



CITY OF FORT MYERS

SHIP LOCAL HOUSING ASSISTANCE PLAN

FISCAL YEARS COVERED

2010/2011, 2011/2012, AND 2012/2013

Adoption Date: April 19, 2010

TABLE OF CONTENTS

	<u>PAGE</u>
I. PROGRAM DESCRIPTION	3
II. LHAP HOUSING STRATEGIES	6
III. LHAP INCENTIVE STRATEGIES	19
IV. EXHIBITS	22
A. ADMINISTRATIVE BUDGET	
B. TIME LINES	
C. HOUSING DELIVERY GOALS CHART	
D. CERTIFICATION SHEET	
E. ADOPTING RESOLUTION	
F. PROGRAM INFORMATION SHEET	
G. ORDINANCE (NO CHANGE)	N/A

I. PROGRAM DESCRIPTION:

A. Name of the participating local government and Interlocal if Applicable:

CITY OF FORT MYERS, FLORIDA

Interlocal: Yes _____ No X _____

Name of participating local government(s) in the Interlocal Agreement;

B. Purpose of the program:

Creation of the Plan is for the purpose of meeting the housing needs of the very low, low and moderate income households, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan:

2010/2011

2011/2012

2012/2013

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 Florida Administrative Code.

The SHIP Program does further the housing element of the local government Comprehensive Plan. Cities and Counties must be in compliance with all applicable Statutes, 420.907-9079, F.S. and Rules Chapter 67-37, F.A.C.

E. Local Housing Partnership

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 Plans are intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

- G. **Public Input:**
Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.
- H. **Advertising and Outreach:**
The county or eligible municipality or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.
- I. **Discrimination:**
In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.
- J. **Support Services and Counseling:**
Support services are available from various sources. Available support services may include but are not limited to:
Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling and Transportation
- K. **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 Department or as described above.
The methodology used is:
 Independent Study (copy attached)
 U.S. Treasury Department
 Local HFA Numbers
 The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts
- L. **Income Limits, Rent Limits and Affordability:**
The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (19), (20) and (28), F.S. However it is not the intent to limit an

individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program:

Should a eligible sponsor be used, the city/county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the Welfare Transition Program will be given preference in the selection process.

N. 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 for at least annually for 15 years or the term of assistance which ever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

THE CITY OF FORT MYERS finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. In accordance with Chapter 67-37, Florida Administrative Code, the cost of administering the plan the City utilizes 10% percent of the local housing distribution moneys and program income deposited into the trust fund. 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. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as 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 City of Fort Myers has adopted the above findings in the attached resolution, Exhibit E.

P. PROGRAM ADMINISTRATION:

Administration of the local housing assistance plan is the responsibility of the City of Fort Myers. Should a third party entity or consultant contract for all or part of the administrative or other functions of the program provide in detail the duties, qualification and selection criteria.

Q. Essential Service Personnel

Define in accordance with Rule Chapter 67-37.002(8) F.A.C. and Chapter 67-37.005(8), F.A.C. and Section 420.9075(3)(a) FS.

Essential Service Personnel is considered to be police, fire firefighters, teachers, medical field employees, City, County, and State employees, construction employees, bank employees, retail and wholesale employees, day care employees, social service employees.

LHAP HOUSING STRATEGIES:

NOTE: Include a separate strategy for Disaster Mitigation

NOTE: In the event preference is given to Essential Service Personnel, plan text must so state pursuant to Chapter 67-37.005(8), F.A.C.

NOTE: Strategy titles shall be consistent throughout local government plans. Acceptable strategy titles include but not limited to:

Housing Rehabilitation, Impact Fee Assistance, Purchase Assistance Existing with or without Rehabilitation, Purchase Assistance New Construction, Sweat Equity, Replacement Housing, and Disaster Relief.

