

NAME OF LOCAL GOVERNMENT



SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

MAY, 2008

FISCAL YEARS COVERED

2008-2009

2009-2010

2010-2011

Revision #1 – 10/24/2008

Revision #2 – 4/17/2009

Revision #3 – 8/20/2009

Revision #4 – 8/20/2009

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.

City of Palm Bay

Interlocal: Yes _____ No X

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

Not Applicable

A copy of the Interlocal Agreement is attached as N/A

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 2008/2009

X 2009/2010

X 2010/2011

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 and is in compliance with the Comprehensive Plan. Administration of the SHIP Program will be in compliance with applicable SHIP Statute and Rules.

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 Plan 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. Strategies within the LHAP may also be leveraged or combined with other housing strategies in order to assist income eligible households...

G. Public Input: *Chapter 67-37.005(3), F.A.C.*

Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach *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. Case Management to include, but not limited to the coordination of funding resources, taxes, insurance, mortgages, debris clearing, temporary housing and mental counseling.

K. Purchase Price Limits: *Section 420.9075(4)(c), F.S. and Chapter67-37.007(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 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:

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. Welfare Transition Program: *Chapter 67-37.005(6)(b)(7)F.A.C.*

Should an eligible sponsor be used, the City has developed a ranking system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the Welfare Transition Program will be given preference in the selection process.

N. Monitoring and First Right of Refusal: *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, a line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**. These are presented on an annual basis for each State fiscal year submitted.

The City of Palm Bay 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 City may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.)

*The City of Palm Bay has adopted the above findings in the attached resolution, **Exhibit E**.*

P. Program Income: Any repayment of SHIP liens will be considered as program income. SHIP funds returned because of a project not being started or completed will be considered as recaptured funds.

Q. Subordinations: No sooner than one (1) year following the issuance date of receiving a housing assistance loan through the City of Palm Bay, may a request to subordinate be made (some exceptions may apply). An applicant who has a remaining balance of \$7,500 will be required to pay their lien off. The request must demonstrate the lowering of housing expenses. The housing recipient will be responsible for a \$50.00 non-refundable review fee for each request, submitted upfront. No subordination request will be approved for the consolidation of credit card debt nor shall there be any cash out made to the borrower unless monies are used for home improvements or medical.

R. Definition of Essential Personnel: Chapter 67-37.002(6) F.A.C.

Essential personnel is defined as, but not limited to: government personnel, police officers, fire fighters, education personnel, or health care institution or any building trade personnel, as well as financial and hospitality personnel.

S. Unless otherwise noted, it is the intent of the City to limit an applicant to receive additional assistance from only one (1) SHIP strategy unless the full amount of any existing lien is satisfied. Additional housing assistance can only be awarded with prior

approval from the City or in the event of a Natural Disaster.

- T. Limitation of Assistance – Any assistance provided within this plan in an amount less than \$3,000 shall not be subject to any recapture provisions. However, should an applicant receive assistance more than once under this plan, and the total amount of assistance exceeds \$3,000 then the accumulation of all assistance will be subject to the applicable recapture provisions.

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

NOTE: Include a separate strategy for Disaster Mitigation

Provide Description:

- A. **Name of the Strategy: Down payment Assistance Program with Rehabilitation**
 - a. **Summary of the Strategy:** Thirty (30) year, zero percent loans will be issued to extremely low, very low, low-income and moderate income persons (up to 120% AMI) households seeking to purchase homes within the city limits of Palm Bay. The strategy is to assist persons who have not owned a home in the past three (3) years or have lost a home as a result of a disaster or emergency. In addition, all applicants are required to complete a First Time Homebuyer Counseling and Training. The amount of the loan is intended to reduce the monthly housing expense to no more than thirty percent (30%) of the gross monthly income for a household's median income group, as it provides the initial up-front cash required for down payment/closing costs. In addition to the down payment loan, the applicant may receive up to \$10,000 for necessary property repairs which are included in the maximum amount of assistance.
 - b. Fiscal Years Covered: 2008-2009; 2009-2010 and 2010-2011
 - c. Income Categories to be served: ELI; VLI; LI; and MI
 - d. Maximum award is noted on the Housing Delivery Goals Charts: Yes - \$50,000 w/Rehab Repairs
 - e. Terms, Recapture and Default: Thirty year zero percent loans with no payment owed as long as the applicant remains the primary occupant and does not sell, rent or transfer title. Should an applicant sell, rent or transfer title, the full amount of the loan will be owed to the City of Palm Bay in addition to a pro rated share of the difference between the sales price and the initial cost of the home at the time assistance was provided. The pro rated share is based upon the amount of assistance relative to the initial cost of the home. (Reference (A) (h). Lien will expire upon sale or term of assistance.
 - f. Recipient Selection Criteria: First come first ready. In the case of a natural disaster, priority will be given to displaced families.

