

**Putnam County**  
**FY 2005-06, 2006-07, 2007-08**

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**HURRICANE HOUSING RECOVERY (HHR) PROGRAM**  
**HURRICANE HOUSING ASSISTANCE PLAN**

## I. PROGRAM DESCRIPTION

A. Putnam County Hurricane Housing Assistance Plan Allocations:

Base Allocation	\$	789,079
ELI Allocation		157,816
Community Planning Request		105,211
Total Allocation Request	\$	1,052,106

- B. The intent of the Hurricane Housing Recovery program is to encourage more efficient leveraging of funds by fostering the development of partnerships with businesses, lending institutions, and federal and state grant or loan programs. Therefore, the program will be monitored and reassessed by Putnam County to ensure the most efficient practical combination of local resources and HHR funds is provided so that the optimum number of county residents may be assisted under the HHR program.
- C. The allocated funding shall be utilized to support the policies and objectives indicated in the Putnam County Housing Element and in accordance with the Hurricane Housing Recovery Program State Putnam County policies outlined below:
- D. The County encourages economic diversity throughout Putnam County by providing incentives for the construction and rehabilitation of affordable housing, especially low and very-low income housing, where there is a deficiency in affordable housing. The County recognizes market rate housing as an integral component of economically diverse developments.
- E. The County acknowledges the unique position of non-profit entities in their established programs to address the housing needs of very low-income households and special needs populations.
- F. The County shall maximize the impact of available funding by providing for the largest number of units possible without substantially diluting a fund's impact.
- G. The County actively encourages residential projects that leverage federal, state, and/or local financial assistance.
- H. The County encourages housing projects that provide for or contribute to a package of continuing services to assist extremely low, very low-income, low-income persons. These programs may include, but would not be limited to, financial counseling, day care, and transportation.
- I. The County encourages projects that utilize public/private partnerships to produce housing and to provide housing-related programs.
- J. The County supports innovative design concepts for affordable housing, which incorporate cost savings without compromising quality and safety.
- K. The County intends to effectively target financial incentives at those projects and single-family home developments that are most likely to result in the provision of decent, safe, affordable housing.
- L. Neither the County, the Local Housing Partnership nor eligible sponsors, shall in any way discriminate in the provisions of affordable housing on the basis of race, creed, religion, color, age, sex, sexual preference, marital status, familial status, national origin, or handicap.
- M. State Fiscal Years Included: The HHAP include the three fiscal years, FY 2005-06, FY 2006-07 and 2007-08 which are allocated by fiscal year on the Housing Delivery Goals Chart and the Timeline Table. The activities and strategies discussed are allocated by fiscal year. Where a total figure for all three years is desired, triple the annual stated figure. If there is a reduction in state funding for any fiscal year each strategy or activity shall be reduced proportionately to achieve the reduction.

N. Public Input:

1. Putnam County has created an Affordable Housing Advisory Committee (AHAC) by Resolution 93-26. This committee has been retained in its original format and is expanding to include housing partnership representatives. The committee is charged with reviewing policies, procedures, ordinances, land development regulations and the adopted county comprehensive plans with particular regard to affordable housing.
2. The HHAP was discussed and reviewed and recommended by the AHAC to the Putnam County Board of County Commissioners for its adoption by resolution.

## II. SUPPORT SERVICES

- A. Owners or residents of HHAP assisted housing may receive support from various other county and non-profit organizations during the course of their Hurricane Housing Recovery (HHR) application and project.

The HHR support service offers eight hours of classroom homeownership counseling through the University of Florida Cooperative Extension Service and may be further supported by individual counseling where necessary. This non-homeownership counseling activity may include the following:

1. Loan qualification and processing assistance;
2. Pre-purchase and post-purchase counseling;
3. Credit counseling;
4. Delinquent payment and mortgage default counseling;
5. Formal homeowner training classes to include information on mortgage obligations, budgeting, home maintenance, closing costs and closing documents; and
6. Workshops on energy saving techniques.

