

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

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Meeting Date: April 01, 2008 **[X] Consent [] Regular**

Department: Housing and Community Development

Submitted By: Housing and Community Development

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: **A)** adopt a Resolution approving the Second Amendment to the State Housing Initiatives Partnership (SHIP) Local Housing Assistance Plan (LHAP) for fiscal years 2007-2008 and 2008-2009 authorizing the new Owner-Occupied Rehabilitation Program; and authorizing various technical revisions to the LHAP for Florida Housing Finance Corporation compliance; and **B)** approve: the allocation of \$2,500,000 in SHIP program income for implementation of the new Owner Occupied Rehabilitation Program.

Summary: The State Housing Initiatives Program provides funding to the Commission on Affordable Housing for various programs designed to assist in the development and preservation of affordable housing. This new initiative will provide financial assistance to eligible extremely-low, very low, and low income households to make needed repairs to their individually owned residences. The new Owner-Occupied Rehabilitation Program and the technical revisions to the LHAP were recommended by the Florida Housing Finance Corporation (FHFC) and the Florida Housing Coalition (FHC) to assure compliance with the State SHIP rules regarding required expenditure rates for extremely-low and very-low income households. The technical revisions to existing Commission on Affordable Housing (CAH) programs are necessary to address recent recommendations by the FHFC and the FHC. This new initiative and these technical revisions were presented to the Commission on Affordable Housing on March 28, 2008. (Countywide) (TKF)

Background and Justification: On May 18, 1993, the Board of County Commissioners (BCC) adopted it's Affordable Housing Ordinance (No. 93-8 as amended) pursuant to the SHIP regulations outlined by the Florida Housing Finance Corporation (FHFC). The County's Commission on Affordable Housing (CAH) was established by the BCC in 1990 to administer the Robert E. Pinchuck Memorial Housing Trust Fund. The current SHIP Local Housing Assistance Plan (LHAP) adopted by the BCC on April 25, 2006 (R2006-0738) establishes how local SHIP program funds are to be allocated. The SHIP funds are used to facilitate the acquisition and construction of affordable single-family and multi-family/rental housing Palm Beach County. Additionally, under the LHAP, SHIP funding is also used for: foreclosure prevention; utility connection and impact fee payments; Home Ownership Development; Multifamily Rental Development; Disaster Mitigation; HOME Program Match; Rental Housing Entry Assistance; and architectural barrier removal. The new Owner-Occupied Rehabilitation Program and the technical revisions to the LHAP were recommended by the FHFC and FHC to assure compliance with the State SHIP rules regarding required expenditure rates for extremely-low and very-low income households. This new initiative and these technical revisions to existing County SHIP programs will assure future compliance with the State SHIP regulations.

- Attachments:**
- 1. Resolution
 - 2. Summary of Amendments
 - 3. SHIP Local Housing Assistance Plan
 - 4. Housing Delivery Goals Charts

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Recommended by: Edward B. Somerville 3/20/08
Department Director Date

Approved By: [Signature] 3/28/08
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures					
Operating Costs	\$1,250,000	\$1,250,000			
External Revenues					
Program Income	(\$1,250,000)	(\$1,250,000)			
In-Kind Match (County)					
NET FISCAL IMPACT	-0-	-0-			

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes XX No
Budget Account No.:

Fund 1100/1107 Dept 143 Unit 7105 Object 3301 Program Code/Period

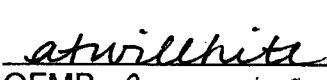
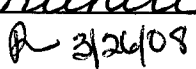
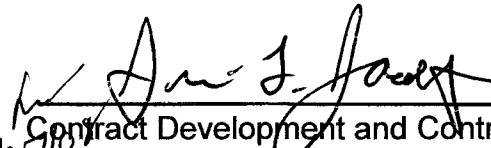
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this agenda item will utilize Program Income generated in previous fiscal years to increase funding for new Owner-Occupied Rehabilitation Program strategy by \$2,500,000

C. Departmental Fiscal Review: 
Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:
The award amount for FY 2008 is \$8,775,479 and the same amount will be budgeted for FY 2009. There is no increase in the award amount.

 3-27-08
OFMB  3/26/08 VO
03/21  3/27/08
3/27/08 Contract Development and Control

B. Legal Sufficiency:

 3/28/08
Assistant County Attorney

C. Other Department Review:

Department Director

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

ATTACHMENT 1

RESOLUTION NO. R-2008 _____

RESOLUTION OF THE BOARD OF THE COMMISSIONERS OF PALM BEACH COUNTY (Local Government) FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE LOCAL GOVERNMENT TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, THE State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one to three-year Local Housing Assistance Plan outlining how funds will be used; and

WHEREAS, Palm Beach County shall receive State funds through the State Housing Initiative Partnership (SHIP) Program; and

WHEREAS, the Palm Beach County Affordable Housing Ordinance established the Robert E. Pinchuck Memorable Housing Trust Fund and provides program financing directly to the Local Housing Assistance Plan; and

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

WHEREAS, The Commission on Affordable Housing/Housing and Community Development Department has prepared a three-year Local Housing Assistance Plan for State Fiscal Years 2007-2008, 2008-2009, and 2009-2010, for submission to the Florida Housing Finance Corporation.

