

County of Volusia, FL

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP)
LOCAL HOUSING ASSISTANCE PLAN (LHAP)

FISCAL YEARS COVERED

2010-2011, 2011-2012 and 2012-2013

Adopted by Volusia County Council

April 15, 2010

(Amended February 3, 2011)

(Technical comment corrections March 28, 2011)

(Revised September 8, 2011)

(Revised December 1, 2011)

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I. PROGRAM DESCRIPTION:

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

County of Volusia, FL

Interlocal : Yes _____ No X_____

Name of participating local government(s) in the Interlocal Agreement;
Not Applicable

B. Purpose of the program:

The local housing assistance plan (LHAP) was created 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.

The program area covered by the LHAP is Volusia County except for the cities of Daytona Beach and Deltona. Effective September 8, 2011, for fiscal years 2011/2012 and 2012/2013, the program area covered by the LHAP will also include the City of Port Orange. SHIP funding for the City of Port Orange is limited to an amount attributable to the population of the City of Port Orange.

C. Fiscal years covered by the Plan:

2010/2011
2011/2012
2012/2013

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37 Florida Administrative Code. The SHIP Program does further the housing element of the local government Comprehensive Plan. **Cities and Counties must be in compliance with these applicable statutes and rules.**

E. Local Housing Partnership

SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

F. Leveraging:

The LHAP is 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 meetings with housing providers, social service providers and local lenders. Public input was solicited through the local newspaper in the advertising of the Notice of Funding Availability, and through the County of Volusia website for the local housing assistance plan.

H. Advertising and Outreach

The county or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Discrimination:

In accordance with the provisions of ss.760.20-760.37, Florida Statutes, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

J. Support Services and Counseling:

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

Homeownership Counseling (Pre and Post), Credit Counseling and Tenant Counseling

K. Purchase Price Limits:

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

Independent Study (copy attached)

U.S. Treasury Department

Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts

L. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually from

the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program:

Should a 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 employ personnel from the Welfare Transition Program will be given preference in the selection process.

N. Monitoring and First Right of Refusal:

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

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

O. Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

The County of Volusia finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative

Code, states:

“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.”

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:

“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 County of Volusia 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 County of Volusia Community Assistance 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:

Counties are required to include a definition of Essential Services Personnel as noted in Rule Chapter 67-37.002(8) F.A.C., Chapter 67-37.005(10), F.A.C. and Section 420.9075(3), F.S.

Essential Service Personnel is defined for the County of Volusia, LHAP to include teachers and educators; other school district, community college, and university employees; police and fire personnel; health care personnel; skilled building trades personnel; hotel, motel, restaurant and other tourism trades personnel; and other job categories employing persons with incomes that meet the income requirements of the SHIP statute.

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

Section 420.9075(3) (d), F.S. requires counties to describe initiatives in their local housing assistance plans that encourage or require innovative design, green building principles, storm resistant construction or other elements that reduce long term costs relating to maintenance, utilities or insurance. Provide a brief description as required:

The Housing Rehabilitation and Substantial Rehabilitation strategy provides that energy conservation and other green features will be incorporated into all substantial rehabilitation projects. This includes, but is not limited to energy conserving

windows and doors, higher efficiency HVAC units, increased wall and ceiling insulation, programmable thermostats, low-flow plumbing fixtures, as appropriate and EnergyStar rated appliances.

Section II. LHAP HOUSING STRATEGIES:

A. Homeowner Strategies

1. Homebuyer Assistance – New Construction

a. Summary of the Strategy:

Homebuyer Assistance provides income eligible applicants with purchase assistance in the form of gap-financing to purchase a SHIP-eligible, newly constructed home. Closing cost assistance will also be provided by itself or in combination with purchase assistance. Purchase assistance and closing cost assistance is limited to the amount required to make the purchase affordable, and to provide “gap financing.” The amount of assistance cannot exceed the first mortgage, or be more than 50% of the purchase price.

All applicants must contribute towards the home purchase as follows: Very low-income applicants must contribute a minimum of \$500, low-income applicants must contribute a minimum of \$1,000, and all moderate-income applicants must contribute a minimum of \$1,500. The applicant must not have defaulted on a mortgage in the past seven years. The filing of a foreclosure action or lis pendens may be used as evidence of default.

Applicants must meet the definition of a “first-time homebuyer.” A “first-time homebuyer” is defined as a person who has not owned a home in the three (3) years preceding the application date. Persons owning and residing in a pre-1994 mobile or manufactured home at the time of application are not considered “homeowners” for this purpose, and may participate in the program with proof of disposition of the unit. Additionally, persons owning and residing in a post-1994 mobile or manufactured home in an unstable mobile/manufactured home park may not be considered “homeowners” for this purpose and may request a waiver of this requirement from the Community Assistance Division.

Manufactured homes are eligible for purchase through this program, and must be designed to meet the standards of Florida Chapter 553 for home ownership as evidenced by an attached Florida Department of Community Affairs (DCA) certification, or a HUD approved manufactured home built after 1994.

b. Fiscal Years Covered:

2010-2011, 2011-2012, and 2012-2013.

- c. Income Categories to be served:
 Very low-, low- and moderate-income households as defined in Chapter 420.9071(19), (20) and (28), F.S. are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
 See the chart below for a breakdown of the maximum assistance amounts:

	Purchase Assistance	Closing Cost Assistance
Extremely Low Income	Not to exceed \$35,000	\$5,000
Very Low- Income	20% of the purchase price, not to exceed \$25,000	\$3,000
Low-Income	20% of the purchase price, not to exceed \$20,000	\$3,000
Moderate-Income	20% of the purchase price, not to exceed \$15,000	\$3,000

- e. Terms of award; Recapture and Default: Terms of award:
 Funding for this program will be provided in the form of a zero-interest, 15 year deferred payment loan. Payment in full is due if the property is sold, leased or transferred within the 15 year term, and the mortgage is released at the end of the 15 year term if all conditions are met.
 Shared appreciation provisions. The County will share in the net appreciation on the transfer of the home by the homebuyer if the home is transferred prior to the end of the 15-year term. The amount of net appreciation shall be determined by taking the approved final value, less eligible closing costs, less borrower's initial investment in acquisition of the property, less any valid outstanding liens (including the lender's lien for payment of the loan from lender evidenced by the subordinate security instrument), less eligible improvements to the property. The percentage of net appreciation to be shared between the County and homebuyer is provided below:

