

City of Lauderdale

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2019-2020, 2020-2021, 2021-2022

First Amendment

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I. Program Details:

A. LG(s)

Name of Local Government	City of Lauderhill
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	N/A

B. Purpose of the program:

- To meet 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.

C. Fiscal years covered by the Plan: 2019-2020, 2020-2021, 2021-2022

D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services and lead agencies of the local continuums of care.

F. Leveraging: 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.

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

H. Advertising and Outreach: SHIP funding availability shall be advertised 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. Waiting List/Priorities: A waiting list may be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted as well as any established funding priorities as described in this plan.

The following priorities for funding described/listed here apply to all strategies unless otherwise stated:

1. Special Needs – Very-low;
2. Special Needs - Low
3. Very-low;
4. Low;
5. Special Needs – Moderate;
6. Moderate;

7. Essential Service Personnel

- J. Discrimination:** In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.
- K. 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, Tenant Counseling, Foreclosure Counseling and Transportation.
- L. 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:

U.S. Treasury Department	X
Local HFA Numbers	

- M. Income Limits, Rent Limits and Affordability:** The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at www.floridahousing.org.

"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.

- N. Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, 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.
- O. Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any 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 periodic 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 \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever 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.

- P. Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the moneys deposited in the local housing assistance trust fund are necessary 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 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), 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 applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

- Q. Program Administration:** Administration of the local housing assistance plan will be performed by:

Entity	Duties	Percentage
Local Government	<u>Application intake, data verification, income eligibility determination, preparation of award, file management, payment reimbursement processing, Annual report preparation, advertising, AHAC staff liaison for committee meetings, review and approve eligibility, and sub-recipient monitoring.</u>	35 17%
Third Party Entity/Sub-recipient	<u>Application intake, data verification, income eligibility determination, preparation of award, file management, payment reimbursement processing, attend walk-throughs, AHAC staff liaison for committee meetings, title search, lead-based paint inspections, initial/final/interim housing inspections, procurement, project management, file maintenance, customer relations, collection of required signatures from homeowners, and other duties as assigned.</u>	65 83%

- R. Project Delivery Costs:** City of Lauderhill will assess no more than ~~5~~ 8% project delivery fee for owner occupied rehabilitation applications only. Project delivery fees will include inspections (initial, interim, and final), title search, lead-based paint testing, and third-party administrative fees associated with file maintenance, reporting customer relations, and other duties as assigned. Project delivery costs will be included in applicant liens.
- S. Essential Service Personnel Definition:** All applicants meeting program income limits and working full-time as first responders, educators K-12, healthcare and skilled building trades, active military and national guards.
- T. Describe efforts to incorporate Green Building and Energy Saving products and processes:** The City will, when economically feasible, employ the following Green Building requirements on rehabilitation and emergency repairs:
1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
 2. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - a. Toilets: 1.6 gallons/flush or less;
 - b. Faucets: 1.5 gallons/minute or less;

- c. Showerheads: 2.2 gallons/minute or less;
- 3. Energy Star qualified refrigerator;
- 4. Energy Star qualified dishwasher, if provided;
- 5. Energy Star qualified washing machine, if provided in units;
- 6. Energy Star qualified exhaust fans in all bathrooms; and
- 7. Air conditioning: minimum SEER of 14. Packaged units are allowed in studios and one bedroom units with a minimum of 11.7 SEER.

- U. Describe efforts to meet the 20% Special Needs set-aside:** The City will collaborate with social service agencies serving the designated special needs populations to achieve the goal of the special needs set-aside. The goals will be met through the owner-occupied rehabilitation and emergency repair strategies.
- V. Describe efforts to reduce homelessness:** As a part of the Broward County HOME Consortia, the City collaborates with the Broward County Continuum of Care to service the homeless population. Individuals and families cases are to contact Broward 2-1-1 to open their case and are placed in programs available to them based on need.

Section II. LHAP Strategies:

A. PURCHASE ASSISTANCE W/ REHABILITATION	Code 1, 2
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| a. | Summary: Funds will be awarded for down-payment and closing costs for new and existing homes. New construction must have received a certificate of occupancy within the last twelve months. |
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- b. Fiscal Years Covered: 2019-2020, 2020-2021, 2021-2022
 - c. Income Categories to be served: Very low, low and moderate
 - d. Maximum award up to: \$50,000 – Very low, \$40,000 – Low, \$40,000 - Moderate
 - e. Terms :
 - 1. Repayment loan/deferred loan/grant: Deferred Loan secured by a note and mortgage
 - 2. Interest Rate: 0%
 - 3. Years in loan term: 5 years for special needs, 10 years for all other applicants
 - 4. Forgiveness: Loan will be forgiven on a prorated basis at ten percent (10%) per year for 10 year terms and twenty percent (20) per year for 5 year terms.
 - 5. Repayment: None required so long as loan is in good standing.
 - 6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale; transfer or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as primary residence; obtains a reverse mortgage.

