

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT *	0				

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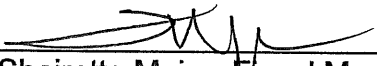
Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

* No fiscal impact

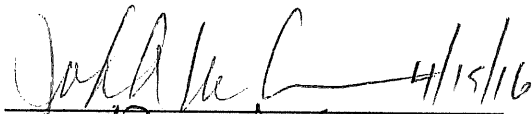
C. Departmental Fiscal Review:



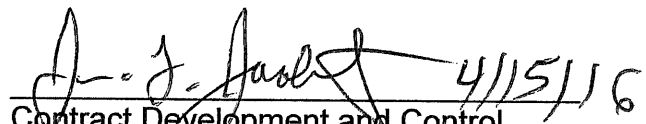
 Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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



 OFMB 4/15/16
 4/15/16 MO 4/15/16 4/15/16



 Contract Development and Control
 4/15/16 TW

B. Legal Sufficiency:



 Assistant County Attorney
 4/18/16

C. Other Department Review:

 Department Director

RESOLUTION NO.: R2016- _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE COUNTY ADMINISTRATOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LHAP FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION (FHFC); 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 SHIP Act, Subsections 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, require local governments to develop a one- to three-year LHAP outlining how funds will be used; and

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

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; the methodology and purchase prices used are defined in the attached LHAP; and

WHEREAS, as required by Subsection 420.9075, Florida Statutes, it is found that five percent (5%) of the local housing distribution plus five percent (5%) of program income is insufficient to adequately pay the necessary costs of administering the LHAP; and

WHEREAS, the cost of administering the program may not exceed ten percent (10%) of the local housing distribution plus five percent (5%) of program income deposited into the trust fund; and

WHEREAS, the LHAP includes and defines project delivery costs according to 24 CFR 92.206(d) which include costs associated with projects that are neither administrative costs nor a part of the direct subsidy to an eligible household; and

WHEREAS, the Department of Economic Sustainability has established a delineated process to serve special needs populations; and

WHEREAS, special needs are defined pursuant to Florida Statutes: Persons with Special Needs S. 420.0004; Developmental Disabilities, S. 393.063 and Disabling Condition, S. 420.0004(7); Young Adult formerly in Foster Care, S. 409.1451(5); Survivor of Domestic Violence, S. 741.28; and

WHEREAS, the Department of Economic Sustainability has prepared a three-year LHAP for submission to FHFC; and

WHEREAS, the Palm Beach Board of County Commissioners finds that it is in the best interest of the public for Palm Beach County to submit the LHAP for review and approval so as to qualify for said documentary stamp tax funds; and

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

Section 1: The Board of County Commissioners of Palm Beach County hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by Subsections 420.907-420-9079, Florida Statutes, for Fiscal Years 2016-2017; 2017-2018 and 2018-2019.

Section 2: The County Administrator is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the terms and conditions of said program.

Section 3: This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and being put to a vote, the vote was as follows:

Commissioner Mary Lou Berger, Mayor	- _____
Commissioner Hal R. Valeche, Vice Mayor	- _____
Commissioner Paulette Burdick	- _____
Commissioner Shelley Vana	- _____
Commissioner Steven L. Abrams	- _____
Commissioner Melissa McKinlay	- _____
Commissioner Priscilla A. Taylor	- _____

The Mayor thereupon declared the Resolution duly passed and adopted this ____ day of _____, 20 ____.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SELF SUFFICIENCY**

**ATTEST: SHARON R. BOCK
CLERK & COMPTROLLER**

By: _____
James Brako,
Assistant County Attorney

By: _____
Deputy Clerk

PALM BEACH COUNTY

**State Housing Initiatives Partnership
(S.H.I.P.) Program**

**LOCAL HOUSING ASSISTANCE PLAN
(LHAP)**

**Fiscal Years
2016/2017, 2017/2018, 2018/2019**



Department of Economic Sustainability
100 Australian Avenue
West Palm Beach, FL 33406

ATTACHMENT 2

TABLE OF CONTENTS

<u>Description</u>	<u>Page Number</u>
Section I. Program Details	1 - 6
Section II. Housing Strategies	
A. Purchase Assistance	6 - 7
B. First Mortgage Loan Assistance Program	8 - 9
C. Housing Rehabilitation	9 - 11
D. Emergency Repairs	11 - 12
E. Replacement Housing	12 - 13
F. Disaster Mitigation	13 - 15
G. Foreclosure Prevention	15 - 16
H. Rapid Rental Housing Entry Assistance	16 - 17
I. Developer Assistance Rental Housing	17 - 18
J. Veterans Homeownership & Preservation Program	19 - 20
Section III. Incentive Strategies	
A. Expedited Permitting	20
B. Ongoing Review Process	20
C. The Preparation of a Printed Inventory of Locally Owned Public Lands Suitable for Affordable Housing	21
D. Impact Fee Assistance Program	21
E. Flexible Densities for Affordable Housing	21 - 22
F. Reservation of Infrastructure Capacity for Housing for Very-Low Persons, Low-Income Persons, and Moderate-Income Persons	22 - 23
G. Allowance of Affordable Accessory Residential Units In Residential Zoning Districts	23
H. Reduction of Parking and Setback Requirements for Affordable Housing	24
I. Allowance of Flexible Lot Configurations, Including Zero-Lot-Line Configurations for Affordable Housing	24
Section IV. Exhibits	
A. Administrative Budget	
B. Timeline for Estimated Encumbrance and Expenditure	
C. Housing Delivery Goals Chart (HDGC)	
D. LHAP Certification	
E. Resolution Approving LHAP	

I. PROGRAM DETAILS

A. Name of the participating local government:

Palm Beach County

Is there an Interlocal Agreement: Yes No

B. Purpose of the program:

1. To meet the housing needs of the very-low, low and moderate income households;
2. To expand production of and preserve affordable housing, and
3. To further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan: 2016-2017, 2017-2018 and 2018-2019

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes, and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

E. Local Housing Partnership:

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

F. Leveraging:

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

Public input was solicited through publicly noticed meetings. Additionally, a series of face to face and/or roundtable meetings with real estate professionals, housing providers, local jurisdictions, social service providers and local lenders and neighborhood associations. Public input was solicited through local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach:

SHIP funding availability shall be advertised 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.