Year	Homebuyer Net Appreciation	County Net Appreciation
1-2	0%	100%
3-5	50%	50%
6-10	80%	20%
11-15	100%	0%

The loan is secured by a subordinate mortgage. A subordination of the county's mortgage will only be approved under the following conditions:

- 1.) Purchase. The applicant may request the County to occupy a lien position lower than second under these conditions:
 - a) The County may occupy a third position only if the home is being constructed by a participant in the State's Homeownership Pool Program ("HOP"), a commitment for the applicant to receive a HOP loan has been secured, and the HOP loan exceeds the amount of the County's loan for homebuyer assistance; or
 - b) The County may occupy a third position if the applicant has a commitment from another government funded homebuyer assistance program and that program's loan would exceed the amount of the County's loan for homebuyer assistance.
- 2.) Refinance of first mortgage or home equity loan. The County will consider re-subordinating its loan to a first mortgage loan or permitting a home equity loan or other subordinate transfer when a refinancing occurs during the term of the loan with terms that improve the long-term affordability of the loan to the homeowner. In making a determination, the Community Assistance Division will consider the following conditions and terms:
 - a) The homeowner must have resided in the property for at least two years;
 - b) Interest and term of the existing and proposed loan;
 - c) Principal balance of the existing loan;
 - d) Reasons for the request; and

The homebuyer cannot receive any cash out as a result of the refinancing, except for documented emergency home repairs that become necessary to maintain the health and safety of the residents.

Recapture and Default: If the homeowner does not maintain the property as their primary residence, leases or rents the home, or if the property is transferred, refinanced without the consent of the County, or sold before the loan period ends, then the homeowner is in default and the full amount is due and payable.

If the homeowner defaults on a first mortgage, the County may elect at its discretion any of the following options:

- 1) Purchase the property by paying off the first mortgage to preserve the investment and make it available to income eligible households.
- 2) Negotiate the amount of the County's loan balance to permit a "short sale."

- 3) Recapture as much of its investment from the resulting foreclosure sale.
- 4) Use SHIP foreclosure prevention funds to prevent a loan default and stabilize the homeowner.

f. Recipient Selection Criteria:

All applicants will be required to contact and work with one of the County's approved Affordable Housing Partners to complete and submit an application to determine income and program eligibility, credit worthiness, and financial capacity. The County will advertise for qualified builders, real estate agents and brokers, lenders and non-profit organizations to be approved as Affordable Housing Partners to submit qualified applicants for consideration for the Homebuyer Assistance Program.

All eligible applicants will be selected by the Community Assistance Division on a first ready, first served basis and SHIP funds will be committed. First ready means that the applicant's application is complete in all regards as determined by a review of the Community Assistance staff. In addition, all applicants must complete one of the County sponsored homeownership courses prior to being approved for funding. Funding of qualified applicants is limited to and contingent upon SHIP funds availability.

g. Sponsor Selection Criteria and duties, if applicable: Not applicable

h. Additional Information:

SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds, and other federal, state and local funds.

2. Name of the Strategy: Homebuyer Assistance – Existing homes

a. Summary of the Strategy:

Homebuyer Assistance provides income eligible applicants with purchase assistance in the form of gap-financing to purchase a SHIP-eligible, existing home. Closing cost assistance will also be provided by itself or in combination with purchase assistance. Purchase assistance and closing cost assistance is limited to the amount required to make the purchase affordable, and to provide "gap financing." The amount of assistance cannot exceed the first mortgage, or be more than 50% of the purchase price.

All applicants must contribute towards the home purchase as follows: Very low-income applicants must contribute a minimum of \$500, low-income applicants must contribute a minimum of \$1,000, and all moderate-income applicants must contribute a minimum of \$1,500. The applicant must not have defaulted on a

mortgage in the past seven years. The filing of a foreclosure action or lis pendens may be used as evidence of default.

Applicants must meet the definition of a “first-time homebuyer.” A “first-time homebuyer” is defined as a person who has not owned a home in the three (3) years preceding the application date. Persons owning and residing in a pre-1994 mobile or manufactured home at the time of application are not considered “homeowners” for this purpose, and may participate in the program with proof of disposition of the unit. Additionally, persons owning and residing in a post-1994 mobile or manufactured home in an unstable mobile/manufactured home park may not be considered “homeowners” for this purpose and may request a waiver of this requirement from the Community Assistance Division.

Existing housing units proposed for purchase must be inspected by Volusia County for compliance with the Federal Section 8 Program Housing Quality Standards (HQS) prior to being approved as an eligible home. Manufactured homes are eligible for purchase through this program, and must be designed to meet the standards of Florida Chapter 553 for home ownership as evidenced by an attached Florida Department of Community Affairs (DCA) certification or a HUD approved manufactured home built after 1994.

- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low-, low- and moderate-income households as defined in Chapter 420.9071(19), (20) and (28), Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
See the chart below for a breakdown of the maximum assistance amounts:
- e. Maximum award is noted on the Housing Delivery Goals Charts:
See the chart below for a breakdown of the maximum assistance amounts:

	Purchase Assistance	Closing Cost Assistance
Extremely-Low Income	Not to exceed \$35,000	\$5,000
Very Low-Income	20% of the purchase price, not to exceed \$25,000	\$3,000
Low-Income	20% of the purchase price, not to exceed \$20,000	\$3,000
Moderate-Income	20% of the purchase price, not to exceed \$15,000	\$3,000

f. Terms of award; Recapture and Default: Terms of award:

Funding for this program will be provided in the form of a zero-interest, 15 year deferred payment loan. Payment in full is due if the property is sold, leased or transferred within the 15 year term and the mortgage is released at the end of the 15 year term if all conditions are met.

