



**II. FISCAL IMPACT ANALYSIS**

**A. FIVE YEAR SUMMARY OF FISCAL IMPACT:**

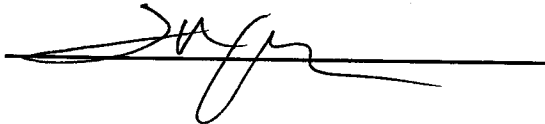
FISCAL YEAR	2009	2010	2011	2012	2013
CAPITAL EXPENDITURES	_____	_____	_____	_____	_____
OPERATING COSTS	_____	_____	_____	_____	_____
EXTERNAL REVENUES	_____	_____	_____	_____	_____
PROGRAM INCOME (County)	_____	_____	_____	_____	_____
CASH MATCH (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<b>*_____</b>	_____	_____	_____	_____
# OF ADDITIONAL FTE POSITIONS	0_____	_____	_____	_____	_____
IS ITEM IN CURRENT BUDGET?	YES _____	NO _____			

BUDGET ACCOUNT NO.: FUND 1100/1107 DEPT 143 UNIT various OBJECT various PROGCODE/GY various

**B. RECOMMENDED SOURCES OF FUNDS/SUMMARY OF FISCAL IMPACT:**

\* Funding is provided by the State of Florida through the Florida Housing Finance Corporation. Approval of this agenda item will re-appropriate the State SHIP 07/08 grant budget balance from fund 1107 to fund 1100.

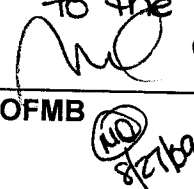
**C. DEPARTMENTAL FISCAL REVIEW:**



**III. REVIEW COMMENTS**

**A. OFMB FISCAL AND/OR CONTRACT ADMINISTRATION COMMENTS:**

*No fiscal impact reallocation of funds from the F107 SHIP fund to the SHIP fund that is established for all fiscal years.*

*Mc Allister*  
 OFMB  8/27/09  
 CN 8/25/09

*John J. ...*  
 CONTRACT ADMINISTRATION 8/27/09

**B. LEGAL SUFFICIENCY:**

  
 ASSISTANT COUNTY ATTORNEY 8/28/09

**C. OTHER DEPARTMENT REVIEW:**

\_\_\_\_\_

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

**PALM BEACH COUNTY**

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



**FISCAL YEARS COVERED**  
**2007/2008, 2008/2009, 2009/2010**

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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 Section 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(3) (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) (a), 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) (a) 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.



- Q. **Lien Policy**  
Where Palm Beach County provides SHIP funds to facilitate the development of affordable and workforce housing, it is County policy that a superior lien position be granted to Palm Beach County whenever its SHIP contribution is larger than either any mortgage or any other subsidy. A copy of this policy will be provided to the public by the Department of Housing & Community Development.

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 can be provided by either private sector financing institutions or other non-profit 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 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

c. **Terms, Recapture and Default:** The assistance will be in the form of a grant.

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:** FORECLOSURE PREVENTION

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

In order for Palm Beach County to provide foreclosure prevention assistance, the property taxes, homeowners insurance and association fees must be current and up to date. Additionally, funding can only be used to pay property taxes and insurance, if they are currently escrowed or will become escrowed as a result of receiving assistance.

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 what's needed to restore the mortgage to current status.

c. Terms, Recapture and Default. The County will develop a legally sufficient agreement maintaining affordability for a minimum period of 30 years. All assistance provided is due upon sale, title transfer or conveyance. 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 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.

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. All assistance provided is due upon sale, title transfer or conveyance. 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.

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:** All assistance provided is due upon

sale, title transfer or conveyance. 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.

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.

"Forgivable Loans" may be provided only to non-profit developers and builders who have an established track record of affordable housing experience. Also, such "non-profits" must be a certified 501(c)(3) organization and be familiar with municipal and county development codes and propose housing projects which serve a majority of low and very-low income households. Suitable non-profits must also have an established history of utilizing government funding for the development of affordable/work-force housing. These non-profits must also provide evidence that their by-laws specifically identifies affordable housing development as a goal of the organization. "Non-profits" may also form partnerships with for-profit developers and builders and may receive Forgivable Loans where the resulting project will serve predominantly low and very-low income households. These Forgivable Loans will be forgiven over a twenty (20) year period, in exchange for a certain number of housing units set aside for lower income households over the same twenty (20) year period. If the project ceases to remain affordable for the entire approved affordability period, the entire amount of the SHIP assistance provided will become due and payable. Forgivable loans shall not be prorated.

