

Clay County

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2010 - 2011

2011 – 2012

2012 - 2013

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I. PROGRAM DESCRIPTION:

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

Clay County Board of County Commissioners

Interlocal : Yes _____ No X

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

_____N/A_____

A copy of the Interlocal 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:

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 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: Rehabilitation Education, 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.

Clay County Board of County Commissioners 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 Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, 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 Clay County Board of County Commissioners 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 Clay County SHIP Coordinator.

- Q. **Essential Service Personnel:** Essential Service Personnel means any person in need of affordable housing who is a permanent employee (excluding temporary and on call employees) of a company or organization located within Clay County; including but not limited to teachers and educators,

police and fire personnel, health care personnel, and skilled building trades personnel.

R. Section 420.9075(3)(d), F.S.:

S. Clay County has an ordinance which encourages the addition of an Accessory Dwelling Unit (ADU) to promote and encourage workforce housing.

T. Clay County requires any appliances being installed under our Housing Rehabilitation be Energy Star and all insulation be R-30 under both the Housing Rehabilitation and Purchase Assistance Strategies.

Section II. LHAP HOUSING STRATEGIES:

Provide Description:

A. Name of the Strategy: Housing Rehabilitation

a. Summary of the Strategy: SHIP funds will be used for qualified applicants whose homes are in need of repair. Repairs may include but are not limited to roofs, electrical, plumbing, heating/air, handicap modifications, health/sanitary problems, safety/code violations, and/or interior/exterior damage or deterioration to the structure.

b. Fiscal Years Covered: 2010 – 2011; 2011 – 2012; 2012 - 2013

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

d. Maximum award is noted on the Housing Delivery Goals Charts: \$40,000

e. Terms of the award; Recapture and Default. These funds will be expended as either a grant or a deferred payment loan. Loans will be a due on sale loan with no interest due. As long as the recipient continues to own the assisted property and live in the property as their principal residence during the term of the mortgage, then the loan will not have to be repaid. Assistance provided by loan will be included in a recorded mortgage and will be subject to the above recapture provisions. Default of the loan occurs if the Mortgagor no longer resides in the home as the principal residence, or if any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the Mortgagor is divested of title by judicial sale, levy, or other proceeding, or if foreclosure action is instituted against the property, or if the property is leased or rented. A subordination of this deferred payment loan will only be approved under the guidelines of the Subordination Policy established by the County's SHIP Program (referenced copy is attached).

Grants will be made to elderly applicants (aged 62 or older) and/or recipients with a disability. An individual with a disability is defined by the ADA as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is regarded as having such an impairment.

f. Recipient Selection Criteria:

- The applicant has resided in the home continuously for a minimum of one year prior to applying for assistance;
- The applicant has completed all required SHIP educational classes;
- The applicant(s) mortgage payment is not more than 30 days delinquent;
- The applicant(s) property taxes are not delinquent;
- The applicant may not be delinquent on any debt owed to Clay County;
- The applicant(s) must provide proof of filing Federal Income Tax return for the previous year or provide proof of exemption;
- The applicant has been discharged from any bankruptcy filed;
- The applicant has not received SHIP rehabilitation assistance during the previous five (5) funding years;
- The appraised value of the home may not exceed the maximum sales price allowed in the Clay County SHIP Program;
- The applicant may not have assets (excluding retirement or IRA accounts) exceeding \$40,000 in value. Note: Applicant(s) who are classified as either elderly or disabled are exempt;
- The applicant(s) may not have any unresolved property code violations/citations, excluding principal residence, issued either by the county or by any city/town, if the property is located within an incorporated area other than the item being addressed by SHIP;
- Any applicant who is delinquent on child support or alimony payments, in violation of any valid court order or judgment, will be denied SHIP assistance.

The applications will be processed and approved on a first qualified, first served basis until all funds are exhausted. First qualified, first served means applicants will enter the pipeline to receive services based on the completion of an application and certification by the SHIP Coordinator.