Shared appreciation provisions. The County will share in the net appreciation on the transfer of the home by the homebuyer if the home is transferred prior to the end of the 15-year term. The amount of net appreciation shall be determined by taking the approved final value, less eligible closing costs, less borrower's initial investment in acquisition of the property, less any valid outstanding liens (including the lender's lien for payment of the loan from lender evidenced by the subordinate security instrument), less eligible improvements to the property. The percentage of net appreciation to be shared between the County and homebuyer is provided below:

Year	Homebuyer Net Appreciation	County Net Appreciation
1-2	0%	100%
3-5	50%	50%
6-10	80%	20%
11-15	100%	0%

A subordination of the county's mortgage will only be approved under the following conditions:

- 1.) Purchase. The applicant may request the County to occupy a lien position lower than second under these conditions:
 - a) The County may occupy a third position only if the home is being constructed by a participant in the State's Homeownership Pool Program ("HOP"), a commitment for the applicant to receive a HOP loan has been secured, and the HOP loan exceeds the amount of the County's loan for homebuyer assistance; or
 - b) The County may occupy a third position if the applicant has a commitment from another government-funded homebuyer purchase assistance program and that program's loan would exceed the amount of the County's loan for homebuyer assistance.
- 2.) Refinance of first mortgage or home equity loan. The County will consider re-subordinating its loan to a first mortgage loan or permitting a home equity loan or other subordinate transfer when a refinancing occurs

during the term of the loan with terms that improve the long-term affordability of the loan to the homeowner. In making a determination, the Community Assistance Division will consider the following conditions and terms:

- a) The homeowner must have resided in the property for at least two years;
- b) Interest and term of the existing and proposed loan;
- c) Principal balance of the existing loan;
- d) Reasons for the request; and

The homebuyer cannot receive any cash out as a result of the refinancing, except for documented emergency home repairs that become necessary to maintain the health and safety of the residents.

Recapture and Default: If the homeowner does not maintain the property as their primary residence, leases or rents the home, or if the property is transferred, refinanced without the consent of the County, or sold before the loan period ends, then the homeowner is in default and the full amount is due and payable.

If the homeowner defaults on a first mortgage, the County may elect at its discretion any of the following options:

- 1) Purchase the property by paying off the first mortgage to preserve the investment and make it available to income eligible households.
- 2) Negotiate the amount of the County's loan balance to permit a "short sale."
- 3) Recapture as much of its investment from the resulting foreclosure sale.
- 4) Use SHIP foreclosure prevention funds to prevent a loan default and stabilize the homeowner.

f. Recipient Selection Criteria:

All applicants will be required to contact and work with one of the County's approved Affordable Housing Partners to complete and submit an application to determine income and program eligibility, credit worthiness, and financial capacity. The County will advertise for qualified builders, real estate agents and brokers, lenders and non-profit organizations to be approved as Affordable Housing Partners to submit qualified applicants for consideration for the Homebuyer Assistance Program.

All eligible applicants will be selected by the Community Assistance Division on a first ready, first served basis and SHIP funds will be committed. First ready means that the applicant's application is complete in all regards as

determined by a review of the Community Assistance staff. In addition, all applicants must complete one of the County sponsored homeownership courses prior to being approved for funding.

g. Sponsor Selection Criteria: Not applicable

h. Additional Information:

SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds, and other federal, state and local funds.

3. Name of the Strategy: Housing Rehabilitation - Substantial Rehabilitation/Reconstruction and Regular Rehabilitation

a. Summary of the Strategy:

The Housing Rehabilitation strategy assists homeowners having annual incomes of not more than 120 percent of the area median income to rehabilitate or reconstruct existing housing units that pose a threat to the residents' health and safety. The primary intent of this strategy is to bring existing units up to Volusia County Community Assistance minimum rehabilitation standards, applicable state and local housing codes and to increase energy efficiency and sustainability. Energy conservation and other green features will be incorporated into all substantial rehabilitation projects. This includes, but is not limited to energy conserving windows and doors, HVAC units, increased wall and ceiling insulation, low-flow plumbing fixtures, programmable thermostats and EnergyStar rated appliances.

This strategy includes the substantial rehabilitation/reconstruction and regular rehabilitation programs. Substantial rehabilitation occurs when the cost to rehabilitate a unit exceeds 65% of the assessed value of the property. If the County determines that a unit is not economically feasible to rehabilitate, the County may demolish that unit and reconstruct another unit on the same lot.

The program is administered by Volusia County Community Assistance Division. The County advertises through the County's Purchasing Department for a Request for Proposals (RFP) to provide the rehabilitation for approved homeowners. For-profit and non-profit contractors/sponsors will compete for funding and selected based on the response to the RFP. The contractor selected for a project will enter into a contract with the County that governs the particular project.

Eligible program costs may include demolition, construction, permitting fees, surveying, lead and asbestos abatement, HERS evaluation reports, re-financing

of first mortgage, credit reports and closing costs.

- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013.
- c. Income Categories to be served:
Very low- low- and moderate-income households as defined in Chapter 420.9071(19), (20), and (28) Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts: The maximum award is \$100,000 per unit.
- e. Term of award; Recapture and Default:
Terms of award: This program provides a forgivable loan with zero-percent interest in the form of a mortgage to assist elderly homeowners (at least 62 years of age) for up to a 30 year term/recapture period. All other households are assisted through a fully or partially repayable loan with zero-percent interest in the form of a mortgage for up to a 30 year repayment term/recapture period, as described further in the charts below. During the recapture period, the homeowner must:
 - 1) Occupy the property as their principal place of residency
 - 2) Maintain the property in accordance with routine maintenance standards and keep the yard and property clean
 - 3) Provide documentation that property taxes and property insurance are current;
 - 4) Consent to annual inspection of the property to ensure the above program requirements are met.

A forgivable loan is reduced on an annual basis until the entire amount has been forgiven. During the recapture period, if the owner does not comply with program requirements, the property is sold, abandoned, transfer of title or relinquishment of any of the owner's interest in the property, a forgivable or repayable loan is due and payable, and subject to the remedies provided in the mortgage. A lien may be placed on the property for all costs incurred by the County for actions taken against rehabilitated properties.

In the case of the owner's demise during the recapture period, an immediate heir with title or right to title to the property may apply to the County to assume the loan balance. The person must qualify under current County program income and program guidelines. The terms of the loan assumption will be based on program guidelines in effect at the time an application is submitted.

Recapture and default: It is the policy of the County to recapture all subsidies, in the event of death of recipients whose heirs are not eligible to assume the

loan, or if the property is sold, abandoned, title is transferred, or refinanced during the recapture period.

