



State Housing Initiatives Partnership (SHIP) Program

**2007-2010
LOCAL HOUSING ASSISTANCE PLAN
(LHAP)**

Prepared by:

City of Fort Lauderdale
1409 NW 6th Street
Fort Lauderdale, FL 33311

Revised September 20, 2011
Revised May 20, 2014

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I. PROGRAM DESCRIPTION:

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

CITY OF FORT LAUDERDALE

Interlocal: Yes _____ No X

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

N/A

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:

X 2007/2008

X 2008/2009

X 2009/2010

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. Program regulations require local governments be in compliance with applicable statute and rules. Cities and counties must be in compliance with these applicable statutes and rules, 420.907-9079 F.S. and 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 City of Fort Lauderdale will advertise its notice of funding availability in newspapers of general circulation, at least 30 days before the beginning of an application period. When 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, the City of Fort Lauderdale SHIP program does not discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the application or award process for eligible housing.

J. Support Services and Counseling:

Support services are available from the City of Fort Lauderdale's Housing and Community Development Division, The Broward County Office of Housing Finance, The New Visions Homebuyers Club, The Urban League's Homeownership Counseling Program (Pre and Post), the Housing Authority of the City of Fort Lauderdale's Homeownership Counseling Program.

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 95% of the median area purchase price established by the U.S. Treasury

Department or as described above.

The methodology used by the City of Fort Lauderdale is:

Independent Study (copy attached)

U.S. Treasury Department : \$329,268

Bond Study Number provided by the Broward County HFA

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 35 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 35% of its income for housing. Housing for which a household devotes more than 35% 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 35% 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 of Fort Lauderdale 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 City of Fort Lauderdale staff 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.

The City of Fort Lauderdale finds that the monies 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 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 Lauderdale 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 Lauderdale's Housing and Community Development Division. 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 Services Personnel" Defined as any person in need of affordable housing, who is a permanent employee of a company or organization located within the City of

Fort Lauderdale and whose service is considered essential. Examples of this include teachers, community college and university employees, police and fire personnel, emergency services providers and health care providers, as defined by each county and eligible municipality within its respective local housing assistance plan pursuant to Section 420.9075(3)(a), FS. For the purposes for the purposes of the SHIP Program, funds are only available to those whose incomes are at or below 120% AMI.

R. Recaptured Funds:

“Recaptured funds” means funds that are recouped by a county or eligible municipality in accordance with the recapture provisions of its local housing assistance plan pursuant to s. 420.9075(5)(h)(g) from eligible persons or eligible sponsors, which funds were not used for assistance to an eligible household for an eligible activity, when there is a default on the terms of a grant award or loan award.”

LHAP HOUSING STRATEGIES:

Description:

A. Name of Strategy: Purchase Assistance Program

The Purchase Assistance Program assists eligible first time homebuyers with a deferred payment loan to be applied towards down payment, closing cost and/or principal reduction for the purchase of eligible owner-occupied housing which includes single family homes, townhouses, condominiums or villas. Eligible housing types under this strategy are existing and newly constructed homes. A first time homebuyer is an individual who meets any one of the following criteria: An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers); a single parent who has only owned with a spouse while married; an individual who is a displaced homemaker and has only owned with a spouse; an individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; or an individual who has only owned property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

State Fiscal Years: 2007-2008, 2008-2009, and 2009-2010

Income Categories to be Served: Very Low, Low and Moderate Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: **Down Payment Assistance** **~~\$75,000~~ \$100,000**
Infill Lots (City owned) Up to \$100,000

Applicant Selection Criteria:

1. Homebuyers must receive a commitment from a first mortgage lender licensed under PART III of Chapter 494, Florida Statutes;
2. Applicants must meet the definition of a First Time Homebuyer as described above.
3. Inspection by licensed home property Inspection Company including termite and roof inspections.
4. Applicants will be selected on a first come, first qualified, served basis within the income groups pending funding availability.
5. Mobile Homes and Manufactured Housing will not be assisted.

Terms:

Repayment Terms: 15 Year Deferred Payment Loan at 0% interest rate, which will be forgiven at the end of the fifteen-year after closing. At anytime during the first fifteen (15) years, the loan will become due and payable immediately upon the sale, lease, rent or transfer of title to the property.

Recapture Terms:

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), the entire sum

due is payable immediately and interest may be charged at the maximum rate allowed by law. Any SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24)..

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

B. Name of Strategy: New Construction

Designed to enhance and preserve neighborhoods by providing funds to eligible developers/contractors to construct in-fill housing or development of a single-family home project through the Request for Proposal Process.

