

**NOTICE OF PROPOSED RULEMAKING
FLORIDA HOUSING FINANCE CORPORATION
CHAPTER 67-57, FLORIDA ADMINISTRATIVE CODE
HOMEOWNERSHIP POOL PROGRAM**

- 67-57.001 Purpose and Intent.
- 67-57.005 Definitions.
- 67-57.010 Fees.
- 67-57.020 Notice of Funding Availability (NOFA).
- 67-57.030 Membership Application Procedures.
- 67-57.040 Property Standards.
- 67-57.050 HOP Program Restrictions.
- 67-57.060 Eligible Homebuyer Requirements.
- 67-57.070 Homebuyer Loan Process.
- 67-57.080 HOME Regulations.

PURPOSE, EFFECT AND SUMMARY:

This rule establishes the procedures by which the Florida Housing Finance Corporation shall administer the Homeownership Pool (HOP) Program which provides down payment and closing costs assistance to eligible homebuyers. The Rule and adopted reference materials are necessary and appropriate for the efficient administration of the Program.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS:

No statement of estimated regulatory costs was prepared. Any person who wishes to provide information regarding this statement of estimated regulatory costs or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 420.507(12), (14), Florida Statutes

LAW IMPLEMENTED: 420.507(23), 420.5088 and 420.5089, Florida Statutes

A HEARING WILL BE HELD AT THE TIME, DATE AND PLACE SHOWN BELOW:

DATE AND TIME: Wednesday, May 7, 2008, 10:00 AM – 11:00 AM.

PLACE: Florida Housing Finance Corporation, Seltzer Conference Room, 6th Floor, 227 North Bronough Street, Tallahassee, Florida 32301.

THE PERSON TO CONTACT REGARDING THE PROPOSED RULE AMENDMENTS IS: Cristal Baer-Penik, Homeownership Programs Senior Analyst, Florida Housing Finance Corporation, 227 North Bronough Street, Tallahassee, Florida 32301, (850) 488-4197

THE FULL TEXT OF THE PROPOSED RULE IS:

67-57.001 Purpose and Intent.

No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07.

67-57.005 Definitions.

(1) through (29) No changes.

(30) “Living Space” means areas in a dwelling unit that are livable space. This does not include closets, crawl spaces, and other storage areas.

(30) through (32) Renumber as (31) through (33).

(34) “Manufactured Home” means a single-family house constructed entirely in a controlled factory environment, built to the federal Manufactured Home Construction and Safety Standards administered by the U.S. Department of Housing and Urban Development (HUD). A manufactured house may be single- or multi-sectional and is transported to the site and installed on a permanent foundation.

(34) through (37) Renumber as (35) through (39).

(40) “Personal Assets” means cash held in savings accounts, checking accounts, safe deposit boxes; equity in rental property and other capital investments; cash value of stocks, bonds, Treasury bills, money market accounts; cash value of life insurance policies; personal property held as an investment; lump sum payments or one time receipts such as inheritance or insurance settlements; mortgages or deeds of trust held by homebuyer.

(38) through (41) Renumber as (41) through (44).

(45) “Retirement Assets” means individual retirement and Keogh accounts, retirement and pension funds.

(42) through (52) Renumber as (46) through (56).

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended _____.

67-57.010 Fees

(1) The Corporation shall collect a HOP Membership Application fee of \$500 from all entities when applying to become a Member of the pool for the HOP program. Thereafter, Members must pay an annual renewal fee of \$50, due January 31st of each year.

(2) through (4) No changes.

(5) Member shall be charged a failed inspection fee of \$500 for all homes inspected by FHFC that have been determined to not have been built in compliance with HOP Property Standards per rule chapter 67-57.040, F.A.C. Non-compliant home(s) must be brought into compliance and the assessed fee must be paid before the HOP Loan will close. This fee cannot be passed on to the Eligible Homebuyer.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.020 Notice of Funding Availability (NOFA)

No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.030 Membership Application Procedures

(1) In order to participate in the HOP program, the Applicant must first apply to become a Member by meeting the requirements of the HOP Membership Application ("HOPMBR101 (5/01/08 ~~9/1/07~~)"), which is adopted and incorporated herein by reference and is available on the Corporation's Website at <http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP>.

(2) through (4) No changes.

(5) At each annual renewal Annually, beginning January 31, 2008, Members must notify FHFC renew their membership by advising of any changes to the development team or organization structure and paying a \$50 renewal fee by January 31st of each year.

