

THE CITY OF WINTER HAVEN
STATE HOUSING INITIATIVES PARTNERSHIP
(SHIP) PROGRAM
LOCAL HOUSING ASSISTANCE PLAN

THE STATE OF FLORIDA FISCAL YEARS
JULY 1, 2008 THROUGH JUNE 30, 2011

Adopted April 28, 2008



Administered by:
Polk County Housing and Neighborhood Development Division
Terese L. Beaudry, Director

I. PROGRAM DESCRIPTION:

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

City of Winter Haven Interlocal: Yes X No _____

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

Polk County Board of County Commissioners

Copy of the Interlocal Agreement is attached as Exhibit H.

B. Purpose of the program

Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C. 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, and to further the housing element of the local government comprehensive plan specific to affordable housing.

This Local Housing Assistance Plan (LHAP) sets forth the three year plan to implement the State Housing Initiatives Partnership (SHIP) program in order to provide a combination of available public and private resources to preserve, improve, and create affordable housing for very low, low, and moderate income households. The SHIP program has been created to provide flexibility of using resources to meet goals and objectives in this plan, the City of Winter Haven's Comprehensive Plan, Housing Element, and the Winter Haven Consolidated Planning document.

The statutory requirements of the SHIP program require distribution of the funds in the following manner:

a. A minimum of 30% (thirty percent) of Winter Haven's local housing distribution will be set aside for very low income households; a minimum of 30% (thirty percent) will be set aside for low income households.

b. Home-ownership opportunities: A minimum of 65% (sixty-five percent) will be set aside for activities that promote home-ownership opportunities for very low, low, and moderate income households. Relevant activities include, but are not limited to,

1. Purchase assistance for existing units with or without rehabilitation,
2. Purchase assistance with development of new owner-occupied housing,
3. Rehabilitation of existing units.

c. Construction element: A minimum of 75% (seventy-five percent) will be set aside for activities that include construction and rehabilitation.

These set-asides are consistent with the provisions of Chapter 67-37, F.A.C.

C. Fiscal years covered by the Plan

<u>X</u>	<u>2008/2009</u>
<u>X</u>	<u>2009/2010</u>
<u>X</u>	<u>2010/2011</u>

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 City of Winter Haven's Comprehensive Plan.

Cities and Counties must be in compliance with these applicable statutes and rules.

E. Local Housing Partnership

Winter Haven continues to partner with building, banking, real estate firms, and non-profit organizations for the delivery of city wide housing opportunities. Local collaboration also includes working with homeless service providers for transitional housing, special needs housing, and for profit organizations delivering housing to very low and low income households. Winter Haven's Local Housing Assistance Plan is intended to increase the availability of affordable residential units.

F. Leveraging

The City Winter Haven forms local housing partnerships in order to maximize local resources by providing various cost saving measures such as reduced closing costs, and relief from mortgage point fees to the recipients of SHIP assistance.

G. Public Input

Public input is solicited through a variety of means which include meetings with housing, social service providers, local lenders, and neighborhood associations. All notices pertaining to affordable housing, including the Local Housing Assistance Plan and the Notice of Funding Availability are advertised in local newspapers. Winter Haven will seek input from its Affordable Housing Advisory Committee (AHAC) which will meet on a regular basis.

H. Advertising and Outreach

The City advertises the notice of funding availability in a newspaper of general circulation at least 30 days before the beginning of the application period. Winter Haven has an established waiting list for assistance; specific program advertising is not recommended until such time as the waiting list of potential

clients is significantly reduced.

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. Winter Haven complies with the requirements of the Federal Fair Housing regulations and has completed a citywide Analysis of Impediments to Fair Housing Choice.

J. Support Services and Counseling

Support services are available from various sources. Support services may include but are not limited to:

- Homebuyer education and credit counseling programs. Homeownership counseling and education is available for first time home buyers through Winter Haven's partnering agencies. These programs offer a certificate upon completion of the homebuyer education course, one on one counseling for foreclosure prevention, credit repair, budget and debt management, and lender prequalification. Counseling services are made available to eligible Winter Haven residents.
- A variety of transportation services are available to eligible Winter Haven citizens. To include elderly, low income, disabled, health care clients, and individuals without means of transportation.
- Social Services are provided to City residents at county offices and satellite locations. These services include, but are not limited to, low-cost medical, prescription reimbursement, rental assistance, indigent burials, utilities payments, and geriatric services.

