State Housing Initiative Partnership (SHIP) Local Housing Assistance Plan

Leon County, Florida
2005-2006, 2006-2007, 2007-2008

Amended by the Board of County Commissioners on
January 25, 2005

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I. Program Description:

This Local Housing Assistance Plan (LHAP) sets forth the plans for Leon County's Affordable Housing Assistance program and its use of State Housing Initiatives Partnership Program (SHIP) funds for state fiscal years (July 1st through June 30th) 200~~2~~3-200~~3~~4, 200~~3~~4-2004~~5~~5, and 2004~~5~~-200~~5~~6. This Program is governed by *Section 420.907-9097, Florida Statutes* and *Chapter 67-37, Florida Administrative Code.*

Program Description: The goal of the Leon County Housing Program is to increase and preserve the supply of affordable housing units within the unincorporated areas of Leon County. All housing units assisted with SHIP funds must be occupied by very low- , low- and moderate-income persons. The Leon County LHAP shall encompass the following Affordable Housing Strategies:

- Down Payment Assistance for income-eligible first time home buyers
- ~~Major Rehabilitation~~
- ~~Minor Rehabilitation~~
- ~~Emergency Repair~~
- Rehabilitation
- Home Replacement
- Disaster Mitigation
- ~~Disaster Resistant Neighborhood Mitigation~~
- Transitional and Emergency Housing
- Development of Affordable Housing Rental Units

Pursuant to Section *420.907-9097, Florida Statutes* and *Chapter 67-37, Florida Administrative Code*, at least 65% of the County's SHIP allocation shall be reserved for home ownership and 75% shall be reserved for construction, or rehabilitation ~~or emergency repair~~. All eligible units must be located within the unincorporated areas of Leon County and must meet the requirements of *Chapter 553, Florida Statutes* in accordance with *Section 420.9071(8), Florida Statutes*. No mobile homes shall be assisted with SHIP funds.

This Local Housing Assistance Plan shall be made available to the public and its availability shall be advertised 30 days prior to the application period in the *Tallahassee Democrat* and other newspapers or periodicals which serve ethnic and diverse neighborhoods. The advertisement shall be formatted to meet the requirements set forth in Chapter 67-37.005(6). In addition, the County shall publish a Notice of Funding Availability 30 days prior to the application period. In cases where there is a waiting list, no Notice of Funding Availability shall be advertised.

Public Input on Plan Development: Input is provided through day-to-day contact with clients and partners/sponsors on a continuous basis. Specific public input was solicited through an Open House conducted January 30, 2002. The event was also advertised in the Tallahassee Democrat, the local newspaper of greatest circulation. Fair Housing information was provided for each

participant.

In addition, the draft Local Housing Assistance Plan was reviewed by the Leon County Housing Finance Authority, acting in its role as the Citizens Advisory Council for SHIP. On February 7, 2002, the Authority recommended approval of the LHAP to the Board of County Commissioners. On April 16, 2002, the Board of County Commissioners, in a public meeting, adopted the LHAP by resolution (see Attachment C).

Support Services: Support services are provided through a variety of local housing and social service agencies such as the Tallahassee Urban League, the Tallahassee Lenders' Consortium, Telephone Counseling and Referral Service, American Red Cross, Leon County Health Department, Leon County Cooperative Extension, Wages Coalition and Consumer Credit Counseling to provide the following support services:

a. Credit counseling and credit curing, and
b. Referrals to appropriate agencies to solve family, work or personal problems interfering with an individuals' ability to qualify for housing assistance.

Location of the Affordable Housing Program in the Division of Housing and Human Services benefits housing clients. The County human service program can provide contacts and referrals to clients who
require support services that are funded through dollars allocated through the Community Human Service Partnership. This Partnership, composed of the County, City and United Way, provides a comprehensive and coordinated process for distributing funds to local social service agencies.

Counseling and training for first-time home buyers is provided through the Tallahassee Lenders Consortium, Tallahassee Urban League, Leon County Cooperative Extension and other participating sponsors. County staff provide counseling for rehabilitation program clients.

II. Affordability

Income Limits: The income limits for eligible recipients as defined in this Plan are those official statistics published by the U. S. Department of Housing and Urban Development as adjusted for family size. These income limits are incorporated into this plan by reference. Very-low income is 50% or less of median family income, low income is 51% to 80% of median family income, and moderate income is 81% to 120% of median family income.

Monthly Housing Payment Allowable for Affordability: Affordable shall mean that monthly housing payments including principle, interest, taxes and insurance shall not exceed 30% of an amount representing the percentage of the median gross annual income for households. It is not intended to limit a household's ability to devote more than 30% of its income for housing as long as the first mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark.

Maximum Sales/Purchase Price of Assisted Units: The maximum sales/purchase price of assisted units may not exceed $166,000 ~~90% of the average area sales price~~ for new or existing houses for Leon County~~, as established by the U.S. Treasury Department, or by an alternative method~~.

III. Advertisement and Outreach

Reaching Out to Clients: The County through the affordable housing and other internal programs, and through the use of sponsors, will reach out to identify potential eligible clients. The availability of funds will be made known to the public through a diverse, multi-faceted effort to reach very low-, low- and moderate- income clients. Outreach can include:

1. Advertisements, feature articles, and/or information releases in local newspaper, newsletter, radio, or television media.

2. Announcements and flyers through lending institutions, churches, business and professional organizations, community centers, social service agencies, non-profits and/or neighborhoods.

3. Public hearings and announcements through televised Board of County Commission meetings.

4. Displays and handouts at local housing fairs, showcases or other special events.

5. Identification of potential clients through code enforcement agencies, human service agencies, and other such contacts.