I. Waiting List/Priorities:

A waiting list will be established when there are eligible applicants for strategies where funding is no longer available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted. No waiting list shall be maintained beyond one year.

Priorities for funding described here apply to all strategies unless otherwise stated in the strategy: The County will accept applications during the advertised "Application Period" stated in the Notice of Funding Availability (NOFA). Once funding requests for housing strategies have been exhausted, all other interested parties will be placed on a waiting list. When funds are available for a particular strategy, the applicants from the waiting list will be contacted to complete/update the application for SHIP assistance.

Once there is a list of eligible applicants, they will be ranked giving first priority to households qualifying as Special Needs and Veterans. These applicants will further be ranked with priority given to very-low, then low, then moderate income groups.

J. Discrimination:

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

K. Support Services and Counseling:

Support services are available from various sources. The County will provide Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling and Foreclosure Counseling through qualified HUD approved agencies.

L. 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 of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury or as described above.

The methodology used is:

- U. S. Treasury Department
 Local HFA Numbers

M. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development (HUD) and posted at www.floridahousing.org.

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, 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.

N. Welfare Transition Program:

Should an eligible sponsor (a person or a private or public for profit or not-for-profit entity) be used, a qualification system and selection criteria for applications for awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the welfare transition program, as defined by the federal/state government, will be given preference in the selection process.

O. Monitoring and First Right of Refusal:

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 annually for no less than 15 years or the term of assistance whichever 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.

P. Administrative Budget:

A line-item budget of proposed administrative expenditures are attached as Exhibit A. Palm Beach County will utilize the money deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:

“A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan.”

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:

“The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.”

The applicable local jurisdiction has adopted the above sections of the Florida Statutes in the resolution attached as Exhibit E.

Program income and recaptured funds and expenditures will be tracked monthly through an established tracking mechanism prepared by the fiscal division. All relevant departments will reconcile quarterly.

Q. Program Administration:

Administration of the local housing assistance plan will be wholly performed and maintained by Palm Beach County.

(or)

A third party or consultant will be contracted for all or part of the administration of the program. The name of the entity is: N/A

The administrative duties they will provide are: N/A

R. Project Delivery Costs:

In addition to the administrative costs above, the County will charge reasonable project delivery cost to include but are not limited to, Architectural, engineering, inspections, work write-ups, specifications, contractor procurement, payments and oversight, relocation costs, costs to process and settle the financing for a project and the like. The cost will be provided as a grant, noted below, not to exceed the strategies' maximum award amounts, and shall not be included in the lien and/or deed against property:

- Up to \$7,000 for Replacement Housing Program
- Up to \$5,000 for Purchase Assistance, First Mortgage Loan Program, Housing Rehabilitation, Veterans Homeownership & Preservation Program
- Up to \$3,000 for Emergency Repairs, Disaster Mitigation, Foreclosure Prevention, Developer Assistance Rental Housing

S. Essential Services Personnel Definition:

“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.

T. Describe efforts to incorporate Green Building and Energy Savings products and processes:

The county will, when economically feasible, employ the following Green Building requirements on rehabilitation and emergency repairs:

1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
2. Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
 - a. Toilets: 1.6 gallons/flush or less,
 - b. Faucets: 1.5 gallons/minute or less,
 - c. Showerheads: 2.2 gallons/minute or less;
3. Energy Star qualified refrigerator;
4. Energy Star qualified dishwasher, if provided;
5. Energy Star qualified washing machine, if provided in units;
6. Energy Star qualified exhaust fans in all bathrooms; and
7. Air conditioning: Minimum SEER of 14. Packaged units are allowed in studios and one bedroom units with a minimum of 11.7 EER.

These requirements may be adjusted for rental developments if the requirements of other construction funding sources requires a more prescriptive list.

II. LHAP STRATEGIES

A.

PURCHASING ASSISTANCE	CODES: 1/2
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- a. **Summary of the Strategy:** Funding will be available to income eligible first-time homebuyers for purchase assistance with or without rehabilitation or new construction. SHIP funds will be awarded to assist with gap financing, lot acquisition; down payment; rehabilitation of the unit to be purchased; and closing costs.

Prospective homebuyers must qualify as a First Time Homebuyer under the HUD definition: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This provision is limited to a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*

- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

SHIP Income Levels	SHIP Maximum Award	HOME Match Maximum Award
Very Low (0-50% AMI)	\$105,000	\$80,000
Low (51-80% AMI)	\$70,000	\$70,000
Moderate (81-140% AMI)	\$55,000	

e. **Terms:**

1. **Loan/grant:** Funds will be awarded as a deferred payment loan secured by a recorded mortgage and note.
2. **Interest Rate:** 0%
3. **Term:** 30 years
4. **Forgiveness/Repayment:** Loan will be forgiven at the end of the term.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria**

Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I of this plan.

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

h. **Additional Information:**

- Applicants must first secure a first mortgage approval by a lender.
- If the property is determined or expected to have mold or Chinese drywall, the property is ineligible for purchase assistance.
- Rehabilitation/Repairs will be performed by a State certified licensed contractor, or a contractor licensed to do business in Palm Beach County. The homeowner must utilize the contractors from the Department of Economic Sustainability's Residential Repair Program contractor list or contractors on Palm Beach County's Facilities and Operations' contractor list.
- Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.

B.

FIRST MORTGAGE LOAN ASSISTANCE PROGRAM	CODES: 1/2
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a. **Summary of the Strategy:** This strategy will provide first mortgage loan assistance to income eligible households. Maximum loan amounts are based upon established affordability guidelines and creditworthiness, based upon established underwriting guidelines.

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$220,000 (or 90% of median sales price)
Low (51-80% AMI)	\$220,000 (or 90% of median sales price)
Moderate (81-140% AMI)	\$220,000 (or 90% of median sales price)

e. **Terms:**

1. **Loan:** Funds will be awarded as a fixed rate loan secured by a recorded mortgage and note.
2. **Interest Rate:** Based on the average 30-year fixed loan rate published on the first Saturday of the month in a newspaper of general circulation, plus .50 basis points.
3. **Term:** 30 years
4. **Forgiveness/Repayment:** The loan will be amortized over a thirty (30) year period with monthly payment of principal and interest.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria:**

Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I of this plan.