The selected developer/contractor will construct the homes, which will then be sold by the City to income eligible persons. Applicants must occupy eligible housing as allowed by program regulations.

Eligible costs for the developer may include:

- a. Professional fees such as engineering, architectural, surveying and consulting costs or any other predevelopment costs.

- b. Infrastructure expenses typically paid by the developer including, streets, roadways, parking areas, sidewalks, pathways, walkways, storm-drainage system; sanitary systems; water supply systems, water mains, connections, hydrants, meters; utilities and utility easements for telephone, cable, electric lines, and rights-of-way; street lighting, infrastructure expenses must be on-site and must be directly related to the housing being assisted with the SHIP funds.
- c. Payment of all soft costs associated with the development, including but not limited to: preliminary and final plat review, Engineering Service Charges, Recoding Fees, Site Plan Review Fees, Minor Review Fees, Surface Water License, Permit to Construct in Right-of-Way, Sewer and Water Installation Fee, Sewer and Water Plan Review, Traffic Study/Action Plan Review, Environmental Impact Review, Surface Water Permit, Land Use Amendment Review, Septic Tank Permit, Well Permit.
- d. Hard costs typically or customarily treated as construction costs by institutional lenders or any other reasonable hard costs associated or involved with the development and/or construction process.

Fiscal Years Covered: State fiscal years 2007-2008; 2008-2009 and 2009-2010

Income Categorized to be served: Very-low, low and moderate income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum award: \$ 329,268 or as determined by the City Commission of the City of Fort Lauderdale

Terms of Payment: The following terms and conditions apply to eligible developers/contractors receiving construction funding.

Repayment/Payment: Payment to Developer/Contractor

1. Payments are not automatic in nature and shall be made only after inspection of the work items reveals that work was performed satisfactorily and is accepted. Contractors shall utilize the form provided by the Agency in requesting payments. Contractors will be paid for work items satisfactorily completed. Pay requests shall be reviewed against previous payments to assure that duplicate payments are not provided. Contractors will be paid for work items satisfactorily completed. A 10% retainer shall be withheld from each payment until all work is satisfactorily completed and all subcontractors/suppliers/material men/laborers have provided partial and/or final release

of liens. Requests for payment will be considered in increments of not less than 1/3 of contract amounts.

2. Prior to final payment, the Agency shall have the unit inspected to determine that all items on the work write-up and any change orders have all been completed and are in compliance. If the inspections determine that all work has been finished properly, a final inspection certificate showing City's acceptance shall be executed.
3. The Construction Review Specialist will process the Request for Payment by comparing the request amount to the draw schedule, checking signature, and verifying receipt of all Waiver of Liens and progress payment affidavits. The public records will be searched for perfected liens before proceeding to process final payment. The Construction Review Specialist will then sign the request if properly executed and finalize pay request for submittal to the Program Supervisor for review and final recommendation.
4. The Program Supervisor will recommend check request with the following approved supportive documentation, as described heretofore:
 - a. Partial Waiver of Lien-Subcontractor Form; and/or
 - b. Final Release of Lien-Subcontractors, Material men and Laborers Form;
 - c. Evidence of appropriate inspection(s) by the Building and Zoning Inspector and/or Construction Review Specialist.
5. Checks will be issued in the name of the prime developer/contractor. Applicable certificates of Code Compliance from Building and Zoning are required prior to release of payments. Final acceptance of the work by the City will be by executing a certificate

of completion of all work. Retainage may be released after satisfactory completion of all work and the contractor provides notarized final release of liens from all subcontractors, suppliers, material men, and laborers.

6. The property will be transferred to a qualified First Time Homebuyer client. The client will obtain a first mortgage from an approved lender, and the City will adjust the amount of subsidy assistance in the property, to serve as the second mortgage.

Recapture Terms:

A Restrictive Covenant will be placed on the property to ensure that it remains an affordable home for prescribed period of time. The Restrictive Covenant shall be in effect for a period up to 15 years. During the recapture period: the owner is required to occupy the property as their principal place of residency,. 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), the entire sum due is payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24)..

Recipient "Applicant" Selection Criteria: Applicants will be selected on a first come,first qualified, first served basis within the income groups pending funding

availability.