IV. Local Housing Partnerships

Description: Partnerships are vital to the affordable housing program. First, the County has entered into an agreement with the Tallahassee Lenders Consortium to administer down payment assistance program activities. Since the Consortium provides the same service for the City of Tallahassee, housing clients benefit by having a one-stop service center regardless of whether they wish to acquire a house within, or outside of, the incorporated area. Funds provided through down payment assistance are leveraged by loans from private lenders.

Second, the Tallahassee Lenders Consortium has initiated the "Housing Connection" meeting that is held the first Tuesday of each month. This meeting provides an opportunity for county staff to meet with staff of other housing related programs in an effort to better understand programs and find opportunities to improve the way we all work together. This event continues to show consistency in turnout and interest.

Third, the County has entered into a partnership with the Leon County Cooperative Extension to provide home buyer/ownership workshop to the general public as well as to County employees. These
workshops include *Money Management, Credit Management* and *Home Maintenance.* While attendance at the *Money Management* and *Credit Management* workshops are voluntary, the *Home Maintenance* workshops are mandatory for all Housing Rehabilitation clients.

Fourth, the County seeks to enter into a collaborative agreement with a nonprofit sponsor to assist with implementing a Disaster Resistant Neighborhood Mitigation Program. The program is directed at motivating homeowners to undertake hazard mitigation measures to make the homes more disaster-resistant.

Fifth, the County continues to seek a non-profit partner in the delivery of a self-help housing program in the unincorporated area. Each year, consistent with SHIP requirements, the County advertises the availability of SHIP funds and strategies in an effort to identify for-profit and not-for-profits interested in assisting with the affordable housing program. Partners will be considered in light of criteria delineated under each Housing Strategy.

Last, on a daily basis, interagency referrals of potential clients occur through meeting, telephone and e-mail contact.

Reaching Out to Sponsors: The county will advertise the availability of Housing Assistance Program funds at least 30 days prior to the beginning of the application period. Interested nonprofit or for-profit agencies must submit a written proposal to the Housing and Human Services Division Director. Agencies shall be selected based on the selection criteria delineated under each strategy. In reviewing proposals from potential sponsors, the County will consider criteria appropriate for each proposal such as, but not limited to:

- Relevance of proposals for the purposes of the housing strategy and SHIP program
- Applicable experience of the firm.
- Compliance with certification, licensing, or other professional or administrative requirements.
- Financial ability to provide services.
- Previous experience and record in working in target areas or with targeted clients.
- Performance under previous contracts with the county.
- Financial benefits provided the affordable housing program and clients
- Proof of administrative or operational systems required to provide services.
- Ownership or control over property or infrastructure.
- Sufficiency of proposed plans to provide services.
- Knowledge of and experience with the SHIP program.

- Employment of Welfare to Work clients (WAGES)

Eligible sponsors who are recipients of SHIP funds will be required to contractually commit to comply with the affordable housing criteria provide in Section 420.907-9079 applicable to the affordable housing objective of the award. In addition, eligible sponsors must contractually commit to comply with the criteria prescribed under the applicable Housing Strategy. The County will strongly encourage all eligible sponsors to attend appropriate training workshops that may be sponsored by the County, Florida Department of Community Affairs, Florida Housing Coalition or Florida Housing Finance Corporation.

V. Affordable Housing Strategies

The specific strategies that produce affordable housing units are described in greater detail below. All SHIP program recipients shall be either very-low , low or moderate-income residents who live in the unincorporated areas of the county. At least 30% of program funds will be expended for low income recipients (80%, or below, the median area income). At least 30% of program funds will be expended for very low income recipients (50%, or below, the area median income). Very-low applicants may substitute for low income residents. Moderate income applicants (120%, or below, median area income) will not be considered for assistance until all qualified very low- and low-income applicants have been served.

Each service to be delivered through the SHIP program will be in the form of a deferred payment loan or grant to each recipient. Repayment of the deferred payment loans shall be required only upon the transfer of the title or upon refinancing as described under each strategy.

Eligible units shall be either "stick-built" structures or modular/manufactured homes with the Department of Community Affairs insignia and comply with *Chapter 553, Florida Statutes*. However, mobile homes are not eligible. All activities described in the following strategies, except *Transitional and Emergency Housing* activities, shall take place exclusively in the unincorporated areas of the County.

(1) Down Payment Assistance for Existing Units Without Repair

The objective of this Strategy is to promote home ownership within unincorporated Leon County. SHIP funds shall be used to assist very low-, <u>and</u> low-, ~~and moderate~~-income first-time home buyers (see below) with down payment and closing costs associated with the purchase of a home. ~~Moderate income applicants will not be considered for assistance until all qualified very low- and low income applicants have been served.~~ The maximum award shall be ~~$5,000~~ <u>$7,500</u> and shall be in the form of a SHIP deferred payment loan at 0%. The term of the SHIP mortgage shall coincide with the first mortgage. Payment is made only upon the first to occur of any of the following events: (1) home buyer sells, transfers or disposes of the assisted unit (by

either sale, transfer, bankruptcy or foreclosure, etc.); (2) home buyer no longer occupies the unit as his/her principal residence; (3) home buyer dies, or if a married couple, the survivor dies; or (4) if the home buyer refinances the home without having met the conditions as describe above.

Applicants who are first time home buyers are those persons (and their spouse) who have not owned an interest in their dwelling in the past three years; is a displaced homemaker that has only owned with a spouse; is a single parent that has only owned a home with a former spouse while married; has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; has only owned a property that was not in compliance with state, local, or model building codes and cannot be brought into compliance for less that cost of constructing a permanent structure.

Applicants must have the ability to obtain a first mortgage loan from a lender, must be able to contribute an amount equal to 1% of the sales price towards down payment or closing costs and must purchase their homes in unincorporated Leon County. Assistance shall be made available to income-qualified applicants on a first come, first served basis. An applicant shall be considered in line for services from the time the Housing and Human Services Division, or its designee, receives written notification from the lender that the client's first mortgage loan application has been approved. At that point, funds are reserved for the applicant for no more than 90 days. If applications are received at the same time, priority will be given to the family with the lowest income.