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

Section 1: The Board of County Commissioners of Palm Beach County hereby approves amending the 2007-2008, 2008-2009, and 2009-2010 Local Housing assistance Plan to include the new Owner-Occupied Rehabilitation Program and technical revisions required and recommended by the Florida Housing Finance Corporation and the Florida Housing Coalition as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by F.S. ss 420.907 through ss 420.9079.

Section 2: 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

SUMMARY OF AMENDMENT TO LOCAL HOUSING ASSISTANCE PLAN (LHAP)

1. **Purchase Assistance Program** – This technical revision permits first mortgages to be acquired from non-profits agencies and other governmental agencies, as well as private sector lending institutions. (Page 6 of LHAP)
2. **Purchase Assistance Program** - This technical revision prioritizes the identification and provision of SHIP subsidy assistance to very-low income home buyers (Page 8 of LHAP)
3. **Required SHIP Lien Security** - This technical revision mandates specific lien priority for SHIP subsidies in the Commission of Affordable Housing's Purchase Assistance Program. This additional language mandates that whenever a SHIP subsidy is greater than the first mortgage loan, the SHIP encumbrance must be solely in first lien position. Where the SHIP subsidy is greater than another subsidy, the SHIP encumbrance must be in a superior lien position to the other subsidy. And where the SHIP subsidy is equal to the first mortgage loan, then the SHIP encumbrance must at least share the first lien position. (Page 8 of LHAP)
4. **Foreclosure Prevention Program** - This technical revision amends the recapture provisions eliminating the language pertaining to the County's right to first refusal to purchase in the event of sale of an encumbered property. The Florida Housing coalition believes that the County's rights are more than fully protected by the County's mortgage and promissory note. (Page 19 of LHAP)
5. **Multi Family Rental Development** - This technical revision requires developers to set aside a minimum number of completed rental units for very-low and low income renters. (Page 24 of LHAP)
6. **Changed "Multifamily Rental Development Program" Application Process** - This technical revision changes the Multifamily Rental Development's application process from that of a Request For Proposals (RFP) to an "open application process". This change will enable the Commission on Affordable Housing to accept and review developers' funding requests on a year-round basis instead of the need for CAH staff to issue and publish an RFP. This change enables the CAH to be more responsive to the needs of affordable housing developers. (Page 24 of LHAP)
7. **Deletion of Existing "Housing Rehabilitation Program"** - This program is being deleted with the new "Owner Occupied Housing Rehabilitation Program" replacing it. The new program is more customer friendly and will serve more of the targeted resident homeowners. (See Pages 15-18 and Pages 25-28 of LHAP)

PALM BEACH COUNTY

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



FISCAL YEARS COVERED

2007/2008, 2008/2009, 2009/2010

APRIL 2006

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

A copy of the Interlocal Agreement is attached as N/A.

B. Purpose of the program: Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C.
Creation of the Plan is 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, to further the housing element of the local government comprehensive plan specific to affordable housing.

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

X 2007/2008

X 2008/2009

X 2009/2010

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. Cities and

Counties must be in compliance with all applicable statutes and rules.

The SHIP Program does further the housing element of the local government Comprehensive Plan.

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

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 Ssection 420.9075(1) (a) and (1) (b3, and (1) (c) Florida Statutes*

The Plans are intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and

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 to provide local match to obtain federal housing grants or programs.

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

Public input is solicited through face to face meetings with housing providers, social service providers, local lenders and neighborhood associations during monthly advertised meetings of the County's Commission on Affordable Housing (CAH) established and active since 1990. Additionally, open work sessions dedicated solely to the development of affordable housing programs and policies are held. These sessions are open to the public, and include representative from various non-profit and for-profit housing providers, local lenders, realtors, governmental agencies and providers of affordable housing related services.

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 newspaper, the County will advertise on its website. County staff will also participate in local homebuyers fair and workshops.

I. 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, and may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling and Transportation. Local financial institutions and non-profit agencies provide home buyer education seminars and workshops on a regular basis to educate prospective applicants.

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

Purchase Price Limits: 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 that 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 median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

 Independent Study (copy attached)

 X U.S. Treasury Department

 Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts

L. Income Limits, Rent Limits and Affordability:

Chapter 67-37.005(5) (e), F.A.C. and Section 420.9071(2), F.S.

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (19), (20) and (28), F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program: *Chapter 67-37.005(6) (b) (7) F.A.C.*

Should a eligible sponsor be used, the city/county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed 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.*

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance which ever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to

eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

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**. These are presented on an annual basis for each State fiscal year submitted.