The recapture amount shall be the full subsidy provided to the homeowner for rehabilitation or reconstruction and shall be taken from the net proceeds of the sale. Net proceeds are equivalent to the sale price minus superior loan payments (other than the subsidy) and any closing costs. The recapture and repayment periods are based on the actual amount of funds expended per unit, income level and age as follows:

	Loan Amounts	Term of Loan	Loan Repayment	Loan Recapture
1. Homeowners ages 62 and older: Very low-, Low- and Moderate-Income	\$15,001 - \$34,999	20 years	0%	100%, 1/20 th forgiven annually
	\$35,000 - \$60,000	25 years	0%	100%, 1/25 th forgiven annually
	\$60,001 - \$100,000	30 years	0%	100%, 1/30 th forgiven annually
2. Homeowners ages less than 62: Very Low-Income	\$15,001 - \$34,999	20 years	50%	100% of unpaid balance
	\$35,000 - \$60,000	25 years	50%	100% of unpaid balance
	\$60,001 - \$100,000	30 years	50%	100% of unpaid balance
3. Homeowners ages less than 62: Low- and Moderate-Income	\$15,001 - \$34,999	20 years	100%	100% of unpaid balance
	\$35,000 - \$60,000	25 years	100%	100% of unpaid balance
	\$60,001 - \$100,000	30 years	100%	100% of unpaid balance

The Housing Manager, in accordance with the Affordable Housing Program Policy (AHPP), may consider all other persons who prove to be indigent regardless of age and have no or little means to repay, for a deferred loan. The loan will be 0% interest and deferred for up to 30 years, however the County will review household income every three years to determine ability to repay. During the deferral period the loan will be forgiven an amount annually as determined by the term of the loan per the above chart.

If the homeowner does not comply with the above terms they are in default and the loan is subject to 100 percent recapture and repayment. If the homeowner defaults on a first mortgage, the County may elect at its discretion any of the

following options:

- 1) Purchase the property by paying off the first mortgage to preserve the investment and make it available to income eligible households.
- 2) Recover as much of its investment from the resulting foreclosure sale.
- 3) Negotiate the amount of the County's loan balance to permit a "short sale."
- 4) Use SHIP foreclosure prevention funds to prevent a loan default and stabilize the homeowner.

f. Recipient Selection Criteria:

The selection process is a two-step process: pre-application and application. All persons are required to complete a pre-application provided by the Community Assistance Division. The pre-application is reviewed to determine preliminary income eligibility, initial financial feasibility and basic type of rehabilitation requested. All eligible pre-applicants are placed on a waiting list. If the application meets the criteria for the Emergency Repair strategy, the application will be reviewed under the criteria set forth for that program.

Persons are selected from the waiting listing on a first come, first served basis, with priority given to assisting households within each of the four geographic quadrants of Volusia County. An ownership and encumbrance report will be secured and analyzed to determine ownership and property encumbrances. The Community Assistance Division determines final income and financial eligibility from third party verifications and credit reports. In determining financial feasibility, the Community Assistance Division compares the property's just value, total amount of encumbrances against the property and the estimated cost of rehabilitation to be completed. If the amount of existing debt plus the estimated after rehabilitation value exceeds 100% of the just value of the property as listed on the County's Property Appraiser's website, the property is considered to be over-encumbered, and the application will be denied. However, the Housing Manager may approve an application for rehabilitation when the risk of immediate and severe injury to the residents is high; and the existing debt is either not being re-financed, or the existing debt can be re-financed and the repayment of the combined debt is affordable for the applicant. The applicant must complete an approved home maintenance course prior to or during the rehabilitation. Funding of eligible applicants is limited to and contingent upon SHIP funds availability.

g. Sponsor Selection Criteria: Not applicable

h. Additional Information:

SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds, and other federal,

state and local funds.

4. Name of the Strategy: Emergency Repair

- a. Summary of the Strategy:
The Emergency Repair program provides funds to assist homeowners who occupy their homes that need immediate repairs to correct one or more code violations that pose an immediate threat to health and/or safety. A Community Assistance inspector must determine that an emergency situation exists.
- The Emergency Repair program is administered by Volusia County Community Assistance Division. Based on the nature of the repair, and the estimated price to complete the project, the County will undertake one of the following methods to procure the repair services on behalf of the eligible homeowner:
- 1) The County may advertise at least annually through the County's Purchasing Department for a Request for Qualifications (RFQ) to establish a qualified pool of general contractors to provide for emergency repair;
 - 2) Select a contractor based on a price agreement; or
 - 3) Select a contractor based on written quotes.
- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low-, low- and moderate-income households as defined by Chapter 420.9071(19), (20), and (28) Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
The maximum award per unit is \$15,000.
- e. Terms of award: Recapture and Default:
Terms of award: This program provides a forgivable or repayable loan with zero-percent interest for up to a 15 year term/recapture period for emergency repairs of \$3,000 or more. Repairs less than \$3,000 are provided as a grant with no recapture or repayment period. During the recapture period, the homeowner must:
- 1) Occupy the property as their principal place of residency
 - 2) Maintain the property in accordance with routine maintenance standards and keep the yard and property clean
 - 3) Provide documentation that property taxes are current
 - 4) Consent to an annual inspection.

A forgivable loan is reduced on an annual basis until the entire amount has been forgiven. During the recapture period, if the property is sold, abandoned, transfer of title or relinquishment of any of the owner's interest in the property, or demise of the owner, the loan is due and payable, and subject to the remedies provided in the mortgage. A lien may be placed on the property for all costs incurred by the County for actions taken against rehabilitated properties.

Recapture and default: It is the policy of the County to recapture all subsidies, in the event of death of recipients, or if the property is sold, abandoned, title is transferred, or refinanced during the recapture period.