(6) Failure to advise of any changes to the development team or organization structure or failure to pay the renewal fee will result in the inactivation termination of the membership of the Member.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.040 Property Standards

(1) No changes.

(a) through (c) No changes.

~~(d) Energy Star rated power vented fans or range hoods that exhaust to the exterior;~~

~~(e) Florescent lighting fixtures or compact florescent bulbs in all lighting fixtures;~~

~~(f) Double or knife hinges on bottom cabinet doors that enables full 180 degree opening;~~

(g) through (j) Renumber as (d) through (g)

(h) ~~(k)~~ Cable or satellite TV hookups (minimum of 2) located within 12" of an electrical outlet;

(k) through (p) Renumber as (h) through (m).

(n) ~~(q)~~ Toggle-type or rocker style switches for lights and fans;

(o) All living spaces must be equipped with overhead lighting;

(p) ~~(r)~~ Width of All interior doors used for ingress/egress must be a minimum of 34" (2' x 10") or larger. Any door other than a traditional hinged door such as: pocket doors, bi-fold doors, and double doors; must provide for at least a 32" minimum clear width entry;

(q)~~(s)~~-At least one accessible means of egress/ingress, which may be waived for manufactured housing Units and Units built in Area(s) of Critical State Concern. For Units consisting of two or more levels, all space on the entry level of the Unit must meet the requirements of paragraphs (1)(a) (r) above. At least one full bathroom and one bedroom must meet the requirements of paragraphs (1)(a) (r) if there is not a full bathroom and a bedroom on the entry level; and-

(r) For Units consisting of two or more levels, all space on the entry level of the Unit must meet the requirements of paragraphs (1)(a)-(q). On the second level at least one full bathroom and one bedroom must meet the requirements of paragraphs (1)(a)-(q) if there is not a full bathroom and a bedroom on the entry level; and;

(s)~~(t)~~-Provide a home maintenance manual that includes information on basic home a routine maintenance plan; manuals for all installed instructions for all appliances, HVAC operation, water system turnoffs, lighting equipment, and information on how to use and maintain the green features of the home, including paving materials and landscaping, and encourage additional green activities such as recycling, gardening and use of healthy cleaning materials.

(2) Effective January 1, 2009 all new construction Units, excluding Self Help Units, must be certified to one of the following green building practices: EnergyStar, Florida Green Building Coalition, or Leadership in Energy and Environmental Design (LEED). Also effective January 1, 2009, excluding Self Help Units, (e) listed in Property Standard from paragraph 1 will no longer be applicable.

(2) Renumber as (3).

~~(a) Outdoor lights are photovoltaic, low voltage, or have motion detector;~~

(b) through (d) Renumber as (a) through (c).

(3) Renumber as (4).

(a) through (e) No changes.

(4) Renumber as (5).

(a) through (f) No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.050 HOP Program Restrictions

(1) All Units must be new construction which have not been previously occupied except that Members that are counties and eligible municipalities that are administrators recipients of SHIP funding may make reservations for Eligible Homebuyers for HOP funds on Units that are currently in the process of Substantial Rehabilitation.

(2) through (3) No changes.

(4) Eligible participants include non-profit organizations, as defined in Internal Revenue Code of 1986 (26 USC 42, subsection 501(c)(3) or 501(c)(4)) and organized under Chapter 617, F.S., if a Florida Corporation, or under similar state law if organized in a jurisdiction other than Florida, for-profit organizations acting solely as the developer / builder, Community Housing Development Organizations (CHDOs) approved by Florida Housing Finance Corporation, counties and eligible municipalities that are administrators recipients of SHIP funding, and the United States Department of Agriculture – Rural Development (USDA-RD), which has been approved by the Corporation to participate in the HOP program.

(5) through (13) No changes.

(a) through (b) No changes.

(c) The Model Energy Code requirements are met or exceeded as enumerated in 2007 2005 Florida State Energy Code (which exceeds 2006 International Energy Conservation Code which is more stringent than Section 401 of the Energy Policy Act of 1992).

(14) through (16) No changes.

(a) through (e) No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.060 Eligible Homebuyer Requirements

(1) No changes.

(a) through (d) No changes.

(e) Not have Personal Assets in excess of \$30,000 \$50,000 and Retirement Assets in excess of \$100,000, excluding equity contributions toward the Unit;

(f) No changes.

(g) Comply with the HOP Homebuyer Underwriting Guidelines (5/1/08 9/1/07), which are adopted and incorporated herein by reference and available at

<http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP>.

(2) No changes.