## III. LOCAL HOUSING PARTNERSHIP

A. Introduction

1. Throughout Putnam County, several private agencies and firms are invited and have been solicited to contribute their expertise on affordable housing issues. Non-profit providers include, but are not limited to:
  - a. Palatka Housing Authority,
  - b. Putnam/Clay/Flagler Economic Opportunity Council,
  - c. Habitat for Humanity,
  - d. Florida University Cooperative Extension Service,
  - e. Consumer Credit Counseling Service of Mid-Florida, Inc. and the
  - f. County Building Department.
2. For profit firms include, but are not limited to, developers, architects, engineers, realtors and local lending institutions.
3. They are all dedicated to making housing available to low and moderate-income homebuyers. As these groups provide assistance and expertise in various affordable housing activities and projects, they comprise the local housing partnership.

**B. Local Housing Partnership**

1. The Putnam County Affordable Housing Advisory Committee will continue to provide policy input into the HHAP at its periodically called meetings. In addition, housing providers, banks, affordable housing advocates, real estate professionals, churches, and other groups and individuals active in the community are continuing to express an interest and provide input into the development of the HHAP and in Hurricane Housing Recovery Program implementation.
2. The Putnam County Affordable Housing Advisory Committee and the local housing partnership participants provided input in establishing the funding activities outlined in this three-year plan. Resources of several agencies have been combined as described in the strategies.

**IV. HHRP HOUSING STRATEGIES**

**A. Down Payment Recovery Assistance for Home Purchase**

1. Summary of the Strategy: Down payment recovery assistance for home purchase eliminates one of the most significant barriers to the development of affordable housing in Putnam County: the lack of low cost funding available to stimulate affordable housing development.
2. Fiscal Years Covered: FY 2005-06, FY 2006-07 and FY 2007-08 with a one-year extension if needed.
3. Income Categories to be served: HHR funds may be used to promote homeownership for very low, low and moderate-income applicants. This allows borrowers a way of promoting home ownership and participating local lenders are encouraged to offer more favorable financing terms to those eligible for participation because direct down payment can be made.
4. Maximum award as noted on the Hurricane Housing Goals Chart: \$22,000
5. Terms, Recapture and Default: Funds for HHR purposes may be disbursed as a grant, deferred payment loan, or a combination thereof, depending upon the HHR Strategy. With the exception of grants, assistance over \$15,000 will be amortized without interest over a 10 year period based upon the obligation reduction

If Property is Sold or Transferred	Over \$15,000 of Financial Assistance to be Repaid
1 <sup>st</sup> Year	100%
1 <sup>st</sup> to 2 <sup>nd</sup> Year	100%
2 <sup>nd</sup> to 3 <sup>rd</sup> Year	100%
3 <sup>rd</sup> to 4 <sup>th</sup> Year	70%
4 <sup>th</sup> to 5 <sup>th</sup> Year	60%
5 <sup>th</sup> to 6 <sup>th</sup> Year	50%
6 <sup>th</sup> to 7 <sup>th</sup> Year	40%
7 <sup>th</sup> to 8 <sup>th</sup> Year	30%
8 <sup>th</sup> to 9 <sup>th</sup> Year	20%
9 <sup>th</sup> to 10 <sup>th</sup> Year	10%
After 10 <sup>th</sup> Year	0%

In the event of the transfer of HHR funded property, with the exception of transfer to legal heirs following the death of the client, HHR funds may be recaptured in accord with the preceding repayment schedule. The procedure for administrating and enforcing repayment shall be in the form of a promissory note and filed second mortgage running with the property. In the

event of transfer to legal heirs following a death, the promissory note and second mortgage will remain in effect for the remainder of the recapture schedule.

6. Recipient Selection Criteria: Within the Down Payment Recovery Assistance strategy which also includes closing cost, eligible applicants are qualified on first come, first ready basis. Homebuyers must have successfully completed homebuyer counseling and training, before being assisted. The credit and financial capacity of all applicants will be determined by credit checks and the determination of ability to pay based on income verification. Written verification of income, employment and benefits will be obtained.
7. Sponsor Selection Criteria, if applicable: N/A
8. Additional Information: Closing costs shall not be more than 6% of the total purchase price of the home. This amount does not include construction loan fees.