K. Purchase Price Limits

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.

Winter Haven desires to accept the published maximum area purchase price as the purchase price limits for Winter Haven's Local Housing Assistance Plan. The FHFC provides periodic updates to the published maximum area purchase price and Winter Haven desires to update its purchase price limits to correspond with the FHFC updates.

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 Chart attached in Exhibit C.

L. Income Limits, Rent Limits, and Affordability

The Income and Rent Limits used in the SHIP Program are updated annually from the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30% of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (19), (20) and (28), F.S. However, it is not the intent to limit an individual household's ability to devote more than 30 % of its income for housing, any 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. In the case of rental housing, the rent payment does not exceed those rental limits adjusted for bedroom size. Very low-income households are defined as those households with incomes at or below 50% of the area median income. Low-income households are those households with incomes at or below 80% of the area median income. Moderate-income households are those households with incomes at or below 120% of the area median income, as adjusted and reported annually by the Florida Housing Finance Corporation.

M. Welfare Transition Program

The successful sponsor will have demonstrated capacity to administer the proposed program. Should an eligible sponsor be used, the City will develop a qualification system. The selection criteria for applications for awards to eligible sponsors will include a description that demonstrates how employed personnel from the Welfare Transition Program will be given preference in the selection process. The eligible sponsor will be chosen by a Request for Proposal (RFP) process.

N. Monitoring and First Right of Refusal

In the case of rental housing, the staff, as the entity with administrative authority for implementing the local housing assistance plan, shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, the City 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 at least annually for 15 years, or the term of assistance, whichever is longer or 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 non-profit 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 Commission of the City of Winter Haven solely utilizes all funds deposited in the Local Housing Assistance Trust Fund 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% limitation on administrative costs, unless its governing body finds, by resolution, that 5% of the local housing distribution plus 5% 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% 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 % of program income for administrative costs.

The City Commission of the City of Winter Haven has adopted the above referenced resolution, Exhibit E.

P. PROGRAM ADMINISTRATION

Administration of the local housing assistance plan is the responsibility of the Polk County Housing and Neighborhood Development Division. Should a third party entity or consultant contract with the county for any of the administration or implementation functions of the program, they must provide in detail a summary of their duties, qualifications, and selection criteria.

The eligible sponsor will be chosen by a Request for Proposal (RFP) process. The successful respondent will have a proven record with the administration of very low-, low-, and moderate-income programs. The selected sponsor must attend SHIP training within 12 months of the award of funds. Eligible sponsors employing Welfare Transition Program personnel will be given preference in the selection process.

Q. Essential Service Personnel

Essential service personnel is defined in accordance with Rule Chapter 67-37.002(8) F.A.C. and Chapter 67-37.005(8), F.A.C. and Section 420.9075(3) (a) FS.

Essential Service Personnel includes, but is not limited to, teachers and

educators, other school districts, community college and university employees, police and fire personnel, health care personnel, and skilled building trade personnel.

Affordable Housing: Winter Haven hereby defines "Affordable Housing" as housing whose purchase price does not exceed the maximum purchase price for new or existing residences, as currently utilized by Winter Haven in administering its SHIP program.

LHAP HOUSING STRATEGIES:

A. Down Payment and Closing Cost Assistance:

- a. **Summary of the Strategy:** This strategy is to provide down payment and closing costs assistance to SHIP eligible homebuyers.
- b. **Fiscal Years Covered:** 2008/09, 2009/10, and 2010/11.
- c. **Income Categories to be served:** Very Low-, Low-, and Moderate-Income.
- d. **Maximum award:** Maximum award is \$24,000.00 for very low-income and low-income eligible applicants and \$14,000.00 for moderate-income eligible applicants and is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture, and Default:** The down payment assistance under this program will be secured through a deferred, no interest, subordinate mortgage **with no expiration date**. The amount of the subordinate mortgage shall be secured by a deferred payment security agreement that becomes due and payable at time of sale, refinancing, transfer of title, or if the property ceases to be the full-time residence of the assisted client. Closing cost assistance will be provided as a grant. In cases where the combined loan to value exceeds 100 percent (100%), the amount over 100 percent (100%) may not be subject to recapture, per the requirements of the first mortgage holder.
- f. **Recipient Selection Criteria:** In all cases, applicants will be required to obtain a first mortgage for the balance of the purchase price. To be eligible, applicants cannot currently own a home. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.