(a) through (c) No changes.

(3) No changes.

(4) The Corporation will consider resubordinating its HOP Loan to a first mortgage loan when a refinancing occurs. In making a determination, the Corporation will review the following terms of the new transaction: loan type, term of the loan, fixed interest rate percentage, type of interest rate (variable or fixed), principal balance of the loan, reason for the request and whether or not the terms of the new loan are beneficial to the homebuyer.

(a) No changes.

(1) through (4) No changes.

(b) No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History--New 6-26-06, Amended 10-14-07, Amended.

67-57.070 Homebuyer Loan Process

(1) Once construction on the Unit has begun, Members shall reserve homebuyer financing, on a loan-by-loan basis, by providing the required date of foundation inspection on the HOP Homebuyer Reservation (“HOPRES201 (5/01/08 ~~9/1/07~~)”), which is adopted and incorporated into this rule chapter by reference and which is available on our website at <http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP>.

(2) Within fourteen (14) Calendar Days of making the reservation, unless a Member is subject to subsection 8 or 9 below, Members must submit to the Corporation a copy of the building permit and the Corporation must approve the completed Environmental Checklist (“HOPENV301 (5/1/08 ~~9/1/07~~)”), which is adopted and incorporated into this rule chapter by reference and which is available on our website at <http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP> or the reservation will be cancelled.

(3) through (5) No changes.

(a) through (d) No changes.

(e) Copy of as-built property appraisal; ~~and~~

(f) Copy of purchase contract and any addendums; and

(g) Copy of approval page generated from the HUD Income Calculator.

(6) through (7) No changes.

(a) through (b) No changes.

(c) Proof of title insurance; ~~and~~

(d) Amenities certification; and

(e) Certification from EnergyStar, Florida GreenBuilding Coalition or LEED (effective January 1, 2009).

(8) Members using Self Help under USDA-RD Section 502 financing can make reservations four (4) weeks prior to the homebuyer closing. ~~After making~~ ~~Within ten (10) Calendar Days of receiving~~ the reservation, the borrower analysis package, must be sent to Loan Servicing for review and approval. In addition, the HOP Self-Help / CHDO Checklist (“HOPSelfHelpCHDO302 (“5/01/08 ~~9/1/07~~)”), which is adopted and incorporated into this rule chapter by reference and which is available on our website at <http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP>, or other acceptable documentation must be sent to the Corporation within fourteen (14) days of the reservation date. Upon approval, the closing can occur and funds will be held in escrow by the Corporation.

(9) Members that have been certified as a CHDO are able to make reservations in the name of the homebuyer prior to starting construction on a new home. After making the reservation, the HOP Self-Help / CHDO Checklist (“HOPSelfHelpCHDO302 (5/01/08)”), which is adopted and incorporated into this rule chapter by reference and which is available on our website at <http://www.floridahousing.org/Home/Developers/HomeownershipPrograms/HOP> must be sent to the Corporation within fourteen (14) days of the reservation date accompanied by a copy of the construction contract which covers the building of the Unit. If the construction contract provided is for 12 or more Units, the CHDO must provide evidence from a third party that the construction of these Units are in compliance with Labor Standards as enumerated in 24 CFR § 92.354 and 40 U.S.C. 3142-3144, 3146 & 3147 (Davis-Bacon) and all other applicable labor regulations and laws. All costs and fees associated with compliance monitoring for the Davis-Bacon Act and other labor regulations and laws are the responsibility of the CHDO Member.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History—New 6-26-06, Amended 10-14-07, Amended _____.

67-57.080 HOME Regulations

No changes.

Specific Authority 420.507(12), (14) FS. Law Implemented 420.507(23), 420.5088, 420.5089(2) FS. History—New 6-26-06, Amended 10-14-07, Amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Cristal Baer-Penik, Homeownership Programs Senior Analyst, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, (850) 488-4197.

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: David R. Westcott, Deputy Development Officer, Homeownership Programs, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, (850) 488-4197.

DATE PROPOSED RULE DEVELOPMENT APPROVED: December 7, 2007 Corporation Board Meeting

DATE PROPOSED RULE DEVELOPMENT PUBLISHED IN THE FAW: Volume 34, Number 3, Jan 18, 2008

Any person requiring special accommodation at this hearing because of a disability or physical impairment should contact Cristal Baer-Penik at the above address. If you are hearing or speech impaired, please use the Florida Dual Party Relay system, which can be reached at 1-800-955-8770 (Voice) or 1-800-955-9771 (TDD).