The recapture amount shall be the full subsidy provided to the homeowner for rehabilitation or reconstruction and shall be taken from the net proceeds of the sale. Net proceeds are equivalent to the sale price minus superior loan are payments (other than the subsidy and any closing costs. The repayment/recapture period is based on the actual amount of funds expended per unit as follows:

	Award Amounts	Term of Loan	Loan Repayment	Loan Recapture Upon Default
1. All Homeowners: Very low-, Low- and Moderate- Income	\$0 - \$3,000	Grant	0%	0%
2. Homeowners Ages 62 and older: Very low-, Low- and Moderate-Income	\$3,001 - \$15,000	15 years	0%	1/15 th forgiven annually
3. Homeowners Ages less than 62: Very Low-Income	\$3,001 - \$15,000	15 years	50%	100%
4. Homeowners Ages less than 62: Low- and Moderate- Income	\$3,001 - \$15,000	15 years	100%	100%

If the homeowner does not comply with the above terms they are in default and a forgivable or repayable loan is subject to 100 percent recapture and repayment. If the homeowner defaults on a first mortgage, the County may elect at its discretion any of the following options:

- 1) Purchase the property by paying off the first mortgage to preserve the

- investment and make it available to income eligible households.
- 2) Recover as much of its investment from the resulting foreclosure sale.
 - 3) Negotiate the amount of the County's loan balance to permit a "short sale."
 - 4) Use SHIP foreclosure prevention funds to prevent a loan default and stabilize the homeowner.
- f. Recipient Selection Criteria:
The selection process is a two-step process: pre-application and application. All persons are required to complete a pre-application provided by the Community Assistance Division. The pre-application is reviewed to determine preliminary income eligibility, ownership, nature of repair and existence of an emergency. If the application meets the criteria for the Emergency Repair strategy, the applicant will complete an application and final income eligibility will be determined. The Community Assistance Division determines final income eligibility from third party verifications. A waiting list may be established.
- g. Sponsor Selection Criteria: Not applicable.
- h. Additional Information: SHIP funds will be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds, and other federal, state and local funds.

5. Name of the Strategy: Foreclosure Prevention

- a. Summary of the Strategy:
The Foreclosure Prevention strategy provides an opportunity for qualified homeowners who occupy their home to avoid foreclosure and retain their homes. Funds will be provided to eligible homeowners to assist with bringing their mortgage payments current prior to the start of the foreclosure process on a first ready, first served basis. Eligible expenses include delinquent mortgage payments (principal, interest, taxes and insurance), attorney's fees, late fees, delinquent property taxes and other customary fees. Those homeowners who have purchased a home through the County's Homebuyer Assistance Program will be given first priority. Funding of qualified applicants is limited to and contingent upon SHIP funds availability.

The County will advertise for qualified non-profit agencies to assist as sub-recipients with the administration and implementation of this strategy. Applicants must be a HUD certified housing counseling agency with experience with foreclosure counseling and prevention programs.

- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013

- c. Income Categories to be served:
Very low-, low- and moderate-income households as defined by Chapter 420.9071(19), (20), and (28), Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts: The maximum award is \$10,000.
- e. Terms of award; Recapture and Default:
Terms of award: Funding for this program is provided through a deferred payment loan with zero-percent interest for a 15 year term, which is secured by the execution and recording of a subordinate mortgage.

Recapture and default: If the homeowner fails to maintain the property as their primary residence, or if the property is transferred, refinanced without the consent of the County, or sold before the loan period ends, then the full amount is subject to recapture and is due and payable. If the homeowner defaults on a first mortgage, the County may elect at its discretion either of the following options:
 - 1) Negotiate the mortgage principal balance to permit a “short sale” or
 - 2) Recover as much of its investment as possible from the resulting foreclosure sale.
- f. Recipient Selection Criteria:
All applicants will be required to complete an application with an approved non-profit agency on behalf of Volusia County Community Assistance to determine income eligibility. All eligible applicants will be selected on a first ready, first served basis. In addition, the following criteria must be met, however the list is not all-inclusive:
 - 1) The applicant must show ability to continue maintaining mortgage payments after assistance is given.
 - 2) Applicants must show that nonpayment of mortgage was due to one of the following reasons: a loss of employment or income; a sudden medical expense; a sickness or injury; a divorce or separation; a death in family; or unforeseen home repair bill.
- g. Sponsor Selection Criteria and duties, if applicable: Not applicable
- h. Additional Information:
SHIP funds may be leveraged with other federal, state and local funds.

6. Name of Strategy: Real Property Tax Assistance

- a. Summary of the Strategy:
The Real Property Tax Assistance strategy assists homeowners who are income eligible and who occupy homes that were substantially rehabilitated or reconstructed with funds provided by the Volusia County Homeowner Rehabilitation Program. The strategy provides assistance to the homeowner to pay real property taxes due on the home in the first year following re-assessment of the home due to the reconstruction. The assistance will be limited to one year. In addition, the following criteria must be met, however the list is not all-inclusive:
 - 1) The applicant must show ability to continue maintaining real property tax payments after assistance is given.
 - 2) Applicants must apply within one hundred twenty (120) days of receipt of their tax bill.

- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013

- c. Income Categories to be served:
Very low- and low-income households as defined in Chapter 420.9071(19) and (20) Florida Statutes are eligible.

- d. Maximum award is noted on the Housing Delivery Goals Charts:
The maximum award is \$1,500.

- e. Terms of award; Recapture and Default:
Terms of award: Assistance will be provided in the form of a grant.

Recapture and default: The award is not subject to recapture.

- f. Recipient Selection Criteria:
All applicants are required to complete an application with Volusia County Community Assistance Division to determine income and program eligibility. Funds will be awarded to eligible homeowners on a first ready, first served basis. First ready means that the application is complete in all regards as determined by the Community Assistance Division, and SHIP funds are available.

- g. Sponsor Selection Criteria and duties: Not applicable

- h. Additional Information: Not applicable

7. Name of the Strategy: Disaster Mitigation

- a. Summary of the Strategy:
The Disaster Mitigation strategy assists households following a natural disaster as declared by Executive Order of the President of the United States or Governor of the State of Florida. In the event of a natural disaster SHIP funds will be used to leverage available federal and state funds to assist income eligible households for repairing/replacing eligible housing directly affected by the disaster. This strategy will be implemented only in the event of a natural disaster declaration using SHIP funds that have not been encumbered or additional disaster funds issued by Florida Housing Finance Corporation. Staff will work with the County's Emergency Management Department and FEMA officials to determine areas of need. SHIP disaster funds may be used for items such as, but not limited to:

- 1) Repairs required to make the housing unit habitable and to avoid further damage; tree and debris removal included.
- 2) Construction of wells or repair of existing wells where public water is not available.
- 3) Payment/repayment of insurance deductibles for eligible housing directly affected by the disaster.
- 4) Rental assistance for eligible recipients that have been displaced from their homes due to damage from the declared disaster, as deemed necessary and who are approved for rehabilitation assistance.
- 5) Replacement of pre-1994 mobile or manufactured homes for eligible households whose homes were damaged or destroyed due to the declared disaster. The homes must be located on lots owned by the owner of the mobile/manufacture home, be owner-occupied, and current on taxes and/or liens. The Community Assistance will evaluate for financial feasibility if the damaged or destroyed home is encumbered by a mortgage or other lien.

