

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: February 5, 2008 [X] Consent [] Regular [] Public Hearing
Department: Housing and 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 Resolution approving the Fifth Amendment to the local Hurricane Housing Recovery Plan (HHRP) (R2005-1885) for Fiscal Year 2005-2006, 2006-2007 and 2007-2008 providing a First-Time Homebuyer Strategy for eligible applicants in Palm Beach County and amending the Owner-Occupied Housing Rehabilitation Strategy.

Summary: The Fifth Amendment is a continuation of prior recommendations from the Commission on Affordable Housing staff, to remove barriers impeding the efficient implementation of the HHRP. This recommendation will provide down payment, closing cost and rehabilitation assistance to eligible first-time homebuyers. The financing may be used as gap financing to buy down the purchase price on a new or existing single family home. This amendment will also permit eligible reimbursements to include all out of pocket expenses for eligible repair items and homeowner insurance deductibles. On November 27, 2007, the Florida Housing Coalition recommended these amendments to our HHRP to assist in the timely expenditure of HHRP funds.

The established criteria for this activity will be consistent with the approved criteria used for the State Housing Initiative Partnership (SHIP) Program. However, the maximum funding a homebuyer can be awarded through the HHRP will be \$45,000. Eligible households may earn up to 120% of area median income. Countywide (TKF)

Background and Policy Issues: On October 1, 2005, Palm Beach County was awarded \$4,485,784 by the Florida Housing Finance Corporation to provide financial assistance to eligible households who had suffered damage to their homes as a result of hurricane damage to their home as a result of hurricane damage. The State of Florida is requiring that all HHRP funds be expended by June 30, 2008. The HHR regulations provides that local jurisdictions must expend all HHRP funds within three (3) years of receipt of the HHRP funding. This Plan (Hurricane Housing Recovery Plan – HHRP) was created for the purpose of providing strategies to utilize Hurricane Housing Recovery (HHR) funding for housing recovery efforts for extremely low, very low, low, and moderate income households in Palm Beach County. The current HHRP strategies provide assistance for owner occupied housing rehabilitation, rental housing, land acquisition, repair/replacement of post 1994 manufactured homes, building material acquisition and housing re-entry / eviction prevention. Revisions to the HHRP is required to be adopted by Resolution prior to submittal to the Florida Housing Finance Corporation for approval.

Attachments:

- A) Proposed Resolution
- B) Hurricane Housing Recovery Plan for 2005/2006; 2006/2007; 2007/2008 with Exhibits A, B and C

Recommended By: Edward W. Lomax 1/14/08
Department Director Date
Approved By: Sharon R. Ryz 1/30/08
Assistant County Administrator Date

I. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes ___ No ___ Budget Account No.:

Fund ___ Agency ___ Org. ___ Object ___ Reporting Category _____

Recommended Sources of Funds/Summary of Fiscal Impact:

No fiscal impact.

Departmental Fiscal Review: Shairette Major 1-15-08
Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

Shairette Major 1-18-08
OFMB 1/14/08 88 1/18/08 CN 1/14/08
Shairette Major 1/22/08
Contract Dev. and Control 1/22/08

B. Legal Sufficiency:

Shairette Major 1/23/08
Senior Assistant County Attorney

C. Other Department Review:

Department Director

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

EXHIBIT A

RESOLUTION NO. R-2008 _____

A RESOLUTION APPROVING THE FIFTH AMENDMENT TO THE HURRICANE HOUSING RECOVERY PLAN (HHRP) for FISCAL YEARS 2005-2006, 2006-2007 AND 2007-2008(R2005-1885); ADDING A FIRST-TIME HOMEBUYER STRATEGY FOR ELIGIBLE APPLICANTS OF PALM BEACH COUNTY.

WHEREAS, as part of the 2004 hurricanes that hit Florida, Governor Jeb Bush and Lieutenant Governor Jennings recommended that the Florida Legislature appropriate one-time hurricane housing recovery funds; and

WHEREAS, the approved legislation requires the establishment of a locally-administered HHRP and Delivery Goals Chart that accommodate different housing needs of different communities; and

WHEREAS, the amount approved by the 2005 Legislature is \$208 million to be allocated amongst twenty eight (28) counties for households with incomes up to 120 percent of the area median income; and

WHEREAS, Palm Beach County received State Housing Initiative Partnership funds through the Hurricane Housing Recovery Housing Assistance Plan (HHRP) (F.S. Chapter 420.907); and

WHEREAS; the HHRP for Palm Beach County's \$4,485,784 share of the allocation establishes how HHRP funds allocated; and

WHEREAS, Palm Beach County is required to revise its HHRP specifically indicating the requested change to the previously established HHRP for Fiscal Years 2005-2006, 2006-2007 and 2007-2008; and

WHEREAS, there is a need to modify the Owner-Occupied Housing Rehabilitation Program Strategy's list of eligible repairs and improvements to include hurricane shutters and fence replacement; and

WHEREAS, there is a need to add this Strategy to allow funding for first-time Homebuyers.

