community Land Trust partners will provide a variety of services, including a full range of credit counseling, application review and counseling services to help eligible people to achieve homeownership.

*Other innovative local financial strategies:*

In one proposal, the Community Land Trust will lease part of the development parcel to entities that will provide services, such as day care. Businesses such as grocery stores, gas stations, and restaurants will be sited there as well, and their leases will provide a continuous revenue stream for property operations. In some cases, this will save the residents user fees.

#### Other Innovative Strategies

“Green” building practices are being instituted in most of the proposals awarded CWHIP funding. Concepts such as rainwater harvesting, low-flow showers and toilets, drip irrigation systems and other green landscaping practices, solar energy, and Energy Star rated appliances and fixtures will be found in the developments. Some proposals also utilize the criteria established by the Florida Green Building Coalition and Leadership in Energy and Environmental Design, (also known as LEED) in order to keep long-term costs low for households.

One proposal includes the use of “universal design” to allow elders to live independently for as long as possible. Universal design refers to designs that accommodate a wide range of individual preferences and abilities, with flexibility for change over time.

Proposals were encouraged to include hurricane resistant building features above and beyond those required by the Florida Building Code. This resulted in a number of proposals with additional site features including underground utilities and generator backups.

## **Public-Private Partnerships**

Another goal of the CWHIP legislation was to bring public and private entities together to address ways that they could work together to help essential services personnel find an affordable place to live in the communities where they work. While the most common form of public-private partnership was between a local government entity and a developer, other partnerships incorporated Community Redevelopment Agencies, local housing finance agencies, Community Land Trusts, school boards and local employers. Examples of particular public-private partnerships that applied for CWHIP funding are described below.

The City of Miami Beach and Mt. Sinai Medical Center partnership involved a local employer of essential services personnel and a proposal to house nurses in condominiums on hospital property. This is an example of employer-assisted housing designed to serve essential services personnel.

St. John's County Housing Finance Agency, St. John's County Redevelopment Agency and nine private for profit and not-for-profit organizations came together to form a partnership to develop 111 detached, single family homes within the St. John's County West Augustine Community Redevelopment Area. This is an example of a large coalition of public and private entities including collaboration between a local Housing Finance Agency and a Community Redevelopment Agency.

## **Recommendations**

After funding awards were approved by Florida Housing's Board of Directors in late January, the staff evaluated the implementation of the pilot program to determine whether any major changes could make the program more responsive, should the program be funded in the future. Florida Housing believes that the legislation and attendant methodologies used to develop High Cost Counties and High Growth Counties worked well and should be retained. The assistance of DCA was also critical in reviewing land use strategies in the proposals.

The process, including initial public workshops, also worked very well. The use of a Request for Proposals process provided the flexibility needed to implement this new, very different program in its first year. However, Florida Housing believes that in the future an application process can be implemented that would allow applicants to cure minor errors in their applications.

## **Conclusion**

In all, the eleven projects approved for financing under the CWHIP Program will provide a total of 991 housing units, 774 homeownership units and 217 rental units. While these units will provide much needed affordable housing for the workforce in the areas where proposals were funded, only a small percentage of the overall need in these communities will be met by these CWHIP developments. However, the winning proposals provide a

variety of creative strategies, including strong public-private partnerships, that may serve as models for locales across Florida.

The creation of this pilot program generated an enormous amount of interest throughout the state, in part because the legislation responded to local and regional discussions already occurring on the topic. The program has provided an incentive for not-for-profit and for profit businesses not traditionally involved in housing to come to the table. With the understanding that traditional funding alone cannot meet affordable housing needs, Florida Housing believes the involvement of the business community is a critical part of the housing solution. Moreover, there is increased local attention on using land use and other financial strategies to support and encourage affordable housing. Many of the proposals submitted for CWHIP funding relied on existing, traditional land use and funding strategies. However, some interesting, new ideas emerged, and recently initiated ideas for housing, such as Community Land Trusts and tax increment financing, are being utilized in greater numbers than before as communities experiment with new approaches to meeting housing needs.