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

h. **Additional Information:**

- FICO Credit Score: Middle FICO Score must be 630, if less than three scores the lowest score must be 630, if no score or lower than 630, the borrower is deemed ineligible for first mortgage financing, but may utilize second mortgage financing.
- If the property is determined or expected to have mold or Chinese drywall, the property is ineligible for purchase assistance.
- Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.

C.

HOUSING REHABILITATION	CODE: 3
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a. **Summary of the Strategy:** Funding will assist income-eligible owner-occupied applicants (structure of one to two dwelling units) with:

- **Rehabilitation:** Assist with substantial rehabilitation to correct code violations or incipient items that will become a code violation, eliminate housing conditions which threaten the life, health or safety of occupants, connect residents to public utilities, and adapt residences to meet accessibility needs.
- **Roof Repairs/Replacement:** Assistance will exclusively address deteriorated roofing systems to eliminate substandard or unsafe roofing conditions. In addition, assistance will be provided to homeowners who are at-risk of homeowners' insurance policy cancellation or who have received notice of homeowner's insurance policy non-renewal for their substandard/deficient roofs.
- **Utility Connection:** Funding will assist with:
 - (a) sewer and water connection system fees required by local water utilities; and
 - (b) costs to install service lines from the meter to the primary residence.

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Rehabilitation Maximum Award	Roof Repair/Replacement Maximum Award	Utility Connection Maximum Award
Very Low (0-50% AMI)	\$80,000	\$38,000	\$13,000
Low (51-80% AMI)	\$65,000	\$38,000	\$13,000
Moderate (81-140% AMI)	\$50,000	\$38,000	\$13,000

e. **Terms:**

1. **Loan:** Funding up to \$13,000 will be secured by a deed restriction with no deferred payment provision. Funding exceeding \$13,001 will be awarded as a forgivable loan secured by a recorded mortgage and note.
2. **Interest Rate:** 0%

3. **Term:**

Funding Award Amounts	Lien	Amortization Period
\$0 - \$13,000	5 years Affordability	Secured by a deed restriction
\$13,001 - \$38,000	10 years Affordability	Secured by Mortgage and Note without amortization or deed restriction
\$38,001 - \$80,000	15 years Affordability	Secured by Mortgage and Note without amortization or deed restriction

4. **Forgiveness/Repayment:** Loan amount is forgiven at the end of the term.

5. **Default/Recapture:** The loan will be determined to be in default or in violation of the deed restriction if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria:**

Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details Section I. of this plan.

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

h. **Additional Information:**

- If the property is determined or expected to have mold or Chinese drywall, the property is ineligible for purchase assistance.
- Rehabilitation/Repairs will be performed by a State certified licensed contractor, or a contractor licensed to do business in Palm Beach County. The homeowner must utilize the contractors from the Department of Economic Sustainability's Residential Repair Program contractor list or contractors on Palm Beach County's Facilities and Operations' contractor list.
- All rehabilitation requires up to 20 percent (20%) contingency set aside from the maximum allowable award, until the project is completed or certificate of completion (or CO) is issued.
- Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.
- Mortgage payments and taxes must be current/paid up to date.
- Applicants must provide proof of current homeowners insurance. In the event that the homeowner does not have an existing homeowner's insurance policy; this program may incorporate the payment of a one (1) year insurance premium showing Palm Beach County as an additional insured. Future

payments are the sole responsibility of the homeowner(s)

D.

EMERGENCY REPAIRS	CODE: 6
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a. **Summary of the Strategy:** Funding will provide financial assistance to income eligible owner occupied residences to address emergency conditions such as roofing, electrical, plumbing, or structural repairs. This strategy will only be used for an applicant who has applied for, but will not receive assistance through the housing rehabilitation strategy within the next three months. When an applicant is assisted with emergency repairs, they will not lose their place on the rehabilitation waiting list. However, the amount of funds expended for the emergency repairs will be counted towards the maximum award if the applicant receives subsequent assistance through the rehabilitation strategy and a lien on the assisted dwelling will be placed in accordance with established rehabilitation guidelines. Funds may also be awarded to pay insurance deductibles for any emergency repairs covered by the homeowner's policy.

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$43,000
Low (51-80% AMI)	\$43,000
Moderate (81-140% AMI)	\$43,000

e. **Terms:**

1. **Loan:** Funding up to \$23,000 will be secured by a deed restriction with no deferred payment provision. Funding exceeding \$23,001 will be awarded as a forgivable loan secured by a recorded mortgage and note.

2. **Interest Rate:** 0%

3. **Term:**

Funding Award Amounts	Lien	Amortization Period
\$0 - \$23,000	5 years Affordability	Secured by a deed restriction
\$23,001 - \$43,000	10 years Affordability	Secured by Mortgage and Note without amortization or deed restriction

4. **Forgiveness/Repayment:** Loan amount will be forgiven at the end of the term.

5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term,

the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria:**

Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I. of this plan.

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

h. **Additional Information:**

- If the property is determined or expected to have mold or Chinese drywall, the property is ineligible for purchase assistance.
- Rehabilitation/Repairs will be performed by a State certified licensed contractor, or a contractor licensed to do business in Palm Beach County. The homeowner must utilize the contractors from the Department of Economic Sustainability's Residential Repair Program contractor list or contractors on Palm Beach County's Facilities and Operations' contractor list.
- Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.
- Mortgage payments and taxes must be current/paid up to date.
- Applicants must provide proof of current homeowners insurance. In the event that the homeowner does not have an existing homeowner's insurance policy; this program may incorporate the payment of a one (1) year insurance premium showing Palm Beach County as an additional insured. Future payments are the sole responsibility of the homeowner(s)

E.

REPLACEMENT HOUSING	CODE: 4
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a. **Summary of the Strategy:** This strategy will provide financing to homeowners residing in dilapidated structures which are beyond rehabilitation.

Eligible uses of funding include, but are not limited to:

- Demolition of the existing property;
- Construction cost of a replacement home on the same lot (or) purchase of an existing home; and
- Relocation costs (includes utility deposits, storage, and moving)
- Rent subsidy in conjunction with replacement program.