WHEREAS, the Board of County Commissioners find that it is in the best interest of the public for Palm Beach County to submit the Hurricane Housing Recovery Plan and Housing Delivery Goals Chart for review and approval to the State of Florida so as to qualify for Hurricane Housing Recovery funds.

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

1. Resolution R-2005-1885 shall be amended by adding the following changes to the Hurricane Housing Recovery Plan:

A. First-Time Homebuyer Strategy

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

Addie L. Greene, Chairperson	-
John F. Koons, Vice Chair	-
Karen T. Marcus	-
Robert J. Kanjian	-
Mary McCarty	-
Burt Aaronson	-
Jess Santamaria	-

The Chairperson thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2008.

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

ATTEST:
SHARON R. BROCK
Clerk & Comptroller

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: _____
Deputy Clerk

PALM BEACH COUNTY
HURRICANE HOUSING RECOVERY (HHR)
HOUSING ASSISTANCE PLAN



**HURRICANE HOUSING ASSISTANCE PLAN
FOR FISCAL YEARS 2005/06, 2006-07 & 2007/08**

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I. PROGRAM DESCRIPTION

A. Name of County: Palm Beach County

Base Allocation Request: \$6,401,838

Extremely Low Income Request: \$1,280,368

Community Planning Request: \$853,578

Name of participating local government(s) or other agencies in the Community Planning Strategy

Cities of Delray Beach, Boynton Beach and West Palm Beach

B. Purpose of the program; Section 420.9072, F.S. and chapter 67-37.005(3), F.A.C.

This Plan (Hurricane Housing Recovery Plan – HHRP) is created for the purpose of providing strategies to utilize Hurricane Housing Recovery (HHR) funding for housing recovery efforts for extremely low, very low, low, and moderate income households in Palm Beach County.

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

A. Name of the Strategy: Owner-Occupied Housing Rehabilitation

a. **Summary of the Strategy:** This strategy combines the SHIP Strategies for Housing Rehabilitation, Replacement Housing, Special Needs/Barrier Free Housing, and the Disaster Mitigation/Recovery, and will be used to enhance these strategies. Funds are provided to extremely low, very low, low and moderate income homeowners to repair/replace/reconstruct/retrofit eligible single family owner-occupied units (structures of one to four dwelling units) for the purpose of upgrading substandard property to correct code violations and prevent additional deterioration and/or add needed living space. Assistance for moderate income homeowners is limited to hurricane related repairs.

b. Special Needs/Barrier-Free funding will be provided to disabled households for housing modification and barrier removal to improve accessibility and provide for health and safety repairs as needed.

Eligible homes requiring rehabilitation will be renovated to meet the County's applicable building code standards. If the maximum award 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. However, if the rehabilitation cost is at least fifty percent or more of the fair

market value of the home, the homeowner may be referred for replacement housing under the Replacement Housing Strategy.

Eligible home repairs include but are not limited to:

- Structural components that show sign of imminent collapse
- Damage cause by fire
- Roof repair and /or replacement: complete repair or replacement of deteriorated roofing systems to eliminate substandard or unsafe roofing conditions including gutters
- Broken water pipes
- Sewer sanitation failure
- Water leaks in walls or foundation
- Door replacement including hardware
- Garage door repair/replacement
- Windows and window fixtures replacement including screens
- Roof leaks causing electrical hazard, ceiling collapse or structural damage
- Inoperable toilet, sink, tub or hot water heater
- Drywall replacement/repair
- Inoperable exterior doors and windows
- Installation of hurricane shutters
- Electrical failure including exposed bare wires or other imminent fire hazards
- Gas leaks
- Mold remediation
- Termite treatment and repairs
- Kitchen and bathroom remodeling
- Cracked/dangerous driveway
- Room addition to alleviate over crowding
- Interior and exterior painting
- Rewiring
- Re-plumbing
- Kitchen and bathroom remodeling to restore/remove/impede deterioration
- Repair/replace/install HVAC system
- Floor covering replacement to restore/repair deteriorated existing floor covering
- Insulation
- Repair deteriorated siding/stucco
- Repair/replace existing sprinkler system and related items
- Replace existing landscape only if hurricane damaged
- Debris removal
- Repair/replace screen and patio enclosures
- Repair/replace fence
- Repair/replace light fixtures
- Payment of Home Owners Associations fees windstorm and flood insurance (up to 12 months) including payments of fees assessed for hurricane related repairs

- Incipient building code violation that if left un-repaired will compromise the health and safety of a household
- Any other repairs identified as being in violation of applicable building code threatening the life, health and safety of the resident

