

**HILLSBOROUGH COUNTY, FLORIDA**

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**SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)**

**FISCAL YEARS COVERED**

**2004/2005, 2005/2006, 2006/2007**

**I. PROGRAM DESCRIPTION** Chapter 67-37.005 F.A.C. and Section 420.9072, F.S.

**A. Name of the participating local government and Interlocal if Applicable:**  
*Section 420.9072(5), F.S.*

HOUSING AND COMMUNITY CODE ENFORCEMENT DEPT

Interlocal : Yes \_\_\_\_\_ No  X

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

N/A

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

**B. Purpose of the program:** 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, to further the housing element of the local government comprehensive plan specific to affordable housing.

**C. Fiscal years covered by the Plan:** *Chapter 67-37.002, F.A.C.*

- X  2004/2005
- X  2005/2006
- X  2006/2007

**D. Governance:** *Chapter 67-37.005(3) and (5)(i) F.A.C. and Section 420.9071(14) F.S.*  
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.

**E. Local Housing Partnership** *Section 420.9072(1)(a), F.S.*  
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:** *Chapter 67-37.007(1)(b)(c), F.A.C. and Section 420.9075(1)(a) and (1)(b3, and (1)(c), F.S.*  
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. 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.

SHIP

**G. Public Input:** *Chapter 67-37.005(3), F.A.C.*  
Public input was solicited through face to face meetings with housing providers and public community meetings held in low-income target areas identified for usage of CDBG, HOME and SHIP dollars which were implemented in the Five-Year Consolidated Plan. Public input was solicited through the local newspaper in advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

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**H. Advertising and Outreach** *Chapter 67-37.005(6)(a), F.A.C.*  
The county or eligible municipality or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

**I. Discrimination:** *Section 420.9075(3)(c), F.S.*  
In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

**J. Support Services and Counseling:** *Chapter 67-37.005(5)(g), F.A.C.*  
Support services are available from various sources. Available support services may include but are not limited to:  
Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling and Transportation

**K. Purchase Price Limits:** *Section 420.9075(4)(c), F.S. and Chapter 67-37.007(6) F.A.C.*  
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 to exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used by Hillsborough County (local government) is:  
 Bond Study Numbers provided by Florida Housing Finance Corporation  
 Independent Study (copy attached)  
 U.S. Treasury Department  
 Local HFA Numbers

The purchase price limit for:  
New Homes:     X      
Existing Homes:     X    

**L. Income Limits, Rent Limits and Affordability:**

*Chapter 67-37.005(5)(e), F.A.C. and Section 420.9071(2), F.S.*

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (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, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

**M. Wages to Work:** *Chapter 67-37.005(6)(b)(7)F.A.C.*

Should an eligible sponsor be used, the county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the WAGES and Workforce Development Initiatives programs will be given preference in the selection process.

**N. Monitoring and First Right of Refusal:** *Section 420.9075(3)(e)and (4) (f), F.S.*

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance which ever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

**O. Administrative Budget:** *Chapter 67-37.005(6)(f)3, F.A.C..*

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 County finds that the monies deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. The cost of administering the plan may not exceed 5 percent of the local housing distribution moneys and program income deposited into the trust fund. 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% 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 County has adopted the above findings in the attached resolution, Exhibit E.

**II. LHAP HOUSING STRATEGIES:** *Chapter 67-37.005(5), F.A.C.*

Provide Description:

**A. Homebuyer Education**

a. Homebuyer Education will be used to increase the rate of homeownership and to help ensure that families will be able to remain in a home after the purchase. An organization will be selected by a Request for Proposal to work with households with very low, low and moderate income. Counseling will include, but not be limited to, preparing applicant for home-ownership, foreclosure prevention, home maintenance, predatory lending, and credit counseling. Counseling agencies must be HUD certified.

b. The strategy will be funded during State Fiscal Years 2004/2005, 2005/2006, 2006/2007.

c. Assistance will be provided to households with incomes with less than 120% of Area Median Income adjusted to family size as described in Chapter 67-37.005(5)(e), F.A.C. and Section 420.9071(2),F.S.

d. Maximum award is noted on the Housing Delivery Goals Charts

upon e. Terms, Recapture and Default: Counseling agencies will be reimbursed submission of completed contract requirements of applicants. No service fee will be charged to applicant. Funds will default if the deed changes owner