The Board of County Commissioners (BCC) determined 5 percent of the local housing distribution plus 5 percent of program income is insufficient to pay the necessary costs of administering the local housing assistance plan. Instead, they determined the cost of administering the program will cost 10 percent of the local housing distribution plus 5% of program income which is deposited into the trust fund. As such, the BCC adopted a resolution which authorizes ten percent of the local housing distribution plus five percent (5%) of program income for administrative costs.

*The Board of County Commissioners has adopted the above findings in the attached resolution, **Exhibit E**.*

P. 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.*

A. Name of the Strategy: Purchase Assistance:

- a. **Summary of the Strategy:** SHIP funds will be made available to income eligible first time homebuyers with the goal of expanding homeownership opportunities to the targeted income groups. Assistance can be used for gap financing, lot acquisition; down payment; rehabilitation of the unit to be purchased; and closing cost; and 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~~ can be provided by either through private sector financing institutions or other non-profits agency or governmental financing sources.

SHIP funds will also be made available to income eligible law enforcement officers who are first time homebuyers residing in identified redevelopment target areas with high incidences of crime. The maximum award for income eligible low and moderate income law enforcement officers will be up to \$60,000.

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

- b. **Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010
- c. **Income Categories to be served:** Very Low, Low and Moderate Income.
- d. **Maximum Award:** is noted on the 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 (20% to 70% of excess profit depending on year sold after purchase) 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. However, a special emphasis will be placed upon identifying and providing SHIP assistance to very-low income home buyers. Very-low income home buyers will receive funding priority above those home buyers of moderate-income.
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 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.
5. Very low income homebuyers must contribute a minimum of 2.5% and low and moderate 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 SHIP funds. But, where the County's SHIP subsidy is equal to the first mortgage, the County must share first lien position with the first mortgage lender. However, where the County's SHIP subsidy is larger than the first mortgage, then the County must be in first lien position. Also, where the County's SHIP subsidy is larger than another subsidy, the County must be placed in a superior lien position to any smaller subsidy.

B. **Name of the Strategy:** **Homeownership Development**

- a. **Summary of the Strategy:** This strategy will provide financial assistance to builders to encourage the development and construction of affordable housing. The escalating cost and scarcity of land in Palm Beach County makes it extremely difficult for housing developers to build affordable housing units. SHIP funds may be used for site acquisition, site development, infrastructure improvements, impact fees, demolition costs, construction financing, and other

construction related costs. Funds awarded under this strategy will be encumbered within 12 months and expended within 24 months with the unit occupied by an eligible applicant. The funding may be leveraged with land donated to the developer/non-profit and or density bonuses granted.

The goal of this strategy is to increase 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.

- b. **Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010
- c. **Income Categories to be served:** Very Low, Low and Moderate Income.
- d. **Maximum Award:** The maximum award to the developer will be determined on a case by case basis subject to a funding review process. The maximum award to individual home owners as noted on the Housing Delivery Goals Charts is not automatically provided. The amount awarded is what's needed to purchase the property at a monthly payment affordable to the prospective homebuyer.
- e. **Terms, Recapture and Default:**
 - 1. The financial assistance to the developer will be secured with a mortgage and note that may require repayment at an interest rate of three percent (3%) with a maximum term of thirty years to preserve affordability.
 - 2. Assisted developments must commit to set aside a minimum number of units for very-low and 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. For owner occupied units developed through this program, the County will develop a legally sufficient agreement maintaining affordability for a minimum period of 30 years. The Recapture and default provisions require 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. All 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 new owner within ninety (90) days of the death of the original borrower. All 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 a Community Land Trust and Shared Equity/Appreciation policies. 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 (20% to 75% of excess profit depending on year sold after purchase) 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 a deed in lieu of foreclosure of the first mortgage transpires, 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.

4. A land use restriction agreement may be utilized to maintain affordability for a period of time.

f. **Recipient Selection Criteria:**

1. Management of the development will select potential homebuyers for the SHIP Assisted units on a first come, first qualified, first served, basis. 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.
2. Eligible purchasers of the developed units must be very low, low or moderate income, and occupy the property as their primary residence.
3. Eligible applicants must qualify as first time homebuyers and must receive a certificate of homebuyer counseling prior to loan closing.

g. **Developer (Sponsor) Selection Criteria:**

1. The County will advertise the availability of funds. Proposed projects will be considered on an ongoing basis subject to funding availability. All applications from Developer's and Builder's will be evaluated based upon a point scoring system. An application scoring the most points does not guarantee funding of 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 stating the reason for such recommendation.
2. Selection criteria will also consider quality of the proposed development, development costs, development team experience, housing affordability, financial stability, economic viability, successful history of producing similar projects, ability to produce affordable housing within the specified time frames and sensitivity to local housing needs. All SHIP assisted units must be affordable to very low, low and moderate income households.
3. Eligible 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 qualified, first served, 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.

h. **Additional Information:** Other state, federal, private and local funds may be

leveraged with SHIP funds.

