

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: November 20, 2007 [ ] Consent [X] Regular  
[ ] Public Hearing

Department: HOUSING & COMMUNITY DEVELOPMENT

Submitted By: Housing and Community Development

Submitted For: Commission on Affordable Housing

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) **Adopt:** A Resolution approving the Seventh Amendment to the State Housing Initiative Partnership (SHIP) Program; Local Housing Assistance Plan (LHAP) R- 2004- 0741 for Fiscal Years 2004-2005, 2005-2006 and 2006-2007, utilizing interest earned and recaptured funds received from the Commission on Affordable Housing's Subsidy programs, and

B) **Approve:** revisions to the funding levels in the LHAP for fiscal year 2004-2005 specifying an increase in funding from \$2,926,015 to \$8,689,438 for the Purchase Assistance Program, a decrease in funding for the Single Family Development (HO) strategy from \$1,000,000 to \$68,143, a decrease in funding for the Housing Rehabilitation strategy from \$400,000 to \$181,007, a decrease in funding for the Foreclosure Prevention strategy from \$150,000 to \$146,841, a decrease in funding for the Water/Sewer/Impact Fee strategy from \$300,000 to \$66,183, a decrease in funding for the Replacement Housing strategy from \$100,000 to \$50,000, a decrease in funding for the Special Needs/Barrier Free Home Ownership strategy from \$320,000 to \$0, a decrease in funding for the Multi Family Competitive Rental strategy from \$2,000,000 to \$800,000, a decrease in funding for the Special Needs/Barrier Free Rental strategy from \$100,000 to \$0, a decrease in funding for the Single Family Development Rental strategy from \$1,000,000 to \$0 and a decrease in funding for Administrative Fees from \$665,882 to 658,623.

**Summary:** In order to meet the demand for increase assistance, the Commission on Affordable Housing made the appropriate revisions to the LHAP, modifying its programs, funding levels and assistance levels accordingly. This budget revision will increase the 2004-2005 Purchase Assistance strategy by \$5,763,423. State SHIP funds require no local match. Countywide (TKF)

**Background and Policy Issues:** Palm Beach County initially received funding from the Florida Housing finance corporation (FHFC) approval of its three (3) year LHAP for Fiscal Years 2004-2005; 2005-2006; and 2006-2007, on April 27, 2004 (R- 2004-0741). This was subsequently amended by R- 2007-0516; the LHAP lists all the strategies and associated funding levels. Any revisions to the LHAP must be adopted by a resolution prior to submittal to the FHFC for approval. The revisions in the Seventh amendment to the LHAP are shown in Exhibit B and found in the proposed resolution.

Attachment:

A. Proposed Resolution

B. LHAP for 2004-2005, 2005-2006 and 2006-2007 with exhibit A and B

Recommended by: Edward J. Lomax 11/19/07  
Department Director Date

Approved By: Paul W. Smith 11/19/07  
Assistant County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>1,698,338</u>	_____	_____	_____	_____
External Revenue	< <u>1,698,338</u> >	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	<u>N/A</u>	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u>-0-</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>N/A</u>	_____	_____	_____	_____

Is Item Included In Current Budget? Yes  No   
 Budget Account No.: Fund 1100 Agency 143 Unit 7706 Object 8301 Prog Code: RFS50/GY04

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

C. Departmental Fiscal Review: *Shairrette Major* 11-19-07  
 Shairrette Major, Fiscal Manager I

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

*John R. ...* 11-19-07  
 OFMB  
 11/19/07 28  
 11/19/07  
 GW 11/19/07

*John J. ...* 11/19/07  
 Contract Dev. and Control  
 11/19/07

B. Legal Sufficiency:  
*Maureen Cullen* For Tammy Fields,  
 Senior Assistant County Attorney

C. Other Department Review:  
*Edward W. ...*  
 Department Director

This summary is not to be used as a basis for payment.

*[Handwritten signature]*

RESOLUTION NO. R-2007-\_\_\_\_\_

**A Resolution approving the Seventh Amendment to the State Housing Initiative Partnership (SHIP) Local Housing Assistance Plan (LHAP) R- 2004- 0741 for Fiscal Years 2004-2005, 2005-2006 and 2006-2007, utilizing interest earned and recaptured funds received from the Commission on Affordable Housing's Subsidy programs.**

**WHEREAS,** Palm Beach County receives State funds through the State Housing Initiatives Partnership (SHIP) Program (F.S. Chapter 420.907); and

**WHEREAS,** Palm Beach County adopted an Affordable Housing Ordinance No. 93-8 pursuant to the requirements of the State SHIP Program; and

**WHEREAS,** the Palm Beach County Affordable Housing Ordinance established the Robert E. Pinchuck Memorable Affordable Housing Trust Fund that provides program funding directly to the Local Housing Assistance Plan (LHAP), and

**WHEREAS,** it is required for Palm Beach County to revise its LHAP specifically indicating the nature of the requested changes to the previously established LHAP and Housing Delivery Goals Chart for Fiscal Year 2004-2005; 2006-2007 and

**WHEREAS,** the 2004-2005 budget be amended to include \$1,698,338 additional funding from the Contingency Reserve; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Purchase Assistance Program will be increased from \$2,926,015 to \$8,689,438 for fiscal Year 2004-2005; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Single Family Development Home Ownership strategy will be decreased from \$1,000,000 to \$68,143; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Housing Rehabilitation strategy will be decreased from \$400,000 to \$181,007; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Foreclosure Prevention strategy will be decreased from \$150,000 to \$146,841; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Water/Sewer/Impact Fee strategy from \$300,000 to \$66,183; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Replacement Housing strategy from \$100,000 to \$50,000; and