(2) Down Payment Assistance for Existing Units Needing Repair or New Construction:
The objective of this Strategy is to promote home ownership while preserving existing housing stock and to promote construction of new housing stock. SHIP funds shall be used to assist income-eligible first-time home buyers (see definition above) with down payment, closing costs, and/or to make necessary repairs to the home. The maximum award towards the purchase of an existing structure needing repair shall be ~~$7,500~~ $15,000 for very low-income households and ~~$10,000~~ $10,000 for ~~very~~ low-income households. ~~The maximum award towards the purchase of a newly constructed home shall be $5,000 for low-income households and $10,000 for very low-income households~~. Moderate-income households shall be considered only after the list of very low- and low-income households has been exhausted. The maximum award to moderate-income households shall be ~~$5,000~~ $7,500 towards the purchase of both an existing housing unit needing repair and a newly constructed housing unit. The award amounts include the down payment assistance with the balance to be applied toward the needed repairs.

All funds expended under this strategy shall be in the form of a deferred payment loan at 0%. The term of the SHIP mortgage shall coincide with the first mortgage. Payment is made only upon the first to occur of any of the following events: (1) home buyer sells, transfers or disposes of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) home buyer no longer occupies the unit as his/her principal residence; (3) home buyer dies, or if a married couple, the survivor dies; or (4) if the home buyer refinances the home without having met the conditions as describe above.

Applicants must have the ability to obtain a first mortgage loan from a lender, must be able to contribute an amount equal to 1% of the sales price towards the down payment or closing costs and must purchase their homes in unincorporated Leon County. Assistance shall be made available to income-qualified applicants on a first come, first served basis. An applicant shall be considered in line for services from the time the Housing and Human Services Division, or its designee, receives written notification from the lender that the client's first mortgage loan application has been approved. At that point, funds are reserved for the applicant for no more than 90 days. If applications are received at the same time, priority will be given to the family with the lowest income.

(3) Down Payment Assistance with Self-Help:
The County shall seek to enter into a partnership with a nonprofit sponsor who is engaged in the provision or construction of decent, affordable housing using volunteer labor. The essence of this strategy is "Sweat Equity" which shall be performed by the potential home owner towards the construction of his or her own home. Only very low-income applicants shall be deemed eligible for assistance under this strategy. The County shall announce the availability of funding for this strategy in the Tallahassee Democrat 30 days prior to the beginning of the application period.

In reviewing proposals from potential sponsors, the County shall consider the following criteria:

(4) Applicable experience in providing affordable housing while integrating self-help or sweat equity into the program

(5) Compliance with certification, licensing, or other professional or administrative requirements

(6) Must be a equal opportunity housing provider and does not discriminate on the basis of race, sex, color, age handicap, religion, national origin, familial status, marital status, or sexual orientation.

(7) Must agree to follow standard SHIP rules for income determinations under 24 CFR, Part 5.

(8) Eligible properties or housing units must comply with the Building Construction Standards in Chapter 553, Florida Statutes.

(9) Potential sponsors who employ personnel from WAGES and Workforce Development Initiatives programs shall be given preference.

(10) Must provide housing counseling and/or training directly or indirectly through an established partnership with an organization who provides such training. Such training should include Money and Credit Management, Predatory Lending, and Home Maintenance at the minimum.

(11) Preference will be given to nonprofit sponsors that maximize the benefits to the

client and the program by using volunteers, contributions and partnerships effectively.

Eligible sponsors who are recipients of SHIP funds will be required to contractually commit to comply with policies, rules, and regulations pertaining to the SHIP program and , where appropriate, other programs such as Community Development Block Grant (CDBG) ~~and HOME~~. The County will strongly encourage sponsors to attend appropriate SHIP and CDBG, ~~and HOME~~ training workshops that may be sponsored by the Florida Housing Finance Corporation, Department of Community Affairs, Florida Housing Coalition or the County.

Funding is limited to $15,000 per unit for very low-income households and $25,000 per unit for ~~very~~ low-income persons with disabilities *(as defined in Rule 67-37.002(13))* or very low-income elderly persons (60 years or older). These funds can be used for down payment, closing costs, and mortgage subsidy. Recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis.

All funds expended under this strategy shall be in the form of a deferred payment loan to the home buyer at 0%. The term of the SHIP mortgage shall coincide with the first mortgage. Payment is made only upon the first to occur of any of the following events: (1) home buyer sells, transfers or disposes of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) home buyer no longer occupies the unit as his/her principal residence; (3) home buyer dies, or if a married couple, the survivor dies; or (4) if the home buyer refinances the home without having met the conditions as outlined above.

(4) ~~Major~~ Rehabilitation:
The purpose of this strategy is to promote the preservation of existing housing stock in unincorporated Leon County while assisting income-eligible income home owners in making their owner-occupied homes safe, decent and habitable. Eligible activities include "gut" rehabilitation, reconstruction, and the repair of housing systems such as roofing, plumbing, and electrical.

Modular/manufactured homes with the Department of Community Affairs insignia, in accordance with *Chapter 553, Florida Statutes,* are eligible for assistance with SHIP funds; however, mobile homes are not. Rehabilitation will comply with the local minimum housing code standards and Chapter 553, Florida Statutes.

Rehabilitation services shall be made available to very low-, low- and moderate-income persons who own and occupy homes located in unincorporated Leon County. The home owner must agree to attend a mandatory Home Maintenance Workshop.