The low-interest loan assistance will be provided to for-profit developers (and non-profit developers who desire such) and secured with a mortgage and note that will require repayment at an interest rate of three percent (3%) annually with a minimum encumbrance term of fifteen (15) 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 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:**
- 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 and other community/development factors. An application scoring the most points does not necessarily guarantee funding of the request. Actual funding will also be based upon: availability of funding; project's affordability to low and very-low income households; project's location relative to other government assisted affordable housing projects; project's location relative to existing infrastructure; long-term project maintenance and security; home ownership education and other services for the tenants; and final funding approvals by the Board of County Commissioners. Please see the Scoring Criteria labeled as Exhibit G.

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.

I. **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 rehabilitate 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) or other 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 (this item is only available as part of an overall project and will not be done on its own)
- 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
- Replace existing yard grass (sod) when required by municipal code
- Repair or replace existing fencing
- Sheds
- Any other repairs identified as being in violation of applicable building codes threatening the life, health and safety of the residents

The Commission on Affordable Housing Compliance Inspector will determine which items are required to be completed. Code violations, structural damage and health hazards must be completed first and if funds are remaining the applicant may be able to select the items to be rehabilitated with the remaining funds.

- 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.

J.

Name of the Strategy: SPECIAL NEEDS REPLACEMENT HOUSING

- Summary of the Strategy:** This strategy will provide financing to extremely low and very low income homeowners residing in dilapidated structures which are beyond rehabilitation.
- Income Categories to be served:**
  - Extremely low or very low income based on total household income and family size.
  - Elderly (62 years or older) and/or disabled head of household, for the extremely low, very low and low income categories.
- Eligible Uses of Funding include but are not limited to:**  
To provide financing for eligible applicants without the ability to finance a replacement home.
  - Demolition of the existing property;
  - Construction cost of a replacement home on the same lot; or
  - Purchase of an existing home.
- Maximum Award**  
The maximum award for this strategy is not automatically provided. Rather, the amount of subsidy awarded will be the maximum amount necessary to replace the home through purchase or new construction.
- Fiscal Years Covered:** 2007/2008; 2008/2009; 2009/2010
- Selection Criteria**  
Income eligible applicants will be assisted on a first come first served basis subject to funding availability. Applicants must demonstrate the ability to pay property taxes, insurance, utilities, and mortgage payments (where applicable); and must also demonstrate the ability to maintain the

property.

**g. Terms, Recapture and Default**

Funds will be provided in the form of a deferred payment loan secured by a mortgage and note for a period of thirty (30) years. The loan is at zero percent interest and requires no monthly payments. The family will be required to repay the entire amount of the loan if they sell, transfer or convey title, or the home ceases to be the principal residence of the homeowner within the lien period.

All assistance provided is due upon sale, title transfer or conveyance. 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.

**h. Additional Information:**

SHIP funds may be leveraged with CDBG, HOME, private financing and other public financing sources where applicable. Family size will dictate the size of the replacement home.

**K.**

**Name of the Strategy: SPECIAL NEEDS BARRIER FREE HOUSING STRATEGY**

- a. Summary of the Strategy:** This strategy will provide assistance to extremely low, very low and low income eligible elderly (*62 years or older*) and disabled owner households for housing modifications and barrier removal. This will improve elderly (*62 years or older*) and disabled accessibility. Additionally, Homeowner and Condominium Associations are eligible to apply for assistance to install elevators and lifts for SHIP eligible applicants. There is a critical need for elevators and lifts at many of Palm Beach County's elderly housing developments. A considerable percentage of these developments were built in the late 1970's and early 1980's. And many of those developments were built without elevators and lifts. And even where there are elevators and lifts, some are in need

of repair or replacement. This assistance will only be provided to those Homeowner and Condominium Associations where at least 51% of the home owners (*in that particular building*) are either lower income or elderly (*62 years of age or older*). Assistance will also be provided to qualified sponsors of rental housing who serve extremely low, very low and low income elderly (*62 years or older*) and disabled households. Eligible activities include new construction, rehabilitation, emergency repairs, and code compliance accessibility for people with disabilities and those who are elderly (*62 years or older*).