**WHEREAS,** the current 2004-2005 SHIP funding level for Special Needs/Barrier Free Home Ownership strategy from \$320,000 to \$0; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Multi Family Competitive Rental strategy from \$2,000,000 to \$800,000; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Special Need/Barrier Free Rental from \$100,000 to \$0; and

**WHEREAS,** the current 2004-2005 SHIP funding level for the Single Family Development Rental strategy from \$1,000,000 to \$0; and

**WHEREAS,** the current 2004-2005 SHIP funding level for Administrative Fee strategy from \$665,885 to \$658,623; and

**WHEREAS,** the Palm Beach County Board of County Commissioners wishes to document its aforesaid desires in the seventh amendment to the SHIP Local Housing Assistance Plan for Fiscal Years 2004-2005, 2005-2006 and 2006-2007.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

The Seventh Amendment to the SHIP Local Housing Assistance Plan for Fiscal Years 2004-2005, 2005-2006 and 2006-2007, is hereby approved as shown in Attachment B.

The foregoing Resolution was offered by Commissioner \_\_\_\_\_ and seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

<b>Addie Greene, Chairperson</b>	-
<b>John F. Koons, Vice Chairperson</b>	-
<b>Karen Marcus</b>	-
<b>Robert Kanjain</b>	-
<b>Mary McCarty</b>	-
<b>Burt Aaronson</b>	-
<b>Jess Santamaria</b>	-

The Chairman thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

**APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY**

**ATTEST:  
SHARON R. BOCK, CLERK & COMPTROLLER  
BOARD OF COUNTY COMMISSIONERS**

By: \_\_\_\_\_  
Tammy K. Fields  
Senior Assistant County Attorney

By: \_\_\_\_\_  
Deputy Clerk

Attachment B

# **PALM BEACH COUNTY**

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## **SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)**



**FISCAL YEARS COVERED**  
**2004/2005, 2005/2006 AND 2006/2007**

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	B. Housing Delivery Goals Charts (HDGC)	

**I. PROGRAM DESCRIPTION** Chapter 67-37.005 F.A.C. and Section 420.9072, F.S.

**A. Name of the participating local government and Interlocal if Applicable:**  
*Section 420.9072(5), F.S.*

Palm Beach County

Interlocal: Yes \_\_\_\_\_ No X

Name of participating local government(s) in the Interlocal Agreement;

N/A

**B. Purpose of Program:** *Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C.*

The Local Housing Assistance Plan (LHAP) is created for the purpose of meeting the housing needs of the very low, low and moderate income households, to expand production of and preserve affordable housing, and to advance the housing element of the County's comprehensive plan specific to affordable housing.

**C. Fiscal years covered by the Plan:** *Chapter 67-37.002, F.A.C.*

<u>X</u>	2004/2005
<u>X</u>	2005/2006
<u>X</u>	2006/2007

**D. Governance:** *Chapter 67-37.005(3) and (5) (i) F.A.C. and Section 420.9071(14) F.S.*

The SHIP program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 Florida Administrative Code. The SHIP Program furthers the housing element of the County's Comprehensive Plan.

**E. Local Housing Partnership:** *Section 420.9072(1) (a), F.S.*

The SHIP program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low income persons and community groups.

**F. Leveraging:** *Chapter 67-37.007(1) (b) (c), F.A.C. and Section 420.9075(1) (a) and (1) (b3, and (1) (c), F.S.*

The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and as the local match to obtain federal housing grants or programs.

**G. Public Input:** *Chapter 67-37.005(3), F.A.C.*

Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations during monthly advertised meetings of the Commission on Affordable Housing (CAH), which has been established and active since January 1990. Additionally, open work sessions solely dedicated to the development of affordable housing programs and policies were held. These sessions are open to the public, and include representatives from various non-profits and for profit developers, local lenders, realtors, governmental agencies and providers of affordable housing related services. Public input was also solicited through the local newspaper when the Local Housing Assistance Plan is advertised.

**H. Advertising and Outreach** *Chapter 67-37.005(6) (a), F.A.C.*

Palm Beach County or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required. In addition to advertising in the newspaper, the County will advertise the SHIP program on the local government cable channel, the County's web site, and the County's employee newsletter. SHIP staff will also participate in local home buyer fairs and workshops.

**I. Non-Discrimination: Section 420.9075 (3) (c), F.S.**

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

**J. Support Services and Counseling:** *Chapter 67-37.005(5) (g), F.A.C.*

Support services are available from various sources. Available support services may include but are not limited to homeownership counseling (pre and post), credit counseling, tenant counseling and transportation. Support services are also available in the form of home buyer seminars and homebuyer education seminars, where prospective home buyers are educated about credit, predatory lending, choosing a realtor, fair housing, and pre-purchase home inspections. Seminars also include post-purchase education on topics such as budgeting, home maintenance, energy conservation, and landscaping. Local financial institutions and other non-profit agencies provide home buyer education seminars and workshops on a regular basis to educate prospective homebuyers

**K. Purchase Price Limits:** *Section 420.9075(4) (c), F.S. and Chapter 67-37.007(6) F.A.C.*

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be calculated for any



12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units can be lower than but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used by Palm Beach County is:

- Bond Study Numbers provided by Florida Housing Finance Corporation  
 Independent Study (copy attached)  
 U.S. Treasury Department

The purchase price limit will be \$155,000 for existing homes and \$170,000 for newly constructed homes. This amount is considerably less than the \$280,462 maximum allowed by the U.S. Treasury. The purchase price limit will be re-examined annually and adjusted as needed. Any such adjustments will be subject to the Board of County Commissioners approval.

