

Workforce Housing Homebuyer/Renter Information

What is the Workforce Housing Program?

The Workforce Housing Program provides for the development of workforce housing units in all new residential developments in unincorporated Palm Beach County. The program is intended to serve the housing needs of people employed in the jobs that the general population of the community relies upon to make the community economically viable.

Who is eligible for Workforce Housing?

All workforce housing units will be offered for sale or rent at an attainable housing cost to income qualified households with incomes from 60 percent to 150 percent of area medium income (AMI). In Palm Beach County, the March 2006 median income was \$64,400 for a family of four.

A household income would range from \$38,640 (60%) to \$96,600 (150%).

- Low-income (60-80%) falls between approximately \$38,600 and \$51,500.
- 1-Moderate-income (80-100%) will range between \$51,500 and \$64,400.
- 2-Moderate-income (100-120%) will range between \$64,400 and \$77,200.
- Middle-income (120-150%) ranges from \$77,200 to \$96,600.

How to become Income Pre-Qualified?

- A. **Contact to pre-qualify:** Marie Langagneur of the Department of Housing and Community Development (HCD) at (561) 233-3646.

Information needed to pre-qualify: 1) Copy of photo ID for all household members over the age of 18; 2) Copy of Social Security cards for all household members; 3) Birth Certificates for all household children under the age of 18; 4) Resident Alien or Employment Verification card where applicable; 5) Verification of employment for all household members over the age of 18; 6) Last four (4) pay stubs for all employed household members; 7) Last six (6) months bank statements for checking accounts; 8) Most recent statement for all savings accounts, certificates of deposit, money market accounts, 401 K, stocks, etc.; 9) Copy of award letter for any and all recurring benefits (social security, retirement, pension, child support, etc.); 10) Signed copies of last two (2) years federal income tax returns along with all W-2s. If self employed, please provide a signed copy of the last two (2) years income tax returns; and 11) Copy of all W-2s and/or 1099s for the last two (2) years for self employed applicants.

Estimated time to be pre-qualified? (Thirty (30) days)

When you become pre-qualified, you receive a certificate that verifies your household income range which will correspond to the price of the home you can afford to purchase or rent.

- B. Contact a lending institution (bank or mortgage company) of your choice, mention the County's Workforce Housing program, and obtain a pre-approval for a mortgage or a first mortgage.

1. Advise the loan officer that if you are eligible (households with incomes from 60 percent to 120 percent of AMI) you desire to apply for a subsidy (financial assistance) award from the Palm Beach County Hardship "B" Second Mortgage Program.
2. If eligible, you will need to complete a six (6) hour homebuyer education course in a classroom setting.

For general information on the income qualification process, please contact HCD at (561) 233-3646 or on the web at www.pbcgov.com/HCD

What are the Sales and Rental Prices of Workforce Units?

The Board of County Commissioners will determine workforce housing rental and sale prices annually based upon median household income figures for the County provided by the U.S. Department of Housing and Urban Development. At this time workforce housing units will be offered at prices no higher than the examples that follow:

<u>Income Level</u>	<u>Rent</u>	<u>Sales Price</u>
Low (60-80%)	\$1,287	\$164,000
1-Moderate (81-100%)	\$1,450	\$189,000
2-Moderate (101-120%)	\$1,771	\$240,000
Middle (121-150%)	\$2,173	\$304,000

How Do the Workforce Housing Units Stay Affordable?

A deed restriction recorded in the public records of Palm Beach County will be required to guarantee the affordability for each moderately priced Workforce Housing unit.

Term of Compliance: This term shall apply to the structure and the land. All designated Workforce Housing units shall remain affordable for 25 years. If the property is sold before the expiration of the 25-year restriction, the subsequent purchaser will be required to sign a new deed restriction for a new 25-year term.

Resale/Rental Prices: New sale and rental prices will be established by the BCC each year in order to guarantee the affordability. When you go to sell you must verify the sale price is correct. This also applies to rentals. Please check with the Department of Housing and Community Development or with Planning Zoning & Building Department (contact info on this brochure).

Other Information

- Q. What if my income goes up after I move into a workforce housing unit?
- A. **Income qualification is only required prior to purchase or rental of a unit. Should your income increase after you move into your home, there will be no re-qualifying. You can remain in your home.**
- Q. Do I need to provide the County any information after I move in?
- A. **Annual verification of occupancy will be required. You will be contacted annually, by letter, by HCD in order to confirm that you still live in the unit.**

Q. Can I make improvements to my home?

A. **Yes, but owners are not guaranteed any compensation or equity for improvements at resale as the annual price determinations are based on the annual median household income for the County.**

Q. Can I rent my home?

A. **Yes. If unit owner is not financially subsidized by Palm Beach County, and chooses to rent the unit, the renter household must meet workforce housing program household income requirements (i.e. must be income certified).**

However if you receive financial assistance from Palm Beach County, will you be prohibited from renting out the unit you have purchased. Subsidy programs require occupancy.

Q. How do I find one of these workforce housing homes?

A. **The Builders of workforce housing units will be marketing their workforce units. In addition, information on units will be posted on the HCD webpage. The Builders will provide information to HCD including the number of units, their location and when the units will be made available. Please contact the HCD at (561) 233-3646 or on the web at: www.pbcgov.com/HCD.**

ADDITIONAL HOUSING PROGRAM INFORMATION

Under the County's Department of Housing and Community Development (HCD), the Commission on Affordable Housing provides opportunities to very low and low-income residents of Palm Beach County through the HOME Investment Partnership Program (HOME) and the State Housing Initiative Partnership (SHIP):

HOME Program

A. Countywide Second Mortgage Subsidy Program for First-Time Homebuyers

Provides financing to eligible first-time homebuyers through gap funding, down payment or closing cost assistance.

B. Community Housing Development Organizations

Funding is provided through the HOME program to Community Housing Development Organizations (CHDOs) to develop affordable housing for very low and low-income individuals and families; assist eligible first-time homebuyers with securing funding; and facilitate mortgages on behalf of new homebuyers.

C. American Dream Downpayment Initiative Program (ADDI)

This program is designed to assist eligible first time homebuyers with the purchase of their home. Assistance is applied toward the down payment, closing costs or rehabilitation in conjunction with the home purchase.

Q. **Are the HOME program assistance funds provided as grants or loans?**

A. The HOME program funds are provided as forgivable loans (forgiven 10% per year).

For more information on the HOME Program, call (561) 233-3625

SHIP Program

Under the SHIP program, financial assistance is provided from the state of Florida to assist income eligible first-time homebuyers to purchase affordable homes in Palm Beach County.

Q. Is the SHIP program assistance funds provided as grants or loans?

A. The SHIP funds are provided as thirty (30) grants. If the homebuyer lives in the purchased home for 30 years, the assistance will be forgiven. However, if the homebuyer sells or transfers title prior to the end of the 30 year period, then the full amount of the assistance must be repaid.

For more information on the SHIP program, call (561) 233-3650.

For general information on the Workforce Housing Program, please contact the Planning, Zoning and Building Department's Zoning Division at (561) 233-5200 or the Planning Division at 561-233-5300 or on the web at: www.pbcgov.com/pzb/zoning.

T:\planning\Comprehensive\HOUSING\inclusionary\Information\WHHomebuyersRentersInfo.doc