A. Purchase Assistance without Rehabilitation

- a. **Summary of the Strategy:** This strategy assists homebuyers by paying a portion of their down payment and closing costs to purchase newly constructed or existing homes within the City of Fort Myers. Homes eligible under this strategy include single family homes, condominiums, townhouses, villas, or Department of Community Affairs (DCA) approved manufactured homes (manufactured homes constructed after 1994). Applicants who have moderate income that does not exceed 120% of the area median income adjusted for family size may receive up to \$25,000 in assistance. Applicants who have low income that does not exceed 80% of the area median income adjusted for family size may receive up to \$30,000. Applicants who have very-low income that does not exceed 50% of the area median income adjusted for family size may receive up to \$35,000 in assistance.

- b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013
- c. Income Categories to be served: All applicants and future owners of units purchased under this strategy must be of very low (not to exceed 50% of median), low (not to exceed 80% of median), or moderate (not to exceed 120% of median), income based on the most current income limits published annually by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC).
- d. Maximum award is noted on the Housing Delivery Goals Charts
- e. Terms, Recapture and Default. The award will be a Deferred Payment Loan (DPL). A lien in the amount of the assistance shall be placed on the property. The SHIP second mortgage shall have a zero percent interest rate and shall be non-amortizing. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the buyer, the full amount of the mortgage is due on demand. If the new buyer is eligible for the SHIP program, the SHIP mortgage may be assumed under current recapture terms and conditions. Funds returned under this strategy will always be program income.
- f. Recipient Selection Criteria: The SHIP Program Administrator shall advertise the availability of Fort Myers Local Housing Assistance Trust Fund monies in a newspaper of general circulation for home purchase assistance before the end of each state fiscal year and at least thirty (30) days before the application period, unless there is a waiting list of qualified home buyers. Applications shall be taken from eligible applicants and staff shall make awards on a first-come, first-ready basis.
- All applicants must not currently be a homeowner at the time of application or have owned a home in Florida within the last three (3) years. A homeowner is defined as an owner of a single family dwelling, a condo unit, a cooperative, a mobile home, or any other multi-unit dwelling such as a duplex, triplex, etc.
 - Applicants must be pre-approved or have a first mortgage loan commitment letter from a lender and a purchase contract/building contract.
- g. Sponsor Selection Criteria, if applicable: N/A
- h. Additional Information: This strategy may use CDBG funds along with funds from private lending institutions. Any units or applicants receiving assistance from SHIP and other federal, state, or local programs shall be required to comply with any requirements specified by other programs in addition to SHIP

program requirements. In the event the SHIP and CDBG programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on the issue, the program with a regulation on the issue shall apply per Florida Administrative Code 67-37.007(12).

B. Rehabilitation

- a. Summary of the Strategy: The SHIP funds will be used to provide rehabilitation of owner-occupied homes in the City (manufactured homes are not allowed under this strategy). Rehabilitation cost is not to exceed \$50,000. The rehabilitation under this strategy will continue to follow green building and energy efficiency standards. The City will follow green building and energy efficiency standards to reduce energy costs (e.g., more efficient heating and cooling systems); and reduce water use (e.g., low-flow faucets and toilets) for the ongoing rehabilitation projects. Additionally, the rehabilitation projects will include improvements to indoor environmental quality (e.g., low-VOC products), and provide other environmental benefits (e.g., materials with recycled content, reflective roofing to reduce heat-island effects, etc). If in the process of rehabilitation of the structure unforeseen circumstances arise that would cause the repairs to exceed the allowable subsidy, then all necessary measures will be taken to remedy the situation to make the project whole. Life Safety and health issues and elderly and/or disable residents will have priority under this strategy.