- f. Sponsor Selection Criteria: Requests for Proposals will be accepted from applicants. Proposals will be reviewed based upon a selection criterion:

The selection criteria will include the following:

- The agency must have financial accountability standards that permit HCCED to account for and audit the SHIP funds;
- The experience of the organization in conducting homebuyer education;
- The proposal should be, but not limited to, a 40-hour homebuyer education program and a foreclosure intervention prevention program, both pre and post counseling, and a maintenance program;
- Must be HUD certified for homebuyer counseling;
- Promote the hiring of WAGES employees.

**B. Owner-Occupied Rehabilitation**

- a. The County or Eligible Sponsors may perform rehabilitation on substandard single family housing units, for eligible incomes that do not exceed 80% Area Median Income adjusted to family size who own and occupy substandard housing units. Amount of assistance extends up to 80% based on needs and family income assessment.
- b. The strategy will be pursued through State Fiscal Years 2004/2005, 2005/2006, 2006/2007.
- c. Households with income up to 80% of Area Median Income adjusted to family size are as described in Chapter 67-37.005(5)(e), F.A.C. and Section 420.9071(2),F.S.
- d. The maximum SHIP award, per unit, for this strategy shall be \$50,000
- e. The family must repay the loan if they sell, transfer title or no longer occupy the home. Maximum amount for this strategy will be \$50,000.
- f. Eligible applicants will be approved for assistance on a first-come, first-qualified basis subject to funding availability. In compliance with established County policies, other selection criteria are as follows:
- Applicants must be able to demonstrate the ability to pay property taxes, insurance, utilities, and existing mortgage payments, and must be able to demonstrate the ability to maintain the property.
  - First time applicants will generally be given priority over previously

assisted persons. Exceptions may be made for Eligible Property Owners in cases where living conditions threaten the personal health and safety of the household.

- Applicants must be in good standing with the County (County utility accounts and property taxes must be current.) Property with code enforcement violations may be assisted in order to eliminate substandard housing.
  - Assistance will be also be given to special needs, such as barrier removal for eligible homeowners as defined by Ch. 67-37.002 (13), F.A.C.
  - Assistance will be provided for emergency/substandard home repair. Emergencies/substandard are considered to be:
    1. Structural components showing imminent collapse;
    2. Inoperable/substandard heating and cooling systems;
    3. Inoperable/substandard plumbing/leaks in walls or foundation;
    4. Inoperable/substandard toilet or hot water heater;
    5. Roof leaks causing electrical hazards, ceiling collapse or structural damage;
    6. Inoperable/standard electrical systems;
    7. Collapsed or inoperable/substandard chimney or flue;
    8. Inoperable/substandard sewage system, in either well or county metered system; and,
    9. Inoperable/substandard ranges/refrigerators.
  - Assistance will be provided as disaster relief in the event of federal, state or locally declared natural disasters, in accordance with the Rule issued by Florida Housing Finance Corporation.
  - Emergency assistance will be given to in-need clients on a one-time basis in the form of a grant not to exceed \$7,500. If additional requests are received, staff will consider on a case by case basis.
- g. This strategy may also include Reconstruction/Demolition. If a home is beyond financial feasibility of \$50,000 to repair, a replacement home may be built not to exceed 90 per cent of average area price as determined by the Property Appraiser's Office. The replacement amount of 90 per cent of the average area price will also include cost of demolition and land value.
- h. Assistance to homeowners served under this strategy of reconstruction/ demolition will be in the form of a low interest loan and a deferred payment 0% interest loan secured by a lien on the property. and repaid if the home is sold, transfers title or property no longer owner-occupied.