Other Eligible Uses:

- Moving and/or storage expense, not to exceed \$2,500 per household
- Reimbursement of Windstorm/Hurricane Insurance Policy Deductible
OR
- Reimbursement of repairs not covered by a Windstorm/Hurricane Insurance Policy. Expenses must be documented by paid receipts signed by a licensed and insured contractor or vendor and the homeowner or by canceled checks from the homeowner's personal checking account. Maximum reimbursement is \$20,000.

b. **Fiscal Years Covered: 2005/2006; 2006/2007; 2007/2008**

c. **Income Categories to be served:**

Extremely Low, very low, low and moderate income households as defined by the U. S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and Palm Beach County.

d. **Maximum award as noted on the Hurricane Housing Goals Chart \$75,000**
The maximum award for this strategy is not automatically provided. Rather, the amount of subsidy awarded will be the maximum amount necessary to make the necessary repairs and bring the house up to building code requirements.

e. **Terms, Recapture and Default**

Funding in the amount of \$5,000 or less will be provided in the form of an unsecured grant with no recapture or deferred payment provision. Assistance of \$5,001 up to \$20,000 will be in the form of a deferred payment zero interest loan secured by a lien on the property for a period of 10 years. Assistance exceeding \$20,001 and up to the maximum award will be in the form of a deferred payment, zero interest loan secured by a lien for a period of 30 years.

No payments will be due as long as the home remains the primary residence of the original applicant. If the home is sold, leased, title is transferred, or the home ceases to be the primary residence of the applicant within the lien period, the entire amount of assistance provided must be repaid within 60 days.

If the property is sold or title is transferred to an income eligible buyer during the term of the mortgage, repayment may be waived for the owner and transferred to the buyer if the purchaser accepts the terms and conditions of the program, including the principal residence requirement and any new/additional program requirements applicable at the time of transfer. The purchaser's eligibility will be determined by the County and must be requested by the owner prior to the sale of the property. If eligible, the purchaser shall be entitled to the remainder of the owner's benefit.

f. **Recipient Selection Criteria:**

Eligible applicants will be approved for assistance on a first-come, first-qualified first served basis within the income groups subject to funding availability.

g. **Sponsor Selection Criteria, if applicable:**

No sponsors are utilized for the Owner-Occupied Housing Rehabilitation program. Applicants will be funded subject to funding availability. Funding for materials and labor may also be provided to long-term recovery organizations in Palm Beach County including non-profit and community housing organizations.

h. **Additional Information:**

In addition to being income eligible as described above, applicants must meet the following selection criteria:

- Applicant may not currently own or have assets exceeding \$200,000 (monetary gifts and real estate excluding applicant's primary residence are included in the asset calculation)
- The residence must be owner occupied
- Mortgage payments and taxes must be current / paid up to date
- Applicants must provide proof of current homeowners insurance and ownership.
- HHR funds may be combined with SHIP and/or HOME funds where needed. When HHR funds are combined with SHIP or HOME funds, any HHR loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund as required.
- Rehabilitation/repairs must be performed by a State certified licensed contractor licensed to do business in Palm Beach County.

B. Name of the Strategy: Rental Housing

- a. **Summary of Strategy:** HHR funds will be provided to for-profit and non profit organizations and individuals for site acquisition, site development, construction, impact fees, infrastructure improvements and rehabilitation of rental housing projects/developments. The goal of this strategy is to increase the supply of affordable rental housing available to extremely low and very-low income residents of Palm Beach County. All HHR assisted units must be occupied by income eligible families and will be monitored annually for tenant eligibility.
- b. **Fiscal Years Covered:** 2005/2006; 2006/2007; 2007/2008
- c. **Income Categories to be served:** Extremely low and very low income.
- d. **Maximum Award as noted on the Housing Goals Delivery Chart:** \$25,000.

e. **Terms, Recapture and Default:**

The financial assistance will be secured with a mortgage and note that requires repayment at an interest rate of three percent (3%) unless made as a grant. Loans/grants will be made to qualified for-profit and non-profit organizations after analysis and approval by the Board of County Commissioners (BCC) with a minimum term of not less than fifteen (15) years. Unit affordability must be maintained for the term of the loan and rents may not exceed Fair Market Rent as established By HUD for Palm Beach County.

HHR funds may be provided as a grant in cases when the developer has a project that won't "cash flow" using a loan format but offers important benefits in terms of special needs housing. Funds may be combined with private financing, HOME and SHIP funds. When HHR funds are combined with SHIP or HOME funds, any HHR loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund.

f. **Sponsor Selection Criteria:**

The County will advertise the availability of funds and sponsors of affordable rental developments will be selected based upon their development experience, effective leveraging of HHR funds with other funds, ability to develop affordable housing, ability to serve low income households, special needs and homeless populations, and other relevant criteria deemed appropriate by the Board of County Commissioners.