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$220,000 (or 90% of median sales price)
Low (51-80% AMI)	\$220,000 (or 90% of median sales price)

e. **Terms:**

1. **Loan/grant:** Funds will be awarded as a deferred payment loan secured by a recorded mortgage and note.
2. **Interest Rate:** 0%
3. **Term:** 30 years
4. **Forgiveness/Repayment:** Loan will be forgiven at the end of the term.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria**

Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I. of this plan.

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

h. **Additional Information:**

- Family size will dictate the size of the replacement home.
- Mortgage payments and taxes must be current / paid up to date.
- Applicants must provide proof of current homeowners insurance. In the event that the homeowner does not have an existing homeowner's insurance policy; this program may incorporate the payment of a one (1) year insurance premium showing Palm Beach County as an additional insured. Future payments are the sole responsibility of the homeowner(s)

F.

DISASTER MITIGATION	CODE: 5
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- a. **Summary of the Strategy:** Financial assistance will be awarded to income eligible applicants in need of home repairs directly caused by a disaster that is declared by Executive Order of the United States President or the Governor of the State of

Florida. Assistance will be prioritized as follows:

1. Immediate threats to health and life safety (sewage, damaged windows, roofing) in cases where the home is still habitable.
2. Imminent residual damage to the home (such as damage caused by a leaking roof) in cases where the home is still habitable.
3. Repairs necessary to make the home habitable.
4. Repairs to mitigate dangerous situations (exposed wires)
5. Purchase of emergency supplies for eligible households to weatherproof damaged homes.
6. Interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable.
7. Construction of wells or repair of existing wells where public water is not available.
8. Payment of insurance deductibles for rehabilitation of homes covered under homeowner insurance and homeowner association policies.
9. Security deposits and rental assistance by Executive Order, for eligible recipients displaced from their homes due to damage caused by the natural disaster.
10. Payment for rehabilitation of homes with non-insured repairs;

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$58,000
Low (51-80% AMI)	\$48,000
Moderate (81-140% AMI)	\$43,000

e. **Terms:**

1. **Loan/grant:** Funds will be awarded as a deferred payment loan secured by a recorded mortgage and note.
2. **Interest Rate:** 0%
3. **Term:** 30 years
4. **Forgiveness/Repayment:** Loan will be forgiven at the end of the term.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. **Recipient Selection Criteria**
 - Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I of this plan.
 - Must provide proof of homeowner’s insurance
 - Must file for and use proceeds from insurance as first option
- g. **Sponsor Selection Criteria and Duties:** N/A
- h. **Additional Information:**
 - Funds for disaster mitigation will only be allocated from unencumbered funds or additional funds awarded through Florida Housing Finance Corporation for the disaster.
 - Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.
 - Rehabilitation/Repairs will be performed by a State certified licensed contractor, or a contractor licensed to do business in Palm Beach County. The homeowner must utilize the contractors from the Department of Economic Sustainability’s Residential Repair Program contractor list or contractors on Palm Beach County’s Facilities and Operations’ contractor list.

G.

FORECLOSURE PREVENTION	CODE: 7
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- a. **Summary of the Strategy:** Funding will be provided to assist with delinquent mortgage payments (PITI), including late fees, attorney’s fees, homeowners’ association payments, special assessments, other foreclosure associated costs, property taxes, homeowners insurance, and mortgage delinquency and default resolution counseling.

Funding for property taxes and homeowners insurance will be provided only if they are currently escrowed or will become escrowed as a result of receiving assistance.

- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Very Low, Low and Moderate
- d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$18,000
Low (51-80% AMI)	\$18,000
Moderate (81-140% AMI)	\$18,000

- e. **Terms:**
 1. **Loan/grant:** Funds will be secured by a deed restriction.
 2. **Interest Rate:** 0%
 3. **Term:** 5 years

4. **Forgiveness/Repayment:** Loan amount will be forgiven at the end of the term.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria:**

In addition to being selected on a first-qualified, first-served basis, applicants must:

1. Provide proof on the arrearage in the form of notification from the first mortgage lender of applicant's delinquency and/or intent to foreclose (this cannot be from a private mortgage holder). Verification of applicants' ability to avoid default by showing that the first mortgage lender is willing to stop foreclosure upon assistance being provided.
2. Provide evidence of a hardship that caused the arrearage (considerable loss of income/employment, death of a household member, divorce, unexpected medical expenses, or unanticipated home repairs or costs associated with increases escrows).
3. Receive counseling from a HUD approved agency trained in foreclosure counseling. Agency must verify that homeowner has the ability to make future mortgage payments after assistance is received.
4. Provide written documentation from HUD approved agency showing evidence of the ability to resume making payments after the assistance is used which includes an explanation of how the hardship has been overcome and an indication of the budget plan what will allow for resumption of payments.

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

h. **Additional Information:**

- Participants can only receive assistance once.
- Fair Market value of the property may not exceed the established maximum sales price.

H.

RENTAL HOUSING ENTRY ASSISTANCE	CODE: 23
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- a. **Summary of the Strategy:** This strategy will provide financial assistance to individuals or families to obtain a lease agreement on a rental unit. Funds will assist with paying for rental security deposits, utility deposits, connection fees, up to 12 months rental payments and housing stability counseling.

- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Very Low and Low
- d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$10,000
Low (51-80% AMI)	\$10,000

- e. **Terms:**
 1. **Loan/grant:** Funds will be awarded as a grant with required guarantees from the landlord and SHIP recipient.
 2. **Interest Rate:** N/A
 3. **Term:** N/A
 4. **Forgiveness/Repayment:** N/A
 5. **Default/Recapture:** N/A
- f. **Recipient Selection Criteria:**
Recipients will be ranked for assistance based on a first-qualified, first-served basis with the priorities established in paragraph I of the Program Details in Section I of this plan. Assistance will be limited to a one time grant per household.
- g. **Sponsor Selection Criteria and Duties:**
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.
- h. **Additional Information:**
 - The Lease Agreement must be at least twelve (12) months

I.