If any of these occur, the outstanding balance will be due and payable. In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the city will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be ranked on a first-qualified, first-closed, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in this Section I (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Applicants must bring no less than 3% towards the down-payment of their own funds. Funds may be in the form of a gift so long as the source of the gift is revealed. Combination of award is to assist with down payment and repair, repairs may not exceed \$10,000.00. Assisted properties must obtain property insurance. ~~If recipients residing in condominiums, they must have content insurance.~~ The maximum will not be awarded in all cases. Applicants with a second mortgage will not be eligible.

Applicants with cash value assets that exceed \$25,000 will not be eligible.

Program will allow for purchase of appliances with the exception of microwaves. City must approve appliance prior to its purchase.

B. Strategy Name: OWNER OCCUPIED REHABILITATION	Code 3
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a.	Summary: Funds will be awarded to households in need of repair to correct code violations, health and safety issues, electrical, plumbing, roofing, windows, doors, and other structural items. Other items may be included if funding are available after completing all required repairs listed above. Kitchen and bathroom repairs are permitted for special needs and elderly recipients only when documented as a safety issue.
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- b. Fiscal Years Covered: 2019-2020, 2020-2021, 2021-2022
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$60,000.00
- e. Terms :
 - 1. Repayment loan/deferred loan/grant: Deferred payment loan secured by a note and mortgage.
 - 2. Interest Rate: 0%
 - 3. Years in loan term: 5 years for elderly and special needs recipients, 10 years for all non-elderly.
 - 4. Forgiveness: Loan will be forgiven on a prorated basis at 10 percent per year for 10 year terms and 20 percent per year for 5 year terms.
 - 5. Repayment: None required as long as the loan is in good standing.
 - 6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale; transfer or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as primary residence; obtains a reverse mortgage.

If any of these occur, the outstanding balance will be due and payable. In case where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the city will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be ranked on a first-qualified, first-closed, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in this Section I (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Applicants with reverse mortgages will not be assisted. The City will only accept first and/or second position in the lien process. Assisted properties must have property insurance unless approved by city commission on a case by case basis. Flood insurance is required for assisted properties located in a designated flood zone. ~~Applicants residing in condominiums must have content insurance.~~

The City will use HUD's definition of elderly under 24 CFR 891.505(1): Families where head of household or spouse is 62 years of age or older at the time of application.

Applicants are required to be current on all City services, mortgage, and homeowner association fees.

C. Strategy Name: EMERGENCY REPAIR	Code 6
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a.	Summary: Funds will be awarded to applicants in need of rehabilitation of their home related to a dire situation that needs to be mitigated immediately, This includes: damaged roofing that is leaking, mold remediation, damaged windows causing exposure to the elements, or electrical problems that could cause damage (fire) to the home or is an immediate health hazard to the occupants. This strategy will only be used for an applicant who has applied for, but will not receive assistance through the owner-rehabilitation strategy within the next three months.
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- b. Fiscal Years Covered: 2019-2020, 2020-2021, 2021-2022
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$25,000.00
- e. Terms (all six items must be completed or "N/A"):
 - 1. Repayment loan/deferred loan/grant: Deferred payment loan secured by a note and mortgage
 - 2. Interest Rate: 0%
 - 3. Years in loan term: 5 years for special needs and elderly, 10 years for all non-elderly.
 - 4. Forgiveness: Loan is forgiven on a prorated basis at 10 % per year for 10-year and 20% per year for 5-year terms.
 - 5. Repayment: None required as long as the loan is in good standing.

6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale; transfer or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as primary residence.

If any of these occur, the outstanding balance will be due and payable. In case where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the city will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be ranked on a first-qualified, first-closed, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in this Section I (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: An applicant requesting an emergency repair will be required to:
- Allow third-party home inspector access to the home for inspections to determine need of repair.
 - Provide proof of homeowner's insurance policy and any proof of whether or not the insurance will cover any part of the repair. Assisted properties must have property insurance unless approved by city commission on a case by case basis.
 - Uninsured eligible applicants may be assisted on a case-by-case basis, as determined by the board.
 - In the event that a claim is filed, the city may repair damage to the property not covered by the insurance company once the claim has been closed. Proof of claim completion is required.
 - The City will pay the applicant's deductible up to the lesser of 50% or \$10,000 as a part of the \$25,000 maximum award.
 - Assisted properties must have property insurance.
 - Flood insurance is required for assisted properties located in a designated flood zones.
 - ~~Applicants residing in condominiums must have content insurance.~~

The City will use HUD's definition of elderly under 24 CFR 891.505(1): Families where head of household or spouse is 62 years of age or older at the time of application.