1. The City of Fort Lauderdale defines “First Time Home Buyers” as an individual who meets any one of the following criteria: An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers); a single parent who has only owned with a spouse while married; an individual who is a displaced homemaker and has only owned with a spouse; an individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; or an individual who has only owned property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure. All housing units developed using this strategy must be sold at or below the city’s maximum selling price to income eligible households.
2. The applicant must be income eligible under SHIP guidelines.
3. Applicants will be selected on a first come, first qualified, first served basis, with current waiting list applicants given first preference.
4. Applicant must receive a certificate of housing certificate counseling upon completion of the education ad-counseling workshop. This certificate is required prior to loan closing.
5. All housing units developed using this strategy must be sold at or below the City’s maximum selling price to income eligible households. Applicant must use pre-approved lenders

Developer/Contactor Selection Criteria: Developer/Contractor will be selected based on a Request for Proposal process. The selection criteria will be identified in the Request for Proposal, and shall include but is not limited to criteria such as organizational capability; quality of project; cost; and experience. The developer/contractor must build new housing unit for First Time Homebuyers.

Eligible developer/contractor utilizing City of Fort Lauderdale funds shall sign an Agreement between developer/contractor and City delineating the specific deliverables and exhibits to cover scope of work and timetable.

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

C. Name of Strategy: Fee Waiver Assistance

This strategy offsets a portion of the development fees incurred in connection with the development of affordable housing. Funds are provided to the developer to offset these fees. Mobile homes or manufactured homes will not be assisted.

State Fiscal Years: 2007-2008, 2008-2009, and 2009-2010

Income Categories to be Served: Very Low, Low and Moderate Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: Up to \$7,500.00 per unit.

Recipients “Applicant” Selection Criteria:

Recipients “Applicant” will be selected using the following criteria:

1. The development consists of one or more single-family or multi-family dwellings as defined in the ULDR.
2. The purchaser or lessee of the development is an Eligible Person or Eligible Household.
3. A Restrictive Covenant must be executed by the homeowner and recorded in the Public Records of Broward County, Florida restricting the ownership of an owner-qualified development to an Eligible Person or household for fifteen (15) years and lease of multi-family dwellings to a qualified lease development to an Eligible Person or household for fifteen (15) years.
4. Single-family standard development must meet the standards established for an infill housing project approved by the City Commission on July 6, 1994.
5. Applicants will be selected on a first come, first qualified, first served basis pending funding availability.

Terms:

Recapture Terms: Assistance will be provided in the form of a forgivable loan, with a term of up to 15 years Effective July 1, 2009 all assistance will be provided in the form of a forgivable loan.

Repayment Terms: 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, the entire sum is due and payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any

SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24).

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

D. Name of Strategy: *Substantial Housing Rehabilitation / Replacement Housing*
Rehabilitation of existing homes, including the demolition and reconstruction of a home if it is beyond financial feasibility to repair. Funding level is established to differentiate between the cost to rehabilitate the housing unit and the cost for the full replacement of the housing unit. Emergency Repairs that address conditions that are an immediate threat to the health, safety and welfare of the occupants are also included in this strategy. Assistance in the form of a forgivable loan is available to pay for the required homeowners, windstorm and flood insurance for up to two (2) years, as part of the rehabilitation/replacement process. This strategy will also provide temporary relocation assistance in the form of a grant to homeowners who are required to relocate while their home is being rehabilitated or reconstructed.

State Fiscal Years: 2007-2008, 2008-2009, and 2009-2010

Income Categories to be Served: Very Low, Low and Moderate Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: \$260,000

Recipients “Applicant” Selection Criteria: Recipients will be selected using the following criteria:

1. First come, first qualified, first served pending funds availability. Their homes must be located in the City Limits of Fort Lauderdale.
2. Homeowners must own and occupy the property as their principal residence at time of assistance and throughout the life of the loan.
3. Property must have violations of the City’s housing code.
4. Property must homesteaded.
5. All taxes on the property must be current.
6. Property assessed value as stated on Broward County Property Appraiser’s website may not exceed \$329,268
7. Mobile Homes and Manufactured Housing will not be assisted.

Terms:

Recapture terms: 15 Year Deferred Payment Loan at 0% interest rate, which will be forgiven at the end of the fifteen-year after closing. At anytime during the first fifteen (15) years, the loan will become due and payable immediately upon the sale, lease, rent or transfer of title to the property.

Recapture Terms:

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, the entire sum is due and payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24).

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

Additional Information:

SHIP funds may be used to pay for any rehabilitation soft cost and warranty work.