DEVELOPER ASSISTANCE RENTAL HOUSING	CODES: 14/21
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- a. **Summary of the Strategy:** This strategy will provide assistance to developers and owners of affordable rental housing to construct or rehabilitate affordable rental units. This funding is intended to be used as gap financing required for project. All SHIP assisted units must be occupied by income eligible families.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Very Low and Low
- d. **Maximum Award:**

Income Levels	Maximum Award Per Unit
Very Low (0-50% AMI)	\$43,000
Low (51-80% AMI)	\$43,000

e. **Terms:**

1. **Loan/grant:** Funds will be awarded as a loan secured by a recorded mortgage and note.
2. **Interest Rate:** Rate will be determined through the request for proposal (RFP) process
3. **Term:** Minimum of 15 years and will not exceed a term equal to the primary lender.
4. **Forgiveness/Repayment:** Repayment terms will be determined through the request for proposal (RFP) process. Fees will be established through the RFP process or negotiated.
5. **Default/Recapture:** For all awards, a default will be determined as: sale, transfer, or conveyance of property; conversion to another use; failure to maintain standards for compliance as required by any of the funding sources. If any of these occur, the original loan amount will be due and payable.

f. **Recipient Selection Criteria:**

Management of the development will select potential renters for the SHIP assisted units on a first qualified, first served basis. All applicants for residence in a SHIP-assisted unit must meet income qualifications of the program as determined and reported by the developer's management company for the development.

g. **Sponsor Selection Criteria and Duties:**

The County will advertise the availability of funds. Sponsors of affordable rental development will be selected through a request for proposal (RFP) utilizing the County's established guidelines. The RFP will require proof of developer experience in providing affordable rental housing, proof of financial capacity, evidence of site control (or contract for sale), proof of ability to proceed once all funding is closed, and a housing unit design plan that meets with the county's housing element in the Comprehensive Plan.

The county reserves the right to select developments that meet all the above requirements, and:

1. Are in areas of immediate need due to lack of available units.
2. Propose to preserve and improve existing units.

All funding awards will be subject to closing on other funding sources.

h. **Additional Information:**

- Other state, federal, private and local funds are required
- Developers will be required to meet compliance reporting requirements on the development necessary to meet the statutory requirements for monitoring of SHIP rental units.
- 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. Assisted developments must commit to rent stipulations as established by HUD for the term of the mortgage and all other stipulations of the loan agreement. The housing must remain affordable, and all SHIP assisted units must be occupied by income eligible persons during the affordability period.

J.

a. **Summary of the Strategy:**
 Funding will provide assistance to income eligible active duty military personnel and veterans, including eligible surviving spouses of military personnel to acquire a new or existing single family residence or rehabilitate an existing home. Assistance can be used for leveraging with existing veterans housing ownership programs, gap financing, and land acquisition with housing development, down payment assistance, closing costs, and rehabilitation/repair to correct code violations or incipient items that will become a code violation.

b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019

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

d. **Maximum Award:**

Income Levels	Maximum Award
Very Low (0-50% AMI)	\$105,000
Low (51-80% AMI)	\$105,000
Moderate (81-140% AMI)	\$105,000

e. **Terms:**

1. **Loan/grant:** Funds will be awarded as a forgivable loan secured by a deed restriction or recorded mortgage and note.
2. **Interest Rate:** 0%
3. **Term:**

Funding Award Amounts	Lien	Amortization Period
\$0 - \$15,000	5 years Affordability	Secured by deed restriction or Mortgage and Note
\$15,001 - \$45,000	10 years Affordability	Secured by Mortgage and Note
\$45,001 - \$75,000+	15 years Affordability	Secured by Mortgage and Note

4. **Forgiveness/Repayment:** Loan will be forgiven at the end of the term.
5. **Default/Recapture:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the original loan amount will be due and payable.

In the event of death of the qualifying homeowner(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the original loan amount loan will be due and payable.

In the event of a sale, the County may exercise its right of first refusal to purchase the property at its appraised market value for continued occupancy by income eligible persons. The seller is prohibited from receiving a financial benefit i.e. no cash out.

If the home is foreclosed on by a superior mortgage holder, the County will

make an effort to recapture funds through all available legal remedies if it is determined that adequate funds may be available to justify pursuing a recapture.

f. **Recipient Selection Criteria**

- Applicants will be ranked for assistance based on a first-qualified, first-served basis.
- Proof of eligibility is required at the time of application submittal. Veteran must present DD-214 at the time of intake.

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

h. **Additional Information:**

- If the property is determined or expected to have mold or Chinese drywall, the property is ineligible for purchase assistance.
- Rehabilitation/Repairs will be performed by a State certified licensed contractor, or a contractor licensed to do business in Palm Beach County. The homeowner must utilize the contractors from the Department of Economic Sustainability's Residential Repair Program contractor list or contractors on Palm Beach County's Facilities and Operations' contractor list.
- Applicant may not currently own or have assets exceeding \$200,000 monetary gifts and real estate.
- When leveraging with existing State HOME and/or Military Heroes programs the County may subordinate in accordance with established State guidelines.

III. LHAP INCENTIVE STRATEGIES

A. **Name of the Incentive Strategy:** EXPEDITED PERMITTING

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, consistent with the Plan and recommend approval, approval with conditions, or denial of the request.

Also, Palm Beach County updated its Unified Land Development Code (ULDC) (*located in Article 5, CHAPTER G, Section I*) 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: ONGOING REVIEW PROCESS

DES staff may serve as one of the agencies that make up the Development Review Officer (DRO) Committee on an as needed basis. 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.

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.

The Palm Beach County Board of County Commissioners approved a list of County owned land that was determined to be suitable for affordable housing. The updated Affordable Housing Inventory (AHI) will be reviewed beginning October 1, 2016, and updated every three years to submit to the BCC for approval.

