

City of Tallahassee

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2016-2017, 2017-2018 and 2018-2019

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I. Program Details:

A. Name of the participating local government:

City of Tallahassee

Is there an Interlocal Agreement: Yes ___ No X

B. Purpose of the program:

1. To meet the housing needs of the very low, low and moderate income households;
2. To expand production of and preserve affordable housing; and
3. To further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan: 2016-2017, 2017-2018 and 2018-2019

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes, (F.S.) and Chapter 67-37, Florida Administrative Code (F.A.C.) The City's SHIP Program furthers the Housing Element of the adopted Tallahassee-Leon County Comprehensive Plan. 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, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

F. Leveraging:

The City's 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 the following grants or programs:

- Florida Housing Finance Corporation (FHFC) programs (Mortgage bonds, HAP homeownership loans, State Apartment Incentive Loans, Demonstration funds, tax credits, etc.)
- U.S. Department of Housing and Urban Development (HUD) programs (HOME Investments

Partnership Program, Community Development Block Grant, 811 funds, 202 funds, etc.)

- Federal Home Loan Bank funds
- City of Tallahassee general fund money and Community Redevelopment Agency funds
- Private lending institutions

G. Public Input:

Public input was solicited through publicly noticed, face-to-face meetings with housing providers, social service providers, and local lenders on March 2, 2016 and March 23, 2016. The LHAP was made available on the City of Tallahassee website for comment. Public input and recommendations are also received from affordable housing providers throughout the year.

H. Advertising and Outreach:

The City shall advertise the notice of funding availability (NOFA) 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 funding is available. If no funding is available, no notice of funding availability is required.

I. Waiting List/Priorities:

A waiting list will 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. Priorities for funding are described in each strategy.

J. Discrimination:

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, gender, religion, national origin, age, disability, marital status, pregnancy, sexual orientation and gender identity, or any other class protected by law, 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, the following:

- Pre- and post-homeownership counseling
- Credit counseling
- Foreclosure prevention counseling
- Tenant counseling

- Transportation
- Providing a continuum of care to the homeless and those threatened with homelessness, including coordination with the Big Bend Homeless Coalition (the lead agency for the local Continuum of Care) in the provision of shelter, transitional housing, addiction treatment, case management and employment training and/or placement
- Human and social services (including housing-related support services) by non-profit agencies funded by the Community Human Services Partnership, an innovative collaboration between the City, County and United Way
- Home maintenance training for residents who have received home rehabilitation assistance
- Lead-based paint testing and removal
- Energy efficiency home audits and low-interest loans provided by the City’s Utility Department to assist people to lower home energy costs by replacing old appliances with more energy efficient models

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, 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

Local HFA Numbers

The sales price or value of new or existing eligible housing will be the lesser of 90% of the average area purchase price in the statistical area in which the eligible housing is located, or the existing and new HUD HOME homeownership sales price limits.

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. In the case of rental housing, rents do not exceed those rental limits adjusted for bedroom size.

N. Welfare Transition Program:

Should an eligible sponsor be used, the City 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.

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 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 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 of proposed Administrative Expenditures is attached as Exhibit A. The City of Tallahassee 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, F.S., and Chapter 67-37, F.A.C., state: "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, F.S., and Chapter 67-37, F.A.C., further state: "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(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 Tallahassee has adopted the above findings in the resolution attached as Exhibit E.

Q. Program Administration:

Administration of the Local Housing Assistance Plan will be wholly performed and maintained by the City of Tallahassee.

R. Project Delivery Costs: Under the Owner-Occupied Rehabilitation Strategy, particularly when completing emergency repairs, the City occasionally incurs project delivery costs related to outside contractors providing lead-based paint testing, wood destroying organism inspections, structural engineering services, and related services.

S. Essential Service Personnel Definition: Pursuant to Section 420.9075 (3)(a), Florida Statutes, essential services personnel are persons in need of affordable housing who are employed in occupations or professions in which they are considered essential to the community as defined by each county or municipality. The City of Tallahassee defines essential services personnel as: any household earning 80% area median income (AMI) or less and, if employed in the education system, city or county government, medical and health services, public safety, or skilled building trades, households may earn up to 140% of AMI for the purposes of the Community Workforce Housing Innovation Pilot (CWHIP) program. Only those households earning up to 120% AMI will be served using SHIP funds

T. Green Building and Energy Saving Products and Processes:

Tallahassee will monitor compliance with Chapter 11 of the 2007 Florida Building Code for Residential development regarding Energy Efficiency. The standards relate to doors, windows, walls, floors, heating and cooling, and more. The City is committed to the production of energy efficient housing for long term affordability. The City and all contracted agencies shall adhere to all energy requirements of HUD and the State of Florida Energy Efficiency Code for Building Construction. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, such as building layout and Energy Star rated appliances, into rehabilitation or construction projects. When possible, rehabilitation and redevelopment activities will attempt to take advantage of the Tallahassee Utility Services Department rebates for natural gas water heaters, ovens, and clothes dryers; ceiling insulation; Energy Star rated appliances; and solar water heaters. Deconstruction and Recycling (D & R) is a better green building

technique than new construction, because existing building materials are saved and re-used. Tallahassee will attempt to re-use building materials or purchase “green” building materials to the greatest extent possible with fiscal limitations.