E. Name of Strategy: Rental Rehabilitation

This strategy is designed to increase the supply of standard affordable rental housing by encouraging investors to acquire and rehabilitate existing rental units, which will be made available to very low and low-income renters. Property, windstorm and flood insurance (*if the property is located within a flood zone*) must be maintained on the property for the duration of the City's lien. Assistance in the form of a forgivable loan is available to pay for the required homeowners and flood insurance for up to two (2) years, as part of the rental rehabilitation process. Applicants will be selected on a first come, first qualified, first served basis with preference being given to Section 8 landlords as they deal more specifically with very low and low income renters. Loans are provided to owners for up to 50% of the rehabilitation costs necessary to bring the units up to standard condition. The terms of the loan are zero (0%) interest, 20-year term with payment deferred during the first 10 years and principal payments only beginning in year 11. The loan becomes due and payable upon the sale or transfer of title to the property. The loans are not assumable but rental projects that are offered for sale prior to the end of the affordability period should give first right of refusal to a non-profit organization. The first mortgage plus the second mortgage to be recorded by the City must not exceed 80% of the appraised "after rehab" value or one half of the full cost of rehab, whichever is less. Eligible Sponsors/owners that employ personnel from the Welfare Transition Program will be given preference in the selection process as required by Rule 67-37.005 (6) (b) 7, Florida Administrative Code.

Fiscal Years Covered: 2007-2008, 2008-2009 and 2009-2010

Income Categories to be Served: Very Low, Low- and Moderate- Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: \$100,000 Per Unit

Repayment Terms:

20 Year Deferred Payment Loan at 0% interest rate, with payment deferred during the first ten (10) years and principal payments only beginning in year 11. The loan becomes due and payment upon the sale or transfer of which will be forgiven at the end of the fifteenth year after closing. At any time during the first fifteen (15) years, the loan will become due and payable immediately upon the sale, lease, rent or transfer of title to the property.

Recapture Terms:

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), the entire sum due is payable immediately and interest may be charged at the maximum rate allowed by law. Any SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as

Program Income as defined in s.420.9071(24).

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

F. Name of Strategy: Foreclosure Prevention

This strategy is designed to maintain affordable homeownership within the lower income population of the City of Fort Lauderdale. Financial assistance will be provided to income eligible homeowners who are facing foreclosure. The goal of this strategy is to avoid foreclosure by paying delinquent mortgage payments (PITI) to assist with bringing the mortgage current, including late fees, attorney's fees, homeowners' association payments, special assessments, taxes, insurance and other foreclosure associated costs (please note that taxes and insurance must be escrowed in the payment in order for those costs to be brought current). The funds will consist of up to six (6) months of costs or the maximum allowable subsidy whichever is less. The property must be owner-occupied, and the homeowner must meet SHIP income qualification guidelines.

State Fiscal Years: 2007-2008, 2008-2009, and 2009-2010

Income Categories to be Served: Very Low, Low and Moderate Income households as defined

by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: \$10,000

Recipient “Applicant” Selection Criteria:

1. Income eligible applicants will be selected on a first-come, first qualified, first served basis pending funding availability.
2. Applicants must be very low, low or moderate homeowners and the property must be owner occupied, and homesteaded.
3. The homeowner must demonstrate their ability to make future mortgage payments after assistance is received.
4. The application process will include a review of the funding request and the cause of the delinquency. The applicant must prove that the delinquency is due to a significant loss of household income (loss of employment, sudden medical illness or expenses, divorce or separation) death in the family, predatory lending practices and/or unforeseen/unexpected/unanticipated home repairs.
5. Participants can apply only once for Foreclosure Prevention Assistance.
6. Property assessed value as stated on Broward County’s Property Appraiser’s website

may not exceed \$329,268.

7. The applicant must undergo credit/foreclosure counseling from a HUD-approved Foreclosure Counseling Agency.
8. Mobile Homes or Manufactured Housing will not be assisted.

Terms:

Repayment Terms: 5 Year Deferred Payment Loan at 5% interest rate, forgiven at the end of five (5) years after closing. At any time during the five (5) year the loans becomes due and payable immediately upon the sale, lease, rent or transfer of title to the property.

Recapture Terms:

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), the entire sum is due and payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24).

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources

or applicant funds.