The County Housing Division will review applications received and verify all information provided by applicant to make sure the applicant meets the eligibility requirements. Individual homeowner
recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis. Preference will be given to eligible applicants in the order of the selection criteria listed below:

9. Very Low Income
   I. Elderly (age 60 and older), and/or handicapped head of household applicants
   B. Households with minor children and/or handicapped members of the household.
   C. All other very low-income persons and/or families

2. Low income
   A. Elderly (age 60 and older), and/or handicapped head of household applicants
   B. Households with minor children and/or handicapped members of the household.
   C. All other low-income persons and/or families

3. Moderate Income
   A. Elderly (age 60 and older), and/or handicapped head of household applicants
   B. Households with minor children and/or handicapped members of the household.
   C. All other moderate-income persons and/or families

SHIP funds may be used alone or in conjunction with CDBG funds to cover the cost of repairs described under this strategy. The maximum award shall be ~~$37,000~~ $50,000 regardless of the source of funding.

Assistance under this strategy will be in the form of a zero-percent (0%) ~~d~~Deferred ~~p~~Payment ~~l~~ Loan involving a security instrument (lien) which shall be forgiven according to its amount as follows: $0 - $10,000.00 after five (5) years, $10,000.01 - $20,000.00 after ten (10) years, and $20,000.01 and above after twenty (20) years. Deferred Payment Loans are conditional grants, and are provided to homeowners who are unable or unlikely to obtain conventional financing due to their income limits. Payment is made only upon the first to occur of any of the following events: (1) home owner sells, transfers or disposes of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) home owner no longer occupies the unit as his/her principal residence; (3) home owner dies, or if a married couple, the survivor dies; (4) if the owner refinances the home without having met the conditions as outlined above, or (5) fails to maintain reasonable required standards and maintenance of the unit. If none of these events occurs within five years of the date of completion, then no repayment is required. Recapture payments shall be in accordance with the following schedule:

1. If such default occurs during the first year after such major rehabilitation, the County shall recapture One Hundred Percent (100%) of the total funds expended.
2. If such default occurs during the second year after such major rehabilitation, the County shall recapture Eighty Percent (80%) of the total funds expended.
3. If such default occurs during the third year after such major rehabilitation, the County shall recapture Sixty Percent (60%) of the total funds expended.
4. If such default occurs during the fourth year after such major rehabilitation, the County shall recapture Forty Percent (40%) of the total funds expended.

5. If such default occurs during the fifth year after such major rehabilitation, the County shall recapture Twenty Percent (20%) of the total funds expended.
6. After the end of the fifth year following the completion of the rehabilitation there shall be no recapture by the County. There is no interest charged during the five years.

For ten year loans, the repayment shall be

a. If during the first year, one hundred percent (100%) of the loan amount,
b. If during the second year, ninety percent (90%) of the loan amount,
c. If during the third year, eighty percent (80%) of the loan amount,
d. If during the fourth year, seventy percent (70%) of the loan amount,
e. If during the fifth year, sixty percent (60%) of the loan amount,
f. If during the sixth year, fifty percent (50% of the loan amount,
g. If during the seventh year, forty percent (40%) of the loan amount,
h. If during the eighth year, thirty percent (30%) of the loan amount,
i. If during the ninth year, twenty percent (20%) of the loan amount,
j. If during the tenth year, ten percent (10%) of the loan amount,
k. After the tenth year following the date of the loan agreement, no recapture.

Recapture payments for twenty year loans shall be

a. If during the first year, one hundred percent (100%) of the loan amount,
b. If during the second year, ninety five percent (95%) of the loan amount,
c. If during the third year, ninety percent (90%) of the loan amount,
a. If during the fourth year, eighty five percent (85%) of the loan amount,
b. If during the fifth year, eighty percent (80%) of the loan amount,
c. If during the sixth year, seventy five percent (75% of the loan amount,
d. If during the seventh year, seventy percent (70%) of the loan amount,
e. If during the eighth year, sixty five percent (65%) of the loan amount,
f. If during the ninth year, sixty percent (60%) of the loan amount,
g. If during the tenth year, fifty five percent (55%) of the loan amount,
h. If during the eleventh year, fifty percent (50%) of the loan amount,
i. If during the twelfth year, forty five percent (45%) of the loan amount,
j. If during the thirteenth year, forty percent (40%) of the loan amount,
k. If during the fourteenth year, thirty five percent (35%) of the loan amount,
l. If during the fifteenth year, thirty percent (30%) of the loan amount,
m. If during the sixteenth year, twenty five percent (25% of the loan amount,
n. If during the seventeenth year, twenty percent (20%) of the loan amount,
o. If during the eighteenth year, fifteen percent (15%) of the loan amount,
p. If during the nineteenth year, ten percent (10%) of the loan amount,
q. If during the twentieth year, five percent (5%) of the loan amount,
r. If after the twentieth year following the date of the loan agreement, no recapture of the loan amount.

(5) ~~***Minor Rehabilitation:***~~

These funds will be used to ~~make minor repairs to housing~~ rehabilitate units of very low-, low- and moderate-income households that ~~do~~ does not require ~~major rehabilitation, reconstruction or~~ replacement housing. ~~Minor~~ Rrehabilitation services shall be made available to persons who own and occupy homes located in unincorporated Leon County. ~~Minor~~ ~~r~~Rehabilitation will comply with local minimum housing code standards and Chapter 553, Florida Statutes. Modular/manufactured homes with the Department of Community Affairs insignia, in accordance with *Chapter 553, Florida Statutes*, are eligible for assistance with SHIP funds. However, mobile homes are not. The home owner must agree to attend a mandatory Home Maintenance Workshop.