In building design for redevelopment activities, green-building principles will be considered in addition to energy efficiency features. The City will encourage green design features such as native plant landscaping to conserve water; pervious parking surfaces; use of natural gas where available; orientation of buildings to reduce energy demand; and bicycle, pedestrian, and bus amenities to encourage alternatives to automobile transportation. The City will also encourage housing developers to reduce on-site impact on natural resources and preserve patriarch trees (36” diameter).

Section II. LHAP Strategies:

A. Strategy: Purchase Assistance Program

Code: 2

1. Strategy Summary: The purpose of the Purchase Assistance Program is to promote home ownership. Funds will be made available to assist first-time homebuyers to purchase a new or existing home. The definition of first-time homebuyer is the same as the Federal Housing Administration (FHA) definition: an individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property; a single-parent who has only owned with a former spouse while married; an individual who is a displaced homemaker and has only owned with a spouse; an individual who has only owned a principal residence not permanently affixed to a permanent foundation; or an individual who has only owned a property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure. Eligible activities under this strategy shall include down payment assistance, closing cost assistance, and deep subsidy. Mobile homes are not eligible for purchase under this program. No more than 20% of the annual SHIP allocation may be expended on manufactured homes. Pre- and post-homeownership counseling are associated with this program.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Very low- and Low-income households.

4. Maximum Award as Noted on the Housing Delivery Goals Chart: \$15,000

5. Terms, Recapture and Default: Funds shall be made available in the form of a deferred payment, 0% interest loan secured by a subordinate mortgage for the term of the first mortgage. The loan requires no payment during the term of the loan unless one of the following occurs: 1) the property is sold; 2) the property is rented; 3) the property is no longer occupied by the program beneficiary; or 4) the property is

property is no longer occupied by the program beneficiary. In the event that the terms of the loan are not satisfied, the loan becomes due and payable.

6. Recipient Selection Criteria: Applications for assistance under this program will be reviewed and approved on a first-come, first-ready-to-close basis. The applicant must be a non-probationary employee in good standing and purchase a home in one of the City's designated target neighborhoods, as determined by the Housing Division, and be able to obtain first mortgage financing. Mobile homes are not eligible for purchase under this program. No more than 20% of the annual SHIP allocation may be expended on manufactured homes.

7. Sponsor Selection Criteria: The City's Housing Division staff shall administer this program.

8. Additional Information: Employees with Very low and Low household incomes may also qualify for assistance under the Purchase Assistance Program. See the Housing Division Policy and Procedures manual for more specific information.

C. Strategy Name: Owner-Occupied Home Rehabilitation

Code: 3

1. Strategy Summary: This program is designed to provide assistance to income eligible households with repairs, alterations, and/or additions in order to improve the health, safety and wellbeing of the household, or to contribute to the structural integrity and preservation of the unit. Repairs will address an emergency, make the home handicap accessible, connect the home to the City water and sewer system, correct code violations, and/or substantially rehabilitate the home. Priority shall be given for life threatening hazards, code violations, and health and safety issues as determined by program staff. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, green building and design techniques into rehabilitation or construction projects for sustainability and affordability.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Extremely Low-, Very Low- and Low-Income households.

4. Maximum Award as Noted on the Housing Delivery Goals Charts: \$75,000

5. Terms, Recapture and Default: Assistance will be provided in the form of a grant for repairs that are performed to remedy emergencies, or to make homes handicap accessible. However, for the emergency repairs with life spans greater than 15 years listed in the Housing Division Policy and Procedures manual, assistance will be provided in the form of a five-year, 0% interest loan that will be forgiven 20% each year of the five-year term. Assistance provided to connect homes to the City water and sewer system will be provided as a 7-year, 0% interest loan that will be forgiven an equal amount each year of the 7-year loan term. Assistance provided to correct code violations will be in the form of a 5-year, 0% interest loan that will be forgiven at the end of the loan term. For substantial rehabilitation, assistance will be provided in the form of a 0% interest, ten-year deferred payment loan, forgiven at a rate of 10% each year. All owner-

occupied rehabilitation loans will be secured by a lien on the property and will be due and payable during the term of the lien only in the event the house is rented, sold, refinanced, no longer owner-occupied as the primary residence, or title is transferred to an income-ineligible beneficiary (see Housing Division Policy and Procedures manual for exemptions).