- g. Sponsor Selection Criteria: This strategy includes the administration and implementation through a partnership with an outside eligible non-profit sponsor. The eligible sponsor must demonstrate the ability to administer this strategy at a cost savings relative to existing staff time and expenses.

Should the City decide to select a non-profit sponsor to carry out any or all of this strategy, the City procurement procedures will apply. Sponsorship criteria shall include, but not limited to:

- Demonstrate the capacity and experience to carry out the strategy
- Demonstrate the primary purpose of the organization is to provide the necessary work under this strategy, and
- Sponsors with employed personnel from the Welfare Transition Program will be given priority

The agreement with the eligible sponsor may be renewed annually at the sole discretion of the City of Palm Bay provided that the City determines that the eligible sponsor performs all its duties and obligations to the satisfaction of the City. Renewal is also conditioned upon renewed funding and budgeting for the SHIP and HOME programs by the City Council of the City of Palm Bay.

Record keeping for client information will be in accordance with program rules and regulations governing the SHIP and HOME programs. The eligible sponsor shall assume all responsibilities for closing and for the recordation of all documents. The eligible sponsor shall maintain all client information as required by program regulations of the SHIP and HOME programs. Mobile homes are not considered eligible housing under SHIP.

- h. Additional Information: This strategy is for the purchase of existing homes as well as the construction of new homes. The sales price or value of new or existing eligible housing may not exceed 90% of the median area purchase price. There is minimum contribution required on behalf of the applicant. Those ELI and VLI applicants must contribute \$750; LI applicants must contribute \$1,250 and MI applicants must contribute \$2,000. All applicants must complete a first-time homebuyer class. Should an applicant default of the loan the full amount of the loan will be owed to the City of Palm Bay in addition to a pro rated share of the difference between the sale price and the initial cost of the home at the time assistance was provided. For example:

Cost of home - \$ 200,000
Assistance - \$40,000
Percent of Assistance – 20%
Sale price - \$300,000

Amount owed \$60,000 (\$40,000 plus 20% of \$100,000)

B. Name of the Strategy: Owner-Occupied Housing Rehabilitation

- a. Summary of the Strategy: SHIP funds will be used to provide assistance to owner-occupied households that are below the moderate income level (120%) of the area's median income to rehabilitate homes that have identifiable code violations. The maximum award for a full-scale rehabilitation loan is 80% of the market value or 80% of the appraised value or \$50,000, whichever is higher. This program will also assist eligible homeowners with the cost associated with reconstruction when it has been determined that it is not economically feasible to rehabilitate the unit as determined by the Housing Rehab Specialist and HANDS Administrator.
- b. Fiscal Years Covered: 2008-2009; 2009-2010 and 2010-2011
- c. Income Categories to be served: ELI; VLI; LI and MI
- d. Maximum award as noted on the Housing Delivery Goals Charts: \$50,000
- e. Terms, Recapture and Default: There will be a sliding scale for the repayment of loans issued under this strategy. Families between 80 - 120% of the median income will be required to pay back the entire loan at 5% with a maximum of 15 years. Families between 70-80% of the median income will be required to pay back the first \$25,000 at 5% with a maximum of 15 years. Families between 50-70% of the median income will pay back 75% of the first \$25,000 at 5% with a maximum of 15 years. Families earning less than 50% of the median income will be given a ten-year deferred loan.
- f. Recipient Selection Criteria: Applicants are served by the order which they appear on the waiting list. Priority will be given to elderly (62 and over), special needs (defined by written proof of disability) and to those affected by natural disasters.
- g. Sponsor Selection Criteria: Strategy to be administered by the City of Palm Bay's Housing and Neighborhood Development Services (HANDS).

C. Name of the Strategy: Utility Hook-Up Assistance Program

- a. Summary of the Strategy: The Utility Hook-Up Assistance Program provides loans to extremely low income, low income, very-low income and moderate income owner-occupied households. The program assists eligible City of Palm Bay homeowners to connect to water and/or sewer systems. The funds may be used for the construction costs necessary to connect to the systems, pay the connection fees and to abandon the private well and septic system. Available funds will be distributed to eligible applicants, who meet the selection criteria, on a first come, first served basis.