The Community Assistance staff or the eligible recipient will chose from approved lists of contractors to perform the repair or rehabilitation work. The process for selecting contractors for the approved list is described in the Housing Rehabilitation strategy.

- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low-, low- and moderate-income households as defined by Chapter 420.9071(19), (20) and (28), Florida Statutes are eligible.
- d. Maximum award is provided below:
The maximum award for mobile home replacement is \$100,000. The maximum

award for all other activities described in this strategy is \$15,000. Should a declared disaster occur, SHIP funds from the identified strategies may be reallocated for disaster relief.

e. Terms of award; Recapture and Default:

Terms of award: All SHIP funds provided to eligible households will be in the form of a grant and not subject to recapture, except for the mobile home replacement program. Funds for mobile home replacement will be provided in the form of a deferred payment loan with 0% interest for a term of 30 years, and secured by a consumer security agreement and deferred payment promissory note.

Recapture and default: The loan repayment will be deferred and subject to recapture period of 30 years. During the recapture period, the homeowner must:

1. Occupy the property as their principal place of residency
2. Maintain the property in accordance with routine maintenance standards and keep the yard and property clean
3. Provide documentation that property taxes are current

The forgivable loan is reduced 1/30th on an annual basis until the entire amount has been forgiven. During the recapture period, if the owner does not comply with program requirements, the property is sold, abandoned, transfer of title or relinquishment of any of the owner's interest in the property, the loan is due and payable, and subject to the remedies provided in the mortgage. A lien may be placed on the property for all costs incurred by the County for actions taken against rehabilitated properties.

f. Recipient Selection Criteria:

All applicants will be required to complete an application to determine income eligibility. Applicants for mobile home replacement are also required to provide information regarding their credit worthiness and financial capacity. Applicants must show proof of application with FEMA and/or SBA, or homeowner insurance claim. The County may also determine to use the Disaster Self Certification of Income Form (08/04). All eligible applicants will be selected on a first ready, first served basis. First ready means that the application is complete in all regards as determined by Community Assistance staff. Funding of qualified applicants is limited to and contingent upon SHIP funds availability.

g. Sponsor Criteria: Not applicable.

h. Additional Information:

SHIP funds at all times must be used for eligible applicants and eligible

housing. SHIP disaster funds may not be used for the purchase or rehabilitation of homes not meeting SHIP eligible home requirements. The County may determine to use funds for this strategy throughout Volusia County. SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnership Program (HOME) and Community Development Block Grant (CDBG) funds, and other federal, state and local funds.

8. Name of the Strategy: Wind hazard mitigation program

a. Summary of the Strategy:

The wind hazard mitigation program provides funds to assist eligible homeowners of owner-occupied, site built homes with wind hazard mitigation features. The home's just value as determined by the Property Appraiser cannot exceed \$225,000. The home must be located in Volusia County service area (~~excludes the cities of Daytona Beach, Deltona, Oak Hill and Port Orange~~). The program will provide window and door coverings, gable-end tie-down and upgraded garage doors.

The wind hazard mitigation program is administered by Volusia County Community Assistance Division. The Community Assistance Division will inspect the property to determine the wind hazard mitigation features that are eligible. Based on the eligible wind hazard mitigation features, and the estimated price to complete the project, the homeowner:

- 1) Will obtain three written quotes from a licensed, certified contractor;
- 2) Will provide quotes to Community Assistance staff for review and approval; and
- 3) Attend the loan closing to sign mortgage, note and related documents.

b. Fiscal Years Covered:

2010-2011, 2011-2012, and 2012-2013

c. Income Categories to be served:

Very low-, low- and moderate-income households as defined by Chapter 420.9071(19), (20), and (28) Florida Statutes are eligible.

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

The maximum award per unit is \$10,000.

e. Terms of award: Recapture and Default:

Terms of award: The funds are provided in the form of a loan with zero percent (0%) interest for a five (5) year term. The loan payment will be deferred for the five year term, and the loan will be forgiven/extinguished at the end of the term providing the conditions are fulfilled. During the repayment period, the

homeowner must agree to:

- 1) Occupy the property as their principal place of residency
- 2) Permit no voluntary or involuntary transfers of the property, or any interest in the property, including but not limited to sale, refinance, foreclosure, abandonment or death of the owner.
- 3) Maintain the property in accordance with routine maintenance standards and keep the yard and property clean
- 4) Provide documentation that property taxes are current

The loan will be secured by a mortgage which will be recorded against the property for cost of the wind hazard features, excluding closing costs which are the responsibility of the owner.

Recapture and default: It is the policy of the County to recapture all subsidies, in the event of death of recipients, or if the property is sold, abandoned, title is transferred, or refinanced during the recapture period. If the property is leased, sold, abandoned, title transferred, or refinanced without consent, the loan is in default and is due and payable, and subject to the remedies provided in the mortgage.

The repayment amount shall be the amount of the funds provided to the homeowner for wind hazard mitigation features and shall be taken from the net proceeds of the sale. Net proceeds are equivalent to the sale price minus superior loan.

If the homeowner defaults on a first mortgage, the County may elect at its discretion any of the following options:

- 1) Recover as much of its investment from the resulting foreclosure sale; or
- 2) Negotiate the amount of the County's loan balance to permit a "short sale."

f. Recipient Selection Criteria:

The selection process is a two-step process. All applicants will be required to complete an application provided by the Community Assistance Division to determine interest to participate in the program and program eligibility (proof of homestead exemption, location of home and property value). Upon review and approval by the Community Assistance Division, the applicant will be notified to schedule the inspection appointment and to submit income eligibility documentation. All eligible applicants will be selected on a first-ready, first-served basis. The Community Assistance Division determines income eligibility from third party verifications. Funding of eligible applicants is limited to and contingent upon SHIP funds availability.

- g. Sponsor Selection Criteria: Not applicable.
- h. Additional Information: SHIP funds may be leveraged with Department of Housing and Urban Development Community Development Block Grant (CDBG) funds, and other federal, state and local funds.