- L. Income Limits, Rent Limits and Affordability:** *Chapter 67-37.005(5) (e), F.A.C. and Section 420.9071(2), F.S.*  
Housing is considered affordable when the monthly rent or mortgage payment, including taxes and insurance do not exceed 30 percent of an amount that represent the percentage of the median annual gross income for the household. However, this policy will not prohibit an individual household's ability to devote more than 30 percent of its income for housing. Housing where a household devotes more than 30 percent of its income shall be deemed Affordable if the first mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent. Rent limits are provided annually by the Florida Housing Finance Corporation and will be adjusted by the County upon receipt.
- M. Wages to Work:** *Chapter 67-37.005(6) (b) (7) F.A.C.*  
Should an eligible sponsor be used, the County has in place a process to qualify, select and award funding to eligible sponsors. They are also required to describe and demonstrate how eligible sponsors employing personnel from the WAGES and Workforce Development Initiatives programs will be given preference in the selection process.
- N. Monitoring and First Right of Refusal:** *Section 420.9075(3) (e) and (4) (f), F.S.*  
All eligible rental housing constructed, rehabilitated, or otherwise assisted with SHIP funds must be reserved for eligible low income persons for a minimum of 15 years or the term of the loan, whichever is longer. Eligible sponsors offering rental housing for sale before 15 years or with a remaining mortgage funded under this program must first offer the property at the current market value to eligible nonprofit organizations. In turn the property must continue to be occupied by eligible persons. Palm Beach County will monitor annually and determine tenant eligibility for rental housing for a minimum period of 15 years or the term of the loan, whichever is longer. To the extent another governmental entity provides the same monitoring and determination, the County may rely on such monitoring and

determination of tenant eligibility. Any loan or grant in the original amount of \$3,000 or less shall not be subject to annual monitoring and determination of tenant eligibility requirements.

**O. Administrative Budget:** *Chapter 67-37.005(6) (f) 3, F.A.C.*

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**. This information is presented to the Palm Beach County Board of County Commissioners on an annual basis for each state fiscal year submitted.

The Palm Beach County Board of County Commissioners finds the funds deposited in the local housing assistance trust shall be used to administer and implement the Local Housing Assistance Plan.

The Palm Beach County Board of County Commissioners determined 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately cover the necessary costs of administering the Program. Instead, they found the cost of administering the program may not exceed 10 % of the local housing distribution funds plus 5 % of program income deposited into the trust fund. As such, the Palm Beach County Board of County Commissioners has adopted the attached resolution (Exhibit E) which states that 10 percent of the local housing distribution plus 5 percent of program income is sufficient to adequately pay the necessary costs of administering the local housing assistance plan.

**P. DEFINITION OF ESSENTIAL SERVICES PERSONNEL:**

“Essential Services Personnel” means persons whose household incomes do not exceed 140% of AMI, as determined annually by the Florida Housing Finance Corporation and adjusted for family size, and shall include: teachers and educators; other school district, community college, and university employees; police and fire personnel; health care personnel; housing related professionals and employees; skilled building trade industry personnel; Federal, State, County, and local government personnel; and may also include utility system (water/sewer, electrical, communication, etc.) personnel; information technology industry personnel; child care personnel; personal service providers; retail workers; wholesale/warehouse personnel; tourism industry personnel; biotechnology industry personnel; non-profit personnel; food service personnel; landscaping industry personnel; cosmetology service providers; facility maintenance personnel; automotive service personnel; marine services personnel; persons employed in local “business clusters” as identified by the Business Development Board of Palm Beach County; the occupations in demand with the most employees and the occupations in demand gaining the most new jobs according to the Agency for Workforce Innovation (AWI); and personnel in other industries deemed essential by Palm Beach County government based on the local economy. Palm Beach County will review and possibly revise this definition of essential service workers on

an annual basis to conform with local economic and industry trends.

Although essential services personnel may earn an income of up to 140% of AMI, Palm Beach County's SHIP funding can only assist individuals and households whose income does not exceed 120% of AMI.

## II. LHAP HOUSING STRATEGIES: *Chapter 67-37.005(5), F.A.C.*

### **Homeownership Strategies:**

#### **A. Purchase Assistance Strategy:**

**Summary of Strategy:** SHIP funds will be made available to income eligible very low, low and moderate income first time homebuyers with the goal of expanding homeownership opportunities to this targeted income group.

Assistance will be based on the financing needs of the individual homebuyer up to the maximum amount of assistance available for the income group. Permanent first mortgage financing is required and provided through private sector financing institutions.

SHIP funds will also be made available to income eligible law enforcement officers who are first time homebuyers residing in identified redevelopment target areas of the County. The maximum award for income eligible law enforcement officers will be up to \$30,000.

**State Fiscal Covered:** 2004-2005, 2005-2006, and 2006-2007.

**Income Categories to be Served:** Very Low, Low and Moderate income households.

**Maximum Award** is noted on the Housing Goals Delivery Chart. The maximum award is not automatically provided to an individual buyer. The amount of subsidy awarded will be the minimum amount necessary to purchase the property at a monthly payment affordable to the homebuyer.