H. Name of Strategy: Disaster Mitigation and Recovery “Executive Order”

In the event of a natural disaster (as declared by local, state, or federal government), SHIP funds will be used to leverage available federal and state funds to provide assistance to income eligible households, both homeowners and renters, for the purpose of repairing eligible housing. Owner occupied assistance beyond the maximum limit allowed under this program may be referred to / processed under the Rehabilitation/Replacement Program. This strategy will also provide temporary relocation assistance in the form of a grant to homeowners who are required to relocate while their home is being repaired. Generally, such needs may include:

- A. Purchase of emergency supplies for eligible households to weatherproof damaged homes
- B. The financial assistance provided to renters will be provided to pay for rental security deposits, which are payable to the landlord and utility deposits and connection fees. Rental assistance will only be provided for the term of the applicable Executive Order.
- C. Interim repairs to avoid further damage, tree and debris removal required to make individual housing units habitable, and post disaster assistance with non-insured repairs
- D. Payment of insurance deductibles for rehabilitation of homes covered under homeowners’ insurance policies
- E. Other activities as proposed by the federal government, counties and eligible municipalities and approved by Florida Housing Finance Corporation.
- F. Assistance in the form of a forgivable loan is available to pay for the required homeowners, windstorm and flood insurance for up to two (2) years, as part of the disaster mitigation and recovery process.

Fiscal Years Covered: State fiscal years 2007-2008; 2008-2009 and 2009-2010

Income Categorized to be served: Very-low, low and moderate-income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum award: \$15,000

Terms:

Repayment Terms: Disaster fund assistance shall not exceed \$15,000 and will in the form of a 5 year, 0% interest forgivable loan, when allowable under specific disaster funds policy. Clients requiring assistance above the maximum allowed under this program will be processed through

the Housing Rehabilitation / Replacement Strategy up to a maximum allowed under this program. If at any time during the 5-year period the property is sold, refinanced, rented or ceases to be owner-occupied, the recipient shall pay to the City the full balance with no accrued interest.

Recapture Terms:

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), the entire sum due is payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24).

Recipient “Applicant” Selection Criteria:

1. Applicants will be served on a first come, first-qualified, first served basis, pending funding availability.
2. Property assessed value as stated on Broward County Property Appraiser’s website may not exceed \$329,268
3. Mobile Homes or Manufactured Housing will not be assisted

Additional Information:

This strategy will be implemented only in the event of a natural disaster declaration using any SHIP funds that have not been encumbered.

H. Name of Strategy: Utility Connection Payment

This strategy provides financial assistance to income eligible single-family homeowners, for the payment of the \$1,000 connection fee and all associated plumbing costs and inspection fees necessary to connect to the water supply and sewage discharge system being installed in those areas.

State Fiscal Years: 2007-2008; 2008-2009 and 2009-2010

Income Categories To Be Served: Very Low, Low and Moderate Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: \$10,000

Terms, Recapture and Default: This assistance is provided in the form of a loan, which is forgivable after three (3) years .

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) the entire sum is due and payable immediately and interest may be charged at the maximum rate allowed by law. A SHIP assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and any SHIP funds invested in the project must be repaid to the City as Program Income as defined in s.420.9071(24).

Recipient Selection Criteria:

1. Income eligible applicants will be assisted on a first-come, first qualified, first served basis, subject to funding availability.
2. The property must be owner occupied and homesteaded.
3. Applicants must be very low or low income to participate.
4. Property assessed value as stated on Broward County Property Appraiser's website may not exceed \$329,268.

SHIP Leveraging: This strategy may be leveraged with CDBG, HOME, other local resources or applicant funds.

I. **Name of Strategy: Homeownership Development**

This strategy will provide financial assistance to non-profit and for profit builders to encourage the acquisition, development and/or construction of affordable housing. The cost of construction makes it extremely difficult for housing developers to build affordable housing units. SHIP

funds may be used for site acquisition, site development, infrastructure improvements, impact fees, demolition costs, construction financing, and other construction related costs. This also includes providing fee waiver assistance to offset a portion of the development fees incurred in connection with the development of affordable housing. The funding may be leveraged with land donated to the developer/non-profit. Funds awarded under this strategy will be encumbered within 12 months and expended within 24 months with the units occupied by eligible applicants

The goal of this strategy is to increase the number of affordable homeownership units available to income eligible persons in Fort Lauderdale. This is achieved through the builder/developer reducing the cost of the home to low-income homebuyers.

Fiscal Years Covered: 2007-2008; 2008-2009 and 2009-2010

Income Categories To Be Served: Very Low, Low and Moderate Income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

Maximum Award: \$75,000 per homeowner
\$50,000 per unit up to a maximum of 50 units per developer

Terms, Recapture and Default:

The financial assistance for a developer will be secured with a mortgage and note that shall require repayment at an interest rate of three percent (3%) with a maximum term of thirty years to preserve affordability.