- b. Fiscal Years Covered: 2008-2009; 2009-2010 and 2010-2011
- c. Income Categories to be served: ELI; VLI; LI and MI
- d. Maximum award is noted on the Housing Delivery Goals Chart:
\$12,000 for ELI, VLI, and LI; \$8,000 for MI
- e. Terms, Recapture and Default: Assistance will be in the form of a five (5) year; zero percent (0%) interest loan, forgiven after five (5) years. No monthly payments will be required so long as the homeowner remains the primary resident. If the homeowner sells, rents, transfers ownership of any kind or the property no longer becomes their primary residence, the full amount of the loan may become due and payable to the City of Palm Bay. In the case of a potential default, HANDS staff will investigate and document the circumstances, and provide the recommended action to take. The decision of the City Manager will be final.
- f. Recipient Criteria: Priority is given to ELI, VLI, and LI eligibles on a first come first served basis. Applications in the MI category will be placed on a waiting list. If funding is available, they will be processed on a first come first served basis.
- g. Sponsor Selection Criteria: Strategy to be administered by the HANDS Division of the City of Palm Bay.
- h. Additional Information: The home must be located in the City of Palm Bay. The appraised value of the home may not exceed the maximum sales price allowed in the SHIP program, the applicant's household income must be at or below 120% of the area median income adjusted for family size, the household must be connecting to public water and/or sewer. No assistance will be given to rental applicants. Mobile homes are not eligible to receive assistance under the SHIP Program.

D. Name of the Strategy: Rental Occupancy/Security Deposit Assistance Program (ROAP)

- a. Summary of the Strategy: The City of Palm Bay, in partnership with a non-profit organization located within the City limits of Palm Bay that provides essential social and financial aid to very-low income persons, will utilize SHIP funds to assist extremely low and very-low income households with necessary costs associated with rental housing. A maximum grant of \$1,000, which includes a \$70.00 project delivery fee will be provided to apply towards costs associated with rental housing. Eligible costs are security deposits and utility deposits (i.e., electric, gas, water and sewer, and trash). Deposits for telephones are ineligible unless in extreme emergency cases which must be demonstrated

by the applicant and approved by the City of Palm Bay's Housing and Neighborhood Development Services (HANDS) Division. (i.e., handicap individuals or extreme medical reasons where the individual must have a phone).

Funds will be distributed to eligible households on a first come, first ready basis. Eligible households may receive assistance under this strategy only one time during a five (5) year period within the City of Palm Bay.

- b. Fiscal Years Covered: 2008-2009; 2009-2010; and 2010-2011
- c. Income Categories to be served: ELI and VLI
- d. Maximum award as noted on the Housing Delivery Goals Chart: \$1,000
- e. Terms, Recapture and Default: None, these are one-time issued payments for security and utility deposits in the form of a grant.
- f. Recipient Criteria: First-come first ready basis.
- g. Sponsor Selection Criteria: The City of Palm Bay will, in partnership with a non-profit organization located within the City limits of Palm Bay that provides essential social and financial aid to very-low income persons, to administer this strategy. The City of Palm Bay will develop and advertise a Request for Proposal that solicits the services of an eligible sponsor that is experienced and knowledgeable in rental occupancy and security/utility deposit collection and distribution.
- h. Additional Information: Assistance provided to an applicant only once per five (5) years.

E. Name of the Strategy: Foreclosure Prevention - Unfunded

- a. Summary of the Strategy: The Foreclosure Prevention Program provides loans to extremely low, very low, low income and moderate income owner-occupied households. It is designed to prevent foreclosure on delinquent mortgages that are at least 90 days past due and to aid in the preservation of the affordable housing stock of the City of Palm Bay. The program provides single family homeowner's assistance in the form of a five (5) year deferred payment loan to pay default mortgages where foreclosure proceedings have been initiated by a mortgage holder.
- b. Fiscal Years Covered: 2008-2009; 2009-2010 and 2010-2011
- c. Income Categories to be served: ELI; VLI; LI; and MI
- d. Maximum award is noted on the Housing Delivery Goals Charts: Yes-\$3,000

- e. **Terms, Recapture and Default:** Agreement shall be deemed forgiven at the end of five (5) years provided that the Home Owner has not defaulted under the terms of the Encumbrance Agreement prior to the date .
- f. Recipient Selection Criteria: First come, first ready basis
- g. Sponsor Selection Criteria: This strategy includes the option to administration and implementation through a partnership with an outside eligible non-profit sponsor. Upon the expiration or termination of this partnership, the City may elect to advertise and select another sponsoring organization. The eligible sponsor must demonstrate the ability to administer this strategy at a cost savings relative to existing staff time and expenses. The City's procurement procedures will apply to the selection process.
- h. Additional Information: An applicant receiving assistance under the Foreclosure Prevention Program may not receive additional housing assistance through the City of Palm Bay unless the original lien/loan is paid off.