It is the goal of the County to provide funding for a variety of rental housing projects in a variety of locations. If staff believes a project is not feasible, staff reserves the right to recommend no funding and state the reason(s) for such recommendation. **Preference will be given to organizations which employ Welfare to Work (WAGES) personnel and those projects serving extremely low (30% or less of the area median income at time of application).** Persons seeking residency at an HHR funded project under this strategy will be served on a first come-first served basis.

Management of the development will select and lease HHR assisted units to income eligible individuals on a first come, first served, first qualified basis. Qualification criteria for HHR recipients must meet all 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. Annual re-certification of tenants is required to ensure only income qualified tenants occupy assisted units.

C. **Name of the Strategy: Land Acquisition**

- a. **Summary of the Strategy:** This strategy will provide funds to eligible developers of single-family developments serving extremely low, very low, low and moderate income households to acquire vacant land including scattered sites and existing manufactured home parks with the goal of increasing the number of affordable owner housing units available to income eligible residents. Properties can be acquired through deed and tax sales, foreclosure, or through private purchases.

Properties purchased must be utilized for the development of affordable housing for income eligible first time homebuyers.

Funds may be utilized for site acquisition, site development, infrastructure improvements, impact fees, demolition costs, and other construction related costs, title costs, appraisals, surveys, attorney's fees, and all closing related fees. This strategy can be used in combination with the SHIP Purchase Assistance Program, SHIP Single Family Development Program and HOME program funding. When HHR funds are combined with SHIP or HOME funds, any HHR loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund as required.

- b. **Fiscal Years Covered:** State fiscal years 2005/2006; 2006/2007; 2007/2008.
- c. **Income Categories to be served:** Extremely low, very-low, low, and moderate
- d. **Maximum award as noted on the Hurricane Housing Goals Chart:**
\$50,000 per lot.

The maximum purchase price shall be determined by the appraised /fair market value at time of purchase not to exceed the maximum purchase price as noted on the housing goals delivery chart as adjusted from time to time.

e. **Terms, Recapture and Default:**

- 1. Financial assistance to developers will be secured with a mortgage and note that will require repayment at an interest rate of 3% with a minimum term of 30 years.
- 2. Assisted developments must commit to set aside a minimum number of units for lower income households. The housing must remain affordable, and all HHR assisted units must be occupied by income eligible persons during the affordability period. Additional resale restrictions as stipulated in a Community Land Trust and/or Shared Equity Agreements if applicable may be enforced during the applicable restrictive period.

Assistance to eligible homebuyers will be provided in the form of a deferred payment zero percent interest loan secured by a mortgage and note for the market value of the land at the time of construction for a minimum period of 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 or leased, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant for the term of the loan, the entire amount of the assistance provided will be due and payable within 60 days.

A deed or resale restriction for the term of the mortgage will be recorded in the Public Records of Palm Beach County ensuring resale of assisted units to income eligible low/moderate income buyer. Additional resale restrictions as stipulated in a Community Land Trust and/or Shared Equity Agreements if applicable may be enforced during the restrictive period.

HHR funds may be combined/leveraged with SHIP, HOME, CDBG, private sector financing. Single Family Mortgage Revenue Bond and Federal Home Loan funds to assist with single family housing developed/constructed for first-time homebuyers. When HHR funds are combined with other funds, any HHR loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund as required.

f. **Recipient Selection Criteria:**

Eligible applicants will be approved for assistance on a first-come, first-qualified first served basis within the income groups subject to funding availability. In addition to being income eligible, buyers must meet the following selection criteria:

1. Eligible homebuyer program participants must qualify as first time homebuyers and must receive a certificate of homebuyer counseling prior to loan closing. A first time home buyer is an applicant who has not owned a home within the three (3) years immediately preceding the assisted purchase. The only exception is a person who has lost his/her home as a result of divorce within the three (3) years preceding the assisted purchase.
2. 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 HHR assisted units on a first come first served, first qualified basis. Qualification criteria for HHR recipients must meet all HHR affordability and income guidelines for the income group. County staffs will income-certify all homebuyers for the HHR assisted units.
3. The purchase price of the home may not exceed the maximum sales price as established by Palm Beach County and/or the State of Florida. The home must be located within the urban service areas of the County.
4. The purchased property must meet all applicable building codes, and, Certificate of Occupancy is required prior to occupancy.

g. **Site Selection Criteria:**

Only vacant land will be funded for purchase under this strategy. Properties will be purchased at appraised/fair market value. Eminent domain activities will not be funded under this strategy.

h. **Sponsor Selection Criteria:**

Sponsors of affordable owner housing development will be awarded assistance on a first come first qualified, first served basis subject to funding availability. The County will advertise the availability of funds. Preference will be given to sponsors who hire employees through local WAGES and Workforce Development initiatives. 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 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 HHR assisted units must be affordable to very low, low and moderate income households

State Fiscal Years: 2002-2003 and 2003-2004.

D. Name of the Strategy: Repair/Replacement of Post 1994 Manufactured Homes

- a. **Summary of the Strategy:** Funding will be provided to income eligible extremely low, very low, and low income applicants for repair, replacement, and relocation assistance of post-1994 Manufactured Homes constructed in compliance with Florida Building Code, or with the Manufactured Home Construction Safety Standards Act, including Manufactured Homes located or leased in stable park situations. Limited repair and relocation assistance will be provided on a case-by-case basis for pre-1994 Manufactured Homes and mobile homes. In the event the rehabilitation cost is at least fifty (50) percent or more of the value of the home, the homeowner may utilize the maximum award towards the purchase of a replacement home.

Assistance will also be provided for down-payment, closing cost and purchase price assistance for site-built and post-1994 Manufactured Homes constructed in compliance with Florida Building Code, or with the Manufactured Home construction Safety Standards Act with the appropriate wind load rating. This strategy may be achieved in coordination with the Long Term Recovery Coalition (LTRC).

- b. **Fiscal Years Covered:** 2005/2006; 2006/2007; 2007/2008
- c. **Income Categories to be served:** Extremely low, very low and low income
- d. **Maximum Award:** as noted on the Hurricane Housing Goals Chart: \$40,000
- e. **Terms, Recapture and Default:**
Funding in the amount of \$5,000 or less is provided in the form of an unsecured grant with no recapture or deferred payment provision. Funding to extremely low income applicants up to the maximum award will be provided as a deferred payment zero (0) interest loan secured by a mortgage and note for a period of **twenty (20) years** (1/20 forgiven each year). No payment is due as long as the home remains the primary residence of the applicant. If the home is sold or leased, title is transferred or conveyed, or the home ceases to be the primary residence of the applicant during the term of the loan, the outstanding (un-forgiven) balance of the loan will be due and payable within 60 days.

Assistance to very low income applicants will be provided in the form of a deferred payment zero (0) interest loan secured by a mortgage and note for a period of **twenty (20) years**. No payment is due as long as the home remains the

primary residence of the applicant. If the home is sold or leased, 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 within 60 days.

Assistance to low and moderate income applicants is provided in the form of a deferred payment zero (0) interest loan secured by a mortgage and note for a period of **thirty (30) years**. No payment is due as long as the home remains the primary residence of the applicant. If the home is sold or leased, 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 within 60 days.

Additionally, a deed or resale restriction for the term of the mortgage may be recorded in the Public Records of Palm Beach County ensuring resale of assisted units to extremely low/very-low/ low/moderate income eligible buyer. Other resale restrictions as stipulated in a Community Land Trust and/or Shared Equity Agreements if applicable may be enforced during the applicable restrictive period.

f. Recipient Selection Criteria:

Eligible applicants will be approved for assistance on a first-come, first-qualified first served basis within the income groups subject to funding availability. In addition to being income eligible, applicants requiring replacement housing assistance must meet the same selection criteria for recipients under the HHR Land Acquisition Strategy.

HHR funds may be combined/leveraged with private financing, SHIP and/or HOME funds where needed to facilitate replacement/repair of a manufactured home. When HHR funds are combined with SHIP or HOME funds, any loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund as required.

Sponsor Selection Criteria:

Financial assistance will be available on a case by case basis to individuals, the Long Term Recovery Coalition (LTRC) and other non-profit and Community Based Organizations (CBO) working with income eligible homeowners for payment and/or reimbursement of small (less than \$5,000) construction and construction related expenses.

g. Additional Information: None

E. Name of the Strategy: Building Material Acquisition

- a. **Summary of the Strategy:**
This strategy will be implemented utilizing the assistance of the Long Term Recovery Coalition (LTRC) Community partnership, non-profit housing agencies and Community Housing Development Organizations. . Direct funding may be provided to the LTRC and other community non profit housing groups to purchase building supplies in coordination with volunteers for repair of homes for income eligible families.
- b. **Fiscal Years covered:** 2005/2006; 2006/2007; 2007/2008
- c. **Income Categories to be served:** Extremely low, very-low, low and moderate income
- d. **Maximum award as noted on the Hurricane Housing Goals Chart:** \$5,000.00
- e. **Terms, Recapture and Default:**
The assistance will be in the form of a grant, with no recapture provision
- f. **Recipient Selection Criteria:**
Recipients will be approved for assistance on a first come, first qualified, first served basis subject to funding availability and as selected and recommend for assistance by the sponsor.
- g. **Sponsor Selection Criteria:**
Funding may be awarded to the LTRC, non profit and Community Based Organizations with housing delivery experience, ability to coordinate with volunteers for home repairs, and documented ability to deliver results within specified time frames.
- h. **Additional Information:** None

F. Name of the Strategy: Housing Re-entry/ Eviction Prevention

- a. **Summary of the Strategy:** This strategy will be provide housing re-entry assistance such as security deposits, utility deposits, temporary storage of household furnishings (up to 6 months), relocation assistance for owner and renters households, homeowner and flood insurance assistance, homeowners association payment, and rental assistance (up to six (6) months for extremely low, very-low and low income clients.
- b. **Fiscal Years Covered:** 2005/2006; 2006/2007; 2007/2008
- c. **Income Categories to be served:** Extremely low, Very-low and low income
- d. **Maximum award as noted on the Hurricane Housing Goals Chart:** \$5,000.
- e. **Terms, Recapture and Default:** The assistance will be in the form of a grant, with no recapture.

f. **Recipient Selection Criteria:** Recipients will be selected on a first come, first qualified, first served basis within the income groups and subject to funding availability.

g. **Sponsor Selection Criteria:**

Applications will be accepted while funding is available from the LTRC, non-profit and community based organizations with housing delivery experience and documented ability to deliver results. Funding may be awarded to the LTRC and other non-profit organizations with documented housing delivery experience. Successful non-profit, CBO, LTRC candidate(s) will be selected according to the following criteria:

- Organization's past experience with direct assistance.
- Outreach capability to targeted client group and ability to serve County residents.
- Proof of acceptable verification of client eligibility process

Additional Information: None

G. Name of the Strategy: Purchase Assistance:

a. **Summary of the Strategy:** HHRP funds of up to \$45,000 will be made available to income eligible first time homebuyers with the goal of expanding homeownership opportunities to targeted income groups. The targeted income groups are: extremely-low; very low; low; and moderate. Assistance can be used for gap financing, lot acquisition; down payment; rehabilitation of the unit to be purchased; and closing cost. 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 must be provided through private sector financing institutions.

HHRP funds will not be utilized for the purchase of mobile homes.

b. **Fiscal Years Covered:** 2007/2008

c. **Income Categories to be served:** Moderate Income.

d. **Maximum Award:** is noted on the Hurricane Housing Delivery Goals Charts. The maximum award is not automatically provided. The amount awarded is based on what's needed to purchase the property at a monthly payment affordable to the prospective homebuyer.

e. **Terms, Recapture and Default:** Deferred payment loans secured by mortgage and note for a term of thirty (30) years with zero interest. No payment is required as long as the home remains the primary residence of the applicant. If the property is sold, title is transferred or conveyed to an income eligible buyer during the term of the mortgage, repayment may be waived if the new buyer accepts and agrees to the term and conditions of the mortgage including, but not limited to the primary residence requirement. The purchaser's eligibility will be determined by the County and must be

requested by the owner prior to the sale of the property. Any applicable affordability restrictions will be transferred to the new owner.

If the home is sold, title is transferred or conveyed to an ineligible buyer, or the home ceases to be the primary residence of the applicant during the term of the mortgage, the entire amount of the loan shall become immediately due and payable. In the event of a sale, the County may exercise its right of first refusal to purchase the property at its current market value for continued occupancy by income eligible persons.

In the event of the death of the borrower prior to the end of the term of the mortgage, the outstanding balance become immediately due and payable. If the property is inherited by an income eligible heir that meets the requirements of the program, repayment may be waived, if the new homeowner accepts the terms and conditions of the program, including, but not limited to the principal residence requirement. The new owner's eligibility and entitlement shall be determined by the County in its sole discretion and must be requested by the owner within ninety (90) days of the death of the original borrower. Any applicable deed/affordability restrictions will be transferred to the new owner.

Additionally, a deed restriction or other legally sufficient document may be recorded with the Clerk of the Circuit Court to ensure the resale of the unit to a low or moderate income home buyer. The County is currently exploring other long term affordability options such as Community Land Trust and Shared Equity/Appreciation. Resale restrictions as stipulated in a Community Land Trust and/or Shared Equity Agreements will be incorporated when/where applicable and imposed during the restrictive period. The Shared Equity/Appreciation policy will require homeowners receiving down payment assistance to repay a portion of the equity/appreciation (less any applicable repayments) realized to the County when the property is sold at fair market value during the term of the mortgage.