Clay County Purchasing Policy will be used to determine the bid process to be used dependent upon the dollar amount of rehabilitation work required on each project.

g. Sponsor Selection Criteria and duties, if applicable: The following criteria will be used to select the best-qualified licensed contractor to perform work under this strategy:

- Must be registered with the Clay County Building Department and have the ability to obtain permits in Clay County;
- Submit the lowest responsible bid;
- Comply will all SHIP Program guidelines by contract;

Preference will be given to organizations that have Welfare Transition Program or any other welfare to work programs.

h. Additional Information: There is a maximum lifetime assistance award of \$50,000 for each recipient of Housing Rehabilitation funds.

B. Name of the Strategy: Purchase Assistance

a. Summary of the Strategy: Funds will be used for qualified persons in need of down payment and/or closing cost assistance to purchase a new or existing home. Up to \$10,000

per applicant will be allowed depending on income classification. Maximum amount per income classification will be: 1) very low income up to \$10,000 2) low income up to \$7,500, and 3) moderate income up to \$5,000. Each applicant must contribute a minimum of five hundred dollars (\$500.00) or 1% of the purchase price, whichever is higher, toward the purchase of the home. Applicants who are aged sixty-two (62) or older or who have a disability are only required to contribute a maximum of five hundred dollars (\$500.00). Grants will be made to elderly applicants (aged 62 or older) and/or recipients with a disability. An individual with a disability is defined by the ADA as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment. The applicant's contribution must be applied to either down payment or closing costs.

- b. Fiscal Years Covered: 2010 – 2011; 2011 – 2012; 2012 - 2013
- c. Income Categories to be served: This strategy is for applicants whose income is classified as very low, low or moderate. Applicant classified as very low may be given preference over applicants who are classified as low or moderate. Applicants who are classified as low may be given preference over those classified as moderate.
- d. Maximum award is noted on the Housing Delivery Goals Charts: \$10,000
- e. Terms of the award; Recapture and Default. These funds will be expended as either a grant or a deferred payment loan.

Loans will be a due on sale loan with no interest due. As long as the recipient continues to own the assisted property and live in the property as their principal residence during the term of the mortgage, then the loan will not have to be repaid. Assistance provided by loan will be included in a recorded mortgage and will be subject to the above recapture provisions. Default of the loan occurs if the Mortgagor no longer resides in the home as the principal residence, or if any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the Mortgagor is divested of title by judicial sale, levy, or other proceeding, or if foreclosure action is instituted against the property, or if the property is leased or rented. A subordination of this deferred payment loan will only be approved under the guidelines of the Subordination Policy established by the County's SHIP Program (referenced copy is attached).

Grants will be made to elderly applicants (aged 62 or older) and/or recipients with a disability. An individual with a disability is defined by the ADA as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is regarded as having such an impairment.

- f. Recipient Selection Criteria:
 - The applicant must be a first time homeowner. A first time homeowner is defined as never having owned a home, or have not owned a home within one year of the date of the closing, or has owned/currently owns a mobile

home within the year prior to closing;

- The applicant has been approved for a first mortgage with an approved lender;
- The home to be purchased must be located within Clay County;
- The applicant(s) must have completed all required SHIP first time home buyer educational classes;
- The total purchase price may not exceed the lender's maximum loan approval;
- No seller held financing or individual held mortgages;
- Any applicant who is delinquent on child support or alimony payments, in violation of any valid court order or judgment, will be denied SHIP assistance.
- The applicant may not be delinquent on any debt owed to Clay County;
- The applicant(s) must provide proof of filing Federal Income Taxes return for the previous year or provide proof of exemption;
- The applicant has been discharged from any bankruptcy filed;

g. Sponsor Selection Criteria and duties, if applicable: N/A

h. Additional Information:

Existing homes must have rehabilitation work, as defined by 67-37.002 (12), Florida Administrative Code within one (1) year immediately preceding the date of conveyance of title or within twenty-four (24) months of the close of the applicable state fiscal year to satisfy this requirement. The Housing Rehabilitation Strategy may be used in conjunction with this strategy to meet the rehabilitation requirement. Only applicants who are classified as either very low or low will qualify for assistance using the Housing Rehabilitation strategy. New or existing homes cannot exceed two hundred forty seven thousand, five hundred dollars (\$247,500) in total cost.