- The applicant must be current with their taxes and insurance.
- The property must be homesteaded.
- The improvements to be made must bring the condition of the housing unit up to the City's minimum housing standards and any federal housing quality standards as well as meet the quality standards established in 20 CFR Part 982.401. Under no circumstances shall improvements be made to only improve the aesthetics of the home.
- If the repairs to the structure exceed 50% of its assessed value and improvements cannot be made to bring the condition of the housing unit up to the City's minimum housing and any federal housing quality standards as well as meet the quality standards established in 20 CFR Part 982.401, as determined by the Rehabilitation Specialist, the home will be considered for reconstruction. Reconstruction costs are not to exceed \$120,000. A commitment letter will not be submitted to property owner until funds are available to build reconstruction. However, if an emergency exists, the homeowner will be referred to the Emergency Rehabilitation Program until funds are available to reconstruct.

- If the homeowner disputes the above stated evaluation, they can provide a current appraisal at their expense.
 - The value of the property after rehabilitation must not exceed 90% of the median purchase price (existing home) for the Fort Myers-Cape Coral Metropolitan Statistical Area. If the rehabilitated property will exceed 90% of the median purchase price, refer to federal program for possible funding.
 - Rehabilitation Assistance will include reconstruction and demolition. If a home is beyond financial feasibility of \$50,000 to repair, a replacement home may be built not to exceed \$120,000. The replacement will also include cost of demolition and land value.
 - Assistance to homeowners served under this rehabilitation activity of reconstruction will be in the form of a deferred payment loan secured by a lien on the property for twenty (20) years. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before twenty (20) years elapses, the full amount of the mortgage is due without interest.
 - The SHIP Program Administrator shall advertise the availability of funds in a newspaper of general circulation for owner occupied rehabilitation assistance before the end of each state fiscal year and at least thirty (30) days before the application period unless there is a waiting list of qualified home owners. Applications shall be taken from eligible applicants and staff shall make awards on a first-come, first-ready basis unless an issue of health or safety is present, which will warrant first priority. All applicable building codes and inspections shall be met before the final payment is made to the contractor.
- b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013
- c. Income Categories to be served: All applicants/owners of single family housing units rehabilitated under this strategy must be at or below 80% (very low or low income) of the median income based on the most current income limits published by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC).
- d. Maximum award is noted on the Housing Delivery Goals Charts.
- e. Terms, Recapture and Default. The rehabilitation award will be a Deferred Payment Loan (DPL). A lien (second mortgage) in the amount of the assistance

shall be placed on the property. The SHIP second mortgage shall have a zero percent interest rate and shall be non-amortizing. It is forgiven after ten (10) years if the owner has continued to occupy the house as their principal residence. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before ten (10) years elapses, the full amount of the mortgage is due without interest. If the heir is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. If the heir is not eligible for the SHIP Program, the heir will be given five (5) years to pay back the remaining balance of the SHIP Mortgage. Funds returned under this strategy will always be program income unless a foreclosure has occurred.

The reconstruction award will be a Deferred Payment Loan (DPL). A lien in the amount of the assistance shall be placed on the property. The SHIP mortgage shall have a zero percent interest rate and shall be non-amortizing. It is forgiven after twenty (20) years if the owner has continued to occupy the house as their principal residence. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before twenty (20) years elapses, the full amount of the mortgage is due without interest. If the heir is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. Funds returned under this strategy will always be program income unless a foreclosure has occurred.

f. Recipient Selection Criteria: Eligible households will be served on a first-come, first-ready basis, with preference given first to applicants below 80% of median household income unless an issue of health or safety is present, which will warrant first priority. Household will only be granted funds on a one time basis. Staff shall make awards on a first-come, first-ready basis from all applicants meeting the following criteria.

- Recipients must be income eligible.
- The homes must be located in the City limits of Fort Myers.
- The homes must be owner-occupied dwellings.
- Property must be homesteaded.
- Recipients must be current with property taxes and insurance.

g. Sponsor Selection Criteria: N/A

h. Additional Information: This strategy may use CDBG funds along with funds

from private lending institutions. Any units or applicants receiving assistance from SHIP and other federal, state, or local programs shall be required to comply with any requirements specified by other programs in addition to SHIP program requirements. In the event the SHIP and CDBG programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on the issue, the program with a regulation on the issue shall apply per Florida Administrative Code 67-37.007(12).