Assisted developments must commit to set aside a minimum number of units for very-low and low-income households based on the amount of assistance provided. The housing must remain affordable, and income eligible persons must occupy all SHIP assisted units during the affordability period.

The Recapture and default provisions require the home remains the primary residence of the applicant. The purchaser's eligibility will be determined by the City and must be verified prior to the sale of the property.

If the home is sold, title is transferred or conveyed to an ineligible buyer, the entire amount of the loan shall become immediately due and payable as Program Income as defined in s.420.9071(24). In the event of a sale, the City may exercise its right of first refusal to purchase the property at its current market value for continued occupancy by income eligible persons.

Recipient Selection Criteria:

Management of the development will select potential homebuyers for the SHIP Assisted units on a first come, first qualified, first served, basis. SHIP recipients must meet all SHIP affordability and income guidelines for the income group. City staff may income-certify all homebuyers for the SHIP assisted units.

Eligible purchasers of the developed units must be very low or low income, and occupy the property as their primary residence.

Eligible applicants must qualify as first time homebuyers and must receive a certificate/notification of homebuyer counseling prior to loan closing.

Developer (Sponsor) Selection Criteria:

Proposed projects will be considered on an ongoing basis subject to funding availability. All applications from Developers and Builders will be evaluated based upon a point scoring system. An application scoring the most points does not guarantee funding of the request, as it is the goal of the City to provide funding for a variety of housing projects in a variety of locations. If

staff deems a project “not feasible”, staff reserves the right to recommend no funding for that project stating the reason for such recommendation.

Selection criteria will also consider quality of the proposed development, development costs, development team experience, housing affordability, financial stability, economic viability, successful history of producing similar projects, ability to produce affordable housing within the specified time frames and sensitivity to local housing needs. All SHIP assisted units must be affordable to income eligible households.

Eligible purchasers of the developed units must be very-low or low income, and occupy the property as their primary residence. Management of the development will select potential homebuyers for the SHIP assisted units on a first come, first qualified, first served, basis. Qualification criteria for SHIP recipients must meet all SHIP affordability and income guidelines for the income group. City staff may income-certify all homebuyers for the SHIP assisted units. The City will be responsible for monitoring the project annually for compliance with tenant income and affordability requirements.

Eligible applicants must qualify as first time homebuyers and must receive a certificate of homebuyer counseling prior to loan closing.

Additional Information: Other state, federal, private and local funds may be leveraged with SHIP funds.

I. Name of Strategy: MULTIFAMILY RENTAL DEVELOPMENT

Summary of Strategy: This strategy will provide assistance to developers of affordable rental housing serving very low and low-income households. This also includes providing fee waiver assistance to offset a portion of the development fees incurred in connection with the development of affordable housing. The goal of this strategy is to increase the number of affordable rental housing units available to income eligible persons in the City of Fort Lauderdale. Funds awarded under this strategy will be encumbered within 12 months and expended within 24 months with the units occupied by eligible applicants. SHIP funds may be used for site acquisition, site development, rehabilitation, infrastructure improvements, impact fees or construction related costs. SHIP funds may not be used to pay rental subsidies. Income eligible families must occupy all SHIP assisted units. Rent limits must be in line with SHIP guidelines.

State Fiscal Years: 2007-2008; 2008-2009 and 2009-2010

Income Categories to be served: Very Low and Low Income Persons

Maximum Award: \$100,000 per unit

Terms, Recapture and Default: The financial assistance can be provided as a “forgivable loan” to non-profit developers and builders; or as a low-interest loan to for-profit developers and builders.

“Forgivable Loans” may be provided only to non-profit developers and builders who have an established track record of affordable housing experience. Also, such “non-profits” must be a certified 501(c)(3) organization and be familiar with municipal development codes and propose housing projects which serve a majority of very low and low-income households. Suitable non-profits must also have an established history of utilizing government funding for the development of affordable/work-force housing. These non-profits must also provide evidence that their by-laws specifically identifies affordable housing development as a goal of the organization. “Non-profits” may also form partnerships with for-profit developers and builders and may receive Forgivable Loans where the resulting project will serve predominantly low and very-low income households. These Forgivable Loans will be forgiven over a twenty (20) year period, in exchange for a certain number of housing units set aside for lower income households over the same twenty (20) year period. If the project ceases to remain affordable for the entire approved affordability period, the entire amount of the SHIP assistance provided will become due and payable as Program Income. Forgivable loans shall not be prorated.

