

NAME OF LOCAL GOVERNMENT

CITY OF HIALEAH

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

FISCAL YEARS COVERED

2010, 2011, 2012

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I. **PROGRAM DESCRIPTION:**

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

CITY OF HIALEAH

Inter local : Yes _____ No X

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

A copy of the Inter local Agreement is attached as Exhibit H.

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:

<u>X</u>	2010/2011
<u>X</u>	2011/2012
<u>X</u>	2012/2013

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37 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 these applicable statutes and rules.**

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 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 an 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 employ 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.

O. 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.

City of Hialeah finds that:

“The moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. The cost of administering the plan may not exceed 5 percent of the local housing distribution moneys and program income deposited into the trust fund.

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% 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 applicable local jurisdiction has adopted the above findings in the attached resolution, Exhibit E.

P. PROGRAM ADMINISTRATION:

The City of Hialeah administers the local housing assistance plan.

Q. Essential Service Personnel: Counties and eligible municipalities are required to include a definition of Essential Services Personnel as noted in Rule Chapter 67-37.002(8) F.A.C., Chapter 67-37.005(10), F.A.C. and Section 420.9075(3), F.S.

Essential service personnel are defined as City of Hialeah sworn fire personnel, sworn police officers and state certified teachers.

R. Section 420.9075(3)(d), F.S.: Requires counties and eligible municipalities to describe initiatives in

their local housing assistance plans that encourage or require innovative design, green building principles, storm resistant construction or other elements that reduce long term costs relating to maintenance, utilities or insurance. Provide a brief description as required: The City of Hialeah is implementing the following: Providing energy efficient appliances, installing tankless water heaters, plumbing fixtures that are energy efficient and w3ater saver, programmable thermostat when installing a new high efficient A/C Unit, windows and doors to be energy efficient.

Section II. LHAP HOUSING STRATEGIES:

NOTES:

- Include a separate strategy for Disaster Mitigation
- In the event preference is given to Essential Service Personnel, plan text must so state pursuant to Chapter 67-37.005, F.A.C.
- Strategy titles shall be consistent throughout local government plans. These titles must be used consistently throughout plan text and the Housing Delivery Goals Charts. Acceptable strategy titles include but are 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.
- Plan text must include initiatives in the local housing assistance plan identifying current and emerging green building and design techniques and explain how these techniques are to be integrated into its housing strategies both for sustainability and promote greater affordability as required in Section 420.9075(3)(d), F.S.
- Plan text shall develop and include in the Local Housing Assistance Plan assistance to those having special housing needs as noted in Section 420.9075(1)(a), F.S.

Provide Description:

- A. Name of the Strategy: **Rehabilitation**
- a. Summary of the Strategy: Rehabilitation of single family, owner occupied housing.
 - b. Fiscal Years Covered: 2010, 2011, and 2012
 - c. Income Categories to be served: very low, low and moderate income.
 - d. Maximum award is noted on the Housing Delivery Goals Charts:
 - e. Terms of the award; Recapture and Default. Terms of Payment, Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).At time of default the amount owed is the balance due at that time.
Ten year deferred payment loan reduced ten percent per year at zero percent interest rate. Balance due if property is sold, or rented or the property fails to be the primary residence during the ten-year term. Loan is forgiven after the term of the loan.
 - f. Recipient Selection Criteria: Applicants will be selected from a waiting list on a first come, first ready basis. Priority will be given to very low and low income persons, persons with special needs as defined in Rule Chapter 67-37.002 (11) FAC and persons who have emergency repairs such as hazardous plumbing, electrical, roofing or structural damage.

- g. Sponsor Selection Criteria and duties, if applicable: No sponsors will be used under this strategy.
- h. Additional Information: Mobile homes and trailers are not eligible for assistance under this strategy.

B. Name of the Strategy: **Reconstruction/Demolition**

- a. Summary of the Strategy: Properties that are deemed beyond repair will be demolished and a new home built on the existing site.
- b. Fiscal Years Covered: 2010, 2011, and 2012
- c. Income Categories to be served: very low, low and moderate income.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
- e. Terms, Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership). At time of default the amount owed is the balance due at that time. Twenty year deferred payment loan, at zero percent interest rate, due if the property is sold or rented or fails to be the primary residence during the twenty year term. Loan is reduced 10% per year until balance is 0.
- f. Recipient Selection Criteria: Applicants will be selected from a waiting list on a first come, first ready basis. Priority will be given to very low and low-income persons, and persons with special needs as defined in Rule Chapter 67-37.002 (11) FAC.
- g. Sponsor Selection Criteria and duties, if applicable: No sponsors will be used under this strategy.
- h. Additional Information: Mobile homes and trailers are not eligible for assistance under this strategy.

C. Name of the Strategy: **Purchase Assistance**

- a. Summary of the Strategy: Down payment, closing cost and repair assistance for new and existing housing to a first time homebuyer. A first time homebuyer is defined as someone who has not owned a home in the last three years.
- b. Fiscal Years Covered: 2010, 2011, and 2012.
- c. Income Categories to be served: very low, low and moderate income.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
- e. Terms of the award; Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership) Twenty year deferred payment loan, at zero percent interest rate, due if the property is sold or rented or fails to be the primary residence during the twenty-year term.
- f. Recipient Selection Criteria: Applicants will be processed on a first come, first ready basis, from a waiting list and/or and from participating lender referrals. Priority will be given to very low and low-income persons.
- g. Sponsor Selection Criteria and duties, if applicable: No sponsors will be used under this strategy.

- h. Additional Information: Mobile homes and trailers are not eligible for purchase under this strategy.