C. Emergency Repair Rehabilitation

Summary of the Strategy: SHIP funds will be used to provide emergency and substandard home repair. The emergency repair must be assessed by the City's Rehabilitation Specialist and must be determined an unsafe condition for the household. Emergency assistance will be given to in-need clients on a one-time basis in the form of a grant not to exceed \$7,500 for elderly and/or disabled households. The assistance will be a five year no interest deferred payment loan for non-elderly/disabled residents. Life Safety and health issues and elderly and/or disabled residents will have priority under this strategy. Emergencies and substandard home repairs are defined below. If emergency request is not defined on the list below, the Rehabilitation Specialist will approve or deny the request.

- Structural components showing imminent collapse;
 - Inoperable/substandard heating and cooling systems;
 - Inoperable/substandard plumbing/leaks in walls or foundation;
 - Inoperable/substandard toilet or hot water heater;
 - Roof leaks causing electrical hazards, ceiling collapse or structural damage;
 - Inoperable/substandard electrical systems;
 - Collapsed or inoperable/substandard chimney or flue;
 - Inoperable/substandard sewage system, in either well or City metered system
 - Mold
 - Handicap Accessibility
 - Security Devices
-
- The applicant must be current with their taxes and insurance.
 - The property must be homesteaded.
 - The improvements to be made must bring the condition of the housing unit up to the City's minimum housing standards and any federal housing quality standards as well as meet the quality standards established in 20 CFR Part 982.401. Under no circumstances shall

improvements be made to only improve the aesthetics of the home.

- The SHIP Program Administrator shall advertise the availability of funds in a newspaper of general circulation for owner occupied rehabilitation assistance before the end of each state fiscal year and at least thirty (30) days before the application period unless there is a waiting list of qualified home owners. Applications shall be taken from eligible applicants and staff shall make awards on a first-come, first-ready basis unless an issue of health or safety is present, which will warrant first priority. All applicable building codes and inspections shall be met before the final payment is made to the contractor.
- b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013
- c. Income Categories to be served: All applicants/owners of single family housing units rehabilitated under this strategy must be at or below 80% (very low or low income) of the median income based on the most current income limits published by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC).
- d. Maximum award is noted on the Housing Delivery Goals Charts.
- e. Terms, Recapture and Default. The rehabilitation award will be a grant for elderly and disables residents. Assistance to non-elderly/disabled residents will be a Deferred Payment Loan (DPL). A lien in the amount of the assistance shall be placed on the property. The SHIP second mortgage shall have a zero percent interest rate and shall be non-amortizing. It is forgiven after five (5) years if the owner has continued to occupy the house as their principal residence. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before five (5) years elapses, the full amount of the mortgage is due without interest. If the heir is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. If the heir is not eligible for the SHIP Program, the heir will be given two (2) years to pay back the remaining balance of the SHIP Mortgage. Funds returned under this strategy will always be program income unless a foreclosure has occurred.
- f. Recipient Selection Criteria: Eligible households will be served on a first-come, first-ready basis, with preference given elderly or disabled applicants unless an issue of life or safety is present, which will warrant first priority. Household will only be granted funds on a one time basis. Staff shall make awards on a first-come, first-ready basis from all applicants meeting the

following criteria.

- Recipients must be income eligible.
- The homes must be located in the City limits of Fort Myers.
- The homes must be owner-occupied dwellings.
- Property must be homesteaded.
- Recipients must be current with property taxes and insurance.

g. Sponsor Selection Criteria: N/A

h. Additional Information: This strategy may use CDBG funds along with funds from private lending institutions. Any units or applicants receiving assistance from SHIP and other federal, state, or local programs shall be required to comply with any requirements specified by other programs in addition to SHIP program requirements. In the event the SHIP and CDBG programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on the issue, the program with a regulation on the issue shall apply per Florida Administrative Code 67-37.007(12).