Recipients will be selected through an established application process. Individual homeowner recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis. ~~Preference will be given based on the criteria delineated in the *Major Rehabilitation* section.~~

~~Maximum award shall be $15,000 which shall be in the form of a zero percent (0%) five year deferred payment loan. SHIP funds may be used in conjunction with CDBG funds to cover the cost of repairs under this strategy. Payment is made only upon the first to occur of any of the following events: (1) home owner sells, transfers or disposes of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) home owner no longer occupies the unit as his/her principal residence; (3) home owner dies, or if a married couple, the survivor dies; (4) if the owner refinances the home without having met the conditions as outlined above, or (5) fails to maintain reasonable required standards and maintenance of the unit. If none of these events occurs within five years of the date of completion, then no repayment is required. Recapture payments shall be in accordance with the following schedule:~~

~~4. If such default occurs during the first year after such minor rehabilitation, the County shall recapture One Hundred Percent (100%) of the total funds expended.~~

~~5. If such default occurs during the second year after such minor rehabilitation, the County shall recapture Eighty Percent (80%) of the total funds expended.~~

~~6. If such default occurs during the third year after such minor rehabilitation, the County shall recapture Sixty Percent (60%) of the total funds expended.~~

~~7. If such default occurs during the fourth year after such minor rehabilitation, the County shall recapture Forty Percent (40%) of the total funds expended.~~

8. ~~If such default occurs during the fifth year after such minor rehabilitation, the County shall recapture Twenty Percent (20%) of the total funds expended.~~

9. ~~After the end of the fifth year following the completion of the minor rehabilitation there shall be no recapture by the County. There is no interest charged during the five years.~~

(6) ~~*Emergency Repair:*~~
~~Emergency repairs may be made available for imminent life safety threats for houses that require no other rehabilitation but contain code violations which are so significant as to constitute such a threat and require immediate attention. All repairs must comply with local minimum housing code standards and *Chapter 553, Florida Statutes*. Such activities may include roof repair or septic tank repair/replacement . Maximum award for this strategy shall be limited to a maximum of $5,000 per housing unit which shall be in the form of a grant requiring no payment. The home owner must agree to attend a Home Maintenance Workshop.~~

~~Emergency repair assistance shall be made available to very low- and low-income households who own and occupy the units for which they seeking assistance. The home must be located in unincorporated Leon County. Assistance under this strategy shall be in the form of a grant requiring no repayment.~~

~~Recipients will be selected through an established application process. Individual homeowner recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first served basis. Preference will be given based on the criteria delineated in the *Major Rehabilitation* section~~

(7) ***Home Replacement:***
The replacement of an existing single family unit, either stick-built or a mobile home, may be made available to very low- and low-income persons who apply to the program for rehabilitation services but whose dwelling is deemed unsuitable for rehabilitation by the Housing and Human Services Division. All newly constructed replacement housing shall comply with local minimum housing codes and with *Chapter 553, Florida Statutes.*

The applicant must own a home located in unincorporated Leon County. In addition, the home owner must agree to attend a Home Maintenance Workshop.

Recipients will be selected through an established application process. Individual homeowner recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis. Preference will be given based on the criteria delineated in the *Major Rehabilitation* section. Moderate-income households shall not be considered eligible under this strategy.

The maximum SHIP award shall be ~~$37,000~~ $75,000 and shall be leveraged with ~~HOME and/or~~ any available funds to include but are not limited to CDBG funds to cover the costs for construction and other associated activities. The SHIP amount expended on each unit shall be in the form of a zero-percent (0%) 20-year ~~d~~Deferred ~~p~~Payment ~~l~~Loan which shall be secured with a lien. Payment is made only upon the first to occur of any of the following events: (1) home owner sells, transfers or disposes of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) home owner no longer occupies the unit as his/her principal residence; (3) home owner dies, or if a married couple, the survivor dies; (4) if the owner refinances the home without having met the conditions as outlined above, or (5) fails to maintain reasonable required standards and maintenance of the unit. If none of these events occurs within ~~ten~~ twenty (20) years of the date of completion,

then no repayment is required. Recapture payments shall be in accordance with the following schedule:

1. If such default occurs during the first year after such major rehabilitation, the County shall recapture One Hundred Percent (100%) of the total funds expended.

2. If such default occurs during the second year after such major rehabilitation, the County shall recapture Ninety five Percent (95%) of the total funds expended.

3. If such default occurs during the third year after such major rehabilitation, the County shall recapture Ninety Percent (90%) of the total funds expended.

4. If such default occurs during the fourth year after such major rehabilitation, the County shall recapture Eighty-five Percent (85%) of the total funds expended.

5. If such default occurs during the fifth year after such major rehabilitation, the County shall recapture Eighty Percent (80%) of the total funds expended

6. If such default occurs during the sixth year after such major rehabilitation, the County shall recapture Seventy-five Percent (75%) of the total funds expended

7. If such default occurs during the seventh year after such major rehabilitation, the County shall recapture Seventy Percent (70%) of the total funds expended.

8. If such default occurs during the eighth year after such major rehabilitation, the County shall recapture Sixty-five Percent (65%) of the total funds expended.

9. If such default occurs during the ninth year after such major rehabilitation, the County shall recapture Sixty Percent (60%) of the total funds expended.

10. If such default occurs during the tenth year after such major rehabilitation, the County shall recapture Fifty-five Percent (55%) of the total funds expended.

11. If such default occurs during the eleventh year after such major rehabilitation, the County shall recapture Fifty Percent (50%) of the total funds expended.

12. If such default occurs during the twelfth year after such major rehabilitation, the County shall recapture Forty-five Percent (45%) of the total funds expended.

13. If such default occurs during the thirteenth year after such major rehabilitation, the County shall recapture Forty Percent (40%) of the total funds expended.

14. If such default occurs during the fourteenth year after such major rehabilitation, the County shall recapture Thirty-five Percent (35%) of the total funds expended.

15. If such default occurs during the fifteenth year after such major rehabilitation, the County shall recapture Thirty Percent (30%) of the total funds expended.