In the event of default on the First Mortgage, the County may exercise its right of first refusal to purchase the property or if possible, coordinate the purchase of the property with an approved buyer. If unsuccessful, and a foreclosure or deed in lieu of foreclosure of the first mortgage transpire, any collateral agreement by the County restricting the use of the property or restricting the owner's ability to sell the property shall have no further force or effect on subsequent owners of the property. Furthermore, if the first lender acquires title to the Property pursuant to a deed in lieu of foreclosure, the County's lien shall automatically terminate upon the first lender's acquisition of title. Any person, including his successors and assigns (other than the Borrower or a related entity or person to the Borrower), receiving title to the property through a foreclosure or deed in lieu of foreclosure of the first mortgage shall receive title to the property free and clear of the County's restrictions.

f. Recipient 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. To qualify for assistance, 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 HHRP 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.
 5. Moderate income buyers must contribute a minimum of 3%.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Other state, federal, private and local funds may be leveraged with HHRP funds.

III. **Extremely Low Income Strategy:**

- a. **Summary of Strategy:** Funding will be provided to extremely low income eligible households (incomes not to exceed 30% of the Area Median Income) to purchase newly constructed home or existing homes that have been recently repaired or are currently in need of repair, owner-occupied rehabilitation, rental housing, repair/replacement of pre/post 1994 manufactured homes and housing re-entry assistance. This strategy may be combined with the SHIP and other HHR strategies to provide additional funding to extremely low income households thereby enhancing the funding available to the extremely low income group.
- b. **Fiscal Years Covered:** 2005/2006; 2006/2007; 2007/2008
- c. **Income Categories to be served:** Assistance will be provided to households with incomes not to exceed 30% of the Area Median Income.
- d. **Maximum Award as noted on the Hurricane Housing Goals Chart.** The maximum award will be the maximum amount necessary to repair/rebuild/replace/purchase the home for the household.
- e. **Recapture Provision:**

Assistance not exceeding \$5,000.00 to extremely low income applicants will be in the form of a grant, with no recapture provision. Recapture provision for amounts exceeding \$5,000.00 will be as stipulated for the various strategies where funding is obtained. Additionally, a deed or resale restriction for the term of the mortgage may be recorded in the Public Records of Palm Beach County ensuring resale of assisted units to extremely-low to/moderate income eligible

buyer. Other resale restrictions as stipulated in a Community Land Trust and/or Shared Equity Agreements if applicable will be enforced during the applicable restrictive period.

f. **Recipient Selection Criteria:**

Eligible applicants will be approved for assistance on a first-come, first-qualified first served basis within the income group subject to funding availability. In addition to being income eligible, applicants must meet the same selection criteria for recipients under Purchase Assistance Program.

IV. Community Planning Strategy:

a. **Summary of Strategy:**

This strategy may be coordinated with the LTRC, non-profit and Community Based Organizations with documented housing delivery experience. Examples of projects which may be funded under this strategy are:

- Housing Re-entry/Eviction Prevention Strategy
- Building Material Acquisition Strategy
- Repair/Replacement of Pre and Post Manufactured Homes
- Extremely Low Income Strategy

b. **Fiscal Years Covered: 2005/2006; 2006/2007; 2007/2008**

c. **Income Categories to be served:** Assistance will be provided to organizations serving households with incomes up to 120% of the Area Median Income.

d. **Maximum award as noted on the Hurricane Housing Goals Chart for each strategy**

e. **Terms, Recapture and Default:** Assistance will be in the form as prescribed for each HHR program strategy funded.

f. **Selection Criteria:** Funds will be awarded to community organizations with documented housing delivery experience and ability to deliver results within specified timeframes.

g. **Additional Information:** None

V. Administrative Budget:

a. **Provide a brief administrative summary of expenses:**

The HHR Plan includes administrative cost for Fiscal years 2005/2006; 2006/2007; 2007/2008. The main administrative costs will be salary and benefits. Additional staff members will be hired to administer the programs/strategies funded with HHR funds. Staff responsibilities will include program administration, monitoring, and reporting as well as fiscal responsibilities.

Additionally, salary and benefits may be paid for some non-profit and other housing providers' staff involved in housing delivery.

- b. Based on fiscal projections, the annual estimated administrative costs are as follows:

Fiscal Year	2005/2006
Salaries and Benefits	\$143,808
Office Supplies and Equipment	\$ 6,850
Travel Workshops, etc	\$ 0.00
Advertising	\$ 0.00
Other (define)	\$ 0.00
Total Admin.	\$ 150,658

Fiscal Year	2006/2007
Salaries and Benefits	\$147,095.00
Office Supplies and Equipment	\$ 200.00
Travel Workshops, etc	\$ 0.00
Advertising	\$ 0.00
Other (define)	\$ 0.00
TOTAL ADMIN.	\$147,295.00

Fiscal Year	2007/2008
Salaries and Benefits	\$150,377.00
Office Supplies and Equipment	\$ 200.00
Travel Workshops, etc	\$ 0.00
Advertising	\$ 0.00
Other (define)	\$ 0.00
Total Admin.	\$150,577.00