**B. Name of the Strategy: Partnership Recovery for Community Collaboration (Community Planning Strategy)**

1. Summary of the Strategy: Putnam County realizes that the cornerstone to any successful affordable housing program must include new construction that is accessible to extremely-low, very-low and low-income families. These houses will be developed by eligible sponsors chosen by the Putnam County Board of County Commissioners upon recommendation of the Affordable Housing Advisory Committee.
2. Fiscal Years Covered: FY 2005-06, FY 2006-07 and FY 2007-08 with a one-year extension if needed.
3. Income Categories to be served: to extremely-low, very-low, and low-income families. Repairs to complete the repair effort may focus on but not limited to the following: roof repairs or replacement, plumbing, electrical, septic/drain fields and HVAC. Maximum HHR funds of up to \$15,000 per unit with a minimum of three units paid under this strategy are a Grant and not subject to repayment. Applicants to be served under this strategy shall be of extremely low, very low and low incomes.
4. Maximum award as noted on the Hurricane Housing Goals Chart: \$15,000 per unit.
5. Terms, Recapture and Default: Grant
6. Recipient Selection Criteria: In the case of new construction, the credit and financial capacity of all applicants will be determined by credit checks and the determination of ability to pay based on income verification. Written verification of income, employment, and benefits will be obtained. For rehabilitation, title searches to establish ownership and the absence of liens and judgments will be a standard procedure prior to committing HHR funds to any project.
7. Sponsor Selection Criteria, if applicable: N/A
8. Additional Information: The funding for community collaboration will be used by Putnam County Habitat for Humanity for new construction to continue building in Palatka, Florida, in the Westover Annex project. This funding will also be used for the Palatka Weed and Seed project for repairs and rehabilitation for the North side of Palatka.

**C. Name of the Strategy: Homeowner Rehabilitation Recovery**

1. Summary of the Strategy: Existing owner-occupied homes in Putnam County may be rehabilitated under this strategy for the resident's health and safety. Special need households as defined in FAC 67-37.002 (13) will have priority status for project funding.

2. Fiscal Years Covered: FY 2005-06, FY 2006-07 and FY 2007-08 with a one-year extension if needed.
3. Income Categories to be served: Homeowner qualify as extremely low, very-low, low, or moderate income under program guidelines.
4. Maximum award as noted on the Hurricane Housing Goals Chart: The maximum base amount of \$40,000. When unforeseen problems occur, a 10% buffer to the awarded amount will be allowed. This will assist the program administrative staff to approve unforeseen repair costs without stopping the project to apply for additional funds. The maximum award amount would be no more than \$44,000.
5. Terms, Recapture and Default: Repayment shall be in the form of a promissory note and second mortgage, with 0% interest, forgiven after 10 years of primary residency. Homeowners that fall in the extremely low-income (ELI) category would sign a promissory note and mortgage to be recorded and forgiven after five years. This strategy would include rehabilitation for post-1994 manufactured or mobile homes where the wind load rating is sufficient for the location. Limited repair on pre-1994 manufactured or mobile homes will be addressed on a case-by-case basis. Any funds provided to applicants under \$15,000 shall be a grant and will not have to be repaid.
6. Recipient Selection Criteria: Title searches to establish ownership and the absence of liens and judgments will be a standard procedure prior to committing HHR funds to any project.
7. Sponsor Selection Criteria, if applicable: N/A
8. Additional Information:

**D. Extremely Low Income Strategy**

1. Summary of the Strategy: Extremely Low Income recipients are targeted for the strategies of Partnership Recovery for Community Collaboration and Homeowner Rehabilitation Recovery described above.
2. Fiscal Years Covered: FY 2005-06, FY 2006-07 and FY 2007-08 with a one-year extension if needed.
3. Maximum award as noted on the Hurricane Housing Goals Chart: Maximum award as noted on the Hurricane Housing Goals Chart: The maximum base amount of \$40,000. When unforeseen problems occur, a 10% buffer to the awarded amount will be allowed. This will assist the program administrative staff to approve unforeseen repair costs without stopping the project to apply for additional funds. The maximum award amount would be no more than \$44,000.
4. Terms, Recapture and Default: Homeowners that fall in the extremely low-income (ELI) category would sign a promissory note and mortgage to be recorded and forgiven after five years. This strategy would include rehabilitation for post-1994 manufactured or mobile homes where the wind load rating is sufficient for the location. Limited repair on pre-1994 manufactured or mobile homes will be addressed on a case-by-case basis. Any funds provided to applicants under \$15,000 shall be a grant and will not have to be repaid.
5. Recipient Selection Criteria: Title searches to establish ownership and the absence of liens and judgments will be a standard procedure prior to committing HHR funds to any project.
6. Sponsor Selection Criteria, if applicable: N/A
7. Additional Information:

## **V. Administrative Budget**

- A. The Putnam County Board of County Commissioners has determined that the County could receive the greatest benefit in administrative services through contracting with the Northeast Florida Regional Council (NEFRC). The NEFRC has been working with the County over the past several years on various comprehensive planning and grant activities, and has experience administering other counties' housing programs. This gives the NEFRC a unique insight to the County's housing situation and needs.
- B. The NEFRC shall perform all general administrative functions including placing of advertisements, screening applicants, and insuring that the work is accomplished in accord with the requirements of the HHR program. General applicant intake shall primarily be through at the Putnam County offices in Palatka, Florida. No monies will be obligated or spent until after a recommendation by the AHAC is made to and acted upon by the Board of County Commissioners of Putnam County. Payment and financial control shall be through the Putnam County Finance Department.
- C. Fund Percentage for Administration
  - 1. The Putnam County Board of County Commissioners is contracting with the NEFRC for Administrative Service for the HHR program under the conditions of Sections 125.01(1)(p), 186.505(19) and 287.057(3)(f) 13 F.S., and Rule 67-37.007 (4)(a)(b) F.A.C. Putnam County will allocate 12 percent (12%) of grant local housing distribution funds and 5 percent (5%) of program income funds annually for administration of program activities.
- D. Administrative Expenditures
  - 1. Administrative compensation for the Putnam County HHR Program shall be 12 percent of the HHR fund annual local housing distribution by the State to the County and 5 percent of the derived Program Income. The total amount shall be calculated individually for each year. Of the total administrative compensation, 80 percent (80%) shall be paid to the Northeast Florida Regional Council and 20 percent to Putnam County to support the SHIP services they perform.

## **VI. Explain any issues outstanding for compliance or non-compliance with the State Housing Initiatives Partnership (SHIP) Program:** None

## **VII. EXHIBITS**

- A. Adopting Resolution – original signed and dated adopting resolution Signed by the Mayor, Chairman of the Board of County Commission or their designated representative.
- B. Hurricane Housing Goals Chart (HHGC) For Each Fiscal Year Covered
- C. Certification Page
- D. Program Information Sheet
- E. Community Planning Documentation:  
Letters, resolutions detailing the community planning agreement
- F. Timeline for Encumbrance and Expenditure – Sample attached.

RESOLUTION \_\_\_\_\_

**THIS RESOLUTION ADOPTS THE PUTNAM COUNTY HOUSING HURRICANE RECOVERY PROGRAM (HHR) HURRICANE HOUSING ASSISTANCE PLAN (HHAP) IN ITS ENTIRETY; DECLARING IT TO BE A POLICY OF PUTNAM COUNTY TO SUPPORT THE AVAILABILITY OF AFFORDABLE HOUSING; PROVIDING FOR THE OF A LOCAL HHR PROGRAM; PROVIDING FOR THE ADMINISTRATION OF THE HHR PROGRAM; PROVIDING FOR AN ESTIMATED AVERAGE FUNDING COST PER UNIT, AND A MAXIMUM GRANT AWARD COST PER UNIT FOR ELIGIBLE HOUSING; AND PROVIDING THAT NO MORE THAN TWELVE (12) PERCENT OF THE SHIP FUNDS RECEIVED BY PUTNAM COUNTY MAY BE USED FOR ADMINISTRATIVE EXPENSES.**

**WHEREAS**, the Board of County Commissioners of Putnam County, Florida, and its citizenry recognizes the necessity for provision of the opportunity for all persons to have access to safe, decent, and affordable housing; and

**WHEREAS**, the Board of County Commissioners of Putnam County, Florida, and its citizenry recognizes that the HHR program provides a continuing financial resource for the support of affordable housing activities; and

**WHEREAS**, the estimated average cost per unit and maximum awards schedule for home ownership may not exceed the Florida Housing Finance Corporation rules and guidelines for affordable housing as set forth in the Florida Administrative Code; and

**WHEREAS**, the Board of County Commissioners of Putnam County, Florida, recognizes that no more than twelve (12) percent of the HHR funds received by Putnam County may be used for administrative expenses.