F . Name of the Strategy: Disaster Recovery/Relief Strategy (Unfunded)

- a. Summary of the Strategy: This strategy will provide assistance for repairs, homeless vouchers, rehabilitation, reconstruction, case management and/or insurance deductible of eligible housing for extremely low, very low, low, and moderate income households in the aftermath of a natural disaster, using funds that have not been encumbered or additional SHIP funds designated for disaster relief as declared by Executive Order. Assistance will be available to both insured and uninsured homeowners for payment of insurance premiums, temporary relocation vouchers and non-insured rehabilitation costs.
- b. Fiscal Years Covered: 2008-2009; 2009-2010 and 2010-2011
- c. Income Categories to be served: ELI; VLI; LI and MI
- d. Maximum award is noted on the Housing Delivery Goals Chart: \$50,000
- e. Terms, Recapture and Default: Loans will be issued as a ten-year deferred payment loan. Ten percent of the loan will be forgiven each year.
- f. Recipient Criteria: First come first ready basis
- g. Sponsor Selection Criteria: The strategy will be administered by the City of Palm Bay's Housing and Neighborhood Development Services (HANDS) Division, and will be implemented only in the event of a Federal, State, or Local declared natural disaster as declared by Executive Order.
- h. Additional Information: The house must have been owned and was the primary residence at the time of the disaster. Repairs are limited to only damages

incurred from the natural disaster. The word of the City of Palm Bay's Housing Rehabilitation Specialist and/or the City's Building Official will be final in determining the work.

This strategy is listed as unfunded. The strategy will be implemented in the event of a disaster. Funds will come from another strategy with unencumbered funds.

- Assistance will only be provided for those repairs not covered by insurance, or for those families not able to pay its insurance deductible.
- Voucher assistance may be provided up to \$3,000 for income-eligible families that are homeless as a result the home being uninhabitable or condemned. This voucher may be used to cover temporary rental or hotel room only expenses for a period not to extend one-month or \$3,000 whichever is greater. This assistance may also be made available to families unable to remain in their home during the time of repairs. The voucher will be paid directly to the temporary housing provider. **Assistance for relocation and temporary rental assistance will only be provided during the term of the issued Executive Order.**
- Insurance deductible assistance in an amount not to exceed \$1,000 will be awarded to income-eligible families that can demonstrate the ability to not have sufficient funds to cover the deductible.
- Construction assistance may not exceed \$50,000 deferred over ten (10) years forgiven at the rate of ten percent (10%) each year.
- Repairs to homes may include but not limited to the following: purchase of emergency supplies for eligible households to weatherproof damaged homes; interim repairs to avoid future damage; tree and debris removal required to make individual housing units habitable; and post-disaster assistance for non-insured repairs.
- However, the standard practice of the contractor selection process may be waived. Other construction procedures of the Owner Occupied Rehab Strategy will be followed.
- Funds can be leveraged with other sources of funds including FEMA, SBA, insurance coverage, etc.
- No assistance will be provided unless attempts to recover damage expenses have been made through applicable sources.
- No mobile or manufactured homes are eligible for assistance unless the mobile home is removed and replaced with a non-manufactured home.
- Administration of this strategy will be in accordance with SHIP Rules and Regulations and subsequent Emergency Rules.

G. Name of the Strategy: Florida Homebuyer Opportunity Program

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

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

c. Income Categories to be served: Up to \$75,000 for single taxpayers or \$150,000 for joint filers Adjusted Gross Income as defined by the Internal Revenue Service (IRS). There is no requirement to reserve 30 percent of the funds for awards to very-low-income persons or 30 percent of the funds for awards to low-income persons; and there is no requirement to expend 75% of funds for construction, rehabilitation or emergency repair.

d. Maximum award is the principal balance of the loans provided shall not exceed 10% of the purchase price as defined by the IRS or \$8,000 whichever is less.

e. Terms, Recapture and Default: Assistance will be in the form of a five year, 5% interest loan. Interest begins accruing on the date of closing. This second mortgage will be secured with a lien on the property. The lien will be removed once the loan has been repaid.