#### **Applicant Selection Criteria**

1. Eligible applicants will be selected on a first come, first qualified, first served basis within the income group subject to funding availability.
2. Eligible program participants must meet the definition of a first time homebuyer. A first time home buyer is an applicant who has not owned a home within the three (3) years immediately preceding the SHIP assisted purchase. The only exception is a person who has lost a home due to a divorce; within the (3) three years preceding the SHIP assisted purchase.

3. The applicant must have completed a Homebuyer Education class approved by the County prior to receiving financial assistance.
4. The purchased property must meet all applicable building codes. Deficiencies must be corrected prior to, or as part of the purchase transaction. In the case of new construction, a Certificate of Occupancy (CO) is required prior to occupancy.

**Recapture Provision:** Deferred payment loans secured by a mortgage and note will be for a period of thirty (30) years with zero interest. No payment is required as long as the home remains the primary residence of the original applicant. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the thirty (30) year occupancy period, the entire amount of the loan must be repaid.

**SHIP Leveraging:**

SHIP funds will be leveraged with CDBG, HOME, private sector financing, Single Family Mortgage Revenue Bond financing and Federal Home Loan funds.

**B. Homeownership Development Strategy:**

**Summary of Strategy:** This strategy will provide financial assistance to eligible developers of single-family developments serving very low, low and moderate income households with the goal of increasing the number of affordable owner housing units available to low income persons in Palm Beach County. This is achieved through the builder/developer reducing the cost of the home to the low income homebuyer by the amount of SHIP funds provided. SHIP funds may be used for site acquisition, site development, infrastructure improvements, impact fees, demolition costs, and other construction related costs.

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.

**Maximum Award is noted on the Housing Goals Delivery Chart.**

**Applicant Selection Criteria:**

1. The County will advertise the availability of funds. Sponsors of affordable homeownership housing developments will be awarded assistance on a first come, first served basis subject to funding availability and a review process

based upon a point scoring system labeled as **Attachment G**. Preference will be given to sponsors who hire employees through local WAGES and Workforce Development initiatives. Applications must score a minimum of fifty percent (50%) of total available points to be reviewed for funding. Applications scoring less than fifty percent will be disqualified. An application scoring the most points does not guarantee funding for the request. It is the goal of the County to provide funding for a variety of housing projects in a variety of locations. If staff deems a project not feasible, staff reserves the right to recommend no funding for that project and state the reason for such recommendation.

2. Selection criteria will also include quality of the proposed development, development costs, development team experience, housing affordability, financial stability, economic viability and sensitivity to local housing needs. The proposed SHIP assisted units must be affordable to very low, low and moderate income households.
3. Purchasers of the developed units must be very low, low, or moderate income, and occupy the property as their primary residence. Management of the development will select potential homebuyers for the SHIP assisted units on a first come first served, first qualified basis. Qualification criteria for SHIP recipients must meet all SHIP affordability and income guidelines for the income group. County staff will income-certify all homebuyers for the SHIP assisted units.
4. Eligible applicants must qualify as first time homebuyers and must receive a certificate of homebuyer counseling prior to loan closing.

**Recapture Provisions:**

1. The financial assistance to the developer will be secured with a mortgage and note that will require repayment at an interest rate of three percent (3%) with a maximum term of thirty (30) years to preserve affordability.
2. Assisted developments must commit to set aside a minimum number of units for low income households based on the amount of assistance provided. The housing must remain affordable, and all SHIP assisted units must be occupied by income eligible persons during the affordability period.
3. Eligible homebuyers shall sign a 30-year deferred payment loan secured by a note and mortgage. No payment is required as long as the home remains the primary residence of the original applicant. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the thirty (30) year occupancy period, the entire amount of the loan must be repaid.

4. Homebuyers for all SHIP assisted units must be very low, low, or moderate income.

**SHIP Leveraging:**

This strategy will be leveraged with HOME, private sector financing and other state and county funding.

**C. Housing Rehabilitation Strategy:**

**Summary of Strategy:** This strategy will provide home repair assistance to income-eligible very low and low income owner-occupied applicants (structures of one to four dwelling units) for the purpose of upgrading substandard property to correct code violations and stop additional deteriorations. Mobile homes and manufactured homes will not be eligible for assistance.

Eligible homes requiring rehabilitation will be renovated to meet the County's applicable housing and building code standards. If the maximum award amount combined with other public or private dollars is not sufficient to bring a home up to County's building code standards, the home will not be eligible for assistance under this strategy. In the event the maximum award is insufficient to bring the home up to applicable building code standards, and the applicant is very-low income or elderly, the homeowner may be referred for replacement housing under the Replacement Housing Strategy. Eligible home repair include:

1. **Emergency repairs:** Conditions that may be considered as an emergency are:
  - Structural components that show signs of imminent collapse
  - Damage caused by fire
  - Broken water pipes
  - Heating and water heating system failure
  - Inoperable air conditioning system
  - Water leaks in walls or foundation
  - Sewer/sanitation failure
  - Roof leaks causing electrical hazards, ceiling collapse or structural damage
  - Inoperable exterior doors and or windows, preventing emergency egress
  - Inoperable toilet or hot water heater
  - Exposed bare wires or other imminent fire hazard
  - Electrical failures
  - Lead based paint
  - Gas leaks

- Any other repairs threatening the life, health and safety of the resident which has been identified as being in violation of applicable building/housing codes
2. Roof Repairs and/or replacement: complete repair or replacement of deteriorated roofing systems to eliminate substandard or unsafe roofing conditions.
  3. General Home Repairs: window replacement, door replacement, re-wiring, re-plumbing, kitchen and bathroom remodeling to restore deterioration, a/c and heating system replacement, interior and exterior painting, floor covering replacement to replace deteriorated existing floor covering, insulation, repair cracked or hazardous driveways, termite treatment and repairs, room additions to alleviate overcrowded living conditions, and hurricane shutters installation (eligible item when included in overall repair project, and only if required by code or ordinance).