D. Name of the Incentive Strategy: IMPACT FEE ASSISTANCE PROGRAM

The Impact Fee Assistance Program (IFAP) was developed to implement direction by the Palm Beach County Board of County Commissioners (BCC) to secure a funding source for the creation of affordable housing. In November 2009, the BCC authorized utilization of impact fee investment earnings on roads, parks, and public buildings to support affordable housing within Palm Beach County (R2009-2013). Under IFAP, the BCC designates during each budget development process 50% of the investment earnings realized during the prior year on the roads, parks and public building impact fee fund balances, but not to exceed a total of \$3 million annually. Once the Office of Financial Management and Budget establishes the amount of funding available for the IFAP, Department of Economic Sustainability staff advertises a Notice of Funding Availability (NOFA). The NOFA provides information detailing the amount of funding available and the eligible impact fee zones. Applications are accepted year-round, as long as funds are available. Only those projects that can demonstrate evidence of infrastructure availability and evidence of appropriate zoning can apply. Approved projects must apply for a building permit within one (1) year of approval and be completed within four (4) years. Funds not contracted/awarded to a project within two (2) years and not spent within four (4) years will revert back to the original impact fee type and zone for application to County projects.

E. Name of the Incentive Strategy: FLEXIBLE DENSITIES FOR AFFORDABLE HOUSING

The County's Workforce Housing Program (WHP) and Affordable Housing Program (AHP) provide similar opportunities to developers to increase density from 30 up to 100 percent in accordance with the ULDC Article 5.G.1.H.1. (WHP, adopted 2006) and Article 5.G.2.E.1. (AHP, adopted 2010). The County’s Transfer of Development Rights Program (TDR) allows a property owner to achieve a density bonus by purchasing the increase in density in new residential developments within the Urban/Suburban Tier in unincorporated Palm Beach County.

Projects requesting a density bonus greater than 30 percent are required to conduct a sector analysis as described in Article 5.G.1.H of the ULDC. [Ord. 2006-055]

- WHP projects, including relocated WHP units, shall be equitably distributed so that there is no undue concentration of very-low and low income households.
- Table 5.G.1.H, WHP Density Bonus Guide indicates the maximum density bonus permitted and the concentration of very-low and low income housing within a sector will be one factor taken into consideration when determining the maximum density bonus permitted.

Table 5.G.1.H - WHP Density Bonus Guide

% of Very Low & Low Income Households in Sector	> 50%	40-50%	20-40%	0-20%
Maximum Density Bonus (1)	up to 40%	up to 60%	up to 80%	up to 100%
[Ord. 2009-01] [Ord. 2010-005]				
Notes:				
1. The Planning Director may recommend a density bonus in excess of the Maximum Density Bonus where the project serves to mitigate existing very low and low income concentrations by including a mix of higher income market rate units or Medium 1, Medium 2 and Middle Income WHP units. [Ord. 2006-055]				

- Other factors to be considered include:
 - the location of the proposed development and its relationship to the study area;
 - the housing type(s) proposed;
 - if the development site is located within:
 - 1/4 radius of a public park (neighborhood or regional park, not a golf course); civic uses (schools/libraries); a mass transit facility/route; child care facilities; medical facilities; a super market; a community commercial facility; employment opportunities; and
 - 1/2 mile radius of social services; a regional commercial facility; an industrial facility; additional civic uses and employment opportunities.
- Prior to submittal of a WHP pre-application, the applicant shall meet with the Planning Director or designee to establish the sector within which the distribution analysis shall be conducted.
- The boundaries of the sector shall be approved by the Planning Director or designee.
- The maximum density bonus permitted or a bonus in excess of the maximum shall be recommended by the Planning Director or designee. [Ord. 2010-005]

F. Name of the Incentive Strategy: RESERVATION OF INFRASTRUCTURE CAPACITY FOR HOUSING FOR VERY LOW-INCOME PERSONS, LOW INCOME PERSONS, AND MODERATE INCOME PERSONS

The County's Workforce Housing Program (WHP) and Affordable Housing Program (AHP) provide identical "traffic performance standards mitigation" opportunities to developers in accordance with the Unified Land Development Code (ULDC) Article 5.G.1.E.2. (WHP, adopted 2006) and Article 5.G.2.D.2. (AHP, adopted 2010). This allows developments with WHP/AHP units to exceed Level of Service D by 30%, increasing the available concurrency for traffic and reserving that traffic for those WHP/AHP developments that need it. Level of Service (LOS) is a measure of the operation of a roadway based upon traffic volumes in relation to road capacity. LOS is represented by the letters A through F with A representing the condition with the least driver delay and F representing conditions with the most driver delay. In general, LOS D describes high-density areas where speed and freedom to maneuver in the roadway is stable but severely restricted.

Traffic Performance Standards (TPS) mitigation for WHP are described in Article 5.G.1.E. of the ULDC and provides for the following:

- WHP Special Methodologies
 - TPS mitigation shall be permitted for WHP projects in accordance with County Comprehensive Plan Transportation Element Policy 1.2-d (4). [Ord. 2006-055] [Ord. 2011-016]
- WHP Traffic Concurrency Hall Pass
 - TPS mitigation shall also include the option of applying for a WHP Traffic Concurrency Hall Pass separate from a development order application. The WHP Traffic Concurrency Hall Pass serves as a provisional traffic concurrency approval for a period of not more than 90 days, during which it must be merged into an application submitted for a Concurrency Reservation approval. The WHP Traffic Concurrency Hall Pass is described further in Art. 2.F. [Ord. 2006-055]

The County's Comprehensive Plan Transportation Element Policy 1.2-d acknowledges that under certain limited circumstances dealing with transportation facilities, countervailing planning and public policy goals may come into conflict with the requirement that adequate public facilities be available concurrent with the impacts of such development. The policy further acknowledges that under certain circumstances, lower level of service standards for specific roadway segments and intersections are appropriate. As a result, the Comprehensive Plan Transportation Element Policy provides for lower transportation facilities level of service standard for certain purposes on roadway segments and intersections as described in Policy 1.2-d.4:

- For the public purpose of allowing developments that include Workforce and Affordable Housing units (as defined in Housing Element Policies 1.5-g and 1.5-i) to be constructed, the level of service standard permitted for all housing units beyond the standard density (as defined in Future Land Use Element Table III.C.1) on affected segments and intersections shall be up to 30% above the LOS D volume on those segments and intersections.