D. Rehabilitation for Elderly and/or Disabled Households

a. Summary of the Strategy: The City will make SHIP funds available to IRS approved non-profit organizations for the rehabilitation of homes located within the City limits of Fort Myers. Funds granted under this strategy will be given from Program Income. The SHIP funds will be used to provide rehabilitation of owner occupied homes for the elderly and disabled. The SHIP share of the rehabilitation cost is not to exceed \$40,000. If the repairs to the home are estimated to exceed \$40,000, applicant may be referred to the Reconstruction portion of the Home Rehabilitation Assistance Strategy.

b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013

c. Income Categories to be served: All applicants/owners of single family housing units rehabilitated under this strategy must be at or below 80% (very low or low income) of the median income based on the most current income limits published annually by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance corporation (FHFC). Eligible households will be served on a first-come, first-ready basis, unless an issue of health or safety is present, which will warrant first priority. Household will only be loaned funds on a one time basis.

- d. Maximum award is noted on the Housing Delivery Goals Charts.
- e. Terms, Recapture and Default. The rehabilitation award will be a Deferred Payment Loan (DPL). A lien in the amount of the assistance shall be placed on the property. The SHIP second mortgage shall have a zero percent interest rate and shall be non-amortizing. It is forgiven after ten (10) years if the owner has continued to occupy the house as their principal residence. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before ten (10) years elapses, the full amount of the mortgage is due without interest. If the new owner is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. If the heir is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. If the heir is not eligible for the SHIP Program, the heir will be given five (5) years to pay back the remaining balance of the SHIP Mortgage. Funds returned under this strategy will always be program income unless a foreclosure has occurred.
- f. Recipient Selection Criteria: After the award to the chosen non-profit organization the SHIP Program Administrator shall advertise the availability of funds for the rehabilitation of homes under this strategy for eligible applicants unless there is a waiting list of qualified home owners.
- Applicants must be income eligible.
 - At least one of the applicants must be 62 years of age and/or disabled.
 - Home must be located in the City limits of Fort Myers.
 - Homes must be owner-occupied dwellings.
 - Property must be homesteaded.
 - Recipients of this strategy must be current with their taxes and insurance.
- g. Sponsor Selection Criteria: The SHIP Program Administrator shall advertise the availability of Strategy C in a newspaper of general circulation at least 30 days prior to the beginning of application period. Sponsors will be selected according to their qualifications determined by mission, experience, financial stability, and overall ability to meet SHIP requirements. All non-profit corporations must meet the following eligibility requirements.
- Successful rehabilitation of single family homes in Lee County neighborhoods within the past year and have completed rehabilitation of structure within a six month time frame.

- Non-profit must have other funds to leverage with SHIP Funds.
 - Non-profit organizations that engage in an outreach program intended to assist households targeted by the Local Housing Assistance Plan.
- h. Additional Information: This strategy may use CDBG funds along with funds from private lending institutions. Any units or applicants receiving assistance from SHIP and other federal, state, or local programs shall be required to comply with any requirements specified by other programs in addition to SHIP program requirements. In the event the SHIP and CDBG programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on the issue, the program with a regulation on the issue shall apply per Florida Administrative Code 67-37.007(12).
- The improvements to be made must bring the condition of the housing unit up to the City’s minimum housing standard in all applicable housing codes and any federal housing quality standard as well as meet the quality standards established in 20 CFR Part 982.401. Under no circumstances shall improvements be made to only improve the aesthetics of the home.
 - The value of the property after rehabilitation must not exceed 90% of the median purchase price (existing home) for the Fort Myers-Cape Coral Metropolitan Statistical Area.