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

- Extremely low, very low and low income eligible elderly (*62 years or older*) and disabled owner households.
- Homeowner and/or Condominium Associations that will install elevators and lifts for SHIP eligible residents.

c. **Eligible Uses of Funding for barrier removal and home modifications include, but are not limited to:**

- ADA/UFAS compliant repairs, installations and modifications (*for things such as widening of doors, and installation of accessible doors and hardware*)
- Widen halls, kitchens, bathrooms and bedrooms to accommodate mobility aides (*canes, walkers, wheelchairs and scooters*)
- Installation of grab bars, entry ramps, railings, walkways and landings
- Installation and repair of light switches, electrical outlets, thermostats and other environmental controls in accessible locations
- Installation of non-slip floor surfaces throughout the home
- Installation of lever hardware, delayed opening and closing mechanism on egress and garage doors
- Improved lighting, accessible appliances which include but not limited to front or touch-type controls
- Installation of accessible cabinets, shelves, drawers, sinks, toilets, kitchen and bathroom
- Installation and provision of assisted technology products to increase accessibility in the home (*shower chair, hand Accessible touch-type light switches and thermostats, hand held shower, non-slip surfaces, roll-in with or without curb shower*).
- Alternative communication devices
- Hurricane impact windows and doors
- Accommodations for service or companion animals

Health safety and security related repairs include but shall not be limited

to the following:

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

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

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

f. **Selection Criteria**

The County will advertise the availability of funding and applicants must qualify as extremely low, very low or low income elderly (*62 years or older*), medically disabled, or physically disabled. Qualified homeowners will be assisted on a first come, first qualified, first served basis subject to funding availability.

Condominium and Homeowner Associations will provide a detailed plan, a list of applicants to be income certified and submit the necessary application. Qualified applicants will be assisted on a first come, first qualified, first served basis subject to funding availability.

Qualified sponsors of rental housing must submit the necessary application. If the qualified sponsor is assisting one unit, then the normal application process would apply. If the qualified sponsor is applying to assist more than one unit, a detailed plan and list of applicants to be income certified is required.

g. **Terms, Recapture and Default**

1. **For owner-occupied units, assistance will be provided as follows:**

- **\$5,000 or less** – the assistance will be provided in the form of a forgivable loan (*forgivable after 1 year*). Complete repayment of SHIP assistance is required if the property is sold or title is transferred within 1 year.
- **\$5,001 up to \$10,000** – the assistance will be provided in the form of a forgivable loan (*forgivable after 5 years*). Complete repayment of SHIP assistance is required if the property is sold or



title is transferred within 5 years.

- \$10,001 up to \$20,000 – the assistance will be provided in the form of a forgivable loan (*forgivable after 10 years*). Complete repayment of SHIP assistance is required if the property is sold or title is transferred within 10 years.
- \$20,001 and above – the assistance will be provided in the form of a forgivable loan (*forgivable for a period not to exceed 30 years*). Complete repayment of SHIP assistance is required if the property is sold or title is transferred within the approved lien period.

Funds will be provided in the form of a deferred payment loan secured by a mortgage and note for a period of thirty (30) years. The loan is at zero percent interest and requires no monthly payments. The family will be required to repay the entire amount of the loan if they sell, transfer or convey title, or the home ceases to be the principal residence of the homeowner within the lien period.

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.

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

**2. For Condominium and Homeowner Associations, assistance will be provided as follows:**

- \$50,000 or less – the assistance to associations will be provided in the form of a forgivable loan (*forgivable after 10 years*). Complete

repayment of SHIP assistance is required if the property is sold or title is transferred within the 10 years encumbrance period.

- **\$50,001 and above** - the assistance to associations will be provided in the form of a forgivable loan (*forgivable for a period not to exceed 30 years*). Complete repayment of SHIP assistance is required if the property is sold or title is transferred within the approved encumbrance period.