9. Name of the Strategy: Basic accessibility improvements

- a. Summary of the Strategy:
The Basic Accessibility Improvements strategy provides funds to assist eligible homeowners of owner-occupied, site built homes with basic accessibility improvements. The home's just value as determined by the Property Appraiser cannot exceed \$225,000. The home must be located in the Volusia County service area (~~excludes the cities of Daytona Beach, Deltona and Port Orange~~). The program will provide wheelchair ramps, door widening and grab bars. The County may utilize one of the general contractors from a pool of qualified contractors or select a contractor based on a written quote.
- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low-, low- and moderate-income households as defined by Chapter 420.9071(19), (20), and (28), Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts: The maximum award is \$5,000.
- e. Terms of award; Recapture and Default:
Assistance will be provided through a grant and is not subject to recapture.
- f. Recipient Selection Criteria:
The selection process is a two-step process: pre-application and application. All persons are required to complete a pre-application provided by the Community Assistance Division. The pre-application is reviewed to determine preliminary income eligibility, ownership, and type of accessibility improvements requested. If the pre-application meets the criteria for the basis accessibility, the applicant will complete an application and final income eligibility will be determined. All eligible applicants will be selected on a first-ready, first-served basis. The Community Assistance Division determines final income eligibility from third party verifications. A waiting list may be established. Funding of eligible applicants is limited to and contingent upon SHIP funds available.
- g. Sponsor Selection Criteria and duties, if applicable: Not applicable

- h. Additional Information:
SHIP funds may be leveraged with other federal, state and local funds.

B. RENTAL STRATEGIES

10. Name of the Strategy: Multi-Family Rental Housing Development

- a. Summary of the Strategy:
The Multi-Family Rental Housing Development strategy allows Volusia County to provide SHIP awards on a competitive basis for affordable rental housing units by eligible sponsors who are applicants for Low Income Housing Tax Credits, State Apartment Incentive Loan (SAIL), or the State HOME Investment Partnerships Program through Florida Housing Finance Corporation. Projects shall be located within the unincorporated area of the County of Volusia and the areas within the boundaries of the municipalities that have executed Cooperation Agreements under the Volusia County Community Development Block Grant program. Eligible activities include new construction and rehabilitation/renovation of existing housing. Program funds may be used for site acquisition, site development, infrastructure improvements, permitting fees, connection fees, and/or application fees incurred for the construction of the rental housing. These fees must be directly related to new construction and do not include development fees such as rezoning, site plans, etc., unless the project is owned by a non-profit organization.
- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low- and low-income households as defined by Chapter 420.9071(19) and (28), Florida Statutes are eligible.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
The maximum award is \$75,000 per unit.
- e. Terms of award: Recapture and Default:
Terms of award: The funds are awarded as an interest-only, deferred principal payment loan for a term of 30 years. Loans will bear an interest rate that is the lesser of a 2% discount from the primary financing or 3%. The loan is secured by a subordinate mortgage recorded against the property.

Recapture and default: A restrictive covenant will also be recorded to ensure that the units remain affordable for the prescribed period of time. A rental limit

chart, adjusted for bedroom size, will be provided by the Florida Housing Finance Corporation. The County will monitor the assisted units, annually, for 15 years, or for the term of affordability, whichever is longer. Monitoring will ensure compliance with tenant income and affordability requirements pursuant to Rule 67-37.007 F.A.C.

If any rental projects assisted under this strategy are offered for sale before the completion of the affordability period, eligible nonprofit housing provider organizations must have a right of first refusal to purchase at the current market value for continued rental and occupancy by eligible households.

Default of the loan occurs if any part of the property, or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the mortgagee is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the property, or if the property is leased or rented to other than eligible special needs tenants. If the owner does not comply with program requirements, the property is sold, abandoned, transfer of title or relinquishment of any of the owner's interest in the property, the loan is due and payable, and subject to the remedies provided in the mortgage.

If the property owner defaults on a first mortgage, the County may elect at its discretion either of the following options:

- 1) Recover as much of its investment as possible from the resulting foreclosure sale.
- 2) The mortgage may be deferred.

f. Recipient Selection Criteria: Not Applicable

g. Sponsor Selection Criteria:

At least annually the County will advertise through a Request for Proposals for qualified for-profit and non-profit developers to submit applications for consideration. For-profit and non-profit sponsors will compete for funding and selected based on overall capacity, prior performance with County, number of units produced, population served, leveraging commitments and application for Low Income Housing Tax Credit or other State of Florida affordable rental housing financing. 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 Welfare Transition Program will be given preference in the selection process. Funding of qualified sponsors is limited to and contingent upon SHIP funds availability.

i. Additional Information:

SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grants (CDBG) funds, and other federal, state and local funds.

11. Name of the Strategy: Rental Rehabilitation and Repair

- a. Summary of the Strategy:
The Rental Rehabilitation and Repair strategy is designed to provide financial assistance for minor rehabilitation and repair to property owners whose rental properties are for the benefit of low- and very low-income persons, and persons who have special housing needs. The rehabilitation or repair must be due to the existence of housing code violations that present a health or safety concern, to improve energy efficiency and weatherization, or to increase accessibility for disabled persons or persons at risk of institutionalization. Program funds may also be used to provide emergency repairs, provide exterior improvements such as fencing, debris removal, painting, and other façade improvements, and to improve accessibility.
- b. Fiscal Years Covered:
2010-2011, 2011-2012, and 2012-2013
- c. Income Categories to be served:
Very low- and low-income households, as defined by 420.9071(19) and (28), Florida Statutes are eligible and persons with special housing needs as provided by 420.9075 (1) (a), Florida Statutes.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
The maximum award is \$15,000 per housing unit.
- e. Terms, Recapture and Default:
Terms of award: This program provides a loan with zero-percent interest for a 15 year term for repairs of \$3,000 or more per unit for up to four units per project. Repairs less than \$3,000 per unit are provided as a grant with no recapture or repayment period. During the recapture period, the owner must ensure the following are met:
- 1) Property is occupied by income eligible tenants as their principal place of residency
 - 2) Maintain the property in accordance with routine maintenance standards and keep the yard and property clean
 - 3) Consent to an annual monitoring and inspection.