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.

**Income Categories to be Served:** Very low and low income households.

**Maximum Award is noted on the Housing Goals Delivery Chart.**

**Applicant Selection Criteria:**

Property owners seeking assistance in this program must meet the program requirements outlined in Palm Beach County's Department of Housing and Community Development's policies for the Property Rehabilitation Program for Single-Family Structures and the Emergency Rehabilitation Program. Eligible applicants will be selected on a first-come, first-qualified, first served basis within the income groups subject to funding availability, except that waiting list priority will be given in the following circumstances:

1. Documented special needs (as defined by Chapter 67-37.002(13), F.A.C.) of eligible homeowner (or immediate household member) who faces immediate institutionalization without the rehabilitation to the home. If institutionalization is not imminent, the applicant will not receive priority.
2. Eligible homeowner who has suffered a catastrophic single event emergency (e.g. fire, localized weather damage, etc) that will cause imminent homelessness. If homelessness is not imminent, the applicant will not receive priority.
3. Other selection criteria are as follows:

- Applicant promises to pay all property taxes, insurance, utilities, existing mortgage payments and other assessments when due.
- Applicant promises to maintain property and not allow deterioration of mortgaged property.
- First time applicants will generally be given priority over previously assisted persons. Exceptions may be made for eligible property owners in cases where living conditions threaten the personal health and safety of the household.
- Property must be owner occupied.
- Verification of ownership and documented payment of property taxes must be provided.

#### **Recapture Provision**

The assistance will be in the form of a deferred payment zero (0) interest loan secured by a mortgage and note for a period of 30 years. No payments will be due as long as the home remains the primary residence of the applicant. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the term of the loan, the entire amount of assistance provided will be due and payable.

#### **SHIP Leveraging**

This strategy may be combined with other state, federal, or local programs.

#### **D. Foreclosure Prevention Strategy:**

**Summary of Strategy:** This strategy is designed to maintain homeownership within the lower income population of Palm Beach County. Financial assistance will be provided to income eligible very low and low income homeowners who are facing foreclosure. The goal of this strategy is to avoid foreclosure by paying up to six (6) months delinquent mortgage payments (PITI) to assist with bringing the mortgage current. Funds will be used to bring the delinquent mortgages current, including late fees, attorney's fees, homeowners' association payments, special assessments and other foreclosure associated costs. The property must be owner-occupied, and the homeowner must meet SHIP income qualification guidelines.

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.



**Income Categories to be Served:** Very low and low income households.

**Maximum Award** is noted on the Housing Goals Delivery Chart.

**Applicant Selection Criteria:**

1. Income eligible applicants will be selected on a first-come, first qualified, first served basis subject to funding availability.
2. Applicants must be very low or low income homeowners and the property must be owner occupied.
3. The homeowner must demonstrate their ability to make future mortgage payments after assistance is received.
4. The application process will include a review of the funding request and the cause of the delinquency. The applicant must prove that the delinquency is due to a significant loss of household income (loss of employment, sudden medical illness or expenses, divorce or separation) death in the family, predatory lending practices and/or unforeseen/unexpected/unanticipated home repairs.
5. Participants can apply only once.
6. Assessed value of the property may not exceed the established maximum sales price.

**Recapture Provisions:**

Assistance will be provided in the form of a deferred payment loan secured by a mortgage and note for a period of thirty (30) years. The loan is at zero percent (0%) interest and requires no monthly payment as long as the home remains the primary residence of the applicant. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the term of the loan, the entire amount of assistance provided will be due and payable.

**SHIP Leveraging:**

This strategy will be leveraged with other local resources and applicant funds.

**E. Water/Sewer Connection/Impact Fee Payment Strategy:**

**Summary of Strategy:** This strategy will provide direct financial assistance

to income eligible very low and low homeowners (structures of one to four dwelling units), for the payment of impact fees and/or sewer and water connection system fees charged by local governments for new municipal improvements.

**State Fiscal Years:** 2004-20005, 2005-20006, 2006-2007

**Income Categories to be Served:** Very low and low income households

**Maximum Award** is noted on the Housing Goals Delivery Chart.

**Applicant Selection Criteria**

1. Income eligible applicants will be assisted on a first-come, first qualified, first served basis subject to funding availability.
2. The housing unit must be located within the urban service area of the County and the applicant must own and occupy the property as their primary residence.
3. Applicants must be very low or low income to participate.

**Recapture Provision**

The assistance to homeowners served under this strategy will be in the form of a deferred payment zero (0) interest loan secured by a mortgage and note on the property for a period of 30 years. No payments will be due as long as the home remains the primary residence of the applicant. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the term of the loan, the entire amount of assistance provided will be due and payable.