C. **Name of the Strategy: HOME Match**

- a. **Summary of the Strategy:** SHIP funds will be used to provide the local required dollar match for the federal HOME program. Under this strategy, the only initiative funded will be purchase assistance for first time homebuyers. Funds will be made available to first time homebuyers. 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.
- b. **Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010
- c. **Income Categories to be served:** Very Low, and Low
- d. **Maximum Award:** is noted on the Housing Delivery Goals Charts. The maximum award is not automatically provided. The amount awarded will be the amount needed to purchase the property at a monthly payment affordable to the prospective homebuyer. The maximum award may also be based on the maximum award stipulated by HOME program guidelines.
- e. **Terms, Recapture and Default.** The County will develop a legally sufficient agreement maintaining affordability for a minimum period of 30 years. The Recapture and default provisions require 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 new owner prior to the sale of the property. All 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 becomes 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 new owner within ninety (90) days of the death of the original borrower. All 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 a Community Land Trust and Shared Equity/Appreciation policies. 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 (20% to 75% of excess profit depending on year sold after purchase) 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 a deed in lieu of foreclosure of the first mortgage transpires, 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 groups subject to funding availability.
2. Eligible program participants must meet the definition of a first time homebuyer. 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.

g. **Sponsor Selection Criteria:** N/A

h. **Additional Information:** Other state, federal, private and local funds may be leveraged with SHIP funds.

D. Name of the Strategy: Rental Housing Entry Assistance

a. **Summary of the Strategy:** This strategy will provide financial assistance to eligible extremely-low, very-low, and low income households to pay for rental security deposits and utility deposits and connection fees.

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

c. **Income Categories to be served:** Extremely low, Very-low and low income

d. **Maximum award as noted on the Housing Delivery Housing Goals Chart:** \$5,000

e. **Terms, Recapture and Default:** The assistance will be in the form of a grant with required guarantees from the landlord and the SHIP recipient. ~~no recapture.~~

f. **Recipient Selection Criteria:** Recipients will be selected on a first come, first qualified, first served basis within the eligible income groups and subject to funding availability. Recipients will only receive financial assistance once through this SHIP funded program.

g. **Sponsor Selection Criteria:**

Applications will be accepted while funding is available from individual households as well as non-profit and community based organizations with housing delivery experience and documented ability to deliver results. Funding may be awarded to the non-profit organizations with documented housing delivery experience. Successful non-profits will be selected according to the following criteria:

- Organization's past experience with direct assistance.
- Outreach capability to targeted client groups and ability to serve County residents.

- Proof of ability to income certify applicants utilizing State SHIP standards.

Additional Information: None

E. Name of the Strategy: Housing Rehabilitation

- a. ~~**Summary of the Strategy:** Home repair assistance will be provided only to income-eligible owner-occupied properties (structures of one to four dwelling units) (The U.S. Department of Housing and Urban Development considers structure of one to four dwelling units, if one unit is owner-occupied to be owner-occupied housing.) for substantial rehabilitation and/or emergency repair of the home to correct code violations and stop additional deteriorations. Rental properties and mobile homes will not be eligible for assistance under this program/strategy.~~

~~Eligible homes requiring rehabilitation will be renovated to meet the County's applicable housing and 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. In the event the maximum award is insufficient to bring the home up to applicable building code standards, and the homeowner/applicant is very low income or elderly (persons 62 years of age or older), the homeowner may be eligible for replacement housing. Eligible home repair include:~~

- ~~**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 and 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~~
- ~~**Roof Repairs and/or replacement:** complete repair or replacement of deteriorated roofing systems to eliminate substandard or unsafe roofing conditions.~~
- ~~**General Home Repairs:** window replacement, door replacement, re-wiring, re-plumbing, kitchen and bathroom remodeling to reverse 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). This strategy may also allow for addressing unforeseen conditions of deterioration or other conditions discovered during a substantial rehabilitation project.~~

- ~~Housing modifications and architectural barrier removal to improve accessibility for owner occupants who are elderly (62 years or older) and/or medically or physically disabled, or have family members who are medically or physically disabled. Barrier removal and home modification for both renter and owner housing include:~~
- ~~Modification to widen doorways and hallways; installation of accessible doors and hardware; kitchen, bathroom and bedroom modification to accommodate mobility; grab bars; entry ramps; railings; walkways; landings, non-slip floor surfaces; delayed closing mechanisms on egress and garage doors; accessible appliances; installation of accessible cabinets, shelves, drawers, sinks, toilets, roll-in showers; removal of architectural barriers.~~
- ~~Replacement Housing will provide gap financing to income eligible very low and low income elderly (62 years or older), medically or physically disabled homeowners 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. Funds can be used for demolition of existing property, construction cost of a replacement home on the same lot or at a new location selected by the County, and purchase of an existing home.~~

b. **Fiscal Years Covered:** ~~2007/2008; 2008/2009; 2009/2010~~

c. **Income Categories to be served:** ~~Very Low and Low Income.~~

d. **Maximum Award:** ~~is noted on the Housing Delivery Goals Charts. The maximum award is not automatically provided. The amount awarded will be the amount needed to make all necessary repairs to bring the home up to applicable building code standards. Assistance for renter households applying for housing modification/architectural barrier removal may not exceed \$5,000 for all income groups.~~