D. Name of the Strategy: **Disaster Mitigation Strategy**

- a. Summary of the Strategy: The Disaster Strategy provides assistance to households following a natural disaster as declared by the President of the United States or Governor of the State of Florida. This strategy will only be implemented in the event of a natural disaster using any funds that have not yet been encumbered or additional disaster funds issued by Florida Housing Finance Corporation. Funds will be used to fund emergency storm related repairs including but not limited to: purchase emergency supplies, weatherproof homes, repairs to avoid further damage, repairs to make the housing unit habitable and post disaster assistance with noninsured repairs and rehabilitation.
- b. Fiscal Years Covered: 2010, 2011 and 2012.
- c. Income Categories to be served: very low, low and moderate income.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
- e. Terms, Recapture and Default. A two-year deferred payment loan, at zero percent interest rate, due if the property is sold or rented or fails to be the primary residence during the two-year term. Loan is reduced 50% per year until balance is 0.
- f. Recipient Selection Criteria: Applicants will be processed on a first come, first ready basis. Priority will be given to very low and low-income persons.
- g. Sponsor Selection Criteria: No sponsors will be used under this strategy.
- h. Additional Information: Mobile homes and trailers are not eligible for assistance under this strategy.

III. LHAP INCENTIVE STRATEGIES

In addition to Strategy A and Strategy B, include all adopted incentives with the policies and procedures used daily for implementation as provided in Section 420.9076, F.S.:

A. Name of the Strategy: 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.

a. Established policy and procedures: Provide Description: *Appointment of an affordable housing expediter*. The City provides a form, with a priority number assigned, to identify and certify the affordable housing status of an application for a development order. In order to certify the application as involving affordable housing, a representative from the Dept. of Grants and Human Services will initially review the project to determine whether it meets affordability criteria and contact the Planning and Development Department. The same representative will act as an affordable housing expediter charged with the responsibility of ensuring a consistent, expedited review of the project. In addition, the same staff person will act as an advocate and access person for developers of affordable housing projects if they encounter unexplained delays or problems.

• *Permitting process*. Pre-application site inspection for renovation. Planning and Development Department shall conduct pre-application site inspections for applications for building permit for renovations, including interior changes, roof and façade alterations but excluding renovations involving structural repairs.

Pre-application meeting with respect to multi-family development. The affordable housing expediter and plans examiner will meet with the developer prior to submitting an application for a building permit on multi-family projects in order to discuss any anticipated problems or delays and to assist in coordinating a schedule of inspections, if the need should arise. This incentive is functioning as intended.

B. Name of the Strategy: 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.

a. Established policy and procedures: On applications for development orders, proposed policies, procedures, ordinances regulations, or plan provisions that increase the cost of housing that are reviewed by the Growth Management Advisory Committee (GMAC), written comments will be solicited and received from the Dept. of Grants and Human Services regarding the impact on affordable housing with respect to the application under review and consideration. The Dept. of Grants and Humans Services will in return submit its impact statement to the committee for consideration. This incentive is functioning as intended.

Incentive 3. Impact Fee Exemptions.

- Exemption from payment of Park, Recreation and Open Space Impact Fees for affordable housing properties developed and owned by the City of Hialeah. See HIALEAH, FLA., CODE § 32-230(5). Notice is provided to the Planning and Development Department stating that the Dept. of Grants and Human Services deems the project eligible for exemption. This incentive is functioning as intended.

Incentive 4. Expansion of Expedited Administrative Variance Procedure.

- The Administrative Variance Committee has the authority to review limited nonuse variances which have no relation to change of use of property and which relating only to matters concerning setback requirements, landscaping requirements, sign regulations, floor area requirements, yard requirements, lot coverage, parking space requirements, height, width and length limitations for structures of buildings and spacing requirements between principal and accessory buildings. The review of the Administrative Variance Committee is limited to variance requests on already developed individual lots except that the Committee may review requested variances of undeveloped individual lots intended for development of affordable housing: See HIALEAH, FLA., CODE § 32-5.5(c). This incentive is functioning as intended.

Incentive 5. Revision of Parking Requirements for Downtown Development.

- Required off-street parking areas are generally required to be located on the same lot, parcel or premises as the use to be served. However, in Commercial-Residential (CR) zoning districts, the maximum distance limitation for off-street parking was extended to a 600-foot radius of the main entrance of the mixed commercial-residential use served. In Central Business District (CBD) zoning districts, the maximum distance limitation was extended to a 900-foot of the main entrance of the mixed commercial-residential use served. This incentive is functioning as intended.

Incentive 6. Expanded Criteria for Granting Adjustments, Variances and Special Use Permits.

- Expanded criteria for granting adjustments, variances and special use permits. Zoning variances, adjustments and special use permits are judged by the same criteria that includes a determination based on whether the development is in harmony with the general purpose and intent of the zoning code and the Hialeah, Fla., Land Development Code and consistent with the Hialeah, Fla., Comprehensive Plan;

and whether the development will provide substantial justice, not be contrary to the public interest and not adversely affect the use and development of neighboring properties. This incentive is functioning as intended.

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, F.A.C.*

A separate timeline for each fiscal year covered in this plan is attached as **Exhibit B.**

Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.

C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year

Covered in the Plan: *Chapter 67-37.005, F.A.C.*

Completed HDGC for each fiscal year is attached as **Exhibit C.**

D. Certification Page: *Chapter 67-37.005, F.A.C.*

Signed Certification is attached as **Exhibit D.**

E. Adopting Resolution: *Section 420.9072, F.S.*

Original signed, dated, witnessed or attested adopting resolution is attached as **Exhibit E.**

F. Program Information Sheet:

Completed program information sheet is attached as **Exhibit F.**

G. Ordinance: *Section 420.907, F.S.*

If changed from the original ordinance, a copy is attached as **Exhibit G.**

H. Interlocal Agreement: *Section 420.9072, F.S.*

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