*For more information on all of the submitted CWHIP proposals, go to Florida Housing's website at [www.floridahousing.org/Home/BusinessLegal/Solicitations/RFP2006-05.htm](http://www.floridahousing.org/Home/BusinessLegal/Solicitations/RFP2006-05.htm).*

**2005 Gap Between Buying Power and Median Sales Price, by County for Homesteaded Single Family Homes for CWHIP Program**

County	Median Income for Family of 4	Buying Power (Income x 3)	Median Sales Price	Gap Between Buying Power and Sales Price
<b>Tier I</b>				
Monroe County	\$58,450	\$175,350	\$660,000	\$484,650
Collier County	\$63,300	\$189,900	\$433,000	\$243,100
Palm Beach County	\$62,100	\$186,300	\$396,800	\$210,500
Walton County	\$44,000	\$132,000	\$320,000	\$188,000
Martin County	\$52,450	\$157,350	\$339,900	\$182,550
Miami-Dade County	\$46,350	\$139,050	\$318,000	\$178,950
Broward County	\$58,100	\$174,300	\$330,000	\$155,700
<b>Tier II</b>				
Manatee County	\$55,900	\$167,700	\$306,000	\$138,300
Franklin County	\$35,850	\$107,550	\$233,000	\$125,450
Lee County	\$54,100	\$162,300	\$279,500	\$117,200
St. Johns County	\$57,850	\$173,550	\$289,050	\$115,500
Sarasota County	\$55,900	\$167,700	\$270,000	\$102,300
Seminole County	\$55,100	\$165,300	\$260,000	\$94,700
Orange County	\$55,100	\$165,300	\$260,000	\$94,700
Charlotte County	\$49,150	\$147,450	\$230,000	\$82,550
St. Lucie County	\$52,450	\$157,350	\$237,000	\$79,650
<b>Tier III</b>				
Florida	\$52,550	\$157,650	\$235,000	\$77,350
Sumter County	\$43,800	\$131,400	\$207,200	\$75,800
Hillsborough County	\$52,150	\$156,450	\$230,000	\$73,550
Flagler County	\$48,650	\$145,950	\$215,000	\$69,050
Osceola County	\$55,100	\$165,300	\$230,000	\$64,700
Indian River County	\$53,250	\$159,750	\$223,000	\$63,250
Santa Rosa County	\$50,700	\$152,100	\$214,150	\$62,050
Brevard County	\$54,900	\$164,700	\$226,000	\$61,300
DeSoto County	\$39,950	\$119,850	\$180,250	\$60,400
Pinellas County	\$52,150	\$156,450	\$214,500	\$58,050
Lake County	\$55,100	\$165,300	\$221,250	\$55,950
Volusia County	\$48,650	\$145,950	\$201,500	\$55,550
Bay County	\$49,300	\$147,900	\$202,400	\$54,500
Hendry County	\$40,100	\$120,300	\$169,900	\$49,600
Okaloosa County	\$55,150	\$165,450	\$213,900	\$48,450
Pasco County	\$52,150	\$156,450	\$204,200	\$47,750
Nassau County	\$57,850	\$173,550	\$221,000	\$47,450
Marion County	\$43,100	\$129,300	\$170,000	\$40,700
Citrus County	\$42,050	\$126,150	\$165,000	\$38,850
Levy County	\$35,200	\$105,600	\$144,200	\$38,600
Okeechobee County	\$41,900	\$125,700	\$160,000	\$34,300
Gilchrist County	\$39,800	\$119,400	\$153,500	\$34,100
Alachua County	\$53,550	\$160,650	\$191,000	\$30,350
Polk County	\$47,600	\$142,800	\$172,100	\$29,300
Columbia County	\$41,250	\$123,750	\$152,550	\$28,800
Clay County	\$57,850	\$173,550	\$199,100	\$25,550
Gulf County	\$41,700	\$125,100	\$150,000	\$24,900
Wakulla County	\$51,300	\$153,900	\$178,700	\$24,800
Lafayette County	\$40,300	\$120,900	\$145,000	\$24,100
Jefferson County	\$46,600	\$139,800	\$162,000	\$22,200
Suwannee County	\$39,150	\$117,450	\$139,500	\$22,050
Highlands County	\$46,100	\$138,300	\$159,200	\$20,900
Leon County	\$57,700	\$173,100	\$190,900	\$17,800
Duval County	\$57,850	\$173,550	\$187,500	\$13,950
Hernando County	\$52,150	\$156,450	\$169,500	\$13,050
Glades County	\$41,000	\$123,000	\$134,900	\$11,900
Putnam County	\$41,000	\$123,000	\$131,700	\$8,700
Baker County	\$51,400	\$154,200	\$160,200	\$6,000
Escambia County	\$50,700	\$152,100	\$150,900	-\$1,200
Union County	\$42,700	\$128,100	\$125,400	-\$2,700
Washington County	\$38,400	\$115,200	\$112,500	-\$2,700
Liberty County	\$40,900	\$122,700	\$114,700	-\$8,000
Bradford County	\$45,300	\$135,900	\$125,000	-\$10,900
Jackson County	\$41,900	\$125,700	\$110,000	-\$15,700
Calhoun County	\$37,000	\$111,000	\$92,000	-\$19,000
Madison County	\$37,000	\$111,000	\$91,250	-\$19,750
Hamilton County	\$34,950	\$104,850	\$85,000	-\$19,850
Hardee County	\$37,600	\$112,800	\$92,700	-\$20,100
Dixie County	\$37,900	\$113,700	\$92,500	-\$21,200
Taylor County	\$40,150	\$120,450	\$90,000	-\$30,450
Gadsden County	\$57,700	\$173,100	\$139,000	-\$34,100
Holmes County	\$40,900	\$122,700	\$79,900	-\$42,800

Source: County Property Appraiser data, Florida Department of Revenue, compiled by The Shimberg Center for Affordable Housing

**NOTES:**

1. County property appraiser data are the source for this chart. Data cover single family sales by county in 2005 for those properties claiming homestead exemption in the following year.
2. Median incomes are provided by the U.S. Dept of Housing and Urban Development for each year. Median incomes refer to the median income for a family of four by Metropolitan Statistical Area (MSA) or non-MSA county.
3. Buying power assumes the family can obtain a mortgage at today's levels of approximately three times (3x) the amount of a family's income. This assumption is an estimate only and does not take into consideration a family's debt obligations, i.e., it assumes zero debt (maximum buying power).
4. The formula for the gap between buying power and median sales price subtracts buying power (i.e., what the family can afford) from the median sales price to determine how much subsidy a family would need to purchase a median price single family home. Then counties were placed in order from those with the largest gap to those with the smallest gap.
5. Tier I is established by doubling the State of Florida gap of \$77,350; thus, every county with a gap amount above \$154,700 is included in Tier I. Tier II includes those counties with gaps that fall above the State of Florida gap, but below Tier I. Tier III includes all counties with gaps that fall below the State of Florida gap.

**Population Growth as a Percentage Rate of Increase by County, 2000-2005\* for the CWHIP Program**

County	Avg. Annual % Change 2000-05*
<b>TIER I</b>	
FLAGLER	9.547%
OSCEOLA	6.366%
WALTON	5.093%
ST. JOHNS	4.973%
COLLIER	4.793%
ST. LUCIE	4.478%
LEE	4.477%
SUMTER	4.475%
LAKE	4.466%
<b>TIER II</b>	
CLAY	3.793%
PASCO	3.327%
MARION	3.082%
ORANGE	3.029%
MANATEE	2.869%
HERNANDO	2.816%
INDIAN RIVER	2.796%
SANTA ROSA	2.760%
NASSAU	2.629%
HILLSBOROUGH	2.500%
SARASOTA	2.447%
CHARLOTTE*	2.432%
SEMINOLE	2.416%
LEON	2.363%
CITRUS	2.329%
PALM BEACH	2.218%
WAKULLA	2.195%
<b>TIER III</b>	
FLORIDA	2.184%
BREVARD	2.180%
POLK	2.155%
VOLUSIA	2.134%
DUVAL	2.017%
MARTIN	1.979%
OKALOOSA	1.887%
ALACHUA	1.862%
SUWANNEE	1.842%
LEVY	1.806%
BAY	1.629%
FRANKLIN	1.410%
BROWARD	1.390%
MIAMI-DADE	1.367%
HIGHLANDS	1.352%
GILCHRIST	1.276%
COLUMBIA	0.836%
PUTNAM	0.807%
WASHINGTON	0.716%
MONROE	0.684%
HENDRY	0.656%
PINELLAS	0.540%
ESCAMBIA	0.449%
TAYLOR	0.429%
DIXIE	0.392%
JEFFERSON	0.282%
OKEECHOBEE	-0.083%
DE SOTO*	-0.121%
GADSDEN	-0.138%
BAKER	-0.289%
MADISON	-0.740%
HARDEE*	-0.750%
CALHOUN	-0.771%
HOLMES	-0.878%
GLADES	-1.147%
JACKSON	-1.443%
GULF	-1.741%
BRADFORD	-1.892%
LAFAYETTE	-2.256%
HAMILTON	-2.908%
LIBERTY	-3.383%
UNION	-5.289%

**NOTES:**

1. For this chart, Tier I was established by doubling the State of Florida percentage change (2.18%), with every county above the doubled percentage (4.36%) included in Tier I. Tier II includes those counties that fall above the State of Florida percentage change, but below Tier I. Tier III includes all counties that fall below the State of Florida percentage change.

\* This chart uses population data from years 2000 through 2005 to determine average annual percentage rate of change. However, according to a post-hurricane survey carried out by BEBR in 2005, a number of counties lost population between 2004 and 2005 as a result of damage from the 2004 hurricanes. The BEBR survey shows that more than 20% of the population in three counties – Charlotte, DeSoto and Hardee [represented in the chart with an asterisk (\*)] – had not returned to their pre-hurricane homes. To offset this unusual decrease (that will, over time, revert back to historical levels), this chart uses the 2000-2004 average annual percentage change instead of 2000-2005 for just these three counties.

## **Exhibit C – Summary of CWHIP Proposals Awarded Financing**

### **High Cost Awards**

Village of Quillen located in Martin County was awarded \$5,000,000 in CWHIP funds. The proposed development is for 50 town homes. Affordability for these units will be maintained through a Community Land Trust which will own the land and provide a ground lease to the homeowner. Village of Quillen, located in a Development of Regional Impact (DRI) and is a small part of a larger development known as Quillen Village. Together, Village of Quillen and Quillen Village will create housing opportunities and choices for a range of household types, family sizes, and incomes as governed by the smart growth requirements of the CRA. Residents of the Village of Quillen will enjoy proximity to 150,000 square feet of commercial space and a new school located within the development.

The public-private partnership formed to develop the Village of Quillen includes the developer, Indiantown Holdings, LLC, Martin County, Treasure Coast Regional Planning Council and the Western Martin County Indiantown Chamber of Commerce. The development plans to utilize employer-assisted housing programs which encourage employees to own homes adjacent to their employer. This strategy is being executed by the local school board's implementation of an Employee Assistance Home Ownership Program. Additional financing sources include SHIP funds used as down payment assistance for homebuyers and tax increment financing used to fund the infrastructure and the streetscape in the development.

The public-private partnership created a Housing Assistance Agreement that requires a minimum of 20 percent of the housing in the DRI to be set aside as affordable workforce housing. The agreement also requires the review process for the project along with the entire DRI be performed concurrently. By being located in the CRA, the project can take advantage of land use strategies such as allowance for mixed land uses, proximity to employment and transportation hubs, flexible design standards, and density bonuses.

MerryPlace at Pleasant City is located in Palm Beach County and was awarded \$5,000,000 in CWHIP funds. MerryPlace is a 14.67-acre urban infill site located in the city of West Palm Beach. The proposed development will consist of 111 units: 46 town homes, 52 condominiums and 16 single family detached homes. All will be located in a larger development consisting of homeownership and rental units. Four of the single family homes will have Accessory Dwelling Units, which are secondary living units of approximately 640 square feet that will have their own kitchen, bathroom and sleeping areas. Services provided to the residents will include seminars on foreclosure prevention sponsored by the West Palm Beach Housing Authority and energy efficiency and green home standards presented by Florida Public Utilities – Green Community Program.

The public-private partnership for MerryPlace consists of The West Palm Beach Housing Authority and Banc of America Community Development Corporation. The City of West Palm Beach and the West Palm Beach Community Redevelopment Agency

together have contributed in excess of \$8.9 million for replacement and upgraded infrastructure in the development. Also, the School District of West Palm Beach County has pledged \$500,000 toward down payment assistance for teachers and other school personnel to purchase homes in MerryPlace. Another source of financing is a zero-interest revolving loan in the amount of \$3,000,000 provided by the Housing Finance Authority of Palm Beach County to be used for the construction of homeownership units.

MerryPlace has incorporated a variety of housing sizes and types, including Accessory Dwelling Units, described above. The project will be located in a Residential Planned District which provides flexible setback and lot size requirements. The project will incorporate shared parking into the development which will promote alternative forms of transportation.

Wolf Creek Village in Walton County was awarded \$5,000,000 in CWHIP funds. The proposed development consists of 242 single family homes. The development is a 68.53-acre community that includes 17 acres of open space; five acres of commercial space, which will include a day care center, a small convenience store/gas station, and other retail space; and a landscaped buffer with a walking path around the perimeter of the development. One-hundred percent of the homes will be set-aside for workforce housing. The community is adjacent to a 40-acre elementary and middle school site and is across the street from an 18-hole championship golf course.

The public-private partnership involved in the development of Wolf Creek Village consists of Walton County Workforce Housing Corporation and Walton County. The county has donated two large tracts of land for use in conjunction with this project, one tract for two new schools and one tract for a new sewer plant. This donation will allow the project to avoid school impact fees and costs for extending utility lines. Additionally, local businesses have donated funds and made in-kind service donations to the project, such as land planning, permitting, engineering, traffic studies and population analysis.

As part of developing its CWHIP proposal, Walton County amended its existing land use policy to allow affordable housing developments throughout the county, deleting the provision that affordable housing would be concentrated in the South Walton area. The county also proposed new ordinances that would allow density bonuses for affordable housing, exempt affordable housing developments from concurrency requirements, and exempt affordable housing from Planning Commission review.

Boulevard of the Arts Residences located in Sarasota County was awarded \$2,560,000 in CWHIP funds. The proposed development consists of 28 condominium units located in the Rosemary District of downtown Sarasota. Due to the downtown location of the development, many services are within a short distance to the potential homeowners. A new grocery store is located six blocks away and the development is located within three blocks of a public transfer station. Boulevard of the Arts Residences is incorporating green building practices when developing these condominium units.



The Community Housing Trust, a not-for-profit corporation, has partnered with the City of Sarasota to create these units. The City of Sarasota is donating two lots to the development. One is a vacant parcel to be used for the development of the condominiums and the other is a parking lot. Together, these parcels have an appraised value of \$3,565,000. The Community Housing Trust will in turn lease the parking lot back to the city for a \$1.00 per year for continued use as parking. This works in favor of the development because the density from the parking lot will be transferred to the development site, allowing an additional twelve units of housing to be built.

The Community Housing Trust will retain ownership of the land, preserving the development's affordability. Sarasota County's Comprehensive Plan requires affordable housing developments be located near employment centers and transportation hubs. To encourage development in the downtown area, county land development regulations already expedite the development review time from 120 days to five working days.

### **High Growth Awards**

The Preserve located in Osceola County was awarded \$5,000,000 in CWHIP funds. The proposed development is for a 120-unit garden style multifamily rental community. Development amenities include a tot lot, clubhouse and swimming pool. Interior amenities include Energy Star appliances, full size washer and dryer hook-ups and ceiling fans. Tenant services include financial counseling, first-time homebuyer seminars and a Homeownership Opportunity Program in which up to 5 percent of the tenant's rent over a period of three years may be used towards down payment costs on the purchase of a home.

The Foundation for Osceola Education, Inc., together with the Osceola County School Board, forms the public-private partnership required by CWHIP. The Preserve has received a \$1,000,000 grant and \$788,040 in educational impact fee waivers from the Osceola County Commission and additional \$788,040 of school board impact fee waivers. Additional financing includes a below market rate ground lease from the school board that equates to a savings of \$897,233. The school board has also agreed to provide 37,000 cubic yards of fill dirt, reflecting a savings to the development of \$240,500.

The county's Comprehensive Plan requires that affordable housing developments be in close proximity to transit stops and employment centers. The county also has a Special High Density Residential land use category already in place that allows home base occupations, and the CWHIP project has been approved for this category.

Homes of West Augustine located in St. Johns County was awarded \$5,000,000 in CWHIP funds. The proposed development consists of 111 single-family homes located in the West Augustine Community Redevelopment Area. Benefits the residents of the development will receive include lawn care maintenance and income-tax preparations free of charge.

Many different public and private entities have partnered together to develop Homes of West Augustine. The public entities involved in this development include the Housing Finance Authority of St. Johns County, St. Johns County, and St. Johns County Community Redevelopment Agency. There are nine private for profit or not-for-profit entities involved, including Habitat for Humanity of St. Augustine, Brunson Custom Homes, Central Florida Community Development Corporation, Cope Homes, Covenant Homes of St. Augustine, E & C Construction of St. Augustine, Gemini Development, Pennyworth Homes and Storm Safe Homes/High Strength Structures.

Homes of West Augustine will benefit from impact fee grants provided by St. Johns County Affordable Housing Economic Incentive Program (AHEI) and assistance for utility tap fees. Homebuyers may be able to utilize local SHIP funds for purchase assistance, up to \$40,000 for homebuyers at or below 80 percent of AMI.

The County established the AHEI to promote affordable housing. AHEI and other existing policies require mixed land uses that maximize existing regional transportation networks. County policies also require expedited reviews and density bonuses for affordable housing developments.

Verde located in Orange County was awarded \$5,000,000 in CWHIP funds. Verde is a new construction, two tower, 35-story, 484 unit multifamily development located in the City of Orlando. Ninety-seven of these units will be set-aside for workforce housing. This project combines market-rate units with affordable units, leveraging affordable housing incentives such as various types of tax credits with the ability to support more debt by having market-rate rents. Verde will be Orlando's first LEED certified "Green Building" utilizing high levels of energy efficiency with decreased environmental impact. Residents will enjoy a landscaped one-acre roof with a 200-foot pool and heated spa, fitness center, on-site grocery store, retail shops and a restaurant.

A public-private partnership has been formed between Orange County Housing Finance Authority (OCHFA) and GDC Verde Master, LLC. The development is being partially financed with tax-exempt bonds issued through OCHFA. Because of this partnership, OCHFA has reduced its bond fees by \$1,884,970. Additionally, the City of Orlando has committed to providing impact fee reductions and Brownfield Tax Credits.

### **Innovation Awards**

Ridgeview Subdivision and the Villas at Kenilworth located in Highlands County together were awarded \$5,000,000 in CWHIP funds. These developments together will produce 100 single family homes. These developments will utilize the Florida Green Building Coalition Checklist and Reference Guide when building the homes. Some of the energy efficient features to be used include insulated concrete forms for wall construction which are mildew and flame retardant, "tankless" water heaters and energy efficient appliances.

Many different entities have come together to form the public-private partnership required for CWHIP funding. The Highlands County Commission, together with Caribbean Group Real Estate Developers, a developer of affordable housing; National Development Foundation, a not-for-profit developer of affordable housing; Neighborhood Lending Partners, a lending consortium of banks dedicated to financing affordable housing and community development; Bill Dailey Construction, a local builder of affordable housing and SunTrust Bank have all worked together in developing Ridgeview Subdivision and the Villas at Kenilworth.

Public subsidies from the local SHIP program and from Florida Housing's Homeownership Pool Program (HOP) will be utilized to help reduce the purchase price of the homes. Impact fees will be paid for by using local ad valorem funds for homebuyers between 80 and 140 percent of AMI.

The county has existing land use policies specifying site criteria for affordable housing, such as locating housing in close proximity to shopping facilities, schools, health facilities, and employment centers.

Westshore Landings One in Hillsborough County was awarded \$4,000,000 in CWHIP funds. The proposed development consists of 57 town home style single family homes. Westshore Landings One is located within close proximity to major employers, within ¼ mile of a City of Tampa Parks and Recreation Department's Loretta Ingraham Recreation Center, a preschool and an adult day-care center. Additionally the project site is within ½ mile of public school campus, which includes a high school, a school for gifted students and a school for children with disabilities.

Westshore Community Development Corporation (Westshore CDC) entered into a public-private partnership with the Hillsborough County Commission to develop Westshore Landings One. The county has transferred ownership a 5.98 parcel of land to Westshore CDC to assist in the development of workforce housing by significantly reducing development costs.

The project is located near the business district which will allow for the potential to live and work in proximity. County land development regulations allow for expedited reviews, fee waivers and density bonuses for affordable housing developments.

Midtown Delray located in Palm Beach County was awarded \$5,000,000 in CWHIP funds. The proposed development consists of 32 town home units. Affordability for these units will be maintained through a Community Land Trust which will own the land and provide a ground lease to the homeowner. Midtown Delray is part of a larger development that consists of 124 residential units and a 20,000 square foot medical facility. The proposed development is adjacent to an elementary school and a fire station.

The public-private partnership for Midtown Delray consists of the developer, Midtown Delray, LLC, the City of Delray Beach, Delray Beach Community Land Trust and Delray Beach Chamber of Commerce. The development will be able to utilize a variety of

financing options, including SHIP and Community Development Block Grant funds, available to affordable housing developments located in Delray Beach. Additionally, the City of Delray Beach has adopted a policy for the waiver of building, paving, irrigation and plan review fees for affordable housing units, which will provide a savings total of \$1,200 in permit fees for each homebuyer.

Palm Beach County has existing land use policies that require development of affordable housing near transportation areas and employment facilities. The county allows for mixed land uses where households can live, obtain services and work in the same area. An expedited review process is provided and density bonuses are allowed for affordable housing developments.

Hatton Street Houses located in Sarasota County was awarded \$2,440,000 in CWHIP funds. The proposed consists of 40 town home units located in the City of Sarasota. Affordability for these units will be maintained through a Community Land Trust which will own the land and provide a ground lease to the homeowner. The proposed development site is across the street from public schools, three blocks away from a day-care center and is located on a bus line. The three biggest employers in the county are located within a few miles of the development.

A public-private partnership has been formed between Community Housing Trust of Sarasota, a not-for-profit corporation, and the County of Sarasota to develop Hatton Street Houses. Sarasota County is donating the land, which has an appraised value of \$2,440,000, for the development of housing for workforce personnel.

The CLT will ensure affordability in perpetuity. Existing policies within the county require affordable housing developments to be near employment centers and transportation facilities. Land Developments Regulations allow development fees to be deferred for affordable housing developments.

**FLORIDA HOUSING FINANCE CORPORATION  
RFP 2006-05 (CWHIP) FINAL RANKING**

Application # High Cost	PROPERTY NAME/LOCATION	AMOUNT OF FUNDS REQUESTED	Number of Proposed Units	Threshold	High Cost Tier Level	High Growth Tier Level	Average Innovation Score	Average Overall Score	Leveraging	Lottery
30	Village of Quillen/Indiantown area/Martin County	\$5,000,000.00	H - 50	Y	1	3	63.43	169.71	\$100,000.00	25
32	Merry Place at Pleasant City/West Palm Beach/Palm Beach County	\$5,000,000.00	H - 114	Y	1	2	66.14	164.00	\$43,860.00	5
31	Wolf Creek Village/Freeport/Walton County	\$5,000,000.00	H - 242	Y	1	1	64.57	138.29	\$20,661.00	12
10	Boulevard of the Arts Residences/City of Sarasota/Sarasota County	\$2,560,000.00	H - 28	Y	2	2	60.57	156.14	\$91,429.00	13
<b>High Growth</b>										
28	The Preserve/City of St. Cloud/Osceola County	\$5,000,000.00	MF - 120	Y	3	1	52.43	141.57	\$41,667.00	31
18	Homes of West Augustine/West Augustine/St. Johns County	\$5,000,000.00	H - 111	Y	2	1	56.29	132.43	\$45,045.00	23
16	Verde/City of Orlando/Orange County	\$5,000,000.00	MF - 97	Y	2	2	34.14	151.57	\$51,546.00	1
<b>Innovation</b>										
17	Ridgeview Subdivision and The Villas at Kenilworth/Sebring/Highlands County	\$5,000,000.00	H - 100	Y	3	3	51.86	137.86	\$50,000.00	10
33	Westshore Landings One/Tampa/Hillsborough County	\$4,000,000.00	H - 57	Y	3	2	49.00	133.14	\$70,175.00	14
23	Midtown Delray/City of Delray Beach/Palm Beach County	\$5,000,000.00	H - 32	Y	1	2	57.29	163.71	\$156,250.00	8
11	Hatton Street Houses/City of Sarasota/Sarasota County	\$2,440,000.00	H - 40	Y	2	2	57.00	148.00	\$61,000.00	29