**SHIP Leveraging**

This strategy will be leveraged with other state, federal private and local resources.

**F. Replacement Housing Strategy:**

**Summary of Strategy:** This strategy will provide gap financing to income eligible very low income elderly, disabled homeowners, and special needs persons residing in homes deemed not viable for rehabilitation. The goal of this strategy is to preserve the affordable housing stock of lower income households in Palm Beach County.

**Eligible Uses of Funding:**

- Demolition of existing property;
- Construction cost of a replacement home on the same lot or at a new location selected by the County;
- Purchase of an existing home.

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.

**Income Categories to be Served:** Very low income, elderly and special needs persons.

**Maximum Award** is noted on the Housing Goals Delivery Chart

**Applicant Selection Criteria:**

1. Income eligible applicants will be assisted on a first come first served basis subject to funding availability.
  2. Applicants must demonstrate the ability to pay property taxes, insurance, utilities, and mortgage payments (where applicable); and must also demonstrate the ability to maintain the property.
  3. Applicants must qualify as very low income, elderly or special needs owner households.
1. The home has been determined structurally unsafe, uninhabitable, or not feasible for rehabilitation.

**Recapture Provision:**

Funds will be provided in the form of a deferred payment loan secured by a mortgage and note for a period of thirty (30) years. The loan is at zero (0) percent interest and requires no monthly payments. If the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the term of the loan, the entire amount of assistance provided will be due and payable.

**SHIP Leveraging:** SHIP fund will be leveraged with CDBG and private financing.

**H. Special Needs/Barrier-Free Housing Strategy:**

**Summary of Strategy:** This strategy will provide assistance to very low and low income eligible elderly (62 years or older) and disabled owner households for housing modifications and barrier removal to improve elderly and disabled

accessibility, and provide for health and safety repairs as needed by older and disabled persons. Assistance will also be provided to qualified sponsors of rental housing who serve very low and low income elderly and disabled households. Eligible activities include new construction, rehabilitation, emergency repairs, and code compliance accessibility for people with disabilities and conversions. Health and safety repairs may include repairs unrelated to accessibility and barrier removal.

Eligible uses of funding for barrier removal and home modifications include:

- Modifications to widen doors, and installation of accessible doors and hardware
- Widen halls, kitchens, bathrooms and bedrooms to accommodate mobility aides (canes, walkers, wheelchairs and scooters)
- Installation of grab bars, entry ramps, railings, walkways and landings
- Installation of non-slip floor surfaces throughout the home
- Installation of lever hardware, delayed opening and closing mechanism on egress and garage doors
- Improved lighting, accessible appliances which include but not limited to front or touch-type controls
- Installation of accessible cabinets, shelves, drawers, sinks, toilets, kitchen and bathroom
- Installation and provision of assisted technology products to increase accessibility in the home ( shower chair, hand Accessible touch-type light switches and thermostats.
- Hand held shower, non-slip surfaces, roll-in with or without curb shower).

Health safety and security related repairs include but shall not be limited to the following:

- Roof repairs and/or replacement
- Complete repair or replacement of deteriorated roofing systems to eliminate substandard or unsafe roofing conditions
- Window repairs and/or replacement
- Re-wiring, re-plumbing
- Termite treatment and repair
- Interior wall repairs and painting
- A/C and heating systems repair or replacement
- Repair cracked or hazardous driveway and/or sidewalks.

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.

**Income Categories to be Served:** very low and low income eligible elderly (62 years or older) and disabled owner households.

**Maximum Award** is noted on the Housing Goals Delivery Chart.

**Applicant Selection Criteria:**

The County will advertise availability of funding and applicants must qualify as very low or low income elderly, medically disabled, or physically disabled. Qualified homeowners will be assisted on a first come, first qualified, first served basis subject to funding availability. Sponsors of rental housing will be selected through an RFP and review process based upon a point scoring system labeled as **Exhibit G**. The applications will be scored for comparison to other similar projects and funding recommendations.

Management of rental developments will select and place income eligible low income persons into the SHIP assisted units on a first come, first qualified, first served basis. Qualification criteria for SHIP recipients must meet all SHIP affordability and income guidelines for the income group. The County will be responsible for monitoring the project annually for compliance with tenant income and affordability requirements.

**Recapture Provisions**

For rental housing developments, funds are secured by a mortgage and note for a period of up to thirty (30) years at an interest rate of not more than 3%. The housing must remain affordable, and all SHIP assisted units must be occupied by income eligible persons for a period of thirty (30) years

For owner-occupied units, assistance will be provided in the form of a deferred payment zero (0) percent interest loan secured by a mortgage and note for a period of up to thirty (30) years. No payment will be due as long as the home remains the primary residence of the applicant. If the house is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant for the term of the mortgage, the entire amount of the assistance provide will be due and payable.

Maximum allowable rents cannot exceed rent limits as published by the U.S Department of Housing and Urban Development (HUD) annually and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation.

**SHIP Leveraging**

This strategy will be leveraged with other state, federal private and local resources.

**H. Multifamily Rental Development Strategy:**

This strategy will provide assistance to developers of rental housing serving very low and low income households. The goal of this strategy is to increase

the number of affordable rental housing units available to very low and low income persons in Palm Beach County. SHIP funds may be used for site acquisition, site development, rehabilitation, infrastructure improvements, impact fees or construction costs. SHIP funds may not be used to pay rental subsidies. All SHIP assisted units must be occupied by income eligible families.