G. Name of the Incentive Strategy: ALLOWANCE OF AFFORDABLE ACCESSORY RESIDENTIAL UNITS IN RESIDENTIAL ZONING DISTRICTS

Definitions and supplementary standards for specific uses, such as Accessory Dwellings, are included in the County's Unified Land Development Code (ULDC).

According to Article 4.B.1.A.1. (adopted 2005) of the ULDC:

- An accessory dwelling unit is located on the same lot as a principal single family dwelling. An accessory dwelling is a complete, independent living facility equipped with a kitchen and provisions for sanitation and sleeping.
 - Number of Units
 - A maximum of one accessory dwelling may be permitted as an accessory use to a principal single family dwelling unit which is owner occupied. The accessory dwelling may be attached to the principal dwelling or freestanding.
 - Maximum Floor Area
 - On less than one acre: 800 square feet.
 - On one acre or more: 1000 square feet.
 - The floor area calculation shall include only the living area of the accessory dwelling under a solid roof. [Ord. 2005-041]
 - Additional Floor Area
 - Floor area under a solid roof that is utilized as a porch, patio, porte cohere, carport, or garage shall not exceed 500 square feet.
 - Maximum Number of Bedrooms/Baths
 - One bedroom and one bathroom.
 - Compatibility
 - The accessory dwelling shall be architecturally compatible in character and materials with the principal dwelling.

- Property Development Regulations (PDRs)
 - The accessory dwelling shall comply with the PDRs applicable to the principal dwelling.
- No Separate Ownership
 - The accessory dwelling shall remain accessory to and under the same ownership as the principal dwelling and shall not be subdivided or sold as a condominium.
- Kitchen Removal
 - An agreement to remove all kitchen equipment shall be executed for the dwelling unit prior to the issuance of a Building Permit. The agreement shall require the kitchen to be removed if the principal dwelling is no longer owner occupied.
- No Separate Electrical Service
 - Both the principal single family dwelling and the accessory dwelling shall be connected to the same meter. Separate electric service shall be prohibited. [Ord. 2005-041]

H. Name of the Incentive Strategy: REDUCTION OF PARKING AND SETBACK REQUIREMENTS FOR AFFORDABLE HOUSING

The County's Workforce Housing Program (WHP) and Affordable Housing Program (AHP) provide identical "setback reduction" opportunities to developers in accordance with the Unified Land Development Code (ULDC) Article 5.G.1.E.4.h. (WHP, adopted 2006) and Article 5.G.2.D.4.h. (AHP, adopted 2010).

Flexible regulations are described in Article 5.G.2.D.4 of the ULDC and are applicable to:

- Projects with Future Land Use (FLU) designations of:
 - Medium Residential, 5 units per acre (MR-5)
 - High Residential, 8 units per acre (HR-8)
 - High Residential, 12 units per acre (HR-12)
 - High Residential, 18 units per acre (HR-18)
- Projects approved as a Planned Development District (PDD)
- Projects approved as a Traditional Development District (TDD)

Projects with these designations may deviate from the residential requirements of Table 3.D.1.A, Property Development Regulations, or Table 3.D.2.B, Zero Lot Line Property Development Regulations, as follows: [Ord. 2009-040]

- Single Family Dwelling units may be permitted up to a maximum ten percent deviation for the following Property Development Regulations:
 - lot size;
 - width and frontage;
 - building coverage; and
 - side and rear setbacks. [Ord. 2009-040]
- Single Family Dwelling units limited to one floor with no loft or other similar feature, may be permitted up to a maximum 20 percent deviation for the following Property Development Regulations:
 - building coverage; and
 - front and side street setbacks. [Ord. 2009-040]
 - Zero Lot Line lots may be permitted up to a maximum lot width reduction of five feet, and ten percent deviation from the minimum lot size, building coverage, and front setback for units with front loading garages. [Ord. 2009-040]

I. Name of the Incentive Strategy: ALLOWANCE OF FLEXIBLE LOT CONFIGURATIONS, INCLUDING ZERO-LOT-LINE CONFIGURATIONS FOR AFFORDABLE HOUSING

The County's Comprehensive Plan Concentrations of Affordable Housing Policy 1.5 enables the public, private, and not-for-profit sectors to:

- provide affordable housing
- support the distribution of housing for very low, low, moderate and middle income households
- use the Workforce Housing Program (WHP) and the Affordable Housing Program (AHP) to avoid undue concentrations of very low and low income housing through the County

The Unified Land Development Code (ULDC) allows for "Density Bonus Development Options" for both WHP and AHP developments (Article 5.G.1.E.4 a-k and Article 5.G.2.E.4 a-k). Setback deviations are included in certain instances, and zero-lot-line deviations are allowed.

PALM BEACH COUNTY

Fiscal Year 2016-2017	
Estimated Allcoation for Calculating:	\$663,000.00
Salaries and Benefits	\$650,000.00
Office Supplies and Equipment	\$3,000.00
Travel Perdiem Workshops, etc	\$8,000.00
Advertising	\$1,000.00
Other (Interdepartmental billings: County Attorney Office, Fleet, ISS, PATH Software, etc...)	\$1,000.00
Total	\$663,000.00
Fiscal Year 2017-2018	
Estimated Allcoation for Calculating:	\$663,000.00
Salaries and Benefits	\$650,000.00
Office Supplies and Equipment	\$3,000.00
Travel Perdiem Workshops, etc	\$8,000.00
Advertising	\$1,000.00
Other (Interdepartmental billings: County Attorney Office, Fleet, ISS, PATH Software, etc...)	\$1,000.00
Total	\$663,000.00
Fiscal Year 2018-2019	
Estimated Allcoation for Calculating:	\$663,000.00
Salaries and Benefits	\$650,000.00
Office Supplies and Equipment	\$3,000.00
Travel Perdiem Workshops, etc	\$8,000.00
Advertising	\$1,000.00
Other (Interdepartmental billings: County Attorney Office, Fleet, ISS, PATH Software, etc...)	\$1,000.00
Total	\$663,000.00

Timeline for SHIP Expenditures

Palm Beach County affirms that funds allocated for these fiscal years will meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 st Year AR	2 nd Year AR	Closeout AR
2016-2017	6/30/2018	6/30/2019	9/15/2017	9/15/2018	9/15/2019
2017-2018	6/30/2019	6/30/2020	9/15/2018	9/15/2019	9/15/2020
2018-2019	6/30/2020	6/30/2021	9/15/2019	9/15/2020	9/15/2021

