



# GAP FINANCING

***Presented by:***

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# Moving The Needle

- Broward County Affordable Housing Needs Assessment Study three-year update by The Metropolitan Center at Florida International University (FIU)
  - ✓ One of the least affordable metro areas in the nation
- Commercial/Residential Linkage Fee Studies completed by FIU
  - ✓ New development generates demand for affordable housing
- Business community ranks affordable housing as major priority

# Existing Conditions

- **12.7% of all households can afford median price home \$355,000 (now \$416,000)**
- 147,331 Cost Burdened Renters
- 77,677 Severely Cost Burdened Renters
- **54% of all workers are employed in low wage service sector occupations**
  - Earn 40-60% of County's Area Median Income (AMI) \$68,600
- 89,969 new jobs projected in the next eight years; most will be in service sector occupations
- 10,000 Baby Boomers retire daily for next 15 years; 75% have less than \$30,00 in savings\*
- **Broward County Last, and only County in State with less than 25 affordable units for every 100 residents at 60% AMI\*\***
- No vacant land in Broward County

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Source: Broward Housing Needs Assessment, 2018

\*American Association of Retired People

\*\*Florida Housing Finance Corporation

# Donor County

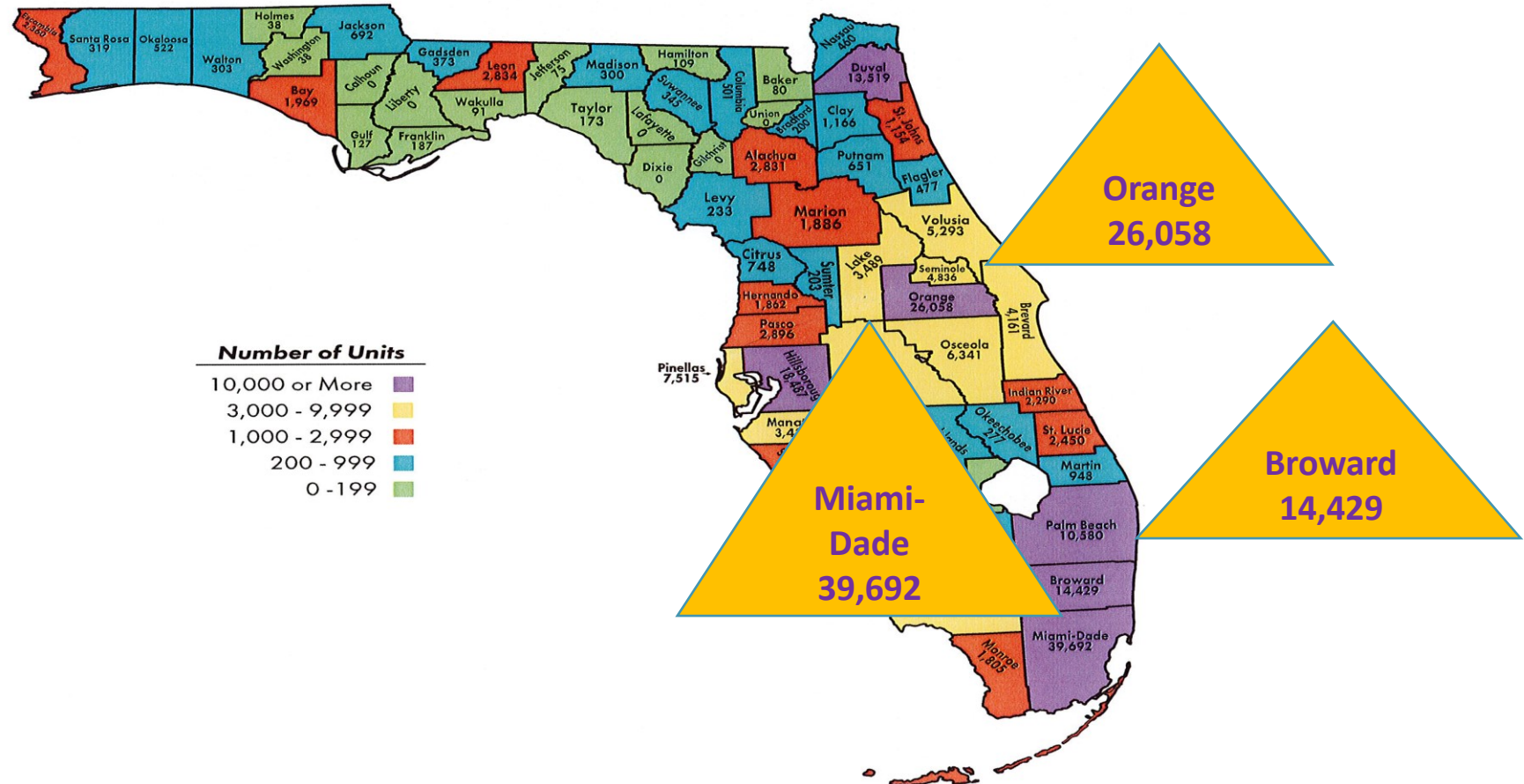
DOCUMENTARY STAMP TAX COLLECTIONS AND DISTRIBUTION*										
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	
										Totals
<b>Broward County \$ Contribution</b>	17,436,985	18,409,413	23,331,714	25,987,472	30,747,319	33,810,403	33,761,298	33,950,485	35,895,085	<b>253,330,174</b>
<b>Contributions Not Returned</b>	15,739,200	16,434,128	20,509,901	9,010,834	19,405,027	6,528,908	19,635,613	21,289,677	N/A	<b>128,553,288</b>