**State Fiscal Years:** 2004-2005, 2005-2006, 2006-2007.

**Income Categories to be Served:** very low and low income.

**Maximum Award** is noted on the Housing Goals Delivery Chart.

**Applicant Selection Criteria:**

The County will advertise the availability of funds. Sponsors of affordable rental developments will be selected through an RFP and review process based upon a point scoring system labeled as **Exhibit G**. The applications will be scored for comparison to other similar projects and funding recommendations. Applications must score a minimum of fifty percent (50%) of total available points to be reviewed for funding. Applications scoring less than fifty percent will be disqualified. An application scoring the most points does not guarantee funding for the request. It is the goal of the County to provide funding for a variety of housing projects in a variety of locations. If staff deems a project not feasible, staff reserves the right to recommend no funding for that project and state the reason for such recommendation.

Selection criteria will further include quality of the proposed development, operational costs, development team experience, housing affordability, economic viability and sensitivity to local housing needs.

Management of the development will select and place income eligible persons into the SHIP assisted units on a first come, first qualified, first served basis. Qualification criteria for SHIP recipients must meet all SHIP affordability and income guidelines for the income group. The County will be responsible for monitoring the project annually for compliance with tenant income and affordability requirements. Preference will be given to sponsors who hire employees through local WAGES and Workforce Development initiatives.

**Recapture Provisions:**

The financial assistance will be secured with a mortgage and note that will require repayment at an interest rate of three percent (3%) with a minimum term of fifteen (15) years and a maximum term of thirty (30) years to preserve affordability. Assisted developments must commit to rent limits as established by HUD for the term of the mortgage and all other stipulations of the loan agreement. The housing

must remain affordable, and all SHIP assisted units must be occupied by income eligible persons during the affordability period. If the project ceases to remain affordable for the term of the loan, the entire unpaid balance is due and payable.

**SHIP Leveraging:**

This strategy will be leveraged with HOME, SAIL and LIHTC funding.

**III. LHAP INCENTIVE STRATEGIES**

*Section 420.9071(16), F.S.*

- A. Name of the Strategy:** Expedited Permitting  
Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.
- Established policy and procedures; Provide Description: To facilitate this strategy, the County restructured its development process by reducing the number of review boards and created a single Development Review Committee. The Manager of the Planning Division of the Planning, Zoning & Building Department (PZ&B) and Engineering designated a staff person to be responsible for processing and facilitating affordable housing projects through the review process. The emphasis is on reducing processing time. This staff person is the developer's point of contact for all questions concerning the review process and follows any affordable housing application through the process. All permit applications that have been determined to be affordable housing is given priority. This strategy is implemented through the Building Planning and Zoning Department and is functioning as intended.
- B. Name of the Strategy:** Ongoing Review Process  
An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.
- Established policy and procedures; Provide Description: The Director of the Zoning Division of Planning Zoning & Building Department (PZ&B) and the County Engineer or his/her designee will review all proposed County ordinances to determine the outcome, if any, on the cost of housing. When it is determined that an impact exist, a cost analysis is prepared by appropriate staff. This strategy has been implemented and is functioning as intended.
- C. Name of the Strategy:** Waiver of Building Permit Fees  
An ongoing process for reducing the cost of building or rehabilitating affordable housing.
- Established policy and procedures; Provide Description: Palm Beach County will not waive or otherwise reduce the impact/building permit fee for any single type of housing development because of the need to maintain the integrity of its Impact Fee Ordinance.

**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
**STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2004-2005**

**EXHIBIT "A"**

<small>Please check applicable box, &amp; if Amendment, enter number</small>	
New Plan:	
Amendment:	02
Fiscal Year Closeout:	

Name of Local Government: Palm Beach County

Available Funds: **\$9,561,897**

HOME OWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A	B	C	D	E	F
							New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
Home Program Match	20	\$20,000	15	\$15,000	0	\$0	\$100,000	\$500,000	\$0	\$600,000	6.27%	35
Purchase Assistance	15	\$75,000	20	\$60,000	25	\$45,000	\$750,000	\$2,176,015	\$0	\$2,926,015	30.60%	60
Single Family Development	20	\$30,000	20	\$25,000	15	\$15,000	\$700,000	\$300,000	\$0	\$1,000,000	10.46%	55
Housing Rehabilitation	20	\$20,000	20	\$15,000	0	\$0	\$0	\$400,000	\$0	\$400,000	4.18%	40
Foreclosure Prevention	10	\$7,500	10	\$7,500	0	\$0	\$0	\$0	\$150,000	\$150,000	1.57%	20
Water / Sewer / Impact Fees	20	\$10,000	20	\$10,000	0	\$0	\$100,000	\$200,000	\$0	\$300,000	3.14%	40
Replacement Housing	5	\$20,000	0		0		\$100,000	\$0	\$0	\$100,000	1.05%	5
Special Needs / Barrier Free	4	\$40,000	4	\$40,000	0	\$0	\$0	\$320,000	\$0	\$320,000	3.35%	8
<b>Subtotal 1 (Home Ownership)</b>	<b>114</b>		<b>109</b>		<b>40</b>		<b>\$1,750,000.00</b>	<b>\$3,896,015.00</b>	<b>\$150,000.00</b>	<b>\$5,796,015.00</b>	<b>60.62%</b>	<b>263</b>
RENTAL STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A	B	C	D	E	F
Multifamily Competitive Rental	100	\$2,500	300	\$2,500	0	\$0	\$1,500,000	\$500,000	\$0	\$2,000,000	20.92%	400
Special Needs / Barrier Free	10	\$5,000	10	\$5,000	0	\$0	\$0.00	\$100,000	\$0	\$100,000	1.05%	20
Single Family Development	20	\$30,000	20	\$25,000	15	\$15,000	\$700,000	\$300,000	\$0	\$1,000,000	10.46%	55
<b>Subtotal 2 (Non-Home Ownership)</b>	<b>130</b>		<b>330</b>		<b>15</b>		<b>\$2,200,000</b>	<b>\$900,000</b>	<b>\$0</b>	<b>\$3,100,000</b>	<b>32.42%</b>	<b>475</b>
Administrative Fees										\$665,882	6.96%	
Admin. From Program Income												
Home Ownership Counseling												
<b>GRAND TOTAL</b>												
Subtotals 1 & 2, Admin. & HO Counseling	244		439		55		\$3,950,000	\$4,796,015	\$150,000	\$9,561,897	100.00%	738
<b>Percentage Construction/Rehab Total Columns A&amp;B</b>											<b>87.81%</b>	
<b>Maximum Allowable Purchase Price:</b>							<b>New</b>	\$280,462	<b>Existing</b>	\$280,462		