### C. Down Payment Assistance

- a. The Hillsborough County Down Payment Assistance Program provide eligible homebuyers with a deferred payment loan to be applied towards down payment, closing costs and rehabilitation for the purchase of eligible owner-occupied housing, including single-family homes, townhouses, condominiums or villas. This strategy will include assisting developers with new construction funding of homes to reduce the cost to first home buyers.
- b. The strategy will be funded during State Fiscal Years 2004/2005, 2005/2006, 2006/2007.
- c. Assistance will be provided to serve very low and low income households adjusted to family size not to exceed 80% AMI.
- d. The purchase price of the home may not exceed the maximum sales price of 90 per cent of average area price as determined by the Property Appraiser's Office.
- e. Deferred payment loans will be secured by a lien. The loan is at 0% interest and requires no monthly payments. The full amount of the Deferred Loan Amount must be repaid if the property is sold, transfers title, or no longer owner occupied.
- f. Eligible applicants will be selected on a first-come, first-qualified, and first-served basis, within income groups.
  - The home to be purchased must be located in the unincorporated County, City of Plant City or City of Temple Terrace.
  - The applicant must have attended and completed a Homebuyer Education class provided by or approved by the County. This may include a Fannie Mae/Freddie Mac approved Certification class. Certificate of homeownership counseling completion required prior to loan closing.
  - The applicant must contribute a minimum of 2% of the purchase price (including pre-pays) towards the purchase of the home and must have the 2% at the time of the loan.
  - The applicant must reside in the home being assisted within 60 days after closing.
  - An additional \$2,500 grant will be given if the home is located in a CDBG target area; an additional \$2,500 grant will be awarded to a state certified teacher, state certified nurse, certified firefighter, or a state certified law enforcement officer. Subsidies shall be allocated as follows: First year \$40,000, second year \$45,000 and third year

\$50,000. The maximum amount shall not exceed \$50,000.

- In a project where land acquisition and property development is SHIP funded and no downpayment assistance is required, buyer must meet the income guidelines, and buyer must not have owned a home in the past three years. The exception would be a displaced spouse or property is seized by a government agency through eminent domain..

**D. Multi-Family New Construction/Rehabilitation**

- This strategy will assist newly constructed or existing multi-family developments serving households under 80% Area Median Income adjusted to family size.
- This strategy will be funded during State Fiscal Years 2004/2005, 2005/2006, 2006/2007.
- The maximum SHIP award per unit under this strategy will be \$95,000.
- SHIP funds may be used for site acquisition, site development, infrastructure improvements or construction costs. The County's financial assistance will be secured with a mortgage and note that will require repayment at an interest rate of at least 1%. SHIP funds will be amortized, at a minimum, over a period of 15 years to not exceed 40 years. Selection criteria under this strategy will include: examination of debt service coverage ratios, economic viability, security to lenders, responsiveness to local housing needs, quality of the proposed communities and operational costs.

Eligible sponsors that propose to employ personnel from WAGES and Workforce Development Initiatives programs will be given preference in the selection process. A Schedule of Subcontracting Form and Employment Data, Schedule of

Minorities and Women Form are to be completed and submitted by all sponsors. Selection criteria that employ a bonus point system will be used in evaluating proposals that commit to the employment of welfare recipients. To be eligible, sponsors must complete and submit the form listing the number of welfare recipients to be hired with the proposal. Bonus points shall only be awarded once for any one individual hired. Individuals hired may be employed in any position within the firm. The failure of the contractor to comply with these hiring commitments after contract award shall be grounds for termination of the contract for default. During performance of the contract, the contractor will take appropriate steps to ensure that individuals hired under this program are retained. However, if it becomes necessary to replace an employee, the contractor shall provide verification of the replacement worker's status from the County Jobs and Benefits Coordinator, Department of Labor. At its discretion, the County may periodically request submission of certified payrolls to confirm the employment status of program participants.

A Developer's designated management company will select and place eligible households into SHIP assisted units on a first-come, first-serve basis in a manner which will ensure there will be no discrimination on the basis of race, creed, color, age, sex, familial or marital status, handicap, religion, or national origin. Selection and qualification criteria for SHIP recipients will be tied to affordability guidelines as published by HUD and distributed by the Florida Housing Finance Corporation on an annual basis. Household income of recipients placed in SHIP assisted units cannot exceed the designated areas median income adjusted for family size for an identified percentage category as identified on the Florida Housing Finance Corporation Income Limits Chart. The County will be responsible for monitoring affordability and regular tenant monitoring reports required under the SHIP statute. This strategy will be leveraged with other resources such as locally provided discounts of impact fees, HOME funding and Community Development Financial Institution funding to assist selected affordable developments.