E. Rental Housing Rehabilitation

- a. Summary of the Strategy: This strategy will be used to provide assistance, for preservation and rehabilitation of decent, safe, sanitary and affordable multi-family housing in Fort Myers. Funding will be used in partnership with other available sources. Preference is given to projects that prioritize elderly and disabled residents with incomes at or below 80% area median income.
- b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013
- c. Income Categories to be served: Income categories for very-low, low and will be served, with preference given to properties that provide the highest percentage of units for very-low and low income households per the Area Median Income limits as published by HUD and distributed by Florida Housing Finance Corporation on an annual basis.
- d. Maximum award is noted on the Housing Delivery Goals Charts.

Approved rehabilitation projects will be eligible for up to a maximum of \$15,000.00 per unit with a 100% match from the applicant.

e. Terms, Recapture, and Default: Assistance to Applicants under this strategy will be in the form of a fifteen (15) year 3% interest loan. The loan will be due at the 15th year. At least 50% of the residents must meet the very-low income qualifications. Should the developer default on the terms of the agreement, or fail to meet SHIP Program requirements, the applicant will be required to repay the City of Fort Myers for the period remaining on the fifteen (15) year low-interest loan. If at any time during the lien period, the property is sold or transferred by the owner, one hundred (100%) percent of the loan will be recaptured, unless the property is sold or transferred to an eligible organization approved by the City of Fort Myers. SHIP assisted rental housing offered for sale prior to the end of the twenty (20) year affordability period, or that have remaining mortgages funded under this program, must give a first right of refusal to eligible non-profit organizations for purchase at the current market value for continue occupancy by eligible residents as per F.S. 420.9075(4)(f). Recipients of this strategy must comply with the affordability and resale provisions of Chapter 67-37.007(10) and (12), F.A.C. and the rental monitoring provisions of Chapter 67-37.015(3), F.A.C. Funds returned under this strategy will always be program income unless a foreclosure has occurred.

f. Recipient Selection Criteria:

- Multifamily complexes must be located in the City of Fort Myers.
- Multifamily complexes must not exceed ten (10) units.
- Eligible households must not exceed 80% of the area median income.
- Preference will be given to applications that provide the highest percentage of units for very-low and low income households as defined by the Area Median Income limits as published by HUD annually.
- The end user/applicant to occupy the unit will be selected on a first come, first-ready, first-served basis.
- Applicants wishing to receive assistance will be evaluated competitively by the Community Development Department Affordable Housing Committee on the following criteria:

1. Financial strength of the agency.
2. The ability of the developer to complete the development within the established timelines.
3. The capacity of the developer.
4. The affordability of the rental units.
5. Neighborhood and zoning compatibility of the development.
6. Number of units produced per SHIP dollar spent.
7. Leveraging of SHIP funds with other sources.
8. Demonstrate access to community resources and supplemental services.

- g. Sponsor Selection Criteria:
SHIP funds will be used as part of the local contribution when participating in programs to repair/rehabilitate multifamily housing. Applications from Developers/Owners will be awarded competitively using criteria including, but not limited to:
- i. Criteria listed in: (f) Recipient Selection Criteria above.
 - ii. Complete list of complex units and household income levels.
 - iii. List of detailed repairs by unit, including, but not limited to, the cost of repairs, and the timeline for completing the detailed repairs.
 - iv. The ability of the Developer/Owner to complete the repairs set forth in the agreement within a reasonable time frame as agreed to by the City
 - v. The extent to which the rehabilitation project has on the effect of the preservation of decent, safe, sanitary and affordable housing in the City of Fort Myers.
 - vi. Applications that demonstrate the capacity for property management, and provide, or have contracted to provide appropriate supportive services to residents of their housing project may be given preference over those who have not.
 - vii. Applications that demonstrate that the Developer/Owner employs personnel from the Welfare Transition Program may be given preference over those who do not.
 - viii. Developers/Owners must annually monitor tenant eligibility for at least twenty (20) years. The monitoring must be reported to the City of Fort Myers Housing and Real Estate Division annually.
- h. Additional Information: Rehabilitation is defined as the repairs or improvements which are needed for safe or sanitary habitation, correction of substantial code violations, or the addition of handicapped accessibility features. The Housing and Real Estate Division will be responsible for reviewing the applications, assuring compliance with local and State regulations and making recommendations to the City Council for their approval. Final review and recommendation of the applications will be done by the Community Development Department Citizen's Advisory Committee. The Recipient of the funds will be required to submit monthly reports to the Housing Office which report the budgeted cost of repairs, actual cost of repairs, the original timeline for completion, the actual timeline for completion, and reason for any deviation. Failure to remit any required reports by the required deadline will be deemed to indicate that the project is in default and may invoke the recapture provisions held within the contract. The Developer/Owner will choose the contractor to do the necessary work. The SHIP funds used from the multi-family rental housing rehabilitation program must be leveraged by other public and/or private sources with a 100% match.