Recapture and default: Payment is due upon sale if the property is sold within

the 15 year term. As long as the sponsor agency awarded SHIP funds continues to own and operate the assisted property to benefit low and very-low income persons with special housing needs during the term of the mortgage, then the loan will not have to be repaid. All SHIP funds awarded under this program will be included in a recorded mortgage and will be subject to the above recapture provisions. A restrictive covenant will also be recorded to ensure that the units remain affordable for the prescribed period of time. A rental limit chart, adjusted for bedroom size, will be provided by the Florida Housing Finance Corporation. The County will monitor the assisted units, annually, for 15 years, or for the term of affordability, whichever is longer. Monitoring will ensure compliance with tenant income and affordability requirements pursuant to Rule 67-37.007, F.A.C.

If any rental projects assisted under this strategy are offered for sale before the completion of the affordability period, eligible nonprofit housing provider organizations must have a right of first refusal to purchase at the current market value for continued rental and occupancy by eligible households.

Default of the loan occurs if any part of the property, or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the Mortgage is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the property, or if the property is leased or rented to other than eligible special needs tenants.

f. Recipient Selection Criteria: Not Applicable

g. Sponsor Selection Criteria:

At least annually the County will advertise through a Notification of Funding Availability for qualified for-profit and non-profit agencies to submit applications for consideration for specific projects. Funding will be available on a first-ready, first served basis, and sponsors will compete for funding and selected based on overall capacity, prior performance with County, number of rental units managed, population served, financing commitments, and the needs of population to be served. Funding of qualified sponsors is limited to and contingent upon SHIP funds availability.

h. Additional Information:

SHIP funds may be leveraged with Department of Housing and Urban Development HOME Investment Partnerships Program (HOME) and Community Development Block Grants (CDBG) funds, and other federal, state and local funds.

III. LHAP INCENTIVE STRATEGIES

In addition to Strategy A and Strategy B, include all adopted incentives with the policies and procedures used daily for implementation as provided in Section 420.9076, F.S.:

A. Name of the Strategy: Expedited Permitting

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

1. Building permits are currently expedited by the County's Building and Zoning Division for homeowner rehabilitation and single homebuyer construction projects that have been identified by the Community Assistance Division as affordable housing using an Affordable Housing Project sheet with property location information. The County's Housing and Grants Administration Manager must sign and approve before submission. These permits are given preference by the Building and Zoning Division. The normal turn around time for all permits is currently approximately three (3) days. If for some reason that timeline is not possible, then affordable housing projects rise to the top for processing.
2. An affordable housing ombudsman has been established in the County's Growth and Resource Department whose primary role is to assist developers of affordable housing and shepard both the applicant and application through the review process.
3. An affordable housing development checklist will be used to assist developers understand the process, procedures, and requirements for affordable housing.
4. An affordable housing development timeline will be used that addresses the standards for expediting approvals for development orders or permits for each stage of the development process (zoning, platting and building permits).
5. The affordable housing development process will be enacted as part of a separate ordinance, and incorporated into the appropriate sections of the Volusia County zoning ordinance and land development code.
6. The affordable housing development process is being promoted to the intended audience, and shared with the development community. The County has added a link to affordable housing development information on the County's webpage under the Planning and Development Services and the Building and zoning Division, as well as the Community Assistance Division's affordable housing section.

B. Name of the Strategy: Ongoing Review Process

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

1. The Volusia County Comprehensive Plan has incorporated affordable housing goals in its Housing Element. A review of the comprehensive plan is held biannually for the public and staff comments.
 - a. An interdepartmental committee has been established consisting of Volusia County staff, primarily from the Growth and Resource Management Department, the Public Works Department, the Economic Development Department and the Community Assistance Division. The committee is responsible to review, prior to adoption or enactment, those policies, procedures, ordinances, regulations and Comprehensive Plan provisions that have been identified by staff as having a potential to impact the cost of housing. Department directors nominate staff to sit on the committee. The committee shall meet in person no less frequently than every 45 days.
 - b. The director of each department, or his designee, will advise the committee of any ordinance, amendment, policy or procedure they are involved with that will potentially impact the cost of housing. The items qualifying as requiring review of potential impact to the cost of housing include, but are not limited to:
 - Changes to the definition or classifications of future land use
 - Changes to the definition or classifications of zoning
 - Changes to the definition or classifications of allowable density
 - Changes to the definition or classifications of minimum dimensional requirements
 - Changes to the definition or classifications of land development procedures
 - Changes to the impact fee schedule
 - c. The above information will be forwarded to the committee members to review and determine if there is enough information to form an opinion as to what degree of impact an item has on the cost of housing (e.g., no impact, minor impact or substantial). A committee meeting will be scheduled after receipt of any additional information requested by the committee.
 - d. The committee will formalize an opinion, including an estimate of the cost impact, which the chair will document via a memo to the director of the department from which the subject item originated. The memo will be included along with other support documents when the subject item is transmitted to the PLDRC and/or County Council. A copy of the memo

will be provided to the Affordable Housing Advisory Committee.

- e. The chair may request additional or clarifying information if needed to address the issue of the cost estimate.
- f. The Volusia County Affordable Housing Advisory Committee will review the regulatory review process, and the cost estimate memos, at least annually.

C. Name of the Strategy: Surplus Land Inventory

Volusia County Land Acquisition and Management is responsible for maintaining an inventory of surplus land owned and controlled by the County of Volusia. The inventory includes a listing of land that is suitable for affordable housing. To obtain a copy of the inventory of surplus land that is suitable for affordable housing, submit a written request to the Volusia County Land Acquisition and Management, 123 W. Indiana Avenue, Room 201, Deland, FL 32720 or call 386-740-5261.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.
- B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005, F.A.C.*
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.
- C. Housing Delivery Goals Chart (HDGC) for each fiscal year covered in the Plan:
Completed HDGC for each fiscal year is attached as Exhibit C.
- D. Certification Page:
Signed Certification is attached as Exhibit D.
- E. Adopting Resolution:
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.
- F. Program Information Sheet:
Completed program information sheet is attached as Exhibit F.
- G. Ordinance: *N/A*
If changed from the original ordinance, a copy is attached as Exhibit G.
- H. Interlocal Agreement: *N/A*

Title: LHAP Template 2009
No. 001
67-37.005(1), F.A.C.
Effective Date: 11/09