Down payment/closing cost assistance may be for the purchase of existing homes, for newly constructed homes, or for rehabilitated existing homes.

- g. **Sponsor Selection Criteria:** Winter Haven may advertise county wide for nonprofits, bankers, and mortgage brokers who are interested in participating in Polk County's Consortium of Lenders. These lenders will assist in the distribution of Winter Haven's down payment/closing cost assistance funds. Applicants will be assisted on a first-come, first-ready, first-served bases. In all cases, applicants will be required to obtain a first mortgage for the balance of the purchase price. A processing fee, which will be paid at closing, may be

available for nonprofits. The fees will be on a sliding scale based on total household income.

This program may be implemented by a consortium of eligible sponsors. The eligible sponsors will be chosen by a Request for Proposal (RFP) process. The successful respondents will have a proven record with the administration of very low-, low-, and moderate-income homebuyer programs. In addition, they will have successfully demonstrated capacity to handle the administrative process for the anticipated number of loans, and will ensure the required homebuyer education hours are met for each client, as well as have experience working with lenders. The ability to leverage private dollars/in kind services will be an advantage to the successful respondent. All eligible sponsors must attend SHIP training. Eligible sponsors employing Welfare Transition Program personnel will be given preference in the selection process.

- h. Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program. This strategy may be combined with other state, federal, or local programs.

B. Minor Repairs:

- a. Summary of the Strategy:** This strategy will provide one-time minor repairs for SHIP eligible very low-, low-, and moderate-income owner-occupied homes (as defined by Section 420.9071(8)).

Homes requiring minor repairs costing up to \$10,000.00 will be repaired to meet Winter Haven's Housing Rehabilitation Standards with regard to the funded system being repaired under this section. Eligible minor repairs will correct roofing systems (including soffit and fascia), onsite sewage disposal systems or replace with sewer taps if available, and water systems (including wells, pressure tanks, pumps and wiring) or replace with water taps if available. The Minor Repair Program will also eliminate architectural barriers for the physically disabled and/or handicapped.

- b. Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years.
- c. Income Categories to be served:** Very low-, low-, and moderate-income eligible homeowners.
- d. Maximum award:** Maximum award of \$10,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. Terms, Recapture, and Default:** The assistance for minor repairs will be provided as zero (0) interest, 5-year, deferred payment security agreement that becomes due and payable at time of sale, transfer of title, or if the property ceases to be the full-time residence of the assisted client. At the close of the 5th year, the loan is forgiven.

- f. **Recipient Selection Criteria:** Eligible applicants will be assisted on a first-come, first-ready, first-served basis, except when priority is granted based on the following circumstances:
1. Documented special need, as defined by Ch. 67-37.002(13), F.A.C., of ~~the an~~ eligible homeowner (or immediate household member) who faces imminent institutionalization without repairs to the home. This exception to waiting list priority is intended to be available only in cases of last resort. ~~If institutionalization is not imminent, the applicant will not receive priority.~~
 2. Eligible homeowner who has suffered a catastrophic single event emergency (e.g. fire, localized weather damage, etc.) that will cause imminent homelessness. This exception to waiting list priority is intended to be available only in cases of last resort. If homelessness is not imminent, the applicant will not receive priority.
 3. Eligible homeowner applicants who require emergency repairs to correct hazardous life-safety issues, as determined by the City's housing rehabilitation specialist, or designee.
- g. **Sponsor Selection Criteria:** This program will be administered by the Polk County Housing and Neighborhood Development Division.
- h. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