D. Strategy Name: FORECLOSURE PREVENTION	Code 7
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| a. Summary: Funds will be awarded to homeowners that are in arrears on their first mortgage. The arrearage must be at least three months, but no more than six months and cannot be under an active foreclosure. |
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- b. Fiscal Years Covered: 2019-2020, 2020-2021, 2021-2022
- c. Income Categories to be served: Very low and low
- d. Maximum award: \$8,400.00

- e. Terms (all six items must be completed or “N/A”):
 - 1. Repayment loan/deferred loan/grant: Grant
 - 2. Interest Rate: 0%
 - 3. Years in loan term: N/A
 - 4. Forgiveness: N/A
 - 5. Repayment: N/A
 - 6. Default: N/A
- f. Recipient Selection Criteria: Applicants will be ranked on a first-qualified, first-closed, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in this Section I (I) of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Applicants will contact 2-1-1 Broward to obtain information on foreclosure prevention programs available. In the event there are no available programs, applicants are required to apply to their lending institution, Florida Hardest Hit, or Veteran Affairs for foreclosure prevention assistance prior to being approved for assistance under this strategy. Letter of denial from at least one of the foreclosure assistance providers is required at the time of application submittal.

Proof of foreclosure prevention counseling is mandatory prior to funds being released to the applicants lending institution. This may be in a form of a certificate or a written letter on the HUD approve counseling agency’s letterhead signed by authorized representative.

Proof of arrearage in the form of notification from the mortgage holder is required. Funding will not be released to private mortgage holder. A written statement must be provided as evidence of ability to resume making payments after the assistance is used explaining how the hardship has been overcome and an indication of the budgeted plan that will allow for resumption of payments.

Proof of hardship that caused the arrearage (health issue, loss of employment/income, death of a household member, divorce).

E. Strategy Name: DISASTER REPAIR	Code 5
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a.	Summary: Funds will be awarded to applicants in need of home repairs directly caused by a natural disaster that is declared by an Executive Order of the President or Governor. Repairs will be prioritized as follows : 1. Immediate threats to health and safety (sewage, damaged windows, roofing) in cases where the home is still habitable. 2. Imminent residual damage to the home (such as damaged caused by a leaking roof) in cases where home is still habitable. 3. Repairs necessary to make the home habitable. 4. Repairs to mitigate dangerous situations (exposed wires).
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- b. Fiscal Years Covered: 2019-2020, 2020-2021, 2021-2022

- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$20,000
- e. Terms (all six items must be completed or "N/A"):
 - 1. Repayment loan/deferred loan/grant: Grant
 - 2. Interest Rate: N/A
 - 3. Years in loan term: N/A
 - 4. Forgiveness: N/A
 - 5. Repayment: N/A
 - 6. Default: N/A
- f. Recipient Selection Criteria: Applicants will be ranked on a first-qualified, first-closed, first-served basis with priorities for Special Needs, Essential Services Personnel and income groups as described in this Section I (I) of this plan
- g. Sponsor/Sub-recipient Selection Criteria: N/A
- h. Additional Information: Disaster Recovery will only be allocated from unencumbered funds or additional funds awarded through Florida Housing Finance Corporation for the disaster. Assisted properties must have property insurance unless approved by commission. Flood insurance is required for assisted properties located in a designated flood zones. ~~Applicants residing in condominiums must have content insurance.~~

III. LHAP Incentive Strategies

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

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

Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

Provide a description of the procedures used to implement this strategy:

The Grants Division will be responsible for processing and facilitating grant-assisted affordable housing projects. The division will be the contact for permitting related issues. Staff will stamp the permit file with the Housing Permit Expedite stamp and walk all permits to the Building Official and other pertinent reviewers in the review process. There will be a 4-day turnaround for processing.

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.

Provide a description of the procedures used to implement this strategy:

The affordable housing advisory committee shall discuss, review, and approve of the local affordable housing incentive strategy recommendations at a public hearing by affirmative vote of a majority of the membership of the advisory committee.

The advisory housing committee shall evaluate established policies, procedures, ordinances, land development regulations, and the local government comprehensive plan submitted and report to City Commission including the recommended changes as established in Section 420.9076, F.S.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan.
- B. Timeline for Estimated Encumbrance and Expenditure.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D. Signed LHAP Certification.
- E. Signed, dated, witnessed or attested adopting resolution.