The amount of assistance that Condominiums and Homeowner Associations are eligible to receive is greater than the amount an individual homeowner would be eligible to receive. Due to the amount of households that would benefit from the installation of elevators and lifts, the difference in available assistance for associations over individual homeowners is justified. When an association is seeking assistance staff will confirm that at least 51% lower income elderly (*62 years of age or older*) and/or disabled households are living in the building. The approved number of housing units must remain affordable and the approved number of SHIP assisted units must be occupied by eligible persons for the duration of the lien period. The loan is at zero percent interest and requires no monthly payments.

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

**3. For qualified sponsors of rental housing, assistance will be provided as follows:**

- **\$35,000 or less** - funds will be provided in the form of a deferred payment loan secured by a mortgage and note which is due upon sale, title transfer or conveyance.

The approved number of housing units must remain affordable and the approved number of SHIP assisted units must be occupied by eligible persons for the duration of the lien period. The loan is at zero percent interest and requires no monthly payments. The qualified sponsor will be required to repay a prorated amount (*amount is prorated annually*) within 60 days, once the property is no longer occupied by an eligible applicant and if the property owner sells, transfer or convey title.

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

h. **Additional Information:**

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

**J. Name of the Strategy: Florida Homebuyer Opportunity Program**

**a. Summary of the Strategy:** This strategy is designed in response to the legislative provision requiring SHIP local governments to expend 2009-2010 funds to ensure that residents of the state derive the maximum possible economic benefit from the federal first time homebuyer tax credit created through The American Recovery and Recovery Act of Reinvestment Act of 2009. This will be accomplished by providing subordinate down payment assistance loans to first time homebuyers for an owner occupied primary residence. This loan is to be repaid by the income tax refund the homebuyer is entitled to under the federal First Time Homebuyer Credit. This program shall be called the "Florida Homebuyer Opportunity Program."

**b. Fiscal Years Covered:** 2009/2010 until expiration of the Florida Homebuyer Opportunity Program Tax Credit.

**c. Income Categories to be served:** Up to \$75,000 for a single taxpayer or \$150,000 for multiple tax payer households.

**d. Maximum award:** is the principal balance of the loans provided and shall not exceed 10% of the purchase price or \$8,000 whichever is less.

**e. Terms, Recapture and Default:** the term of the loan is four years at 4% interest. From the date the loan proceeds are disbursed, interest will accrue at 4%, with no repayment required for 36 months. If the County receives repayment from the homebuyer within 18 months after the closing date of the loan, the County shall waive all interest charges that accrued at four percent (4%) from that date the loan proceeds were disbursed. Failure by the homebuyer to initiate payment after the 36th month will trigger default on the note and mortgage as well as make the loan balance immediately due in full.

This loan will be secured by a mortgage and note. If the property is sold, title is transferred or conveyed or ceases to be the applicants primary residence, the loan becomes 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.

All funds repaid to a county or eligible municipality shall be considered "program income" as defined in s. 420.9071 (24).

f. Recipient Selection Criteria: Recipients must meet the requirements of the following: The maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for multiple taxpayer households which is equal to that permitted by the American Recovery and Reinvestment Act of 2009.

### III. LHAP INCENTIVE STRATEGIES

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

#### A. Name of the Incentive Strategy:

**THE PROCESSING OF APPROVALS OF DEVELOPMENT ORDERS OR PERMITS, AS DEFINED IN S. 163.3164(7) AND (8), FOR AFFORDABLE HOUSING PROJECTS IS EXPEDITED TO A GREATER DEGREE THAN OTHER PROJECTS.**

To ensure the review of affordable housing projects is expedited to a greater degree than other projects, Palm Beach County has instituted a "Pre-Application Review Process", in which Affordable Housing Developers are encouraged to participate. The pre-application review process will occur prior to the submittal of a Zoning or Building permit application, for purposes of establishing a density bonus determination. The pre-application shall be established by the Planning Director, and made available to the public and be subject to Sufficiency Review. The Planning Director shall provide a written density determination letter within ten days of determining the pre-application is sufficient. The determination shall be based on the sector analysis, size, location and development characteristics of the project with consideration given towards affordability, accessibility, proximity to mass transit or employment centers, compatibility, quality of design, pedestrian and vehicular circulation, open space, and resource protection. The Planning Director shall prepare a report for the applicant, Development Review Officer (DRO) Committee, Zoning Commission (ZC), or Board of County Commissioners (BCC), whichever is appropriate, making a determination of compliance with this chapter, consistency with the Plan and recommend approval, approval with conditions, or denial of the request.