C. Substantial Housing Rehabilitation:

- a. **Summary of the Strategy:** Eligible homes requiring substantial rehabilitation (repairs exceeding \$10,000.00, but not more than 75% of the appraised value of the home) will be repaired to meet Winter Haven's Housing Rehabilitation Standards. If the maximum award amount, combined with any other public or private dollars, is not sufficient to bring a home up to Winter Haven's Housing Rehabilitation Standards, then the home will not be eligible for assistance under this strategy. In the event that the maximum award is insufficient, the very low-, and low-income homeowner may qualify under the Reconstruction Strategy.
- b. **Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years.
- c. **Income Categories to be served:** Very low-, low-, and moderate-income eligible homeowners.

- d. **Maximum award:** Maximum award of \$97,500.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture, and Default:** A grant of up to \$8,000.00 will be provided for temporary relocation expenses (if necessary), permits, Ownership and Encumbrance (O&E) Reports, title commitment, and service delivery costs. Allowable relocation expenses may include, but are not limited to, the costs of moving, storing, and insuring personal property during moving and storage. The grant amount of \$8,000.00 is included in the maximum award noted on the Housing Delivery Goals Chart.

The Substantial Rehabilitation program strategy for very low- and low-income homeowners will consist of the following:

- a. The first \$30,000.00 will be secured with a deferred, no interest, subordinate lien.
- b. The amount of the subordinate lien will be forgiven at the close of the 10th year.
- c. The balance of the cost of rehabilitation will be in the form of a deferred loan amount that shall be secured by a zero (0) interest deferred payment security agreement that becomes due and payable at time of sale, transfer of title, or if the property ceases to be the full-time residence of the assisted client.

If the home is sold, title is transferred, or the home ceases to be the primary residence of the applicant, the amount of assistance that has not yet been forgiven must be repaid.

For moderate-income homeowners, assistance will be in the form of a loan with an interest rate not to exceed 3%. The loan may be amortized for up to 25 years. If the home is sold, title is transferred, or the home ceases to be the primary residence of the applicant, the unpaid balance of the loan must be repaid.

- f. **Recipient Selection Criteria:** Eligible applicants will be assisted on a first-come, first-ready, first-served basis, except when priority is granted based on the following circumstances:
 - 1. Documented special need as defined by Ch. 67-37.002(13), F.A.C.) of the eligible homeowner (or immediate household member) who faces imminent institutionalization without the rehabilitation to the home. This exception to waiting list priority is intended to be available only in cases of last resort. If institutionalization is not imminent, the applicant will not receive priority.
 - 2. Eligible homeowner who has suffered a catastrophic single event

emergency (e.g. fire, localized weather damage, etc.) that will cause imminent homelessness. This exception to waiting list priority is intended to be available only in cases of last resort. If homelessness is not imminent, the applicant will not receive priority.

3. Eligible homeowner applicants who require emergency repairs to correct hazardous life-safety issues, as determined by the City's housing rehabilitation specialist, or designee.

g. Sponsor Selection Criteria: The program will be administered by the Polk County Housing and Neighborhood Development Division.

h. Additional Information: Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

D. Reconstruction:

a. Summary of the Strategy: This strategy will provide replacement housing for SHIP eligible very low- and low-income owner-occupied homes that are unfeasible for rehabilitation. Mobile homes and manufactured homes will not be eligible for assistance unless the property (land) is owned by the applicant and the owner agrees that the mobile/manufactured home will be removed from the site. The program will be administered by the Polk County Housing and Neighborhood Development Division.

Under current City policy, no owner-occupied dwelling will be subject to condemnation. Only those dwellings occupied by eligible homeowners wishing to participate in a voluntary demolition program will be considered qualified for replacement if:

1. The homeowner's household income is very low or low as defined previously.
2. The home is found to be unfit for human habitation in accordance with standards set forth in the Standard Housing Code.
3. The home has been determined to be structurally unfeasible for rehabilitation or rehabilitation costs exceed the allowed limit in the Substantial Rehabilitation strategy; the homeowner agrees to permit the City to have the dilapidated structure demolished.
4. The homeowner has owned and occupied the dwelling to be demolished for not less than 365 days prior to execution of such an agreement.