F. Disaster Mitigation/Recovery Assistance

- a. Summary of the Strategy: The SHIP funds will be used to offset rehabilitation costs to qualified homeowners following a natural disaster as declared by the President of the United States, Governor of the State of Florida, by Executive Order, by the Lee County Board of Commissioners, or by the City of Fort Myers City Council. The funds will be used to pay up to \$15,000 for rehabilitation not covered by homeowners' insurance or toward homeowner's deductible. Units assisted must be within the City limits of Fort Myers.
- The funding for this strategy will come from unencumbered funds of other SHIP strategies. The City will fund this strategy only when there is an actual disaster or/and Lee County is declared a state/federal disaster area. These funds will be disbursed to a qualified contractor who will complete the rehabilitation under a contractual agreement between the Contractor and the homeowner.
 - The City will notify the Florida Housing Finance Corporation (FHFC) within thirty (30) days of the date of the disaster declaration by submitting revised housing delivery goals chart indicating the amount of funds transferred to this strategy.
 - The improvements to be made must bring the condition of the housing unit up to the City's minimum standards in all applicable housing codes and any federal housing quality standards. Repairs can be made to the interior or exterior of the home. Under no circumstances shall improvements be made to only improve the aesthetics of the home.
- b. Fiscal Years Covered: 2010/2011, 2011/2012, and 2012/2013
- c. Income Categories to be served: This strategy will assist families at or below 120% of median income based on the most current income limits published by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC).
- d. Maximum award is noted on the Housing Delivery Goals Charts.
- e. Terms, Recapture and Default. The rehabilitation award will be a Deferred Payment Loan (DPL). A lien in the amount of the assistance shall be placed on the property as a second mortgage. The SHIP second mortgage shall have a zero percent interest rate and shall be non-amortizing. It is forgiven after ten (10) years if the owner has continued to occupy the house as their principal

residence. The home must remain the owner's principal residence. If the property is transferred, sold, rented, refinanced for other than a lower interest rate, or no longer houses the owner before ten (10) years elapses, the full amount of the mortgage is due without interest. If the heir is eligible for the SHIP Program, the SHIP mortgage may be assumed so long as all other SHIP requirements are met. If the heir is not eligible for the SHIP Program, the heir will be given five (5) years to pay back the remaining balance of the SHIP Mortgage. Funds returned under this strategy will always be program income unless a foreclosure has occurred.

- f. Recipient Selection Criteria: Applicants will be selected on a first-come, first-ready basis to homeowners with damage. Damaged homes must be owner occupied dwellings.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: SHIP funds may be leveraged with other federal and/or state emergency program funds.

III. LHAP AFFORDABLE HOUSING INCENTIVE STRATEGIES

In addition to Strategy A, Strategy B, Strategy C, and Strategy D, listed below, list all incentives as provided in 420.9076(4) FS.

A. **Expedited Permitting**

Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

Established policy and procedures: The City expedites all affordable housing permits by prioritizing permit plan review and/or any applications for variance, conditional use, planned unit development, plat approval, or rezoning first in review. Additionally, affordable housing permits are flagged in yellow. Developers are also required to attend a Pre-Application meeting with the Housing and Real Estate Division and other participating City Departments. The purpose of the pre-application meeting is to discuss the potential project, and all the requirements for compliance by the developer. In addition, Building, Permitting, and Inspections (BPI) staff act as Project Managers and follow the expedited permitting process for affordable housing projects through to completion.