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

~~Emergency and general home repair funding in the amount of \$5,000 or less will be provided as an unsecured grant with no recapture or deferred payment provision. Assistance exceeding \$5,000 up to the maximum award will be 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~~

~~Barrier removal and other modification related repair funding for owner occupied households in the amount of \$5,000 or less will be provided as an unsecured grant with no recapture or deferred payment provision. Assistance in the amount of \$5,001 up to \$10,000 will be a deferred payment zero interest loan for a term of five (5) years secured by a note and mortgage. Assistance exceeding \$10,000 up to the maximum award will be in the form of a deferred payment zero interest loans for a term of ten (10) years secured by a note and mortgage. The maximum award for renter occupied units will be \$5,000 with no recapture or deferred payment provision.~~

~~No payment is required 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 mortgage, the entire amount of the loan shall become immediately due and payable. 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.~~

~~In the event of death of the owner, recapture and default provisions will be similar to the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.~~

f. **Recipient Selection Criteria:**

~~The County will advertise the availability of funds. Eligible owner and renter applicants will be considered on an ongoing basis subject to funding. Applicants will be awarded assistance on a first come, first qualified, first served basis until~~

~~all available funds are allocated.~~

~~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. Waiting list priority may 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.~~

g. **Sponsor Selection Criteria:** N/A

h. **Additional Information:** Other state, federal, private and local funds may be leveraged with SHIP funds.

F. E. Name of the Strategy: Foreclosure Prevention

a. **Summary of the Strategy:** Funding will be provided to income eligible single

APRIL 2006

family owner occupied households who are facing foreclosure, to preserve and maintain homeownership within the targeted income groups. The goal of this strategy is to avoid foreclosure by paying up to six (6) months delinquent mortgage payments (PITI), including late fees, attorney's fees, homeowners' association payments, special assessments and other foreclosure associated costs.

- b. **Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010.
- c. **Income Categories to be served:** Very Low and Low Income
- d. **Maximum Award:** is noted on the Housing Delivery Goals Charts. The maximum award is not automatically provided. The amount awarded is what's needed to restore the mortgage to current status.
- e. **Terms, Recapture and Default.** The County will develop a legally sufficient agreement maintaining affordability for a minimum period of 30 years. The Recapture and default provisions require 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 new owner prior to the sale of the property. All 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 becomes 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 new owner within ninety (90) days of the death of the original borrower. All 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 a Community Land Trust and Shared Equity/Appreciation policies. 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 (20% to 75% of excess profit depending on year sold after purchase) 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 a deed in lieu of foreclosure of the first mortgage transpires, 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:**

- Income eligible applicants will be selected on a first-come, first qualified, first served basis subject to funding availability.
- Applicants must be very low or low income homeowners and the property must be owner occupied.
- The homeowner must demonstrate their ability to make future mortgage payments after assistance is received.
- The application process will include a review of the funding request and the cause of the delinquency. Applicant must prove that the delinquency is due to a significant change in family structure resulting in considerable loss of income, and/or unforeseen/unexpected/unanticipated home repairs.
- Participants can apply only once.

- Assessed or taxable value of the property, whichever is lower, may not exceed the established maximum sales price.

g. **Sponsor Selection Criteria:** N/A

h. **Additional Information:** SHIP funds may be leveraged with other private funding and local funding.

G. F. Name of the Strategy: Utility Connection/Impact Fee Payment Strategy

a. **Summary of the Strategy:** Direct financial assistance will be provided to income eligible single family homeowners, for the payment of impact fees and/or sewer and water connection system fees charged by local governments for new municipal improvements.

b. **Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010.

c. **Income Categories to be served:** Very Low and Low Income

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

e. **Terms, Recapture and Default:** Zero interest deferred payment loans secured by a mortgage and note will be for a term of thirty (30) years. No payment is required as long as the home remains the primary residence of the applicant. If the home is sold, title is transferred or conveyed to an eligible or ineligible buyer, or the home ceases to be the primary residence of the applicant during the term of the mortgage, recapture and default provisions will be similar to the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.