5. The homeowner agrees to sign a mortgage and mortgage note and to make regular monthly installments for the life of the mortgage.
6. The homeowner agrees to a lien against the property which would require repayment of the mortgage if the property is sold, and an agreement by the City to any secondary liens or mortgages.
7. If a homeowner has an existing mortgage with payments that exceed 30% of income, or if the combination of that mortgage and the City's mortgage exceed 30% of income, the existing mortgage can be incorporated into the City's mortgage and payments determined on the aggregate cost of Demolition, Rehabilitation/Replacement, and the existing mortgage (the existing mortgage may not exceed \$15,000). Under all circumstances the balance of the existing mortgage shall be made part of a pay-back mortgage with the City.

Homeowners assisted under this strategy will be encouraged to obtain temporary housing on their own. A grant of up to \$8,000 may be provided for temporary relocation expenses, permits, Ownership and Encumbrance (O&E) Reports, and service delivery costs. Allowable relocation expenses may include, but not be limited to, the costs of moving, storing, and insuring personal property during moving and storage. The grant amount of \$8,000.00 is included in the maximum award amount noted on the Housing Delivery Goals Chart.

- a. **Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years
- b. **Income Categories to be served:** Very-low and low-income eligible homeowners.
- c. **Maximum award:** Maximum award of \$120,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- d. **Terms, Recapture, and Default:** Housing replacement costs for very low- and low-income homeowners will be secured with a 10-year deferred zero (0) interest loan not to exceed \$30,000 that will be forgiven at the close of the 10th year. All costs of replacement that exceed the deferred loan amount shall be secured by a zero (0) interest deferred payment security agreement that becomes due and payable at time of sale, transfer of title, or if the property ceases to be the full-time residence of the assisted client.

If the home is sold, title is transferred, or the home ceases to be the primary residence of the applicant, the amount of assistance that has not yet been forgiven must be repaid. In the event of the death of the homeowner(s), an income-eligible heir may occupy the home and assume the mortgage by means of a mortgage modification. If there is not an income-eligible heir, the mortgage will be due and payable. This

mortgage may be paid at any time without penalty. This strategy may be combined with other state, federal, or local programs.

- e. **Recipient Selection Criteria:** In the event that the Substantial Rehabilitation maximum award is not sufficient to bring the home up to code, the very low- and low-income homeowner may qualify under the Reconstruction Strategy.
- f. **Sponsor Selection Criteria:** The program will be administered by the Polk County Housing and Neighborhood Development Division.
- g. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program, except as noted under (a) of this strategy. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

E. Disaster Assistance:

- a. **Summary of the Strategy:** This strategy will provide assistance for minor repairs, substantial rehabilitation, or reconstruction of eligible housing for very low-, low-, and moderate-income households in the aftermath of a natural disaster **which is declared by executive order.** To be eligible, the house must have been owner-occupied at the time of the disaster. Assistance will only be provided for those repairs not covered by insurance or any other disaster relief program. The strategy will be administered by the County, and will be implemented only in the event of a Federal, State, or Local declared natural disaster, using funds that have not been encumbered or additional SHIP funds designated for disaster relief.

Minor repairs to homes may include: purchase of emergency supplies, for eligible households, to weatherproof damaged homes; interim repairs to avoid future damage; tree and debris removal required to make individual housing units habitable; and post-disaster assistance for non-insured repairs. The assistance for minor repairs up to \$5,000.00 will be in the form of a grant. The remainder of the guidelines of the Minor Repairs Strategy will be followed. For any assistance over \$5,000.00 up to \$10,000.00 will follow all of the Minor Rehabilitation guidelines, including recapture provisions. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.

The Disaster Assistance Strategy will also provide assistance for those eligible houses requiring substantial rehabilitation. Assistance will only be provided for those repairs not covered by insurance or any other

disaster relief program. Examples of the types of rehabilitation include repairing structural damage, roof repair/replacement, demolition costs, and retrofitting activities such as, waterproofing or elevating a structure to meet requirements of the National Flood Insurance Program and F.S. 161. The guidelines of the Substantial Housing Rehabilitation Strategy, including recapture provisions, will be followed.