Additionally, HCD staff will serve as one of the agencies that makes up the Development Review Officer (DRO) Committee. The DRO Committee meets monthly and provides the process by which private land development proposals are reviewed by various County Departments and agencies for compliance with County development regulations. This process is administered by PZ&B's Zoning

Division. HCD will be one of the review agencies certifying projects for public hearings before the County's Zoning Commission and the Board of County Commissioners. HCD will also help certify site development plans prior to building permit applications being submitted by a developer. As Affordable Housing Projects are presented, HCD staff will work with the PZ&B staff, as well as the developer to ensure that affordable housing projects are expedited to a greater degree than other projects.

Also, Palm Beach County updated its Unified Land Development Code (ULDC) (located in Article 5, CHAPTER G, Section 1) ordinance (#2006-055) in 2006. The ULDC allows for the following processes with regards to expedited review for a proposed Affordable Housing Development:

**a. Design Review**

Review of multifamily or townhouse structures by the Building Division and Fire Rescue shall be allowed concurrent with final DRO review, prior to permit application.

**b. Platting**

- 1) If only a boundary plat is required for an existing single lot, building permits may be issued after submittal of the final plat for recordation.
- 2) If a subdivision plat is required, permits will be concurrently reviewed, but only issued at recording of the plat.
- 3) Pursuant to Article 3.E.1.G.1.a, Permits, Building permits may be issued for sales offices, sales models, gate houses, entry features, and utilities may be issued prior to the recording of a final plat.

THIS "EXPEDITED PERMITTING" INCENTIVE HAS BEEN IN OPERATION SINCE NOVEMBER 2006.

**B. Name of the Incentive Strategy:**

**THE ESTABLISHMENT OF A PROCESS BY WHICH A LOCAL GOVERNMENT CONSIDERS, BEFORE ADOPTION, POLICIES, PROCEDURES, ORDINANCES, REGULATIONS, OR PLAN PROVISIONS THAT INCREASE THE COST OF HOUSING.**

In order to ensure that this incentive is met, HCD staff shall attend all monthly Planning Commission meetings. The Planning Commission serves as the Local Planning Agency (LPA) per sec. 163.3174, F.S. and provides recommendations on amendments to the Palm Beach County Comprehensive Plan. HCD staff will provide appropriate input at all Planning Commission meetings regarding issues related to Affordable Housing. Also, a member of our Affordable Housing Advisory Committee is currently serving as a board member of the Planning Commission. This provides further insight and an affordable housing advocate on the Planning Commission. By participating as one of the County Departments responsible for presenting information to the Planning Commission, specifically for Affordable Housing Projects this will further ensure that HCD is up to date

and/or at the forefront on all discussions related to policies, procedures, ordinances, regulations, or plan provisions that may increase the cost of housing. HCD staff will draft monthly reports outlining issues discussed at the Planning Commission meetings which may potentially impact the cost of housing. HCD staff will then submit the report to the HCD Director and the Commission on Affordable Housing Advisory Committee.

Palm Beach County's Housing and Community Development (HCD) Department shall also work with the Planning Zoning and Building (PZ&B) Department and serve as staff to the Land Development Regulation Advisory Board (LDRAB). The LDRAB meets monthly and reviews and makes a recommendation to the Board of County Commissioners (BCC) on proposed amendments to the Unified Land Development Code (ULDC). HCD will work with the Code Revision Section of PZ&B, which is responsible for: coordinating the periodic review and updates to the ULDC for the LDRAB; conducting on-going research of various projects and topics related to the code amendment process; the coordination of amendments to the Articles with the various County Divisions for compliance with the Comprehensive Plan, Board of County Commission directives and in response to changes in industry standards. HCD will be involved with this process by regularly attending meetings with the Code Revision Section to review all of the proposed code revisions that are being presented to the LDRAB. HCD staff will work with the Code Revision Section to ensure that if any policy, procedure, ordinance or plan provisions that address housing development, that it is adequately reviewed by HCD Staff and presented to our Commission on Affordable Housing Advisory Committee. HCD staff will draft monthly reports outlining issues discussed at the LDRAB meetings which may potentially impact the cost of housing. HCD staff will then submit the report to the HCD Director and the Commission on Affordable Housing Advisory Committee.