6. Recipient Selection Criteria: Applications for assistance under this program will be reviewed for eligibility and approved on a first-come, first-ready basis. For life threatening health or safety hazards, application review will be prioritized. Applicants must be owner-occupants of the home for which assistance is sought. Mobile homes are not eligible for rehabilitation under this program. No more than 20% of the annual SHIP allocation may be expended on manufactured homes.

7. Sponsor Selection Criteria: Applications may be reviewed on an ongoing basis by the Housing Division staff or by Agencies selected using the criteria above in Part I. Program Description Section P. Program Administration. Contracted agencies that perform the home rehabilitation activities will be selected through a competitive process. The contracted agencies are selected based on criteria including, but not limited to, the following:

- Financial strength of the sponsor
- Up-to-date status of sponsor's license and insurance
- Ability of the sponsor to complete the rehabilitation projects in a timely manner
- The capacity of the sponsor
- The experience of the sponsor
- Willingness of the sponsor to contractually commit to SHIP and other City requirements
- Preference for sponsors who employ personnel from Welfare Transition Program

8. Additional Information: See the Housing Division Policy and Procedures manual for more specific information on each of the activities to be funded under this strategy.

D. Strategy Name: Multifamily Construction and Rehabilitation Program **Codes: 21, 14**

1. Strategy Summary: This program is designed to assist non-profit or for-profit developers with the construction and/or rehabilitation of multifamily housing units to rent to extremely low-, very low- and low-income households. Funds may be used as part of the Local Contribution for participation in programs such as the Florida State Apartment Incentive Loan (SAIL) Program. Formerly assisted rental housing is eligible. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, green building and design techniques into rehabilitation or construction projects for sustainability and affordability.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Extremely low-, Very low- and Low-income households.

4. Maximum Award as Noted on the Housing Delivery Goals Charts: \$20,000

5. Terms, Recapture and Default: SHIP funds will be provided to for-profit developers in the form of a loan with a 15-year term, or a period that is coterminous with the first mortgage loan. Assistance to non-profit agencies and for-profit agencies will be in the form of a below-market rate deferred payment loan (interest will be determined on a case by case basis), that may be forgiven for non-profit agencies at the end of the term on a case-by-case basis (see the Housing Division Policy and Procedures manual for the forgiveness policy). The loan term will be 15 years or a period that is coterminous with the first mortgage loan, and will be due and payable before the end of the term only if the units are sold or become no longer occupied by income eligible households. Units must remain affordable for 15 years as required in Section 420.9075(4)(f), F.S. Units will be subject to resale provisions as described in Rule 67-37.007(10), F.A.C., as amended. The City shall conduct an annual monitoring visit or rely on the monitoring reports resulting from monitoring visits conducted as a requirement for other federal, state, or local funding sources to verify that development is in compliance with SHIP affordable housing rules and requirements.

6. Recipient Selection Criteria: Applications from potential tenants will be reviewed for eligibility by the program sponsors and will be approved on a first-come, first-ready basis.

7. Sponsor Selection Criteria: Applications from potential sponsors will be reviewed on an ongoing basis. Sponsors used to implement this program will be selected based on criteria including, but not limited to, the following:

- Consistency of the project with basic goals and objectives of the City
- The financial strength of the sponsor
- The ability of the sponsor to complete the project by the deadlines established by the City
- The capacity of the sponsor
- The level of experience in affordable housing development
- Proof of site control
- Willingness of the sponsor to contractually commit to SHIP and other City requirements
- Agreement to select tenants on the basis of compliance with all eligibility requirements imposed by the program
- Preference for sponsors that employ personnel from the Welfare Transition Program

8. Additional Information: See the Housing Division Policy and Procedures manual for more specific information on this strategy.

E. Strategy Name: Special Needs Housing Program **Code: 12**

1. Strategy Summary: This program is designed to assist for-profit or non-profit sponsors with the construction, acquisition and/or rehabilitation of transitional or permanent housing for households or persons

with special housing needs. Such persons may include: persons who are developmentally disabled; persons with mental illness and/or chemical dependency; persons with HIV and/or AIDS; runaway or abandoned youth; public assistance recipients; migrant and seasonal farm workers; the elderly; disabled adults; homeless individuals or households; victims of domestic violence; young adults who leave the child welfare system; and other special needs. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, green building and design techniques into rehabilitation or construction projects for sustainability and affordability.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Extremely low-, