

# Affordable Housing Strategies in Other States, 2023

Report 23-13

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# OPPAGA

Office of Program Policy Analysis and Government Accountability

# Affordable Housing

## EXECUTIVE SUMMARY

The statutory goal of Florida’s state housing strategy is to ensure that every Floridian has “safe, decent, and affordable housing.” Housing is considered *affordable* if it costs no more than 30% of a household’s gross annual income, and households are considered *cost burdened* if housing costs exceed 30% of a household’s gross annual income. States and the federal government use household income to define low-income status and resulting eligibility for housing assistance programs. Florida has a high share of cost-burdened renters and homeowners relative to other states.

In addition to administering federal programs, states use federal and state funds to implement housing programs. In Florida, the Florida Department of Commerce and Florida Housing Finance Corporation (FHFC) administer federal housing programs. FHFC also administers state-funded rental housing, homeownership programs, and funds to local governments to produce and preserve affordable housing. Recent state housing legislation across the United States, including Florida’s Live Local Act, was largely related to developing affordable housing.

OPPAGA reviewed 1,046 housing programs and surveyed housing agencies in all 50 states and the District of Columbia. Using feedback from FHFC, some national housing experts, and housing program staff from other states, OPPAGA identified 13 innovative housing programs in other states that do not duplicate Florida or federal programs. Most of these programs were related to homeownership or community revitalization and zoning to support affordable housing development. Information on effectiveness for innovative programs is limited and varies by program type. FHFC provided information on potential barriers or challenges, statutory impediments, cost drivers, and impacts to local governments for these programs. Of the innovative programs identified, three may have high potential for implementation in Florida.

### REPORT SCOPE

Section 420.0003(3)(d)(1), *Florida Statutes*, directs OPPAGA to examine innovative affordable housing strategies implemented by other states, including effectiveness and potential for implementation in Florida. A strategy or program is defined as innovative if it is not currently being implemented in Florida.

This is the first of three reviews that will recur on a five-year cycle.

# BACKGROUND

The statutory goal of Florida’s state housing strategy is to ensure that every Floridian has “safe, decent, and affordable housing.”<sup>1</sup> State law specifies that the strategy must involve state and local governments working in partnership with communities and the private sector, and it must involve financial and regulatory commitment to accomplish this goal. Affordability is defined in terms of the portion of a household’s income spent on housing. Under Florida law, housing is considered *affordable* if it costs no more than 30% of a household’s gross annual income.<sup>2</sup> Households are considered *cost burdened* if housing costs exceed 30% of a household’s gross annual income and *severely cost burdened* if housing costs exceed 50% of a household’s gross annual income.

States and the federal government use household income to define low-income status and eligibility for housing assistance programs. The U.S. Department of Housing and Urban Development (HUD) annually publishes estimates of area median income (AMI) for every county and metropolitan area in the country. Household income level groupings are defined by a household’s total income as a percentage of the AMI. In federal Fiscal Year 2022, Florida’s state median income for a family of four was \$79,300, which is classified as moderate income.<sup>3</sup> (See Exhibit 1.)

## Exhibit 1

### Millions of Florida Households Have Income Low Enough to Qualify for Government Housing Programs

Income Level	Percentage of Area Median Income	Income Range	Estimated Number of Florida Households in 2021
Extremely low	Up to 30%	At or below \$23,500	1,054,584
Very low	30.01% to 50%	\$23,501 to \$39,150	1,136,901
Low	50.01% to 80%	\$39,151 to \$62,650	1,628,799
Moderate	80.01% to 120%	\$62,651 to \$95,160	924,605 <sup>1</sup>

<sup>1</sup> Estimates were only available for households between 80.01%-100% area median income (AMI), a smaller interval, so the number presented is an underestimate.

Source: Florida Housing Finance Corporation and University of Florida Shimberg Center for Housing Studies.

## State of housing in the United States and Florida

According to Harvard University’s Joint Center for Housing Studies (JCHS), millions of American households struggle with housing costs due to elevated rents and home prices from pre-COVID-19 pandemic levels. Analysis of JCHS data shows that in 2021, 32% (40.6 million of 127.5 million) of households nationwide were cost burdened, including 20.3 million that were severely cost burdened.<sup>4</sup> In Florida during the same period, 36% (3.1 million of 8.5 million) of households were cost burdened.

**The number of cost-burdened renters nationwide reached record levels in 2021, with Florida having the highest share; cost-burdened households are also affected by a rental housing shortage.** Of the 44.1 million renters nationwide in 2021, 21.6 million were cost burdened, the highest since 2001. Among cost-burdened renters, 11.6 million were severely cost burdened. According to the National Low Income Housing Coalition (NLIHC), extremely low-income renters are most likely to

<sup>1</sup> Section [420.0003\(1\)](#), F.S.

<sup>2</sup> Section [420.0004\(3\)](#), F.S. Housing costs include taxes, insurance, and utilities.

<sup>3</sup> According to the Florida Housing Finance Corporation, the average household size in Florida is just above two persons.

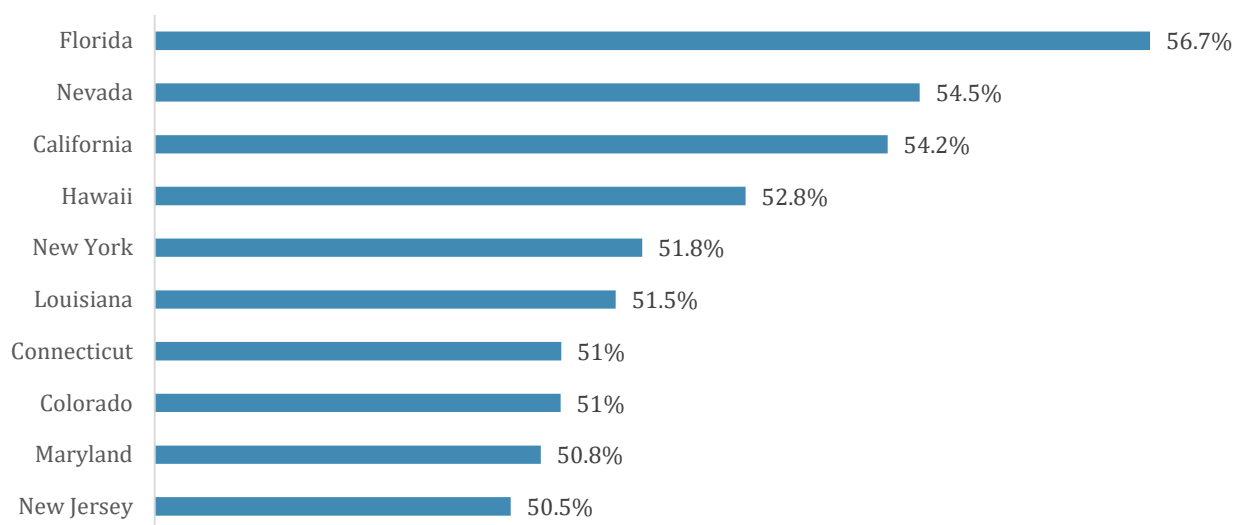
<sup>4</sup> *The State of the Nation’s Housing 2023*, Joint Center for Housing Studies of Harvard University, 2023. This report includes tabulations of cost-burdened renters and homeowners for 2021, the most recent year of data from the U.S. Census Bureau’s American Community Survey. Cost burdened is defined as households spending more than 30% of the income on housing. Severely cost burdened is defined as households spending more than 50% of the income on housing.

spend a large share of their income on rent.<sup>5,6</sup> Further, the NLIHC reported that in 2021, 72% (8.1 million of 11 million) of the nation's extremely low-income renters were severely cost burdened and experienced severe cost burdens at more than twice the rate of any other income group.

When compared to other states and the District of Columbia, analysis of JCHS data showed Florida ranked fourth in the number of cost-burdened renters but had the highest share (i.e., percent) of cost-burdened renters in 2021.<sup>7</sup> (See Exhibit 2.) Florida had 2.8 million renters in 2021, and 57% (1.6 million) were cost burdened. Of those cost-burdened renters, 54% (858,754) were severely cost burdened.

## Exhibit 2

### Florida Had the Highest Share of Renters With Cost Burdens in 2021



Source: Joint Center for Housing Studies of Harvard University.

Cost-burdened renters also face a rental housing shortage. NLIHC reported that extremely low-income renters nationwide face a shortage of 7.3 million affordable and available rental units, resulting in only 33 affordable and available units for every 100 extremely low-income renters. Extremely low-income renters face the most severe housing shortages in Arizona, California, Florida, Oregon, Nevada, and Texas. According to NLIHC, the number of affordable and available units for every 100 extremely low-income renters by state ranges from 17 in Nevada to 58 in South Dakota. In Florida, this rate is 23 affordable and available rental units for every 100 of these households. NLIHC reported that Florida has a deficit of 443,892 affordable and available rental units for households at or below the extremely low-income threshold and 650,305 rental units for households at or below 50% of AMI.

<sup>5</sup> *The Gap: A Shortage of Affordable Homes*, National Low Income Housing Coalition, March 2023. The NLIHC annually estimates the availability of affordable rental homes, with a particular focus on the housing needs of households with extremely low incomes, defined as incomes at or below either the federal poverty guideline or 30% of AMI, whichever is greater.

<sup>6</sup> According to NLIHC, an extremely low-income family of four with a monthly income of \$2,312 paying the average two-bedroom fair market rent of \$1,342 only had \$970 left each month to cover other expenses in 2022.

<sup>7</sup> States with the highest numbers of cost-burdened renters were (from highest to lowest): California, Texas, New York, Florida, Illinois, Pennsylvania, Ohio, Georgia, North Carolina, and New Jersey. The share of renters with cost burdens, expressed as a percent, is calculated by dividing the number of cost-burdened renters by the number of all renters in a state.

**Similar to renters, millions of homeowners struggle with housing cost burdens, and Florida has a high share of cost-burdened homeowners.** According to JCHS, 22.7% (19 million) of the 83.5 million homeowners nationwide were cost burdened, including 8.7 million who were severely cost burdened.

Among other states and the District of Columbia, Florida ranked third for the number of cost-burdened homeowners and eighth in the share of homeowner households with cost burdens.<sup>8</sup> (See Exhibit 3.) Florida had 5.8 million homeowners in 2021, and 26.5% (1.5 million) of them were cost burdened. Of those cost burdened, 49.6% (757,170) were severely cost burdened.

### Exhibit 3

#### Florida had the Eighth Highest Share of Homeowners With Cost Burdens in 2021



Source: Joint Center for Housing Studies of Harvard University.

**In addition, nationwide, the number of people experiencing homelessness slightly increased in recent years.** HUD reports point-in-time estimates of the number of people experiencing homelessness on a single night.<sup>9</sup> In its most recent report, HUD estimated that 582,462 people (about 18 of every 10,000) in the United States experienced homelessness on a single night in 2022. HUD reported that the total number of people experiencing homelessness increased by 1,996 people (0.3%) from 2020 to 2022.

Florida's homelessness rate was lower than the national average in 2022. HUD estimated that 25,959 people in Florida experienced homelessness on a single night in 2022. During this period, Florida ranked third among states for the estimated number of people experiencing homelessness, after California (171,521) and New York (74,178). However, the rate of homelessness in Florida was 12 for every 10,000 people, which is lower than the national average.

<sup>8</sup> States with highest numbers of cost-burdened homeowners were (from highest to lowest): California, Texas, Florida, New York, Illinois, Pennsylvania, New Jersey, Michigan, Ohio, and North Carolina. The share of homeowners with cost burdens, expressed as a percent, is calculated by dividing the number of cost-burdened homeowners by the number of all homeowners in a state.

<sup>9</sup> *The 2022 Annual Homelessness Assessment Report to Congress. Part 1: Point-in-Time Estimates of Homelessness*, U.S. Department of Housing and Urban Development, December 2022. The one-night, point-in-time counts for 2022 were reported by 387 Continuums of Care throughout the United States. Continuums of care are local planning bodies responsible for coordinating a range of services in a geographic area that may cover a city, county, or metropolitan area, or an entire state.

# Federal housing programs

Since the 1930s, the federal government has provided housing assistance to lower-income households. Initially, the federal government supported the mortgage market by establishing the Federal Housing Administration and government sponsored enterprises, such as Fannie Mae, and promoted low-rent public housing construction through local public housing authorities. Over time, the federal government shifted from providing construction-based subsidies to providing rental assistance, block grants, and low-income housing tax credits.

Federal housing assistance programs provide rental housing assistance, funding to state and local governments, and homeowner assistance. These programs include Section 8 vouchers and project-based rental assistance, Community Development Block Grants (CDBG), HOME Investment Partnership Block Grants, Low-Income Housing Tax Credits, homeless assistance grants, mortgage revenue bonds, and the Housing Trust Fund. (See Appendix A for additional program information.)

## Florida housing programs

Some federal housing assistance programs are administered by states. States may also administer state housing programs using federal or state funds. In Florida, both the Florida Department of Commerce and the Florida Housing Finance Corporation (FHFC) administer federal and state housing programs that utilize federal funding.

The Florida Department of Commerce administers federal programs that support affordable housing and community development. The department administers the federal CDBG program, which provides grant funding for housing for low- and moderate-income persons. The state may use CDBG funds to meet urgent community development needs. For example, the department partnered with HUD to establish the Rebuild Florida Housing and Replacement Program for Hurricane Michael; the program provides for housing rehabilitation, reconstruction, or replacement that prioritizes low- to moderate-income families in the 12 counties impacted by the hurricane.<sup>10</sup> The department also administers two federal programs that help low-income families reduce home energy costs. The Low-Income Home Energy Assistance Program helps low-income households pay home heating and cooling costs, and the Weatherization Assistance Program helps reduce monthly energy costs for low-income families by improving the home's energy efficiency.<sup>11,12</sup>

The FHFC, a public-private entity, was legislatively created in 1997 to provide and promote public welfare by administering the governmental function of financing or refinancing housing within the state.<sup>13</sup> FHFC administers federal and state resources to finance the development and preservation of affordable rental housing and to expand homeownership with financing and down payment assistance. In addition, FHFC administers the State Housing Initiatives Partnership program (SHIP), which

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<sup>10</sup> The 12 Florida counties impacted by Hurricane Michael and eligible to receive funding are Bay, Calhoun, Gadsden, Gulf, Franklin, Holmes, Jackson, Leon, Liberty, Taylor, Wakulla, and Washington.

<sup>11</sup> Household income limits for the Low-Income Home Energy Assistance Program vary by household size and may not exceed 60% of the Florida state median income. For example, the total household income may not exceed \$53,337 for a family of four. The Florida Department of Commerce allocates funding directly to a network of community action agencies that can make direct payments to utility companies when a family does not have the funds and are at risk of having their electricity disconnected.

<sup>12</sup> Household income limits for the Weatherization Assistance Program vary by household size and may not exceed 200% of the national poverty level. For example, the total household income may not exceed \$60,000 for a family of four. Types of assistance provided by local agencies include addressing air infiltration through minor repairs or window and door replacement, installing attic ventilation, and repairing or replacing water heaters and inefficient heating and cooling units.

<sup>13</sup> Section [420.504\(1\)](#), F.S. FHFC is functionally housed within the Florida Department of Commerce. It is a separate budget entity and its operations are not subject to the control, supervision, or direction by the department.

provides funds to local governments as an incentive for creating partnerships to produce and preserve affordable housing—for renting or homeownership. SHIP funds are distributed to all 67 counties and eligible municipalities using a population-based formula.<sup>14</sup> SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, foreclosure prevention, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing programs, and homeownership counseling. According to FHFC, in 2022, SHIP served 2,346 homeowners and funded 1,247 rental units.

## Rental Housing

FHFC administers federal and state rental housing programs that provide financing for developers to create affordable rental units and provide rent assistance for tenants. (See Exhibit 4.) According to FHFC, in 2022, the corporation’s rental housing programs funded 11,280 total units, of which 10,579 were set aside for income-qualifying residents.

A major state-funded program is the State Apartment Incentive Loan Program (SAIL), which provides low-interest, competitive loans to developers seeking to construct or rehabilitate rental units for very low-income individuals and families. SAIL funded 4,707 units set aside for low-income households in 2022. SAIL financing is often combined with financing from other housing programs administered by FHFC, such as Low-Income Housing Tax Credits and mortgage revenue bonds, to bridge the gap between the development’s primary financing and its total costs. This leveraging of funds allows the developer to obtain the full financing needed to construct or rehabilitate affordable housing units for families; elderly people, farmworkers, or commercial fishing workers; persons experiencing homelessness; and persons with special needs.

### Exhibit 4

#### Florida’s Rental Housing Programs Funded 10,579 Rental Units Set Aside for Income-Eligible Households in 2022

Program	Uses Federal Financial Tools (Yes/No) <sup>1</sup>	Description	Total Units Funded in 2022	Set-Aside Units Funded in 2022
CDBG–Disaster Recovery Vitality Loans	Yes	Provides federal funds for the construction of new affordable housing to assist from hurricane damage	447	447
Construction Housing Inflation Response Program <sup>2</sup>	Yes	Provides gap financing for projects in the development pipeline experiencing cost increases related to market inflation	7,074	6,987
HOME Investment Partnerships	Yes	Provides non-amortizing, low-interest rate loans to developers of affordable housing to construct housing for low-income families and serves as primary financing for smaller rental developments, particularly those in rural communities	267	267

<sup>14</sup> Under s. [420.9071\(10\)](#), *F.S.*, an eligible municipality means a municipality that is eligible for federal CDBG entitlement moneys as an entitlement community identified in 24 C.F.R. s. 570, subpart D, Entitlement Grants, or a non-entitlement municipality that is receiving local housing distribution funds under an interlocal agreement that provides for possession and administrative control of funds to be transferred to the non-entitlement municipality.



Program	Uses Federal Financial Tools (Yes/No) <sup>1</sup>	Description	Total Units Funded in 2022	Set-Aside Units Funded in 2022
HOME-American Rescue Plan	Yes	Provides funding for development and support of affordable housing, as currently permitted under the HOME program; tenant-based rental assistance; supportive services; and/or acquisition and development of non-congregate shelter units; FHFC focused on development of affordable rental and permanent support housing	386	170
Housing Stability for Homeless Schoolchildren Initiative	Yes	Provides short- and medium-term, tenant-based rental assistance using federal HOME funds and housing stability services to families with school-aged children experiencing homelessness	126	126
Low Income Housing Tax Credits <sup>3</sup>	Yes	Provides nonprofit and for-profit developers with federal tax credits; credits are sold to investors to be used for a dollar-for-dollar reduction in federal tax liability in exchange for equity to finance the acquisition, rehabilitation, and/or new construction of affordable rental housing; special consideration for properties targeting specific demographic groups (e.g., elderly, persons with special needs, and households experiencing homelessness)	12,410	11,869
Multifamily Mortgage Revenue Bond	Yes	Uses taxable and tax-exempt bonds to provide below market rate loans to nonprofit and for-profit developers that set aside a certain percentage of apartment units for low-income households	1,241	1,071
National Housing Trust Fund	Yes	Provides funding to produce and preserve affordable housing for extremely low-income households, which are incomes at or below 30% of AMI and is used to target units, including units for special needs residents, at or below 22% of AMI	1,702	117
Predevelopment Loan Program	No	Provides loans to nonprofit and community-based organizations, local governments, and public housing authorities to assist with planning, financing, and developing affordable housing	94	19
SAIL	No	Provides low-interest loans to developers to construct or rehabilitate affordable rental units for very low-income individuals and families	4,707	4,707
SHIP	No	Provides funds to local governments to produce and preserve affordable housing for very low-, low-, and moderate-income households; eligible strategies for rental housing include land acquisition, emergency repairs, new construction, rehabilitation, and tenant rental assistance	1,247	1,247
<b>Total Units Funded in 2022<sup>4</sup></b>			<b>11,280</b>	<b>10,579</b>

<sup>1</sup> States may receive grants, tax-exempt bond authority, or tax credit allocations.

<sup>2</sup> In 2022, the Construction Housing Inflation Response Program used both federal and state resources depending on the original program financing. FHFC reported that this program had federal origins, but in the most recent fiscal year, this was a state-funded initiative.

<sup>3</sup> Two types of Low-Income Housing Tax Credits are available: the 4% credit and 9% credit. The numbers reported equal the total amount of both 4% and 9% housing tax credits. During 2022, there were 7,550 total units and 7,064 set-aside units for the 4% credit, and 4,860 total units and 4,805 set-aside units for the 9% credit.

<sup>4</sup> According to FHFC, the number of units is equivalent to the number of households served. To serve lower-income households, resources from more than one program are sometimes combined. Therefore, grand totals for program areas are less than the sum of the individual programs due to program overlap. If financing was provided this year for units already funded in a recent, prior year, these units were not counted in this year's grand totals.

Source: Florida Housing Finance Corporation.



## Homeownership

In addition to rental housing programs, FHFC also administers homeownership programs that provide low-interest first mortgage loans and down payment assistance to individuals and families. (See Exhibit 5.) According to FHFC, in 2022, the corporation's homeownership programs served 7,966 homeowners.

### Exhibit 5

#### Florida's Homeownership Programs Served 7,966 Homeowners in 2022

Program	Uses Federal Financial Tools (Yes/No)	Description	Total Homeowners Served
Homebuyer Loan Programs <sup>1</sup>	Yes	Offers 30-year, fixed-rate first mortgage loans originated by trained and approved lenders throughout the state	5,533
Homeownership Assistance Program	No	Provides up to \$7,500 in 0% interest second mortgage loans to eligible first-time homebuyers to assist with down payment costs; loans are for applicants whose incomes are at or below 120% of AMI, adjusted for family size	2,716
Hometown Heroes	No	Provides 0% interest, non-amortizing, 30-year deferred second mortgage loans to eligible first-time, frontline community worker homebuyers to assist with down payment and closing costs; loans are for applicants whose incomes are at or below 150% of state or local AMI, whichever is greater	2,362
State Housing Initiatives Partnership	No	Provides funds to local governments to produce and preserve affordable housing for very low-, low-, and moderate-income households; eligible strategies for homeownership include acquisition, emergency repairs, foreclosure prevention, new construction, rehabilitation, and purchase assistance	2,346
Salute Our Soldiers	No	Provides 30-year, fixed-rate first mortgage loans at a low interest rate coupled with down payment assistance options to eligible military service personnel and veterans purchasing a primary residence in Florida	361
Housing Finance Agencies (HFA) Preferred PLUS	Yes	Provides 3%, 4%, or 5% of the new home loan amount in down payment assistance to eligible homebuyers; loans are for households with incomes at or below 140% of AMI; this second mortgage is forgiven at 20% a year over its 5-year term when used with FHFC's conventional HFA Preferred or HFA Advantage first mortgage products	188
Florida Homeownership Loan Program Second Mortgage	No	Provides up to \$10,000 in 3% interest, fully amortizing second mortgage loans over 15 years to eligible first-time homebuyers to assist with down payment and closing costs; loans are for households with incomes at or below 140% of AMI	102
Homeownership Pool Program	Yes	Provides 0% interest, deferred second mortgage loans in the amount necessary to meet underwriting criteria for eligible homebuyers; loans are for applicants whose adjusted incomes are at or below 80% of AMI; developers reserve these funds through an online system and provide down payment assistance to eligible homebuyers on a first-come, first-served basis	87
Predevelopment Loan Program	No	Provides loans to nonprofit and community-based organizations, local governments, and public housing authorities to assist with planning, financing, and developing affordable housing	63
<b>Total Homeowners Served or Units Funded<sup>2</sup></b>			<b>7,966</b>

<sup>1</sup> FHFC reported that the 30-year first mortgage loans are backed by federal insurance programs, such as FHA loans being insured by HUD, and that some of the first mortgage loans are funded by the sale of tax-exempt bonds.

<sup>2</sup> According to FHFC, the number of units is equivalent to the number of households served. To serve lower-income households, resources from more than one program are sometimes combined. Therefore, grand totals for program areas are less than the sum of the individual programs due to program overlap. If financing was provided this year for units already funded in a recent, prior year, these units were not counted in this year's grand totals.

Source: Florida Housing Finance Corporation.

## Affordable housing funding

Florida's affordable housing programs are primarily funded by the federal government directly and by the state through two housing trust funds.<sup>15</sup> The Florida Department of Commerce and FHFC are the state entities that receive direct federal funding to administer housing programs. FHFC administers both housing trust funds, which contain documentary stamp tax revenue, legislative appropriations, and program income such as loan repayments.<sup>16</sup> The State Housing Trust Fund is used for constructing new housing or substantially rehabilitating existing housing, improving the state's ability to serve first-time homebuyers and increasing the affordability and availability of Florida's housing stock. The Local Government Housing Trust Fund supports SHIP.

For Fiscal Year 2022-23, total funding was \$512.7 million. Total appropriations for the State Housing Trust Fund and Local Government Housing Trust Fund were \$128.3 million and \$209.5 million, respectively. In addition, the Legislature appropriated \$175 million from General Revenue. (See Exhibit 6.)

### Exhibit 6

#### State Appropriations for Affordable Housing Totaled \$512.7 Million for Fiscal Year 2022-23

Program Name	Appropriations for Fiscal Year 2022-23
<b>State Housing Trust Fund (Documentary Stamp Tax Revenue, Legislative Appropriations, and Program Income)<sup>1</sup></b>	
State Apartment Incentive Loan	\$52,904,000
Homeownership Assistance/Hometown Heroes	75,000,000
Housing Data Clearinghouse <sup>2</sup>	346,000
<b>Subtotal</b>	<b>\$128,250,000</b>
<b>Local Government Housing Trust Fund (Documentary Stamp Tax Revenue, Legislative Appropriations, and Investment Proceeds)</b>	
State Housing Initiatives Partnership	\$208,911,400
Catalyst Program <sup>3</sup>	563,600
<b>Subtotal</b>	<b>\$209,475,000</b>
<b>General Revenue</b>	
Homeownership Assistance/Hometown Heroes	\$25,000,000
Hurricane Funding	150,000,000
<b>Subtotal</b>	<b>175,000,000</b>
<b>Total</b>	<b>\$512,725,000</b>

<sup>1</sup> Program income includes loan repayments, penalties, and other fees and charges.

<sup>2</sup> The Housing Data Clearinghouse is produced by the Shimbarg Center for Housing Studies at the University of Florida. It provides public access to data about housing needs and supply, subsidized rental housing, and household demographics in Florida communities.

<sup>3</sup> The Catalyst Program is implemented via an FHFC contract with the Florida Housing Coalition. The program provides technical assistance and training to community-based organizations and governments on the SHIP program, the HOME Program, other affordable housing programs, and related aspects of the affordable housing industry.

Source: Florida Housing Finance Corporation.

<sup>15</sup> In addition, FHFC may receive bond issuer fees.

<sup>16</sup> In Florida, the documentary stamp tax imposes an excise tax on deeds or other documents that convey an interest in real property. The documentary stamp tax comprises two taxes imposed on different bases at different tax rates. The tax on deeds and other documents related to real property is 70 cents per \$100. The tax on certificates of indebtedness, promissory notes, wage assignments, and retail charge account agreements is 35 cents per \$100.

# Recent housing legislation in Florida and other states

## Florida's Live Local Act

**The 2023 Legislature enacted the Live Local Act, which increased funding for affordable housing by \$711 million.**<sup>17</sup> The act made changes to affordable housing-related programs at the state and local level. Specifically, the new law

- provides \$252 million in non-recurring funds for the SHIP program;
- provides up to \$150 million annually to the SAIL program for certain specified uses including urban infill, mixed use, the use of public lands, redevelopment, projects near military installations, projects in rural areas of opportunity, and projects meeting the needs of certain groups such as the elderly and those aging out of foster care;
- provides \$109 million in non-recurring funds from the State Housing Trust Fund for the SAIL program;
- creates a new tax donation program called the Live Local Program to allow corporate taxpayers to direct certain tax payments to the FHFC, up to \$100 million annually, to fund the SAIL program;
- codifies the Florida Hometown Heroes Program, retaining the structure as it exists while increasing the monetary limit per loan and the scope of eligibility;<sup>18</sup>
- provides \$100 million in non-recurring funds to implement the Florida Hometown Heroes Program;
- provides \$100 million in non-recurring funds from the General Revenue Fund to implement a competitive loan program to alleviate inflation-related cost increases for FHFC-approved, multifamily projects that have not yet commenced construction;
- provides up to a \$5,000 refund for sales tax paid on building materials used to construct an affordable housing unit funded through FHFC; and
- removes a provision in current law that allows local governments to impose rent control under certain circumstances, preempting rent control ordinances entirely.

**The act also revises the state housing strategy statute to align with current best practices and goals.** The state housing strategy requires that state and local governments collaborate with communities and the private sector, and includes financial and regulatory commitments to accomplish this goal. The law establishes general policies for housing production and rehabilitation programs, public-private partnerships; preservation of housing stock; and unique housing needs, with an emphasis on assisting the neediest persons. Policies for housing production and rehabilitation encourage state and local governments to consider and implement innovative solutions to housing issues where appropriate.<sup>19</sup> Innovative solutions can include

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<sup>17</sup> Chapter [2023-17](#), *Laws of Florida*.

<sup>18</sup> The law expanded eligibility for the Florida Hometown Heroes Program to include more potential homeowners. Initially available only to law enforcement officers, firefighters, educators, healthcare professionals, childcare employees, and active military or veterans, the law expanded the program to all Floridians whose incomes do not exceed 150% of the state or local median income, whichever is greater. In addition, the maximum amount available per loan was increased from \$25,000 to \$35,000, while the cap of 5% of the purchase price was maintained.

<sup>19</sup> Section [420.0003\(2\)\(a\)\(2\)](#), *F.S.*

- utilizing publicly held land to develop affordable housing;
- community-led planning focusing on urban infill, flexible zone, redevelopment of commercial property into mixed-use property, resiliency, and developing areas with preexisting public services;
- efficient use of land and resources, such as high density, high rise, and mixed use;
- mixed-income projects that facilitate more diverse and successful communities; and
- modern housing concepts such as manufactured homes, tiny homes, 3D-printed homes, and accessory dwelling units.

## Other states' recent affordable housing legislation

Other states also recently enacted laws to address affordable housing issues. OPPAGA reviewed 633 state housing laws enacted from 2019 to 2023, using the National Council of State Legislatures' (NCSL) Housing and Homelessness Legislation Database.<sup>20</sup> This database categorizes laws by topic (e.g., rental assistance, tax credits and incentives) based on the law's content. During this period, 47 states and the District of Columbia enacted at least one law related to housing. Of the states that enacted at least one law related to housing, California enacted the largest number of laws (76), followed by Virginia (45) and the District of Columbia (45). In contrast, five states passed only one housing-related bill during this period.<sup>21</sup> On average, states each enacted 13 laws related to housing. Florida enacted seven housing laws in total during this period, including the Live Local Act.

**The issues addressed by recent state legislation varied; development of affordable housing was the most common issue across the last five years.** OPPAGA also analyzed categories of housing laws enacted during this period.<sup>22</sup> (See Exhibit 7.) Most of the laws were related to development of affordable housing (22%), followed by administration and councils (20%) and funding (19%). The development category includes laws related to zoning regulations and the development of affordable housing. The administration and councils category includes laws related to the establishment of and directives for state offices, programs, coordinating councils, task forces, committees, and pilot programs related to housing. The funding category includes laws related to appropriations, financing for affordable housing, first-time homebuyer assistance, foreclosures, short-sales, and other protections. Of the seven housing laws enacted in Florida from 2019 to 2023, five related to development of affordable housing.

In 2019, 29% of the housing laws enacted related to affordable housing development. Although this percentage decreased in subsequent years, with only 17% of 2023 housing laws categorized as affordable housing development, it persisted as the main issue addressed by housing legislation over the five-year period. Other issues also varied in importance by year. For example, in 2020, bills categorized as emergency response accounted for 39% of all housing laws enacted. However, emergency response laws accounted for an average of 12% of all housing laws enacted during the five-year period, indicating that the 2020 legislation was likely the result of state governments' response to the COVID-19 pandemic. Similarly, 30% of laws enacted in 2020 related to landlord tenant and eviction, but this topic accounted for only 10% of laws enacted across all five years. In 2022, 28% of the housing laws enacted related to administration and councils.

<sup>20</sup> OPPAGA reviewed legislation from all states and the District of Columbia.

<sup>21</sup> These states were Alabama, Georgia, Kentucky, Wisconsin, and Wyoming.

<sup>22</sup> In the database, NCSL assigned each law one or more legislative topics from a list of 17 possible topics.

## Exhibit 7

### From 2019 to 2023, Most Housing Laws Enacted Across the United States Related to Development of Affordable Housing

Category	2019	2020	2021	2022	2023	Total
Affordable Housing Development	25	23	36	40	18	142
Administration and Councils	19	13	23	55	17	127
Funding	15	36	29	23	17	120
Tax Credits and Incentives	20	14	16	18	13	81
Emergency Response	1	39	14	19	2	75
Other <sup>2</sup>	5	11	20	16	16	68
Landlord Tenant and Eviction	6	30	20	6	4	66
Rental Assistance	7	16	9	12	5	49
Health	2	0	18	14	7	41
Mortgage and Financing	0	0	0	12	15	27
Workforce	3	6	1	6	2	18
Mobile and Manufactured Homes	0	4	3	4	3	14
Supportive Housing	3	3	1	5	1	13
Tiny Homes and Accessory Dwelling Units	6	2	0	3	2	13
Veterans	4	1	0	3	3	11
Rent Control	2	3	1	1	2	9
Transitional	0	1	2	2	1	6
<b>Total Laws Enacted<sup>1</sup></b>	<b>87</b>	<b>100</b>	<b>140</b>	<b>199</b>	<b>107</b>	<b>633</b>

<sup>1</sup> Laws may be assigned more than one category. Therefore, the sum of the category totals for each year does not equal the total number of laws enacted.

<sup>2</sup> Laws for which the only topic listed was “other” accounted for 6% of the laws reviewed. These laws include legislation pertaining to safe, stable, and affordable housing not captured in other categories.

Source: OPPAGA analysis of data from the NCSL's Housing and Homelessness Legislation Database.

## FINDINGS

### OPPAGA identified 13 innovative affordable housing programs administered in other states

To identify innovative affordable housing programs and strategies, OPPAGA reviewed housing program information for 1,046 programs administered by 64 state housing agencies in all 50 states and the District of Columbia. OPPAGA reviewed information from each state housing agency's annual reports, program guides, and websites to identify the affordable housing programs. OPPAGA also interviewed some national housing experts and housing program staff from other states. Further, OPPAGA surveyed 53 state housing agencies that are members of the National Council of State Housing Agencies to gather information on the programs those agencies consider innovative.<sup>23</sup>

For the purposes of identifying innovative affordable housing programs in other states, OPPAGA excluded from the list housing programs that met any of the following three criteria: 1) federal programs; 2) programs that are similar to existing Florida housing programs; and 3) programs for temporary supportive housing for individuals and families experiencing homelessness. After excluding

<sup>23</sup> OPPAGA surveyed housing agencies in all states except Florida. Of the 53 state housing agencies surveyed, 20 responded (38% response rate). Two states (California and Massachusetts) and the District of Columbia each had two housing agencies that received surveys.

housing programs that met these criteria, OPPAGA provided a list of potentially innovative programs and relevant program information to the Florida Housing Finance Corporation for further review.

Using feedback from FHFC and the criteria described above, OPPAGA identified 13 programs from other states that had one or more innovative program components. (See Exhibit 8.) Some programs OPPAGA initially identified had innovative components, but were duplicative of existing Florida or federal programs; OPPAGA excluded these programs from the final list. Of the programs identified, six were homeownership programs and one was a rental program. Additionally, OPPAGA categorized six programs as “other.” This category includes programs to support community revitalization, encourage strategic partnerships, and facilitate special zoning for affordable housing.

## Exhibit 8

### Most Innovative Housing Programs Identified Were Related to Homeownership or Community Revitalization and Zoning to Support Affordable Housing Development

State	Program Name	Program Description
<b>Homeownership Programs</b>		
California	Foreclosure Intervention Housing Preservation Program	Provides funds to preserve affordable housing and promote resident or nonprofit organization ownership of residential real property at risk of foreclosure or in the foreclosure process. Through the program, funds are made available as loans or grants for the acquisition or rehabilitation of these at-risk properties.
Iowa	Homes for Iowa, Inc.	Provides single-family homes built by prison inmates and sold through Homes for Iowa, Inc., a public-private partnership with Iowa Prison Industries; prison industries manufactures the homes near the Newton Correctional Release Facility and sells them to Homes for Iowa, Inc., to cover the cost of inmate training. Offenders are trained in all aspects of the homebuilding process, and may earn certifications and start apprenticeships. Homes for Iowa, Inc., then sells the homes to the public.
New York	Plus One Accessory Dwelling Unit (ADU) Program <sup>1</sup>	Helps low- and middle-income, single-family homeowners build new ADUs or improve existing ADUs on their property. Depending on the property and permitting requirements, ADU's may be small detached units on single-family lots, basement apartments, garage conversions, or other permitted units.
South Dakota	Governor's House Program	Uses prison inmate workforce to build prefabricated homes to provide affordable, energy-efficient housing for income-qualified buyers. Buyers obtain private financing to purchase the home at cost, purchase land, and build the foundation. Buyers may sell the homes, but not for a profit. Unlike the Homes for Iowa program, which involves a public-private partnership, the state sells the homes to the buyer.
Utah	CRredits-to-OWN	Combines Utah Housing Corporation's development and consulting services with federal Low-Income Housing Tax Credits and Utah Housing Corporation construction and permanent financing. At the end of a 15-year rental period, the tenant holds a right of first refusal to purchase the home and pays a sales price based on the outstanding debt remaining, which includes a portion of the original tax credit equity used to finance the home.
Virginia	Virginia Individual Development Accounts	Helps qualified individuals save for a down payment on a home. The program provides eligible participants training, support, and match funding on their savings. Participants may receive up to \$4,000 in match, with a current match rate of \$8 for every \$1 the participant saves. Eligible applicants must be a U.S. citizen or legal resident and Virginia resident; be 18 years old or older; meet eligible income guidelines and household net worth limits; have earned income from full-time, part-time, or self-employment; and be able to complete the program within six to 24 months.
<b>Rental Programs</b>		
Texas	Texas State Affordable Housing Corporation's Single-Family Rental Program	Purchases homes in areas with higher than average median incomes, with access to good schools and other services nearby. The corporation rents these homes at affordable, below-market rents to individuals and families that earn at or below 80% of the area median income in high-opportunity neighborhoods in the Austin, Dallas-Fort Worth, Flint, and San Antonio metropolitan areas. The corporation screens the renters.
<b>Other Programs</b>		
Connecticut	Incentive Housing Zone (IHZ) Program <sup>2</sup>	Allows municipalities to create incentive housing zones in eligible locations, such as near transit facilities, an area of concentrated development, or an area near existing, planned, or proposed infrastructure that is suitable for development as an IHZ.



State	Program Name	Program Description
Connecticut	Affordable Housing Land Use Appeals Procedure <sup>3</sup>	Requires municipalities with less than 10% affordable housing to demonstrate to the court the reason a municipality rejected an affordable housing development proposal. Acceptable reasons include protecting substantial public interests in health, safety, or other matters the commission may legally consider; public interests clearly outweighing the need for affordable housing; and being unable to protect public interests by reasonable changes to the affordable housing development. The Connecticut Department of Housing publishes the Affordable Housing Appeals List annually, which provides the percentage of affordable units in each municipality based on Census figures for total number of housing units.
District of Columbia	Inclusionary Zoning (IZ) Program <sup>4</sup>	Requires that most new and some renovated residential developments include some affordable homes. IZ homes can be rentable apartments or condos/townhomes for sale. Most IZ homes are offered by lottery to households that meet specific eligibility requirements.
Delaware	Strong Neighborhoods Housing Fund	Uses a revolving fund for the acquisition, renovation, and sale of vacant, abandoned, foreclosed, or blighted property throughout the state. The funds target efforts supporting community development and transforming neighborhoods experiencing blight or other forms of stress, including high crime. The purchase of vacant parcels for future development must be part of an affordable housing neighborhood revitalization development strategy.
Illinois	Healthy Housing, Healthy Communities Partnership Initiative	Awards funds to build strategic partnerships with hospitals, managed care organizations, and insurers to build affordable housing that also addresses inequities in community health. Funding currently supports technical assistance and community engagement as Illinois Housing Development Authority develops a plan for how housing projects address community health inequities.
Oregon	Co-Location of Affordable Rental Housing and Early Care and Education	Provides funding to developers that include childcare in affordable housing developments, or childcare or early learning facilities in affordable housing developments.

<sup>1</sup> Accessory dwelling units are additional living quarters typically on single-family lots that are independent of the primary dwelling unit. An ADU can be an apartment within a primary residence or it can be an attached or freestanding home on the same lot as the primary residence.

<sup>2</sup> Incentive Housing Zones help municipalities plan for and create mixed-income housing by providing funding incentives.

<sup>3</sup> The Affordable Housing Land Use Appeals Procedure established a series of required procedures for developers, municipalities, and courts to follow when a developer appeals a decision by a local board or commission related to a proposed affordable housing development.

<sup>4</sup> Inclusionary Zoning is an affordable housing tool that requires some market-rate developers to also develop some units that are affordable to low-and moderate-income households.

Source: OPPAGA analysis of housing program information from state housing agencies.

## Information on effectiveness for innovative affordable housing programs is limited and varies by program type

In general, desired outcomes for affordable housing programs include neighborhood revitalization, improved quality of life for program participants, or an increase in affordable housing stock. On a state and local level, housing and community development agencies may measure performance in terms of program outputs, such as the amount of money spent, number of loans underwritten, and number of housing units produced. However, few agencies measure effectiveness in terms of a program's impact on tenants, homeowners, or neighborhoods. Consequently, evaluations of program effectiveness are limited.

Some research evaluates effectiveness for a particular type of program, rather than for specific programs. For example, a 2019 Urban Institute report found that while inclusionary zoning laws were successful in producing housing units in some areas, success was dependent on factors such as strength of the housing market in the locality, level of policy enforcement, incentives to developers, local capacity for implementation, and length of time the law has been in place.<sup>24</sup> Similarly, case studies

<sup>24</sup> *Inclusionary Zoning: What Does the Research Tell Us about the Effectiveness of Local Action?* Urban Institute, January 2019.



conducted by Local Housing Solutions found that manufactured and modular housing can help localities meet housing needs, but barriers related to zoning and owned versus leased land where the homes are placed can impact the effectiveness of these types of programs for meeting housing needs.<sup>25</sup>

To assess effectiveness of the innovative programs identified above, OPPAGA reviewed state agency and program documentation related to each program, including annual reports, audits, and financial data. Not all programs had information available on program effectiveness. Additionally, the years for which information was available varied by program, and most of this information related to program outputs rather than outcomes that more directly demonstrate program impact, such as changes in the share of the cost-burdened population, utilization rates, cost effectiveness, or return on investment. For example, since its inception in 1993, more than 454 families have purchased homes through the Utah CRedits-to-OWN program, and in Fiscal Year 2020-21, the District of Columbia’s Inclusionary Zoning Program produced 372 housing units. As of 2022, the Virginia Individual Development Accounts program provided more than \$87,000 in matching funds to 22 program graduates. For 4 of the 13 programs identified (Plus One Accessory Dwelling Units Program, Co-Location of Affordable Rental Housing and Early Care and Education, Foreclosure Intervention Housing Preservation Program, Healthy Housing, Healthy Communities Partnership Initiative), program output information was not yet available because the programs were recently implemented. (See Exhibit 9.)

## Exhibit 9

### Limited Program Effectiveness Data Is Available for Innovative Affordable Housing Programs

State	Program Name	Program Effectiveness
California	Foreclosure Intervention Housing Preservation Program	Program data not available. The state expects to begin accepting applications from potential project sponsors in early 2024.
Connecticut	Affordable Housing Appeals Listing	Program was established in 1989; however, no data is available on the number of units added under Affordable Housing Land Use Appeals procedure. <sup>1</sup>
Connecticut	Incentive Housing Zone Program	Program was established in 2007 and began in 2008; as of 2020, 39 municipalities were in the process of finalizing IHZ locations.
Delaware	Strong Neighborhoods Housing Fund	In 2022, six projects constructing 143 houses were completed. An additional 19 projects constructing 61 houses are underway.
District of Columbia	Inclusionary Zoning Program	Program was established in 2006; in Fiscal Year 2020-21, the IZ program produced 372 inclusionary zoning units.
Illinois	Healthy Housing, Healthy Communities Partnership Initiative	Program data not available. The Illinois Housing Development Authority issued a request for applications in July 2023, so entities seeking awards to build strategic partnerships may now submit materials for consideration.
Iowa	Homes for Iowa, Inc.	Program established in 2019; since 2020, 76 homes have been sold, 113 minimum-security offender crewmembers have entered the program, and 78 crewmembers have earned a certificate. <sup>2</sup>
New York	Plus One Accessory Dwelling Units Program	Program data not available; the state began implementation in Fiscal Year 2022-23.
Oregon	Co-Location of Affordable Rental Housing and Early Care and Education	Program data not available; the program was implemented in 2021 and a request for proposals was released in February 2023.
South Dakota	Governor’s House Program	Program was established in 1996; in 2021, 160 homes were sold, and on average, the program has 167 participating inmates.

<sup>25</sup> Local Housing Solutions is a housing policy platform managed by New York University’s Furman Center’s Housing Solutions Lab.

State	Program Name	Program Effectiveness
Texas	Texas State Affordable Housing Corporation Single Family Rental Program	Program was established in 2013; as of 2023, 78 rental homes (63 single family and 15 multifamily) have been provided in the Austin, Dallas-Fort Worth, Flint, and San Antonio metropolitan areas.
Utah	CRredits-to-OWN	Program was established in 1993; since inception, the Utah Housing Corporation has provided more than 454 homes for low- or moderate-income Utah residents and their families.
Virginia	Virginia Individual Development Accounts	As of 2022, the program had 22 graduates and provided \$87,922 in matching funds.

<sup>1</sup> The Connecticut Office of Legislative Research found that it is difficult to determine the number of housing units added under the Affordable Housing Land Use Appeals procedure because no state agency maintains data on the number of units built following a successful appeal.

<sup>2</sup> Crew members can earn certificates in Occupational Safety and Health Administration 10 for construction or National Center for Construction Education and Research Construction Craft Laborer 1.

Source: OPPAGA review of housing program data and documents.

## Of the 13 innovative affordable housing programs identified, 3 may have high potential for implementation in Florida

To evaluate each innovative affordable housing program's potential for implementation in Florida, OPPAGA provided FHFC with information about the features of innovative programs and requested information on potential barriers or challenges, statutory impediments, cost drivers, and impacts to local governments for these programs. The primary cost drivers identified include administrative costs and program funding. However, FHFC noted that until a specific program design is implemented, it would be difficult to assess potential cost. In addition, OPPAGA requested that FHFC categorize the potential for implementing these innovative programs in Florida according to the following categories.<sup>26</sup>

- **Low:** Programs with low potential for implementation in Florida are those that would require significant changes or additions to state funding and currently existing programs, statutes, procedures, or responsibility for the relevant state agency(ies).
- **Medium:** Programs with medium potential for implementation in Florida are those that could be implemented with some changes or additions to state funding and currently existing programs, statutes, procedures, or responsibility for the relevant state agency(ies).
- **High:** Programs with a high potential for implementation in Florida are those for which a similar program could be implemented in Florida with minimal changes or additions to state funding and currently existing programs, statutes, procedures, or responsibility for the relevant state agency(ies). (See Exhibit 10.)

**Three of the innovative affordable housing programs may have high potential for implementation in Florida.** The programs are the Plus One Accessory Dwelling Units Program, Healthy Housing Healthy Communities Partnership Initiative, and Incentive Housing Zone Program. FHFC noted high potential for implementation given that these programs would complement existing Florida housing programs, are allowable under existing Florida housing programs, or would support existing Florida affordable housing strategies.

<sup>26</sup> OPPAGA did not request, nor did FHFC provide, recommendations to the Legislature; FHFC only provided analysis.

Specifically, current Florida statutes both allow for and encourage permitting ADUs in single-family residential areas, which would support implementation of a program similar to the Plus One Accessory Dwelling Units Program. Further, under Florida's State Housing Initiatives Partnership program, local governments could designate specific areas in which to focus funding to implement a program similar to the Incentive Housing Zone Program. Finally, FHFC is currently developing formal and informal relationships with health care providers to establish best practices for affordable housing and health care partnerships, which corporation officials reported would benefit from a broader cross-system, public-private initiative similar to the Healthy Housing Healthy Communities Partnership Initiative.

## Exhibit 10

### Three Innovative Programs from Other States May Have High Potential for Implementation in Florida

State	Program Name	Implementation Considerations
Potential for Implementation: High		
Connecticut	Incentive Housing Zone Program	SHIP permits eligible local governments to designate specific areas within their jurisdiction in which to focus the use of SHIP funds. A similar program may have administrative costs for assessing data related to designating the incentive housing zone, but would likely be low cost to administer.
Illinois	Healthy Housing, Healthy Communities Partnership Initiative	As part of its supportive housing strategic plan, FHFC has been developing formal and informal relationships with health care and behavioral health care providers to research and implement collaborative best practices in healthcare and affordable housing partnerships. Primary costs for this type of program would be grant funding and program costs related to staffing.
New York	Plus One Accessory Dwelling Units Program	Florida's Catalyst Program provides community-based organizations and state and local governments with technical assistance to meet affordable housing needs and has provided ADU best practices training and published a guide for local governments and interested entities. In addition to the long-term administration resources needed for compliance monitoring, programs that include resources for individuals to purchase and repair ADUs will have related costs.
Potential for Implementation: Medium		
California	Foreclosure Intervention Housing Preservation Program	SHIP permits eligible local governments to provide funding for foreclosure prevention activities. The Florida Department of Commerce provides funds for similar programs through the CDBG Program and the former Neighborhood Stabilization Program. A similar program may have risks related to legal issues surrounding foreclosures. Additionally, a similar program may have high costs to acquire properties.
Delaware	Strong Neighborhoods Housing Fund	Such a program may be best administered at the local level with oversight at the state level. The Florida Department of Commerce offers resources to local governments and non-profits for similar uses under the Neighborhood Stabilization Program and the CDBG Program. A similar program would likely require significant resources due to the high cost of property in many areas, in addition to the resources needed to administer the program.
District of Columbia	Inclusionary Zoning Program	SHIP permits eligible local governments to require inclusionary zones within affordable developments funded from the program. Implementing a similar program at the state level would have significant costs, including costs to owners to offset what would otherwise be market-rate rent and purchase price for a home, the cost to administer an appropriately audited statewide lottery, and the cost to perform statewide monitoring of such a program.
Oregon	Co-Location of Affordable Rental Housing and Early Care and Education	Florida's Live Local Act prioritizes funding for financing multifamily rental developments that include non-residential facilities to benefit the residents and community. Construction costs would be the primary cost driver. Additional costs for operation of the early care and education centers may also be included, depending on the program design.
Potential for Implementation: Low		
Connecticut	Affordable Housing Appeals Listing	A similar requirement may help local governments that are addressing community opposition (NIMBYism) or assist in meeting the intent of the Live Local Act and related affordable housing inclusion challenges. <sup>2</sup> Potential program costs would primarily be administrative and include setting up the framework for the legal process, judicial resources, and compliance mechanisms to ensure consistent program implementation.

State	Program Name	Implementation Considerations
Iowa	Homes for Iowa, Inc.	The program may help meet a number of needs related to prisoner reentry, construction labor force, and affordable housing opportunities, but may be better implemented using private sector sales rather than selling homes through a state agency or local government. Primary costs for a similar program would include construction costs as well as funding for inmate training.
South Dakota	Governor's House Program	The program may help meet a number of needs related to prisoner reentry, construction labor force, and affordable housing opportunities. Primary costs for a similar program would include construction costs as well as funding for inmate training. Implementation is complex, given that a similar program would make the state responsible for selling the home.
Texas	Texas State Affordable Housing Corporation Single Family Rental Program	The per-family costs for a similar program are likely to be high due to the cost of purchasing homes in high-cost areas of opportunity.
Utah	CRredits-to-OWN	Low-Income Housing Tax Credits may be better used to fund large, multifamily rental developments rather than single-family housing. A similar rent-to-own program would require administrative costs to develop and implement the program. Additionally, because the program allows renters to purchase the home at the end of a 15-year period, program costs would also depend on home costs in years 0-15.
Virginia	Virginia Individual Development Accounts	This may be an eligible strategy through the Community Development Block Grant. A similar program would require a source of match funding as well as the resources to develop and administer the program.

<sup>1</sup> FHFC provided an overall assessment of the potential for implementation of each program in Florida.

<sup>2</sup> NIMBYism is also known as the Not-In-My-Back-Yard phenomenon, characterized by community opposition to proposed land uses in the community—in this case, opposition to affordable housing developments.

Source: Florida Housing Finance Corporation and OPPAGA analysis of other states' information.

# APPENDIX A

## Federal Housing Assistance Programs

Several federal programs, including grants and tax credits, support state affordable housing efforts. (See Exhibit A-1.) These federal programs may be the sole tool for a developer, such as HOME Investment Partnership grants. In addition, federally funded programs may be bundled with state programs on a single housing project. For example, a developer could receive loans for a multifamily development (state) and a Low-Income Housing Tax Credit (federal).

### Exhibit A-1

#### Federal Programs Support Affordable Housing for Lower Income Households

Program (Agency)	Description
Community Development Block Grants	Provides grants to develop viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities primarily for low- and moderate-income persons. Annual program appropriations are distributed by a formula with 70% allocated to metropolitan cities and urban counties, and 30% allocated to states and units of government that are not metropolitan cities or part of an urban county.
Continuum of Care Program	Provides grant funding for efforts to re-house homeless individuals and families; promotes community-wide commitment to the goal of ending homelessness; promotes access to and effective utilization of mainstream programs; and optimizes self-sufficiency among individuals and families experiencing homelessness.
Emergency Solutions Grants	Provides grants for emergency assistance to people who are homeless or at risk of homelessness and helps them regain stability in permanent housing.
HOME Investment Partnership Block Grants	Provides grants to states, units of general local government, consortia, and other jurisdictions to implement local housing strategies to increase affordable housing opportunities for very low- and low-income families. Eligible uses of funds include tenant-based rental assistance, housing rehabilitation, assistance to homebuyers, acquisition and new construction of affordable housing.
Housing Choice Voucher	Provides rental subsidies for tenants to rent units in the private market. Public housing agencies that locally administer the program pay a housing subsidy on behalf of the participating family to the landlord. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. The program primarily assists very low- and low-income families.
Housing Trust Fund	Provides funds to states for the construction, rehabilitation, and preservation of rental homes and for homeownership for extremely low- and very low-income families, including homeless families.
Low-Income Housing Tax Credit	Provides incentives for the development of affordable rental housing through federal tax credits. Tax credits are disbursed to state housing finance agencies based on population. State housing finance agencies award tax credits to developers that agree to build or rehabilitate housing containing a specific percentage of affordable units for low-income households.
Mortgage Revenue Bonds	Authorizes state and local governments to issue private activity bonds, up to a certain limit, which are exempt from federal taxes. A form of a private activity bond is a mortgage revenue bond. State and local governments, including housing finance agencies, sell mortgage revenue bonds to investors. The proceeds of the bond sales, less issuance costs and reserves, are used to finance home mortgages and multifamily rental housing.
Project-Based Voucher	Provides rental assistance for eligible families that live in specific housing units. Unlike the Housing Choice Voucher Program for tenant-based vouchers, the project-based voucher is tied to the unit. Under project-based voucher program, the U.S. Department of Housing and Urban Development (HUD) enters into a contract with a property owner under which the owner agrees to rent their housing units to eligible low-income tenants and HUD agrees to pay the difference between tenants' contributions and the rent set by HUD.

Source: *Overview of Federal Housing Assistance Programs and Policy*, Congressional Research Service, March 27, 2019, and the *Programs of HUD*, U.S. Department of Housing and Urban Development, 2023.

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# OPPAGA

Office of Program Policy Analysis and Government Accountability

OPPAGA provides performance and accountability information about Florida government in several ways.

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