In the event a house owned by an income-eligible person is damaged to the point that it is unfeasible to rehabilitate, the dwelling may be reconstructed. Assistance will only be provided for those costs not covered by insurance or any other disaster relief program. Mobile homes and manufactured homes will not be eligible for assistance unless the property (land) is owned by the applicant and the owner agrees that the mobile/manufactured home will be removed from the site. The guidelines of the Reconstruction Strategy, including recapture provisions, will be followed for the very-low income eligible applicant. Assistance will be available for low- and moderate-income eligible applicants who can qualify for a first mortgage for the balance of the purchase price. The guidelines of the Down-payment Assistance Strategy, including recapture provisions, will be followed.

- b. Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years.
- c. Income Categories to be served:** Very low-, low-, and moderate-income eligible homeowners.
- d. Maximum award:** Maximum award of \$150,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. Terms, Recapture, and Default:** Where applicable, the guidelines of the Minor Repairs Strategy will be followed, including recapture provisions. Where applicable, the guidelines of the Substantial Housing Rehabilitation Strategy will be followed, including recapture provisions. Where applicable, the guidelines of the Reconstruction Strategy, including recapture provisions, will be followed for the very low-, and low-income eligible applicants. Assistance will be available for moderate-income eligible applicants who can qualify for a first mortgage for the balance of the purchase price. The guidelines of the Down-payment Assistance Strategy, including recapture provisions, will be followed.
- f. Recipient Selection Criteria:** Eligible applicants will be assisted on a first-come, first-ready, first-served basis.
- g. Sponsor Selection Criteria:** The program will be administered by the Polk County Housing and Neighborhood Development Division..
- h. Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are

ineligible for assistance under Winter Haven's program. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

F. Multi-family Development:

- a. **Summary of the Strategy:** This strategy will be used to provide gap financing for the construction or rehabilitation of affordable units. Eligible expenses are those hard costs which are customarily treated as construction costs by institutional lenders, payment of impact fees, infrastructure expenses typically paid by the developer, construction soft costs, such as engineering studies and appraisals, if directly related to housing construction or rehabilitation.

Rental units receiving SHIP assistance will be occupied by eligible persons for at least 15 years. Polk County will monitor, at least annually for 15 years, or the term of assistance, whichever is longer, for compliance with tenant income and affordability requirements. If the development is offered for sale prior to the end of this period, right of first refusal for purchase at the current market value will be given to eligible nonprofit organizations that will provide continued occupancy by eligible persons. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.

- b. **Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years.
- c. **Income Categories to be served:** Very low-, low-, and moderate-income eligible applicants.
- d. **Maximum award:** Maximum award of \$50,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture and Default:** Terms will be negotiated prior to assistance, based upon the developer's cash flow and ability to pay. The interest rate will be determined prior to assistance at a rate between 0% and 4%. Not-for-profit developers may receive assistance at 0% interest. The annual interest rate offered to a for-profit developer will be 4%. A lesser rate will be considered by the City Commission on a case-by-case basis. The following factors will be considered for an interest rate less than 4%: market interest rate at the time of development, amenities, and the developer's profit margin. The term of the loan will be for a period up to 30 years. If the project is sold before the loan is repaid, the outstanding balance becomes due and payable to the City upon transfer of title. While not required, it is anticipated that this program will be used in conjunction with other federal or state programs,

such as the Low-income Housing Tax Credit, HOME Investment Partnerships Program, and/or the State Apartment Incentive Loan Program.