B. **Ongoing Review Process**

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

Established policy and procedures: SHIP strategies will be reviewed at least twice a year (December and June) to evaluate the effectiveness and adjust or

amend the strategies as needed. Additionally, the City policy on affordable housing is addressed in the Comprehensive Plan's Housing Element and the Consolidated Plan, and conducts annual monitoring of sub-recipients. The Housing Element of the comprehensive Plan provides for the review of all development, codes, regulations, policy and ordinances. The City's Community Development Department has an Affordable Housing Committee which addresses issues of affordable housing on a regular basis. Additionally, the Housing and Development Principal Planner will review agendas of the City Council, Planning Board, Board of Adjustments, Code Enforcement, and other board/committee meetings to check for items that may affect the cost of housing and attend meeting to speak to items that may affect affordable housing.

C. **Modification of Impact Fees**

The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Established policy and procedures: Water and sewer impact fees are waived in the Lee County/Fort Myers Enterprise Zone. All Impact Fees are waived throughout the City until September 2011. Additionally, the County is permitting the City to request School Impact Fee Waiver reimbursements for Affordable Housing Program recipients. Before the City-Wide Impact fee waiver expires, the City will review the option of waiving impact fees throughout the City for affordable housing projects.

D. **Flexible Lot Configurations**

The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Established policy and procedures: Lot configurations are reviewed at the required pre-application meetings. The Community Development Department will encourage and allow the use of zero lot line, z-lot/angled lot, and other lot configurations when applicable.

E. **Public Land Inventory**

The preparation of a printed inventory of locally owned public land suitable for affordable housing.

Established policy and procedures: The City of Fort Myers Housing and Real Estate Division currently holds the Land Bank Inventory of vacant lots and structures throughout the City. Annually, Real Estate staff identifies City lots that are suitable for affordable housing. The Administration Section 2-38 of the City of Fort Myers Land Development code regulates the sell and purchase of City property. In addition, State Statue 166.0451 requires the City to keep an inventory of vacant lots that are approved for affordable residential development. The list is approved by City Council with an ordinance and is

submitted to the State. The list is updated every three years.

F. **Energy Conservation and Green Building**

Energy Conservation and Green Building provides a healthier environment for life on our planet.

Established policy and procedures: The City was awarded \$200,986 from the American Recovery and Reinvestment Act (CDBG-R) in February 2009. The City is currently using the CDBG-R funds to add energy conservation materials and incorporate energy saving and green building techniques into the homeowner rehabilitation program. The City expects to spend an additional \$15,000 per residential unit (with an expected average of \$10,000/unit) to reduce energy costs (e.g., more efficient heating and cooling systems); and reduce water use (e.g., low-flow faucets and toilets) for the ongoing rehabilitation projects. Additionally, the project will include improvements to indoor environmental quality (e.g., low-VOC products), and provide other environmental benefits (e.g., materials with recycled content, reflective roofing to reduce heat-island effects, etc). The City will also provide green building workshops and energy auditing to program recipients. Additionally, as local, state, and/or federal funding becomes available, the City will continue to fund this activity.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.
- B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005(6)(d) and (f) F.A.C.*
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B.
Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the Plan:
Completed HDGC for each fiscal year is attached as Exhibit C.
- D. Certification Page:
Signed Certification is attached as Exhibit D.
- E. Adopting Resolution:
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.
- F. Program Information Sheet:
Completed program information sheet is attached as Exhibit F.
- G. Ordinance:
If changed from the original ordinance, a copy is attached as Exhibit G.

NOT CHANGED

- H. Interlocal Agreement:
A copy of the Interlocal Agreement if applicable is attached as Exhibit H.

NO INTERLOCAL AGREEMENT