16. If such default occurs during the sixteenth year after such major rehabilitation, the County shall recapture Twenty-five Percent (25%) of the total funds expended.

17. If such default occurs during the seventeenth year after such major rehabilitation, the County shall recapture Twenty Percent (20%) of the total funds expended.

18. If such default occurs during the eighteenth year after such major rehabilitation, the County shall recapture Fifteen Percent (15%) of the total funds expended.

19. If such default occurs during the nineteenth year after such major rehabilitation, the County shall recapture Ten Percent (10%) of the total funds expended.

20. If such default occurs during the twentieth year after such major rehabilitation, the County shall recapture Five Percent (5%) of the total funds expended.

The mortgage on this property will be satisfied on the anniversary date of this agreement with no payments due.

Any amounts leveraged with <u>any available funds to include but are limited to</u> CDBG ~~and/or HOME~~ program funds shall comply with the respective program's recapture provisions.

(8) Disaster Mitigation/~~Recovery~~:

In the event of a natural disaster as declared by federal, state or local government, SHIP funds will be used to leverage available federal and state funds to provide assistance to income-eligible households for the purposes of repairing eligible single-family "stick-built" housing or modular/manufactured housing with a Department of Community Affairs insignia which complies with *Chapter 553, Florida Statutes.* SHIP disaster awards must be directly related to assisting disaster victims. SHIP disaster funds may be utilized for the interim repair and ~~the subsequent minor~~ rehabilitation of eligible housing.

Interim repairs may include the purchase of emergency supplies for eligible households to weatherproof damaged homes, repairs to abstain further damage, tree and debris removal required to make individual housing units habitable, and post disaster repairs. Post disaster repairs may include elevation of the structure and ~~minor~~ rehabilitation to comply with local minimum housing and with *Chapter 553, Florida Statutes.* The strategy will be implemented only in the event of a natural disaster declaration and is contingent upon the availability of disaster mitigation/recovery funds.

Post disaster ~~minor~~ rehabilitation activity may include repairing structural damage, roof repair/replacement, demolition costs, and retrofitting activities such as waterproofing or elevating a structure to meet requirements of the National Flood Insurance Program and Chapter 161, F.S.

Applicants currently on the SHIP owner occupied housing rehabilitation waiting list will be contacted

to ascertain any damage incurred due to the natural disaster. The selection of applicants under this strategy shall follow the criteria delineated in the ~~*Major*~~ *Rehabilitation* section. Preference will be given to eligible applicants in the order of the selection criteria listed below:

2. Very Low Income
   C. Elderly (age 60 and older), and/or handicapped head of household applicants
B. Households with minor children and/or handicapped members of the household.
   C. All other very low-income persons and/or families

2. Low income
   A. Elderly (age 60 and older), and/or handicapped head of household applicants
   B. Households with minor children and/or handicapped members of the household.
   C. All other low-income persons and/or families

3. Moderate Income
   A. Elderly (age 60 and older), and/or handicapped head of household applicants
   B. Households with minor children and/or handicapped members of the household.
   C. All other moderate-income persons and/or families

The maximum award for this program is $10,000 per unit which may be funded solely with SHIP funds or in conjunction with CDBG funds. Assistance under this strategy will be in the form of a ~~d~~Deferred ~~p~~Payment ~~l~~Loan to the homeowner. This deferred loan shall be a non-amortizing, non-interest bearing loan which payment is deferred until the assisted property is sold, transferred or converted to other than owner- occupied use within five years from completion of repairs describe under this strategy. The Deferred Payment ~~l~~Loan shall be secured by a lien which shall be forgiven after the five-year period. Recapture provisions shall be the same as those set for ~~*Minor*~~ *Rehabilitation*

(9) ~~Disaster Resistant Neighborhood Mitigation Measures:~~

This strategy will provide financial assistance to very low and low-income homeowners who reside in the unincorporated areas of Leon County in making their owner-occupied homes more disaster-resistant. Only owner-occupied "stick-built" or modular/manufactured homes with the Department of Community Affairs insignia qualify for assistance under this program. Funds will be used to assist with the installation of structural mitigation systems such as:

- Install Back-Flow Valves on Sewer Lines
- Install Hurricane Shutters
- In Flood Prone Areas - Elevate Hot Water Heaters
- In Flood Prone Areas- Elevate Air Conditioner Condensers
- Trim and Remove Trees that Lay Down Hazards during High Wind Events
- Install Fire Extinguishes
- Install Smoke Alarms

~~The maximum award shall be $1,500 per household and shall be in the form of a grant requiring no repayment and recapture requirements.~~ Assistance under this strategy may be funded solely with SHIP funds or in conjunction with CDBG funds.

Recipients will be selected through an established application process. Individual homeowner recipients are selected based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis. Preference will be given based on the criteria delineated in the *Major Rehabilitation* section

The County will seek to enter into a partnership with a nonprofit sponsor to assist in screening applicants, determining what disaster-resistant measures are necessary and assisting applicants with the installation and construction of disaster-resistant mitigation systems listed above. Eligible sponsors may employ the assistance of sub-contractors for the installation and/or construction of disaster-resistant mitigation systems. The County shall announce the availability of funding for this strategy in the Tallahassee Democrat 30 days prior to the beginning of the application period. In reviewing proposals from potential sponsors, the County shall consider the following criteria:

- Applicable experience in providing disaster-resistant mitigation services
- Compliance with certification, licensing, or other professional or administrative requirements
- Must not discriminate on the basis of race, sex, color, age handicap, religion, national origin, familial status, marital status, or sexual orientation.
- Must agree to follow standard SHIP rules for income determination under 24 CFR, Part 5.
- Eligible properties or housing units must comply with the Building Construction Standards in Chapter 553, Florida Statutes.
- Potential sponsors who employ personnel from WAGES and Workforce Development Initiatives programs shall be given preference.
- Preference will be given to nonprofit sponsors that maximize the benefits to the client and the program by using volunteers, contributions and partnerships effectively.