Finally, HCD staff will serve as one of the agencies that makes up the Development Review Officer (DRO) Committee. The DRO Committee meets monthly and provides the process by which private land development proposals are reviewed by various County Departments and agencies for compliance with County development regulations. This process is administered by PZ&B's Zoning Division. HCD will be one of the review agencies certifying projects for public hearings before the County's Zoning Commission and the Board of County Commissioners. HCD will also help certify site development plans prior to building permit applications being submitted by a developer. HCD staff will draft monthly reports outlining issues discussed at the DRO Committee meetings which may potentially impact the cost of housing. HCD staff will then submit the report to the HCD Director and the Commission on Affordable Housing Advisory Committee.

**THIS "ONGOING REVIEW PROCESS" INCENTIVE WAS ESTABLISHED BY THE BOARD OF COUNTY COMMISSIONERS ON JANUARY 27, 2009, AND IS CURRENTLY IN OPERATION.**

**C. Name of the Incentive Strategy:**

**THE PREPARATION OF A PRINTED INVENTORY OF LOCALLY OWNED PUBLIC LANDS SUITABLE FOR AFFORDABLE HOUSING.**

On September 9, 2008 (R-2008-1562) the Palm Beach County Board of County Commissioners approved a list of County owned land that was determined to be suitable for affordable housing. This list will be updated tri-annually.

**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.**
- K. **Multi-Family Rental and Homeownership Development Program Scoring Criteria:**  
A copy of the Scoring Criteria is provided as **Exhibit G.**
- L. **Commission on Affordable Housing 2009 Advisory Committee Report**

**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT**

FUND 1100 - AFFORDABLE HOUSING TRUST FUND (SHIP)

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
<b>REVENUE</b>								
143-7176-8329	Tr Fr State House SHIP FD 1107	0	142,904	1,786,957	0	1,929,861		
	<b><u>TOTAL REVENUE</u></b>	<u>17,837,996</u>	<u>19,083,014</u>	<u>1,786,957</u>	<u>0</u>	<u>20,869,971</u>		
<b><u>EXPENDITURES</u></b>								
143-7176-8201	Contributions-Non Govt Agencies	1,400,000	1,752,836	1,786,957	0	3,539,793		
	<b><u>TOTAL EXPENDITURES</u></b>	<u>17,837,996</u>	<u>19,083,014</u>	<u>1,786,957</u>	<u>0</u>	<u>20,869,971</u>		

Housing and Community Development  
INITIATING DEPARTMENT/DIVISION  
 Administration/Budget Department Approval  
 OFMB Department - Posted

Signatures	Date
_____	_____
_____	_____
_____	_____

By Board of County Commissioners  
 At Meeting of :  
 September 1, 2009  
 Deputy Clerk to the  
 Board of County Commissioners



09-

**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT**

FUND 1107 - STATE HOUSE INITIATIVE PARTNERSHIP (SHIP)

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
<b>EXPENDITURES</b>								
143-1499-9902	Operating Reserves	254,908	254,908	0	254,908	0		
143-7508-8201	Contributions-Non Govt Agencies	100,000	100,000	0	100,000	0		
143-7701-8301	Contributions for Individuals	75,000	75,000	0	75,000	0		
143-7704-8301	Contributions for Individuals	1,257,049	1,257,049	0	1,257,049	0		
143-7705-8301	Contributions for Individuals	100,000	100,000	0	100,000	0		
820-1439-9014	Tr To Afford House Trust Fund 1100	0	142,904	1,786,957	0	1,929,861		
	<b>TOTAL EXPENDITURES</b>	<b>1,786,957</b>	<b>1,929,861</b>	<b>1,786,957</b>	<b>1,786,957</b>	<b>1,929,861</b>		

Housing and Community Development  
INITIATING DEPARTMENT/DIVISION  
 Administration/Budget Department Approval  
 OFMB Department - Posted

Signatures

Date

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

By Board of County Commissioners  
 At Meeting of :  
 September 1, 2009  
 Deputy Clerk to the  
 Board of County Commissioners