If funds allocated for these fiscal years are not anticipated to meet any of the deadlines in the table above, Florida Housing Finance Corporation will be notified according to the following chart:

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 st Year AR Not Submitted	2 nd Year AR Not Submitted	Closeout AR Not Submitted
2016-2017	3/30/2018	3/30/2019	6/15/2017	6/15/2018	6/15/2019
2017-2018	3/30/2019	3/30/2020	6/15/2018	6/15/2019	6/15/2020
2018-2019	3/30/2020	3/30/2021	6/15/2019	6/15/2020	6/15/2021

Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 15 of the year in which funds are required to be expended. The extension request shall be emailed to robert.dearduff@floridahousing.org and terry.auringer@floridahousing.org and include:

1. A statement that Palm Beach County requests an extension to the expenditure deadline for fiscal year _____.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan of how/when the money will be expended.

Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended. Please email terry.auringer@floridahousing.org when you are ready to "submit" the AR.

Other Key Deadlines:

AHAC reports are due for each local government by **December 31** of the year prior to the local government's LHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Local Government: **Palm Beach County**

- (1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
- (3) A process for selection of recipients for funds has been developed.
- (4) The eligible municipality or county has developed a qualification system for applications for awards.
- (5) Recipients of funds will be required to contractually commit to program guidelines.
- (6) The Florida Housing Finance Corporation will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions the plan.
- (7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.
- (8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.
- (9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation within 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.

Exhibit D

- 13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.
- 14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.
- 15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements, similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- 16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
- 17) Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)
- 18) The Plan meets the requirements of Section 420-907-9079 FS, and Rule Chapter 67-37 FAC, and how each of those requirements shall be met.
- 19) The provisions of Chapter 83-220, Laws of Florida *have* been implemented.

Witness _____
Chief Elected Official or designee

Witness _____
Type Name and Title

Date

OR

Attest:
(Seal)

RESOLUTION NO.: R2016- _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE COUNTY ADMINISTRATOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LHAP FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION (FHFC); 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 SHIP Act, Subsections 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, require local governments to develop a one- to three-year LHAP outlining how funds will be used; and

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

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; the methodology and purchase prices used are defined in the attached LHAP; and

WHEREAS, as required by Subsection 420.9075, Florida Statutes, it is found that five percent (5%) of the local housing distribution plus five percent (5%) of program income is insufficient to adequately pay the necessary costs of administering the LHAP; and

WHEREAS, the cost of administering the program may not exceed ten percent (10%) of the local housing distribution plus five percent (5%) of program income deposited into the trust fund; and

WHEREAS, the LHAP includes and defines project delivery costs according to 24 CFR 92.206(d) which include costs associated with projects that are neither administrative costs nor a part of the direct subsidy to an eligible household; and

WHEREAS, the Department of Economic Sustainability has established a delineated process to serve special needs populations; and

WHEREAS, special needs are defined pursuant to Florida Statutes: Persons with Special Needs S. 420.0004; Developmental Disabilities, S. 393.063 and Disabling Condition, S. 420.0004(7); Young Adult formerly in Foster Care, S. 409.1451(5); Survivor of Domestic Violence, S. 741.28; and

WHEREAS, the Department of Economic Sustainability has prepared a three-year LHAP for submission to FHFC; and

WHEREAS, the Palm Beach Board of County Commissioners finds that it is in the best interest of the public for Palm Beach County to submit the LHAP for review and approval so as to qualify for said documentary stamp tax funds; and

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

Section 1: The Board of County Commissioners of Palm Beach County hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by Subsections 420.907-420-9079, Florida Statutes, for Fiscal Years 2016-2017; 2017-2018 and 2018-2019.

Section 2: The County Administrator or designee is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the terms and conditions of said program.

Section 3: This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and being put to a vote, the vote was as follows:

MARY LOU BERGER, Mayor	-
HAL R. VALECHE, Vice Mayor	-
PAULETTE BURDICK	-
SHELLEY VANA	-
STEVEN L. ABRAMS	-
MELISSA MCKINLAY	-
PRISCILLA A. TAYLOR	-

The Mayor thereupon declared the Resolution duly passed and adopted this ____ day of April, 2016.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

APPROVED AS TO FORM AND LEGAL SELF SUFFICIENCY

**ATTEST: SHARON R. BOCK
CLERK & COMPTROLLER**

By: _____
James Brako,
Assistant County Attorney

By: _____
Deputy Clerk

LHAP Summary of Proposed Changes

State required Program Detail changes:

- A Waiting List/Priorities Section was added to explain the waiting list procedure when funding is no longer available, and the applicant priority ranking is specified in the order of Special Needs and Veterans.
- A Project Delivery Cost Section was added to detail non-administrative costs to the County for each strategy in the LHAP.
- The Green Building Section was revised to list specific energy savings products.

LHAP Strategies

- The Purchase Assistance Strategy was combined with the previous LHAP's HOME Match Strategy which also included purchase assistance for first time homebuyers, and the first time homebuyer HUD definition was added as required.
- The Housing Rehabilitation Strategy was combined with the previous LHAP's Roof Replacement & Utility Connection Strategies to incorporate all strategies relating to rehabilitation.
- The Emergency Repair Strategy maximum award has been increased from \$38,000 to \$43,000.
- The Rental Housing Entry Assistance Strategy maximum award has been increased from \$5,000 to \$10,000, and the income levels that previously included moderate incomes are now limited to very low & low incomes.
- The Developer Assistance Rental Housing was revised to require leveraging of other funds toward a project.
- The Veteran's Housing Strategy was previously limited to very low & low incomes and now includes moderate income levels.
- Throughout the strategies, a 5 year minimum affordability restriction is now included for all funding award amounts.

LHAP Incentive Strategies

- Existing affordable housing incentive strategies have been added to include: Impact Fee Assistant Program, Flexible Densities, Reservation of Infrastructure Capacity, Allowance of Affordable Accessory Residential Units, Reduction of Parking & Setback Requirements, and Allowance of Flexible Lot Configurations.