The low-interest loan assistance will be provided to for-profit developers (*and non-profit developers*

who desire such) and secured with a mortgage and note that will require repayment at an interest rate of three percent (3%) annually with a minimum encumbrance term of fifteen (15) years to preserve affordability. Assisted developments must commit to rent limits as established by HUD for the term of the mortgage and all other stipulations of the loan agreement. The assisted development must also commit to set aside a minimum number of units for very-low and low income households based upon the amount of assistance provided. The housing must remain affordable, and income eligible persons must occupy all SHIP assisted units during the affordability period. If the project ceases to remain affordable for the term of the loan, the entire unpaid balance is due and payable as Program Income as defined in s.420.9071(24).

Recipient Selection Criteria:

Management of the development will select potential homebuyers for the SHIP Assisted units on a first come, first qualified, first served, basis. SHIP recipients must meet all SHIP affordability and income guidelines for the income group. City staff may income-certify all homebuyers for the SHIP assisted units.

Eligible purchasers of the developed units must be very low or low income and occupy the property as their primary residence.

Developer (Sponsor) Selection Criteria:

Proposed projects will be considered on an ongoing basis subject to funding availability. All applications from Developers and Builders will be evaluated based upon a point scoring system and other community/development factors. An application scoring the most points does not necessarily guarantee funding of the request. Actual funding will also be based upon: availability of funding; project's affordability to low and very-low income households; project's location relative to other government assisted affordable housing projects; project's location relative to existing infrastructure; long-term project maintenance and security; home ownership education and other services for the tenants; and final funding approvals by the City Commission.

It is the goal of the City to provide funding for a variety of housing projects in a variety of locations. If staff deems a project "not feasible," staff reserves the right to recommend no funding for that project stating the reason for such recommendation.

Management of the development will select and place income eligible persons into the SHIP assisted units on a first come, first qualified, first served basis. Qualification criteria for SHIP recipients must meet all SHIP affordability and income guidelines for the income group. The City will be responsible for monitoring the project annually for compliance with tenant income and affordability requirements.

Additional Information: Other state, federal, private and local funds may be leveraged with SHIP funds.

J. Name of Strategy: FLORIDA HOMEBUYER OPPORTUNITY PROGRAM

Summary of Strategy: This strategy is designed in response to the legislative proviso requiring SHIP local governments to expend 2009-2010 funds to ensure that residents of the state derive the maximum possible economic benefit from the federal first time homebuyer tax credit created through The American Recovery and Reinvestment Act of 2009 by providing subordinate down payment assistance loans to first time homebuyers for owner occupied residences that can be repaid by the income tax refund the homebuyer is entitled to under the First Time Homebuyer Credit. The state program shall be called the "Florida Homebuyer Opportunity Program."

Fiscal Years Covered: 2009-2010 until expiration of the Florida Homebuyer Opportunity Program Tax Credit

Income Categories to be served: Up to \$75,000 for single taxpayers or \$150,000 for joint filers. There is no requirement to reserve 30 percent of the funds for awards to very-low income persons; and there is no requirement to expend 75% of funds for construction, rehabilitation or emergency repair.

Maximum Award: The principal balance of the loan, provided that the amount shall not exceed 10% of the purchase price or \$8,000, whichever is less.

Terms, Recapture and Default: If the City receives payment from the homebuyer within 18 months after the closing date of the loan the City shall waive all interest charges. A homebuyer who fails to fully repay the loan within 18 months shall be subject to repayment in the form of a 15 Year Deferred Payment Loan at 0% interest rate, which will be forgiven at the end of the fifteenth-year following closing. At anytime during the first 15 years, the loan will become due and payable immediately upon the sale, lease, rent or transfer of title to the property. All funds repaid to the City shall be considered “Program Income” as defined in s.420.9071(24).

Recipient Selection Criteria: Recipients must meet the requirements of the following:

- 1.** Maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for joint-filing taxpayer households which is equal to that permitted by the American Recovery and Reinvestment Act of 2009.
- 2.** Applicants will be selected on a first come, first qualified, first served basis pending funding availability.
- 3.** Maximum sales price for homes assisted through this strategy is \$329,268

K. Name of Strategy: First Mortgage Loan Program (FMLP)

a. Summary of the Strategy: SHIP funds will be made available to income eligible first-time

homebuyers with the goal of expanding homeownership opportunities to the targeted income groups. Assistance can be used for first mortgage financing and, closing costs and rehabilitation of the unit to be purchased. If necessary, secondary financing can be provided by private sector financing institutions, other non-profit agencies or governmental financing sources. Multi-unit properties such as duplexes and the like are ineligible. Additionally, all mobile and manufactured homes are ineligible.