**NOW THEREFORE BE IT BY RESOLUTION THE BOARD OF COUNTY COMMISSIONERS OF PUTNAMCOUNTY, FLORIDA:**

**SECTION I. DECLARATION POLICY**

It is hereby declared to be the policy of Putnam County, in the exercise of its policy power for the public safety, public health, and general welfare, to support and encourage the initiatives which enhance the availability of and accessibility to affordable housing for all citizens of Putnam County, Florida.

**SECTION II. PURPOSE**

This Resolution specifies the provisions statutorily required for the planning, implementation, and receipt of funds under the Hurricane Housing Recovery Program as governed by Chapter 67-37 of the Florida Administrative Code.

**SECTION III. DEFINITIONS**

The definitions enumerated in s.420.9071, Florida Statutes, and in Rule 67-37.002, Florida Administrative Code of the Hurricane Housing Recovery Program Rules shall apply to the terms used in this Resolution.

**SECTION IV. HHR PROGRAM ADMINISTRATION**

This Resolution continues the existence of the Putnam County Local Housing Partnership (also the Putnam County Affordable Housing Advisory Committee), consisting of (9) members meeting the approval of the Board of County Commissioners. All Partnership meetings shall be publicly advertised or noticed in the local print media having the largest community-wide circulation. The Partnership shall serve in an advisory capacity to the Board of County Commissioners on matters of Affordable Housing and shall present HHR expenditure recommendations directly to the Board for final approval.



The Northeast Florida Regional Council (NEFRC) shall provide HHR administrative support to the Hurricane Housing Recovery Program through fiscal years 2005-06, 2006-07 and 2007-08, as stipulated in the executed contract between the Board of County Commissioners and the NEFRC.

**SECTION V. AVERAGE FUNDING SCHEDULE**

The estimated average HHR second mortgage, for down payment assistance shall be \$22,000, for home purchase for either new construction or existing units. The estimated average second mortgage support loan for purchase of an existing home.

**SECTION VI. ADMINISTRATIVE FUNDING**

The Board of County Commissioners recognizes that HHR client evaluation, documentation, monitoring and other administrative responsibilities related to the HHR program are anticipated to incur costs greater than five (5) percent of the grant funding.

Therefore, be it resolved that funds amounting to ten (12) percent of those received from annual HHR grant allocations may be used for the administration of the County HHR program. However, in no event may funds exceeding twelve (12) percent of the grant be allowed to be expended for administrative expenses.

**MOTIONED AND ADOPTED** by the Board of County Commissioners of Putnam County, Florida,

this the \_\_\_\_\_ day of \_\_\_\_\_, 2005.

ATTEST:

BOARD OF COUNTY COMMISSIONERS  
PUTNAM COUNTY, A POLITICAL  
SUBDIVISION OF THE STATE OF FLORIDA

By: \_\_\_\_\_  
Tim Smith, Clerk of the Court

By: \_\_\_\_\_  
Kevin Durscher, Chairman of the Putnam  
County Board of County Commissioners

Approved as to form:

\_\_\_\_\_  
County Attorney

Exhibit B

Exhibit C **Certification to Florida Housing Finance Corporation**

Local Government: **Putnam County**

1. The local government will advertise the availability of HHR funds pursuant to Florida Statutes.
2. All HHR funds will be expended in a manner, which will insure that there will be no discrimination on the basis of race, creed, color, age, sex, familial status, marital status, handicap, religion, or national origin.
3. A process for selection of recipients for funds has been developed.
4. The eligible municipality or county has developed a qualification system for applications for awards.
5. Recipients of funds will be required to contractually commit to program guidelines.
6. The Florida Housing Finance Corporation will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions of the plan.
7. The Hurricane Housing Assistance Plan shall provide for the expenditure of HHR funds within 24 months following the end of the State fiscal year in which they are received.
8. The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Hurricane Housing Assistance Plan.
9. Amendments to the approved Hurricane Housing Assistance Plan shall be provided to the Agency within 21 days after adoption.
10. The trust fund shall be established with a qualified depository for all HHR funds as well as moneys generated from activities such as interest earned on loans.
11. Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
12. The HHR trust fund shall be separately stated as a special revenue fund in the local government's audited financial statements, copies of the audits will be forwarded to the Agency as soon as available.
13. An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.
14. Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
15. Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
16. Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 year for compliance with tenant income requirements and affordability

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Chief Elected Official

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Type Name and Title

\_\_\_\_\_  
Date

OR

\_\_\_\_\_  
Attest:  
(Seal)

Exhibit D

Exhibit E