Allocation Breakdown	Amount	%
Very-Low Income	\$3,298,850.00	34.50%
Low Income	\$3,733,870.00	39.05%
Moderate Income	\$1,663,770.00	17.40%
<b>TOTAL</b>	<b>\$8,696,490.00</b>	<b>90.95%</b>

Projected Program Income:	\$0	Amount Program Income for Admin:	\$0
Projected Recaptured Funds:	\$0		
Distribution:	\$9,561,897		
<b>Total Available Funds:</b>	<b>\$9,561,897</b>		



**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
 STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: **2004-2005**

Exhibit "B"

<small>Please check applicable box, &amp; if Amendment, enter number</small>	
New Plan:	
Amendment:	7
Fiscal Year Closeout:	

Name of Local Government: **Palm Beach County**

Available Funds: **\$11,260,235**

HOME OWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A	B	C	D	E	F
							New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
Home Program Match	20	\$20,000	15	\$15,000	0	\$0	\$100,000	\$500,000	\$0	\$600,000	5.33%	35
Purchase Assistance	60	\$75,000	60	\$60,000	60	\$45,000	\$750,000	\$7,939,438	\$0	\$8,689,438	77.17%	180
Single Family Development	2	\$30,000	2	\$25,000	0	\$15,000	\$0	\$68,143	\$0	\$68,143	0.61%	4
Housing Rehabilitation	10	\$20,000	20	\$15,000	0	\$0	\$0	\$181,007	\$0	\$181,007	1.61%	30
Foreclosure Prevention	10	\$7,500	10	\$7,500	0	\$0	\$0	\$0	\$146,841	\$146,841	1.30%	20
Water / Sewer / Impact Fees	10	\$10,000	10	\$10,000	0	\$0	\$0	\$66,183	\$0	\$66,183	0.59%	20
Replacement Housing	3	\$20,000	0	\$0	0	\$0	\$50,000	\$0	\$0	\$50,000	0.44%	3
Special Needs / Barrier Free	0	\$40,000	0	\$40,000	0	\$0	\$0	\$0	\$0	\$0	0.00%	0
<b>Subtotal 1 (Home Ownership)</b>	<b>115</b>		<b>117</b>		<b>60</b>		<b>\$900,000.00</b>	<b>\$8,754,771.00</b>	<b>\$146,841.00</b>	<b>\$9,801,612</b>	<b>87.05%</b>	<b>292</b>

RENTAL STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
Multifamily Competitive Rental	100	\$2,500	200	\$2,500	0	\$0		\$800,000	\$0	\$800,000	7.10%	300
Special Needs / Barrier Free	0	\$5,000	0	\$5,000	0	\$0	\$0.00	\$0	\$0	\$0	0.00%	0
Single Family Development	0	\$30,000	0	\$25,000	0	\$15,000	\$0	\$0	\$0	\$0	0.00%	0
<b>Subtotal 2 (Non-Home Ownership)</b>	<b>100</b>		<b>200</b>		<b>0</b>		<b>\$0</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$800,000</b>	<b>7.10%</b>	<b>300</b>
Administrative Fees										\$658,623	5.85%	
Admin. From Program Income												
Home Ownership Counseling												

GRAND TOTAL	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
Subtotals 1 & 2, Admin. & HO Counseling	215		317		60		\$900,000	\$9,554,771	\$146,841	\$11,260,235	100.00%	592

<b>Percentage Construction/Rehab Total Columns A&amp;B</b>										<b>87.81%</b>		
<b>Maximum Allowable Purchase Price:</b>							<b>New</b>	\$280,462	<b>Existing</b>	\$280,462		

Allocation Breakdown	Amount	%
Very-Low Income	\$3,378,071.00	30.00%
Low Income	\$3,715,878.00	33.00%
Moderate Income	\$3,507,664.00	31.15%
<b>TOTAL</b>	<b>\$10,601,613.00</b>	<b>94.15%</b>

Projected Program Income:	\$0	Amount Program Income for Admin:	\$0
Projected Recaptured Funds:	\$0		
Distribution:	\$11,260,235		
<b>Total Available Funds:</b>	<b>\$11,260,235</b>		