If payment is received within eighteen months of the closing date, all interest will be waived. If the loan has not been repaid after eighteen months, monthly payments are due and payable beginning on the first of the nineteenth month and on the first of each month thereafter. Payment amounts will be established such that the loan and all interest will be paid within the five year loan period. All Payments received by the city shall be considered “program income” as defined in s. 420.9071 (24)

Prepayments are permitted with amounts allocated first toward the interest accrued during the initial eighteen months of the loan and then to reducing the principal. If the homeowner sells, rents, transfers ownership or the property no longer serves as the primary residence, the full amount of the loan is due and payable. Filing of foreclosure may be considered grounds for default in which case the entire loan, including accrued interest, is due and payable.

f. Recipient Selection Criteria: Recipients must meet the requirements of the

following: The maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for joint-filing taxpayer households which is equal to that permitted by the American Recovery and Reinvestment Act of 2009. Applications will be processed in the order received in the HANDS office with actual loans processed in the order certified. The City expects to be able to award 12 loans. As such, applications will be accepted until 50 have been submitted. Once sufficient certifications have occurred to match the expected funding, no further applications will be processed. If an applicant is eliminated in the certification process, the application next in line will be processed.

g. Sponsor Selection Criteria and duties: Non-Applicable.

h. Additional Information: This strategy a form of down payment assistance for first time home buyers purchasing owner occupied primary residences (as defined by the IRS). The purchase price may not exceed 90% of the median area purchase price.

There is a minimum contribution required from the applicant. ELI and VLI applicants must contribute \$750, LI applicants must contribute \$1,250, MI applicants must contribute \$2,000, and those earning more than the MI limits must contribute \$5,000. All awards are contingent upon the City receiving adequate funds.

The purchase must be completed prior to December 1, 1999 or a later date as established by the IRS for the First Time Homebuyer Credit program.

H. Name of the Strategy: Owner Occupied Emergency Repairs

a. Summary of the Strategy: SHIP funds will be used to provide assistance to owner-occupied households that are at or below the very low income (VLI) level (50%) of the area's median income to make emergency repairs. The maximum award for this strategy is \$10,000.

b. Fiscal Years Covered: 2009-2010 and 2010-2011

c. Income Categories to be served: ELI and VLI

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

\$10,000

*** The City Manager may approve exceeding this maximum, on a case by case basis if conditions so warrant as recommended by the HANDS staff.**

e. Terms, Recapture and Default: Assistance will be in the form of a five year, 0% interest loan, completely forgiven after five years. Loan repayment will not be required so long as the homeowner maintains the assisted home as the primary residence. If the homeowner sells, rents, transfers ownership in any manner, or the property no longer is their primary residence, the

loan is due and payable to the City of Palm Bay. The filing for foreclosure may be considered grounds for default of the agreement making repayment of the full amount due and payable.

f. Recipient Selection Criteria: Applications will be accepted as they are received. Prior to any processing of the application, the emergency conditions must be verified by HANDS staff. Following verification, the application, certification, and required work will proceed as expeditiously as practicable to resolve the emergency.

g. Sponsor Selection Criteria: Strategy to be administered by the City of Palm Bay's Housing and Neighborhood Development Services Division (HANDS).

h. Additional Information: Emergency repairs will be limited to the minimum necessary to resolve the immediate threat to the homeowner. An emergency repair is the minimum necessary to correct a verified safety or health hazard. This is not a rehabilitation strategy; it is limited to making emergency repairs. Eligible activities include, but are not limited to roof leaks, HVAC, plumbing, septic system, potable water wells, electrical, and other similar items. It does not include replacement of appliances, new construction, expansions, additions, and other similar activities. Specific decisions on necessary repairs shall be determined by the HANDS staff and will be final.

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. The City of Palm Bay clearly identifies affordable housing projects through coordination of the builder/developer and the HANDS Division. A letter is issued from the HANDS Division to the City's Building Division, which identifies the project as affordable and specifically requests expedited processing and issuance of building permits. The Building Division has pledged that all permit applications that are identified in this manner will receive expedited processing and issuance.

In addition, the City's Growth Management Department has identified a dedicated staff person responsible for coordination of expedited site and plan reviews with regard to planning and zoning issues for affordable housing projects.

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.

- a. Established policy and procedures: The Community Development Advisory Board acts in the capacity of a local affordable housing task group (formerly, the Local Affordable Housing Committee) will meet on an as needed basis to discuss updates on current SHIP strategies and issues which may affect affordable housing. In addition, the Board has been given the additional responsibility for review of policies, ordinance, regulations, or plan provisions which could have a significant impact on the continued production of affordable housing units. By June 30, 2008, the existing Board will be expanded to fulfill the newly established requirements of an affordable housing committee.

The Board will make its recommendations known to City Council of any impending actions, which may affect affordable housing production.

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.**

c. 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 **N/A**

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

A copy of the Interlocal Agreement if applicable is attached as **N/A**