In the event of death of the owner, recapture and default provisions will be similar to the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.

f. **Recipient Selection Criteria:** Income eligible applicants will be assisted on a first-come, first qualified, first served basis subject to funding availability. 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. Applicants must be very low or low income to participate.

g. **Sponsor Selection Criteria:** N/A

h. **Additional Information:** Other state, federal, private and local funds may be

leveraged with SHIP funds.

H. G. Name of the Strategy: Disaster Mitigation

- a. **Summary of the Strategy:** Financial assistance will be provided to income eligible households following a natural disaster as declared by Executive Order of the United States, Governor of the State of Florida, or by the Board of County Commissioners. This strategy will only be implemented in the event of a natural disaster using any funds that have not yet been encumbered and/or additional disaster funds issued by the Florida Housing Finance Corporation. When necessary, SHIP funds may be used for items such as, but not limited to:
1. purchase of emergency supplies for eligible households to weatherproof damaged homes;
 2. interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;
 3. construction of wells or repair of existing wells where public water is not available;
 4. payment of insurance deductibles for rehabilitation of homes covered under homeowner insurance and homeowner association policies;
 5. security deposits and rental assistance by Executive Order, for eligible recipients displaced from their homes due to damage caused by the natural disaster;
 6. repair/replace/reconstruct/retrofit eligible single family owner-occupied units (structures of one to four dwelling units) for the purpose of upgrading damaged substandard properties to correct code violations and prevent additional deterioration;
 7. repair eligible rental units for the purpose of upgrading damaged substandard properties to correct code violations and prevent additional deterioration;
 8. payment for rehabilitation of homes with non-insured repairs;
 9. other activities as proposed by Palm Beach County and approved by Florida Housing Finance Corporation.
- a. **Years Covered:** 2007/2008; 2008/2009; 2009/2010
- b. **Income Categories to be served:** Very Low, Low, and Moderate income

- c. **Maximum Award:** is noted on the Housing Goals Delivery Chart
- d. **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 to homeowners will be a deferred payment zero interest loan for a term of ten (10) years secured by a note and mortgage. Assistance exceeding \$20,000 up to the maximum award will be a deferred payment interest loan for a term of 30 years, secured by a note and mortgage.

No payment is required as long as the home remains the primary residence of the applicant. 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 due and payable immediately. 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. Other recapture and default provisions will also be similar to the Purchase Assistance Program. In the event of death of the owner, recapture and default provisions will be similar to the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.

Financial assistance to rental owners will be secured with a mortgage and note that will require repayment at an interest rate of three percent (3%) for a term of fifteen (15) years. All rental owners will be required to comply with the Monitoring and First Right of Refusal requirements shown on page 4 of the LHAP.

- f. **Recipient Selection Criteria:** Income eligible renter and owner occupied households will be assisted on a first-come, first qualified, first served basis subject to funding availability. 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.
- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** Other state, federal, private and local funds may be leveraged with SHIP funds.

I. H. Name of Strategy: Multifamily Rental Development

- a. **Summary of Strategy:** This strategy will provide assistance to developers of affordable rental housing serving low income households. The goal of this strategy is to increase the number of affordable rental housing units available to income eligible persons in Palm Beach County. Funds awarded under this strategy will be encumbered within 12 months and expended within 24 months with the units occupied by eligible applicants. SHIP funds may be used for site acquisition, site development, rehabilitation, infrastructure improvements, impact fees or construction related costs. SHIP funds may not be used to pay rental subsidies. All SHIP assisted units must be occupied by income eligible families.
- b. **State Fiscal Years:** 2007/2008; 2008/2009; 2009/2010.
- c. **Income Categories to be served:** Very Low and Low Income
- d. **Maximum Award** is noted on the Housing Goals Delivery Chart.
- e. **Terms, Recapture and Default:** The financial assistance can be provided as a "forgivable loan" to non-profit developers and builders; or as a low-interest loan to for-profit developers and builders. The low-interest loan 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 assisted development must also commit to set aside a minimum number of units for very-low and low income households based upon 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. If the project ceases to remain affordable for the term of the loan, the entire unpaid balance is due and payable.
- f. **Recipient Selection Criteria:**
 - 1. Management of the development will select potential homebuyers for the SHIP Assisted units on a first com, first qualified, first served, basis. 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.
 - 2. Eligible purchasers of the developed units must be very low, low or moderate income, and occupy the property as their primary residence.

3. Eligible applicants must qualify as first time homebuyers and must receive a certificate of homebuyer counseling prior to loan closing.

g. **Developer (Sponsor) Selection Criteria:**

The County will advertise the availability of funds. Proposed projects will be considered on an ongoing basis subject to funding availability. All applications from Developers and Builders will be evaluated based upon a point scoring system. An application scoring the most points does not guarantee funding of the request. Sponsors of affordable rental developments will be selected through an RFP and review process based upon a point scoring system. 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 stating the reason for such recommendation.

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 the local Welfare Transition Program.