Eligible sponsors who are recipients of SHIP funds will be required to contractually commit to comply with policies, rules, and regulations pertaining to the SHIP program and , where appropriate, other programs such as Community Development Block Grant (CDBG) ~~and HOME~~. The County will strongly encourage sponsors to attend appropriate SHIP, <u>and</u> CDBG~~, and HOME~~ training workshops that may be sponsored by the Florida Housing Finance Corporation, Department of Community Affairs, Florida Housing Coalition or the County.

(10) Transitional and Emergency Housing:
This strategy will provide partial funding of the total project cost pending the availability of funds for the acquisition, construction and/or rehabilitation of temporary, transitional housing for victims of domestic violence and their minor children and homeless families with minor children. The County will seek to enter into a partnership with a nonprofit sponsor that is engaged in providing transitional housing as described above. The County shall announce the availability of funding for this strategy in the Tallahassee Democrat 30 days prior to the beginning of the application period. Sponsors will be selected based on the following criteria:

1) Structure must be located within Leon County.

2) No mobile home will be considered an eligible structure.

3) Eligible property must comply with the *Chapter 553, Florida Statutes.*

4) Eligible facility must be located in an area where the zoning supports the special needs use and the organization must own the property or have a long term lease minimum of fifty (50) years

5) The sponsor organization shall provide proof of experience in working with victims of domestic violence with minor children or homeless families with minor children.

6) The sponsors who can demonstrate that the organization employs personnel from the WAGES and Workforce Development Initiatives programs will be given preference in the selection process.

7) The transitional housing for victims of domestic violence with minor children must be able to provide emergency shelter for up to 50 women and children. The facility should be able to accommodate these families for up to 4-6 months, with four families staying up to two years. In addition, the facility should be able to accommodate families with teenage boys by providing separate bathrooms, showers, etc. to ensure personal privacy.

8) The transitional housing for homeless persons with minor children must be able to provide case management to assist these families to address barriers to stability such as unemployment. The organization should be able to do follow-up contact as a part of case management.

Sponsors who are awarded SHIP funds to provide services under this strategy must agree to follow standard SHIP rules for income determination under 24 CFR, Part 5. For families to be served by this program, eligibility may be performed on an expedited basis and may include alternative forms of documentation, such as current paystubs and benefit letters. Persons assisted by sponsors under this strategy shall be those persons who are at risk of becoming homeless, economic homeless, situational homeless, or chronic homeless and therefore, shall automatically be considered eligible under HUD

guidelines.

Maximum funding each transitional housing unit or apartment shall not exceed $25,000 per unit/apartment. Each unit must be occupied by very low-income, low-income or moderate income families. As long as the eligible organization reserves all units constructed with SHIP funds for very low-income, low-income or moderate income families for 15 years, no recapture of the grant award will be required. If the eligible sponsor offers the units for sale before the 15 years, a right of refusal must be given to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible families in accordance with *Section 420.9075*(4)(f) *Florida Statutes.* Leon County's SHIP Administrator will be responsible for monitoring occupant eligibility for 15 years.

(11) Development of Affordable Housing Rental Units

This *rental strategy* provides for County multi-family developments that serve the very low and low-income renters. It covers the fiscal years 2003 - 2004 and 2004 - 2005.This strategy is to increase the supply of affordable rental units in the unincorporated Leon County. Applications for SHIP funds will be reviewed by the Affordable Housing Advisory Committee (Housing Finance Authority) designated by the Board. Each year the Florida Housing Finance Corporation (FHFC) opens an application cycle for developers to apply for tax credits. Each application requires local government contribution and the developer receives points for this contribution. The minimum amount required for Leon County is $100,000 to receive full application points from FHFC.

Housing units constructed with SHIP funds will remain affordable for a term determined by FHFC. Rental housing for sale before the affordability period expires or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons. Leon County is not required to conduct monitoring since FHFC provides the same monitoring and determination per F.S. 420.9075 (3) (e).

Recipients will be selected through an established application process based on compliance with all eligibility requirements of the SHIP program, and thereafter served on a first-come, first-served basis. Preference will be given based on the criteria delinated in the *Major Rehabilitation* section.

A. Qualifications of the Developer/Applicant:

SHIP funds will be used as part of the local contribution when participating in such programs as Housing Tax Credits, Florida State Apartment Incentive Loan (SAIL) and other programs approved by the FHFC to construct multi-family rental housing. Applications from Developers/Applicants will be awarded competitively using criteria including, but not limited to, the following:

1. Developments must be located in unincorporated Leon County and 15% of those units must be set aside for persons at or below 30% of the area median income.
2. The ability of the Developer/Applicant to complete the units within an eighteen (18)

month period.

3. The features of the proposed property. (I.e., community room, swimming pool etc.)
4. Whether or not the Developer/Applicant employs personnel from the WAGES or Workforce Development Program.
5. The experience of the Developer/Applicant in securing State and/or Federal funding.
6. Submission of information describing the application to the State or Federal Agency.

B. Recapture Provisions:

SHIP funds will be provided as a deferred loan at 0% interest secured by a lien under the following conditions:

Rental projects offered for sale prior to the end of the affordability period shall give first right of refusal to another nonprofit organization.

Should the units constructed with SHIP funds convert from the affordable status as outlined in the SHIP requirements, the Development/Partnership will be required to repay Leon County for the period remaining on the deferred 15-year loan. Interest on the loan shall be 3% per annum, simple interest.