\* Office of Economic & Demographic Research Revenue Estimating Data Less Tax Collections by County

**Broward consistently approx. 10% of total state collections**

## RENTAL UNITS AVAILABLE OR IN THE PIPELINE FINANCED BY FLORIDA HOUSING

This map is shaded to display a by-county count of all the currently active and pipeline rental units that have received an allocation of resources through Florida Housing's rental programs since 1982. These 210,323 units currently provide affordable housing or are in the construction pipeline. A majority of these units serve households earning 60% of area median income or less.





**PROPOSED  
CRA TIF EXPIRATION  
ANNUAL PROJECTED FUND AVAILABILITY  
AFFORDABLE HOUSING/COUNTYWIDE REINVESTMENT PROGRAMS**

<b>\$ MILLIONS</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>	<b>FY32</b>	<b>FY33</b>
<b>TOTAL TO BOCC</b>	1.0	4.40	4.12	4.94	4.96	4.92	8.98	17.97	50.38	58	58	63.95	67.5	67.5
<b>50% FOR AFFORDABLE HOUSING</b>	0.5	2.2	2.06	2.47	2.98	2.46	4.49	8.99	25.19	29	29	31.98	33.75	33.75
<b>50% TO COUNTYWIDE REINVESTMENT PROGRAM (CRP)</b>	0.5	2.2	2.06	2.47	2.48	2.46	4.49	8.99	25.19	29	29	31.98	33.75	31.78

\*Provided normal annual growth in County general revenues and expenses and no unanticipated costs shifts from the state or federal government

# Three Year General Fund Commitment FY 18-20

- **Total Gap Financing to date:** **\$21 Million**
- **Eight (8) approved projects :** **878 Units**
  - 8<sup>th</sup> Avenue Commons Apts., Hallandale Beach (New Construction - 200 units)
  - Regency Gardens Apts., Pompano Beach (Preservation - 94 units)
  - Marquis Apts., Pompano Beach (New Construction - 100 units)
  - Saratoga Crossings Apts. Senior Complex, Dania Beach (New Construction - 172 units)
  - Equality Park Apts., Wilton Manors (New Construction - 48 units)
  - Sonata Apts., Pompano Beach (New Construction – 106 units)
  - Solaris Apts., Hallandale Beach (New Construction - 70 units)
  - Pembroke Tower II Senior Complex (New Construction - 88 units)
- **Leveraged Value (\$300k X 878 units):** **\$263 Million**
- **Gap Per Unit** **\$30,000**

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NOTE: Normal Gap financing per unit is \$50K - \$75K  
Urban Land Cost \$10M per acre

# Recent Municipal Initiatives

## Dania Beach

- Contributing Tax Increment funds for new infill affordable housing.

## Fort Lauderdale

- Gap financing for affordable multifamily development;
- Tax increment gap financing to match County funding.

## Hollywood

- Using converted TIF funds for affordable home purchase assistance.

## Miramar

- Dedication of 16-20 acres for affordable development (*proposed*).

## Pompano Beach

- Contributing City land and funding assistance for affordable project.

## Wilton Manors

- Gap financing for affordable senior special needs project.



# Current Annual Unit Production

300 units State/Federal Grants

250 units Estimated Florida Housing Finance Corporation (FHFC) deals per year

155 units Housing Finance Authority (HFA) Mortgage Credit Certificate (MCC) Program

150 units Estimated HFA deals

200 units Estimate \$10M General Fund Allocation

50 units Misc. non-profits, foundations, city development requirements

**Total units: 1,105**

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208 units would be added if State Housing Initiative Partnership (SHIP) Program was fully Funded



**THANK YOU**