- VI. Explain any issues outstanding for compliance or non-compliance with the State Housing Initiatives Partnership (SHIP) Program:

NONE

- VII. EXHIBITS:

- A Timeline for Encumbrance and Expenditure

- B. Hurricane Housing Goals Chart (HHGC) For Each Fiscal Year Covered**
- C. Certification Page**
- D. Program Information Sheet**
- E. Community Planning Documentation:**
Letters, resolutions detailing the community planning agreement, or interlocal agreement N/A
- F. Adopting Resolution** – original signed, dated, witnessed or attested adopting resolution

EXHIBIT C

FLORIDA HOUSING FINANCE CORPORATION										Sources of Funds			HHRP			\$3,101,838									
HURRICANE HOUSING DELIVERY GOALS CHART													Community Planning Partnership			\$603,578									
STRATEGIES FOR THE HURRICANE HOUSING ASSISTANCE PLAN FOR SATE FISCAL YEAR: 2005-2006														Subtotal		\$3,705,416									
													ELI Funds			\$780,368									
Name of Local Government:										Palm Beach County			TOTAL AVAILABLE FUNDS				\$4,485,784								
														D	E	F									
HOME OWNERSHIP STRATEGIES										ELI	MAX.	VL	MAX.	LI	MAX.	MI	MAX.	New Construction	Rehab/Repair	Without Construction					
										Units	Award	Units	Award	Units	Award	Units	Award	HHRP & Partnership	HHRP & Partnership	HHRP & Partnership	Total ELI	Total HHRP &	Total	Total	
																		DOLLARS	Dollars	Dollars	Dollars	Partnership Dollars	Percentage	Units	
Owner Occupied Housing Rehabilitation										10	\$75,000	\$55,000	16	\$45,000	15	\$45,000	\$500,000.00	\$2,577,000.00	\$0.00	\$500,000.00	\$3,077,000.00	69%	50	
Land Acquisition										10	\$40,000	5	\$40,000	5	\$40,000	0		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	20	
Repair/Replacement Manufactured Housing										10	\$25,000	10	\$15,000	10	\$10,000	0		\$0.00	\$16,410.04	\$0.00	\$0.00	\$16,410.04	0%	30	
Bulding Materal Acquisition										10	\$5,000	10	\$5,000	5	\$5,000	5	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	30	
Housing Re-entry/Eviction Prevention										5	\$5,000	5	\$5,000	5	\$5,000	5	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	20	
Purchase Assistance																10	\$45,000	\$0.00	\$400,000.00	\$0.00	\$0.00	\$400,000.00	9%	10	
																		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	0	
																		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	0	
Subtotal1 (Home Ownership)										45		30				35		\$500,000.00	\$2,993,410.04	\$0.00	\$500,000.00	\$3,493,410.04	78%	160	
RENTAL STRATEGIES										ELI	MAX.	VL	MAX.	LI	MAX.	MI	MAX.	New Construction	Rehab/Repair	Without Construction	Total ELI	Total HHRP &	Total	Total	
										Units	Award	Units	Award	Units	Award	Units	Award	Dollars	Dollars	Dollars	Dollars	Partnership Dollars	Percentage	Units	
Rental Housing										11	\$20,000	10	\$20,000	10	\$20,000	0	\$0	\$100,000.00	\$183,589.96	\$0.00		\$283,589.96	6%	31	
Housing Re-entry/Eviction Prevention										5	\$5,000	6	\$5,000	5	\$5,000	6	\$5,000			\$250,329.00		\$250,329.00	6%	22	
																						0.00%	0		
																						0.00%	0		
																						0.00%	0		
Subtotal 2 (Non-Home Ownership)										16		16		15		6		\$100,000.00	\$0.00	\$250,329.00	\$0.00	\$533,918.96	12%		
Administration Fees																						\$458,455.00	10%		
Admin. From Program Income																									
Home Ownership Counseling																						\$0.00	0%		
GRAND TOTAL																									
Add Subtotals 1 & 2, plus allAdmin. & HO Counseling										61		46		15		41		\$0.00	\$0.00	\$250,329.00	\$500,000.00	\$4,485,784.00	100%	160	
Maximum Allowable																									
Purchase Price:																		New	\$280,462		Existing	\$280,462			
Allocation Breakdown													Amount		%			Projected Program Income	\$0.00		Max. Amount Program Income For Admin:			\$458,455.00	
Very-Low income													\$2,577,329.00		57%			Projected Recaptured Funds	0						
Low Income													\$920,000.00		21%			Distribution:	\$ -						
Moderate Income													\$530,000.00		12%			Total Availabe Funds:	\$4,485,784.00						
TOTAL													\$4,027,329.00		90%									13-Dec-07	