- f. **Recipient Selection Criteria:** First-come, first-ready, first-served.
- g. **Sponsor Selection Criteria:** This program may be implemented by an eligible sponsor. The eligible sponsor will be chosen by a Request for Proposal (RFP) process. The selection criteria will be based on the proposed development's consistency with both the City's Comprehensive Plan and the City's Consolidated Plan, the applicant's ability to proceed, whether or not the proposed development is located in a targeted area, the past experience of the applicant in the development of affordable rental units, and the amount of other funds leveraged by the proposed development. Eligible sponsors employing Welfare Transition Program personnel will be given preference in the selection process.
- h. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore are ineligible for assistance under Winter Haven's program. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

G. New Construction:

- a. **Summary of the Strategy:** This strategy will be used to provide hard costs for the construction of affordable units. Eligible expenses are those hard costs which are customarily treated as construction costs by institutional lenders, infrastructure expenses typically paid by the developer, and construction soft costs such as engineering studies and appraisals, if directly related to housing construction. Infill lots in the Core Improvement Area will be used. Eligible housing must be erected on the land within the timeframe provided by program regulations.
- b. **Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years
- c. **Income Categories to be served:** Very low-, low-, and moderate-income eligible applicants.
- d. **Maximum award:** Maximum award of \$20,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture and Default:** The units constructed for eligible applicants will receive a maximum award of \$20,000.00. This will be a zero (0) interest loan and will be amortized over 15 years. At the close of

the 15th year, the loan will be forgiven. If the home is sold, title is transferred, or the home ceases to be the primary residence of the applicant, the amount of assistance that has not yet been forgiven must be repaid. This mortgage may be paid at any time without penalty.

- f. **Recipient Selection Criteria:** Households with an annual income of up to 120% of median income are eligible for assistance under this strategy. Housing units may not exceed the purchase price limits for Winter Haven's SHIP Program. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.
- g. **Sponsor Selection Criteria:** This program may be implemented by an eligible sponsor. The eligible sponsor will be chosen by a Request for Proposal (RFP) process. The selection criteria will be based on the proposed housing consistency with both the City's Comprehensive Plan and the City's Consolidated Plan, the applicant's ability to proceed, the past experience of the applicant in the development of affordable housing units, and the amount of other funds leveraged by the proposed builder. Eligible sponsors employing Welfare Transition Program personnel will be given preference in the selection process.
- h. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program. The City of Winter Haven will use the United States Environmental Protection Agency's Energy Star Program guidelines in the Minor Repair program. When possible, Leadership in Energy and Environmental Design (LEED) guidelines will be followed. This strategy may be combined with other state, federal, or local programs.

H. **Rental Security and Utilities Deposit:**

- a. **Summary of the Strategy:** Funds will be provided to persons in danger of becoming homeless as a result of the inability to pay security and/or utility deposits when seeking residence in rental housing. Social service agencies and housing providers may serve as access points for persons needing assistance. Assistance is limited to a one (1) time grant not to exceed \$700.00.
- b. **Fiscal Years Covered:** The strategy will cover the 2008-09, 2009-10, and 2010-11 State fiscal years.
- c. **Income Categories to be served:** Very low- and low-income eligible applicants.
- d. **Maximum award:** Maximum award of \$700.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture and Default:** SHIP funds provided for this activity

will be in the form of a grant and not subject to recapture.

- f. **Recipient Selection Criteria:** Households with annual income up to 80% of median income are eligible for assistance under this strategy. Rental units must meet affordability requirements. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.
- g. **Sponsor Selection Criteria:** This program will be administered by the Polk County Housing and Neighborhood Development Division.
- h. **Additional Information:** SHIP funds may be leveraged with FEMA funds, other public funds designated to assist displaced persons, and private dollars derived from local fund raising efforts. Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program.

I. Increasing Energy Efficiency:

- a. **Summary of the Strategy:** Funds will be provided to not-for profit and for-profit builder(s) who wish to improve the energy efficiency of new construction of single-family housing units for affordable housing. Eligible items must meet the United States Environmental Protection Agency's Energy Star Program guidelines. The recommended areas include, but are not limited to, high-performance windows, improved insulation in the walls and ceiling, energy efficient heating and cooling systems.
- b. **Fiscal Years Covered:** The strategy will cover the 2008-09, 2009-10, and 2010-11 State fiscal years.
- c. **Income Categories to be served:** Very low-, low-, and moderate-income eligible applicants.
- d. **Maximum award:** Maximum award of \$5,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture and Default:** SHIP funds provided for this activity will be in the form of a grant and not subject to recapture.
- f. **Recipient Selection Criteria:** Households with an annual income of up to 120% of median income are eligible for assistance under this strategy. Housing units may not exceed the purchase price limits for Winter Haven's SHIP Program. Eligible applicants will be assisted on a first-come, first-ready, first-served basis.
- g. **Sponsor Selection Criteria:** This program will be administered by the Polk County Housing and Neighborhood Development Division.

- h. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program.

I. Foreclosure Prevention:

- a. **Summary of the Strategy:** Funds will be provided to assist eligible clients with foreclosure prevention in the form of counseling and financial assistance. Assistance is limited to a one (1) time loan not to exceed \$5,000.00.
- b. **Fiscal Years Covered:** This strategy will cover the 2008/09, 2009/10, and 2010/11 State fiscal years
- c. **Income Categories to be served:** Very low- and low-income eligible applicants.
- d. **Maximum award:** Maximum award of \$5,000.00 is noted on the Housing Delivery Goals Charts. (Exhibit C)
- e. **Terms, Recapture and Default:** SHIP funds provided for this activity will be secured with a deferred, no interest, subordinate lien. No payments will be due as long as the home remains the primary residence of the original applicant. The amount of the subordinate lien will be forgiven at the close of the 5th year.
- f. **Recipient Selection Criteria:**
 - a. Home value less than SHIP sales price limit.
 - b. Completion of counseling with the City of Winter Haven's counseling agency.
 - c. Foreclosure prevention applicants must show that the nonpayment of their mortgage is through no fault of their own. Eligible reasons are:
 - (1) Loss of employment.
 - (2) Sudden medical expenses.
 - (3) Divorce or separation.
 - (4) Death in the family.
 - (5) Unforeseen home repair bills.
 - (6) Subprime loan/adjustable rate loan.
 - d. Applicants must also show that they:
 - (1) will be able to keep the house out of default,
 - (2) genuinely want to keep the house, and
 - (3) can make monthly mortgage payments.
- g. **Sponsor Selection Criteria:** This program will be administered by the Polk County Housing and Neighborhood Development Division.

- h. **Additional Information:** Mobile homes and manufactured homes are not eligible for assistance under the SHIP Program; therefore they are ineligible for assistance under Winter Haven's program.

III. LHAP INCENTIVE STRATEGIES

A. Name of Strategy: Expedited Permitting

Summary of the Strategy: In this strategy, permits, as defined in s. 163.3164(7) and (8), for affordable housing projects are expedited to a greater degree than other development projects.

The City has a Development Review Committee (DRC) consisting of the following divisions: Planning, Building, Fire, Natural Resources, Public Services, Police, Utilities, and Engineering. This committee meets every week to review public and private development projects. The Community Development Department will expedite the committee's review process of affordable housing projects by:

- a. Ensuring the application and/or plans are prioritized for immediate review by the DRC at its next meeting, and
- b. Notify City staff on the DRC of receipt of the project application and/or plans by telephone and deliver the plans within twenty-four (24) hours to each Committee member.

Prior to the release of the plans to the reviewing members of the DRC, for formal review and approval, the plans will be marked as an affordable housing project and given a specific time for review and/or approval.

B. Name of Strategy: Ongoing Review Process

In this strategy, before the adoption of any new ordinance, procedure, regulation or plan, the City will consider the impact on the cost of housing pursuant to the City of Winter Haven's Comprehensive Plan adopted May 22, 2000. Policy 1.1.2, 1.4.4, 1.5.1, 1.5.2, 1.5.3, 1.5.4 and 1.5.5

The Affordable Housing Advisory Committee (AHAC) was created by resolution to review established policies and procedures, ordinances, and regulations as well as plan provisions that may increase the cost of housing.

C. Name of Strategy: Core Improvement Area

The Core Improvement Area within the City of Winter Haven was established for the purpose of waiving certain City and County impact fees, excluding City Water and Sewer Utility Impact Fees.

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:
Original ordinance is attached as Exhibit G.
- H. Inter-local Agreement:
A copy of the Inter-local Agreement if applicable is attached as Exhibit H.