- h. **Additional Information:** Other state, federal, private and local funds may be leveraged with SHIP funds.

J.

Name of the Strategy: OWNER-OCCUPIED HOUSING REHABILITATION

- a. **Summary of the Strategy:** This strategy provides funding to extremely-low, very-low and low income homeowners to repair or retrofit eligible single-family owner-occupied units (structures of one to four dwelling units) for the purpose of upgrading substandard property conditions and correcting building and housing code violations.
- Eligible homes requiring rehabilitation will be renovated to meet the County's applicable building code standards. If the maximum SHIP 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, where the rehabilitation cost exceeds fifty percent (50%) or more of the fair market value of the home, the homeowner will be referred for federal (CDBG) replacement assistance.

Eligible home repairs include but are not limited to:

- Structural components that show sign of imminent collapse
- Damages 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
- Septic system failure
- Water leaks in walls or foundation
- Interior and exterior door replacement including hardware
- Bathroom remodeling to include wall repair, new tub, new sink, and new toilet
- 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 repairs to include breaker panel upgrades and whole house rewiring
- Gas leaks
- Mold remediation
- Termite treatment and repairs
- Kitchen remodeling to include wall repair, new stove, new refrigerator, new sink, and new cabinets
- Cracked/dangerous driveway
- Interior and exterior painting
- Re-plumbing of entire home
- Repair/replace/install HVAC system
- Floor covering installation or replacement
- Insulation
- Repair deteriorated siding/stucco
- Repair/replace existing sprinkler system and related items
- Repair/replace screen and patio enclosures
- Repair/replace fencing
- Repair/replace interior and exterior light fixtures
- Handicapped accommodations in bedroom, bathroom and/or kitchen including removal of all architectural barriers
- Repair or replace existing lawn sprinkler system

APRIL 2006

- Replace existing yard grass (sod) when required by municipal code
- Repair or replace existing fencing
- Any other repairs identified as being in violation of applicable building codes threatening the life, health and safety of the residents

b. **Fiscal Years Covered: 2007/2008; 2008/2009; 2009/2010**

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

Extremely Low, very low, and low 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 Housing Delivery Goals Chart**

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 applicable 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 served

basis within the income groups subject to funding availability.

g. Sponsor Selection Criteria, if applicable:

No sponsors will be utilized for the Owner-Occupied Housing Rehabilitation Program. Applicants will be funded directly 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.
- SHIP funds may be combined with CDBG and/or HOME funds where needed. When SHIP funds are combined with CDBG or HOME funds, any SHIP loan repayment proceeds will be prorated and deposited into a separate Housing Trust Fund account as required.
- Rehabilitation/repairs will be performed by a State certified licensed contractor licensed to do business in Palm Beach County. The home owner must utilize the contractors within Palm Beach County's Facilities and Operations' Residential Repair Program.
- SHIP funds will not be expended on properties where the repair costs exceed fifty (50%) of the property's assessed value.

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.

- a. Established policy and procedures: 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 are given priority. This strategy is implemented through the ~~Building~~ Planning Zoning and Building 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.

- a. Established policy and procedures: An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption. 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

IV. EXHIBITS:

A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.

- B. Timeline for Encumbrance and Expenditure:** *Chapter 67-37.005(6) (d) and (f) F.A.C.*
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.

- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the Plan:** *Chapter 67-37.005, F.A.C.*
Completed HDGC for each fiscal year is attached as Exhibit C.

- D. Certification Page: Chapter 67-37.005(7), F.A.C.**
Signed Certification is attached as Exhibit D.

- E. Adopting Resolution:** *Section 420.9072(2) (b) 2, F.S.*
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.

- F. Program Information Sheet:**
Completed program information sheet is attached as Exhibit F.

- G. Ordinance:** *Section 420.9072(3) (a), F.S.*
If changed from the original ordinance, a copy is attached as N/A.
- H. Interlocal Agreement:** *Section 420.9072, F.S.*
A copy of the Interlocal Agreement if applicable is attached as N/A.

FLORIDA HOUSING FINANCE CORPORATION
HOUSING DELIVERY GOALS CHART
 STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: **2007-2008**

ATTACHMENT 4

Please check applicable box, & if Amendment, enter number	
New Plan:	
Amendment: #2	X
Fiscal Year Closeout:	2007/2008