The goal of this strategy is to assist income eligible applicants with financing in an effort to increase the number of homeowners in the City of Fort Lauderdale.

b. Fiscal Years Covered: 2007-2008, 2008-2009, 2009-2010

c. Income Categories to be served: Extremely Low, Very Low and Low Income.

d. Maximum Award: \$205,000

e. Terms, Recapture and Default:

1. FMLP mortgages will be provided at a fixed interest rate not to exceed 4% (APR of 4.5%).

2. FMLP mortgages will be amortized over a 30 year period
 3. FMLP mortgages will be provided as a 30 year fixed rate mortgage
 4. The property must remain the primary residence of the applicant for the entire term.
 5. If the home is sold, title is transferred or conveyed to an ineligible buyer, or the home ceases to be the primary residence of the applicant during the term of the mortgage, the entire amount of the loan shall become immediately due and payable.
 6. In the event of the death of the borrower prior to the end of the term of the mortgage, the outstanding balance becomes immediately due and payable. If the property is inherited by an income eligible heir that meets the requirements of the program, repayment may be waived, if the new homeowner accepts the terms and conditions of the program, including, but not limited to the principal residence requirement. The new owner's eligibility and entitlement shall be determined by the City in its sole discretion and must be requested by the owner within ninety (90) days of the death of the original borrower. Any applicable deed/affordability restrictions will be transferred to the new owner.
- f. Additional Information: Other state, federal, private and local funds may be leveraged with SHIP funds. Monthly payments and all funding repaid will come back to the City as Program Income. Underwriting criteria available upon request.

III. LHAP INCENTIVE STRATEGIES

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

A. Name of the Strategy: *Expedited Permitting*

Incentive: The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.

Established policy and procedures:

City of Fort Lauderdale Ordinance No. C-98-64 was adopted on December 8, 1998 to provide for an expedited permitting process to assist developers of affordable housing in getting through the development review process. The city has identified a position/expeditor who will have the responsibility for expediting applications. The following expedited review processes may include, but shall not be limited to the following:

1. Identify zoning regulations applicable to the proposed development.
2. Oversight of the development will be conducted from application to certificate of occupancy.
3. Referral to the appropriate Broward County government and Broward County school board affordable housing expeditors who have jurisdiction over proposed developments in the city.

4. Assist the applicant with any incomplete portions of the development application.
5. Identify resources, which may assist the applicant in meeting the requirement for development permit approval.

B. Name of the Strategy: Ongoing Review Process

Incentive Requirement: The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Established policy and procedures:

In order to ensure that this incentive is met, the City of Fort Lauderdale's Housing and Community Development (HCD) Division shall work closely with the Planning and Zoning Department and serve as staff when proposed changes that will impact the cost of housing are being proposed to the Unified Land Development Regulations. The Planning & Zoning Department reviews and processes applications for site development plans, conditional use permits, plats, and rezoning, among other development requests. The Department also presents development proposals before various boards, including the Planning & Zoning Board, Board of Adjustment, and Historic Preservation Board. The Department implements the goals, objectives, and policies of the City's Comprehensive Plan.

Additionally, HCD will attend the various review board meetings when recommendations on changes that would impact the cost of housing are being discussed. By implementing this process we will ensure that the City Commission is up to date on all discussions and we would offer the appropriate recommendation on all policies, procedures, ordinances, regulations, or plan provision changes that increase the cost of housing before they are adopted.

C. Name Strategy: Land bank Inventory Strategy

This strategy is designed to monitor and track all real property that has been appropriated for use as affordable housing. The Housing and Community Development Division will maintain a current inventory of all real property that will be monitored and updated as land becomes available and as parcels are released for affordable housing projects.

Affordable Housing Advisory Committee

The City of Fort Lauderdale has established an Affordable Housing Advisory Committee to review its housing policies and procedures, ordinances, land development regulations, and adopted local government comprehensive plan of the appointing local government. They will be asked to recommend specific initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. The composition of this committee will be in accordance with the F.S. 420.9072 and appointed by the City's Commissioners, the committee members and their terms will be adopted by way of Resolution. If the City is unable to appoint a citizen actively engaged in these activities in

connection with affordable housing either because of the presence of a conflict of interest by prospective appointees, or any other reasonable factor, the City will appoint a citizen engaged in the activity without regard to affordable housing, as allowed by statute.

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