C. In the event two or more projects are selected in Leon County, the deciding factor to fund one project would be:
Project that support the Board of County Commission priorities
Project that put aside more than 5% for the resident(s) for downpayment assistance for homeownership.

Developers will be required to submit an affidavit stating which Board priorities the project supports as well as the percentage amount set aside for downpayment assistance for homeownership and how many residents they will serve.

VI. Housing Incentive Strategies

The following description of affordable housing incentive strategies have been instituted to encourage and produce affordable housing for the County's very low-, low, and moderate- income households. A number of the strategies are available for expediting the development of housing for all existing or potential homeowners.

Incentive Strategy 1. Expedited permitting for affordable housing projects.

Leon County expedites permitting of affordable housing projects by administrative direction and close coordination and team work. Specific processes that have been established include:

1). Using pre-permitting review to determine project status, identify and resolve potential legal problems that might preempt permitting, and otherwise expedite affordable housing.

2). Obtain assistance and cross-training from Building Inspection with the initial inspection of rehabilitation projects to ensure all code compliance issues are addressed in writeups and permit

applications. This expedites plan review and minimizes changes that delay permitting and project completion.

3). The Assistant to the Director of Community Development has been designated as liaison with the Affordable Housing Program and assists with the resolution of difficult permitting issues. These processes will promote a reduction in building permitting time for affordable housing projects by 50% from the average of 10 days to an average of 5 days.

Incentive Strategy 2. Modification of site planning requirements for affordable housing.

Site design modifications such as reduced lot size, street layout and design, setback reductions, and decreased parking requirements can be obtained by the developers of affordable housing subdivisions under Articles X and XI of the current Leon County land development code.

The Building Inspection Division administratively allows developers to use master building permits as a way of minimizing the cost of designing houses for single family building permitting and the time required for plans review.

Incentive Strategy 3. The modification of fee requirements for affordable housing.

The County eliminated its transportation impact fee in 1995; therefore housing developers do not pay any county impact fees. The Public Works Department supports affordable housing by waiving landfill dumping (tipping) fees for disposal of construction debris by the County's affordable housing contractors.

Incentive Strategy 4. A process by which local government considers, before adoption, policies, procedures, ordinances, and implementation of plan provisions that have a significant impact on affordable housing.

By administrative direction, all Local Comprehensive Plan and land development regulations (LDRs) with the potential to impact the cost of affordable housing are referred to the Director of Housing and Human Services prior to their adoption. Any of these Plan or LDR amendments potentially affecting affordable housing costs can be brought up at a bi-monthly meeting of the Division Directors of Community Development, Development Review, Planning, Environmental Health, Housing and Human Services, Building Inspection, and Environmental Compliance for modification and transmittal to the Board of County Commissioners or other appropriate review or approval entity.

Incentive Strategy 5. Identification of Affordable Housing Lots.

When foreclosing on Code Enforcement Board liens, the County has agreed to consider the possible use of foreclosed property for affordable housing. In addition, the County is undertaking another review of county owned properties that might be used for affordable housing purposes.

VII. Housing Counseling and Training:

Prospective home buyers and homeowners will receive counseling and training in the areas of purchasing, financing and maintaining a home. The purpose of the Housing Counseling and Training Program is to: 1) assist in determining whether the potential first time home buyer is ready to purchase a home and to help prepare him or her for home ownership; 2) to assist in helping clients in understanding the financing process; 3) to provide information on home maintenance; and 4) to prevent potential mortgage default. Course topics shall include such topics as mortgage loans; other types of loans available; understanding a contractual agreement; affordable housing programs; mortgage default counseling; budget and credit counseling; and property care and maintenance.

Housing Counseling and Training will be available to very low and low-income individuals and families. The established partnership with the Tallahassee Lenders Consortium, Tallahassee Urban League and the Leon County Corporative Extension will continue in order to carry out these services which will interface with affordable housing programs.

VIII. Administration:

Program Responsibility.: Responsibility for the implementation of the program shall reside with the Division of Housing and Human Services. The program administrator shall be the Affordable Housing Coordinator. The Housing Coordinator shall implement the Housing Assistance Plan and coordinate all housing-related activities sponsored by the Board of County Commissioners.

The Housing Finance Authority, in its role as the Citizens Advisory Council, shall examine and research housing policy issues and make recommendations to the Board of County Commissioners, with whom the ultimate responsibility lies.

Administrative Expenses. No more than 10% of the total SHIP award will be expended on administrative expenses.

The planned use of funds for each year is shown in the table below . As this budget shows, the county is subsidizing its SHIP program administration with at least $62,281.00 in local funds, including general revenue funds.

SHIP Administrative Expenses*			
	FY 2003~~2~~-2004~~3~~	FY 2004~~3~~-2005~~4~~	FY 2005~~4~~-2006~~5~~
Salaries & Benefits SHIP Local Gov't	 $65,496 $62,281	 $65,496 $62,281	 $65,496 $62,281
Operating Expenses SHIP	 $14,063	 $14,063	 $14,063
Total	$141,840	$141,840	$141,840

* Includes funding from both SHIP and local revenue to support administration. The SHIP portion only totals $79,559.

In addition to salaries and benefits, operating expenses include supplies, advertising, printing, travel and training, memberships and subscriptions, postage, insurance, vehicle maintenance, fuel, and similar expenses. It is not presently anticipated that the Board of County Commissioners will employ consultants to implement any part of the SHIP Program or conduct any special studies. Local funding of administrative expenses in FY 2002-2003 and 2003-2004 may decrease by $29,650 as the recently approved Small Cities CDBG grant is implemented. Local funding of administrative expenses may increase during FY2004-2005 due to the closeout of the Small Cities CDBG grant.

IX. Time Table for Expenditures

The time table for expenditures is attachment A.

XI. Resolution and Certification

The Resolution and Certification approved by the Board of County Commissioners are attached as Attachments

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