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

Available Funds: **\$8,775,479**

HOME OWNERSHIP STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F
	Units	Award	Units	Award	Units	Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
Purchase Assistance	10	\$150,000	40	\$60,000	20	\$45,000	\$620,000	\$4,800,000	\$450,000	\$5,870,000	66.89%	70
Homeownership Development	5	\$150,000	5	\$60,000	5	\$45,000	\$500,000	\$0	\$0	\$500,000	5.70%	15
Home Program Match	10	\$75,000	20	\$60,000	0	\$0	\$300,000	\$200,000	\$200,000	\$700,000	7.98%	30
Foreclosure Prevention	10	\$7,500	15	\$7,500	0	\$0	\$0	\$0	\$100,000	\$100,000	1.14%	25
Utility Connection/ Impact Fee	15	\$10,000	20	\$10,000	0	\$0	\$0	\$0	\$150,000	\$150,000	1.71%	35
Disaster Mitigation	0	\$55,000	0	\$45,000	0	\$40,000						0
Owner-Occupied Rehabilitation	13	\$75,000	4	\$60,000				\$1,250,000		\$1,250,000		
Subtotal 1 (Home Ownership)	63		104		25		\$1,420,000.00	\$6,250,000.00	\$900,000.00	\$8,570,000.00	83.41%	175

RENTAL STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction	SHIP Dollars	Percentage	Units
	Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars		
Multifamily Rental Development	10	\$10,000	75	\$10,000	0	\$0	\$400,000	\$100,000	\$0	\$500,000	5.70%	85
Special Needs / Barrier Free	10	\$5,000	10	\$5,000	0	\$0	\$0.00	\$77,931	\$0	\$77,931	0.89%	20
Rental Disaster Mitigation	0	\$20,000	0	\$20,000	0	\$20,000						
Rental Housing Entry Assistance	30	\$5,000	20	\$5,000	0	\$0	\$0	\$0	\$0	\$250,000		
Subtotal 2 (Non-Home Ownership)	50		105		0		\$400,000	\$177,931	\$0	\$827,931	6.59%	105
Administrative Fees										\$877,548	10.00%	
Admin. From Program Income												
Home Ownership Counseling												

GRAND TOTAL												
Subtotals 1 & 2, Admin. & HO Counseling	113		209		25		\$1,820,000	\$6,427,931	\$900,000	\$10,275,479	100.00%	280

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

Allocation Breakdown	Amount	%
Very-Low Income	\$3,154,373.00	34.65%
Low Income	\$3,755,924.72	41.17%
Moderate Income	\$2,212,626.96	24.19%
TOTAL	\$9,147,930.70	100.00%

Projected Program Income:	\$1,250,000	Amount Program Income for Admin:	\$0
Projected Recaptured Funds:	\$0		
Distribution:	\$8,775,479		
Total Available Funds:	\$10,025,479		

FLORIDA HOUSING FINANCE CORPORATION
HOUSING DELIVERY GOALS CHART
 STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: **2008-2009**

ATTACHMENT 4.1

Please check applicable box, & if Amendment, enter number	
New Plan:	
Amendment: #1	X
Fiscal Year Closeout:	2008/2009

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

Available Funds: **\$8,775,479**

HOME OWNERSHIP STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F
	Units	Award	Units	Award	Units	Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	SHIP Dollars	Percentage	Units
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Home Program Match	10	\$75,000	20	\$60,000	0	\$0	\$300,000	\$200,000	\$200,000	\$700,000	7.98%	30
Foreclosure Prevention	10	\$7,500	15	\$7,500	0	\$0	\$0	\$0	\$100,000	\$100,000	1.14%	25
Utility Connection/ Impact Fee	15	\$10,000	20	\$10,000	0	\$0	\$0	\$0	\$150,000	\$150,000	1.71%	35
Disaster Mitigation	0	\$55,000	0	\$45,000	0	\$40,000						0
Owner Occupied Rehabilitation	10	\$75,000	4	\$60,000				\$1,250,000		\$1,250,000		
Subtotal 1 (Home Ownership)	63		104		25		\$1,420,000.00	\$6,250,000.00	\$900,000.00	\$8,570,000.00	83.41%	175

RENTAL STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction			
	Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
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Special Needs / Barrier Free	10	\$5,000	10	\$5,000	0	\$0	\$0.00	\$77,931	\$0	\$77,931	0.89%	20
Rental Disaster Mitigation	0	\$20,000	0	\$20,000	0	\$20,000						
Subtotal 2 (Non-Home Ownership)	20		85		0		\$400,000	\$177,931	\$0	\$577,931	6.59%	105
Administrative Fees										\$877,548	10.00%	
Admin. From Program Income												
Home Ownership Counseling												

GRAND TOTAL												
Subtotals 1 & 2, Admin. & HO Counseling	83		189		25		\$1,820,000	\$6,427,931	\$900,000	\$10,025,479	100.00%	280

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

Allocation Breakdown	Amount	%
Very-Low Income	\$3,168,929.00	34.65%
Low Income	\$3,768,024.72	41.17%
Moderate Income	\$2,212,626.98	24.19%
TOTAL	\$9,147,930.70	100.00%

Projected Program Income:	\$1,250,000	cc. Amount Program Income for Admin:	\$0
Projected Recaptured Funds:	\$0		
Distribution:	\$8,775,479		
Total Available Funds:	\$10,025,479		