**E. Foreclosure Prevention**

- a. The Mortgage Foreclosure Intervention Program offers qualified homeowners an opportunity to avoid foreclosure and retain their homes. Funds will be provided to eligible homeowners to assist in bringing their mortgage payments current prior to the start of the foreclosure process. Eligible expenses include delinquent mortgage payments (principal, interest, taxes and insurance, attorney's fees, late fees and other customary fees). Funds will be dispersed to lender in the form of a lien and upon completion of counseling classes validated by a certificate of completion from the County or a County approved counseling service within 90 days of reinstatement from foreclosure. The lien will be released and the assistance will be considered a grant. This will be a one-time only assistance.
- b. This strategy will be funded during State Fiscal Years 2004/2005, 2005/2006, 2006/2007.
- c. Assistance will be provided to very low, low and moderate income households as defined by HUD and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.
- d. Funds are made available based on a first-come, first-served basis for prior SHIP recipients only. If funds are not available, the County will establish a waiting list program. Additional criteria is as follows:
  - The applicant must show the ability to continue to maintain their mortgage payments after assistance is given.
  - Foreclosure prevention applicants must show that the nonpayment of their mortgage is due to the following eligible reasons:

- Temporary loss of employment.
  - Sudden medical expenses.
  - Divorce or separation.
  - Death in family.
  - Unforeseen emergency home repair bills.
- The applicant must attend a pre, post and maintenance credit counseling program from the County or a County approved counseling service.
  - The maximum award is \$5,000. Payments must be made directly to the lending institution.

### III. LHAP INCENTIVE STRATEGIES

*Section 420.9071(16), F.S.*

#### A. **Name of the Strategy:** Expedited Permitting

Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

Established policy and procedures:

The County expedites the review and processing of construction plans of Affordable Housing projects by policy of the Planning and Growth Management Department.

Description:

Processing time is reduced by 50% for projects that are sponsored or participating in any of the affordable housing programs offered under the Housing and Community Code Enforcement Department.

#### B. **Name of the Strategy:** The Modification of impact fee requirement, including reduction or waiver of fees and alternative methods of fee payment.

Policy and procedures:

The County offers relief from Right-of-Way, Transportation, Parks and Fire Impact Fees for single-family homes and multi-family rental developments (multi-family projects are subject to an annual cap).

Description:

This relief is available to households and units that are occupied, or in the case of multi-family projects, units that will be set-aside, whose total annual anticipated gross income does not exceed 80% of the Median Annual Income adjusted for family size for households within the metropolitan statistical area. Hillsborough County School Impact Fees must be paid due to bond covenants.

Water and wastewater connection, capacity and accrued guaranteed revenue fees must be paid, again due to bond covenants; however, a portion can be

paid up front with the remainder collected with the real estate taxes over a period of twenty (20) years with no interest. (In certain new construction projects, SHIP funds may pay for all or a portion of the water, waste and wastewater connection and capacity fees).

An ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption.

- C. **Name of Strategy:** The Allowance of increased density levels  
Policy and procedures and description:  
The County's Comprehensive Plan (CPP & policy B-3.2 and Land Development Code (Sections: 6.01.02 & 6.11.07) of the Land Development Code and as per Hillsborough County Ordinance No. 92-05.
- D. **Name of Strategy:** The reduction of parking and setback requirements  
The County offers a reduction of Parking and Setback requirements as provided in sections 6.01.01 and 6.11.02 of the Lane Development code and as per Hillsborough County Ordinance No. 92.05.
- E. **Name of Strategy:** The County offers Zero-lot-line construction and as per the requirements as provided in section 6.11.04 of the Lane Development Code and as per Hillsborough County Ordinance No. 92-05.

#### 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:** *Chapter 67-37.005, F.A.C.*  
Completed HDGC for each fiscal year is attached as **Exhibit C.**
- D. **Certification Page:** *Chapter 67-37.005(7), F.A.C.*  
Signed Certification is attached as **Exhibit D.**
- E. **Adopting Resolution:** *Section 420.9072(2)(b)2, F.S.*  
Original signed, dated, witnessed or attested adopting resolution is attached as

**Exhibit E.**

**F. Program Information Sheet:**

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

**G. Ordinance:** *Section 420.9072(3)(a), F.S.*

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

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

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