C. Name: Disaster Mitigation

a. Summary of the Strategy: Funds may be used in this strategy to provide emergency repairs to households following a natural disaster as declared by Executive Order. Funds may be used for such items as, but not limited to, purchase of emergency supplies for eligible households to weatherproof damaged homes; interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable; construction of wells or repair of existing wells where public water is not available; post disaster assistance with non insured repairs and soft costs required to process assistance applications, This strategy will only be implemented in the event of a natural disaster using any funds that have not yet been encumbered. Funds will not be allocated to this strategy except in the case of a federal or state disaster.

b. Fiscal Years Covered: 2010 – 2011; 2011 – 2012; 2012 - 2013

c. Income Categories to be served: This strategy is limited to those applicants whose incomes are classified as very low or low. Those applicants who have incomes classified as very low may be given preference over those applicants whose income is classified as low.

d. Maximum award is noted on the Housing Delivery Goals Charts: \$25,000

e. Terms, Recapture and Default. . These funds will be expended as either grants or loans. Loans will be a due on sale loan with no interest due. In the event of a default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership), the loan will be due at time of foreclosure. Grants will be made to elderly applicants (aged 62 or older) and/or recipients with a disability. An individual with a disability is defined by the ADA as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment.

f. Recipient Selection Criteria:

- The applicant has completed all required SHIP educational classes. This may be waived if the SHIP Coordinator determines that the needed repair(s) require immediate action;
- The applicant(s) mortgage payment is not more than 30 days delinquent;
- The applicant(s) property taxes are not delinquent;
- The applicant may not be delinquent on any debt owed to Clay County;
- The applicant(s) must provide proof of filing Federal Income Taxes return for the previous year or provide proof of exemption;
- The applicant has been discharged from any bankruptcy filed;
- The applicant has not received SHIP rehabilitation assistance during the previous five (5) funding years;
- The appraised value of the home may not exceed the maximum sales price allowed in the Clay County SHIP Program;
- The applicant may not have assets (excluding IRA or retirement accounts) exceeding \$40,000 in value. Note: Applicant(s) who are classified as either elderly or handicapped are exempt;
- The applicant(s) may not have any unresolved property code violations/citations, excluding principal residence, issued either by the county or by any city/town, if the property is located within an incorporated area;
- Any applicant who is delinquent on child support or alimony payments, in violation of any valid court order or judgment, will be denied SHIP assistance.

The applications will be processed and approved on a first come, first qualified basis until all funds are exhausted.

g. Sponsor Selection Criteria, if applicable:

N/A

h. Additional Information: Funds from this strategy may leverage with other federal or state programs.

i.

The following criteria will be used to select the best-qualified licensed contractor to perform work under this strategy:

- Must be registered and have the ability to obtain permits in Clay County;
- Submit the lowest responsible bid;
- Comply will all SHIP Program guidelines by contract;
- Preference will be given to organizations that have wages to work programs or any other welfare to work programs.

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.

1. Established policy and procedures: By resolution, the Board of County Commissioners has an ordinance, which gives priority to affordable housing. Clay County has never had a backlog in its reviewing process. If the county were to experience a backlog within its reviewing process, affordable housing projects shall receive first review over all other housing projects. The applicant can contact either the Building Director or the SHIP Coordinator if a delay were to occur and the application will be given immediate priority. The Building Department permit clerks, who issue all permits, are aware of this policy and will give those applications first review.

:

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.

Established policy and procedures: This is an ongoing process. Local policies, ordinances, and regulations are reviewed through committee meetings at the time of proposal and prior to adoption.

C. Name of the Strategy: Accessory Dwelling Unit

Addition of an Accessory Dwelling Unit to promote and encourage workforce housing.

1. Established policy and procedures: By resolution, the Board of County Commissioners has an ordinance, which defines an Accessory Dwelling Unit to promote and encourage workforce housing and provides guidance on the application process to the Planning Commission. The policy and procedures are included in the ordinance and is included as an attachment to this plan.

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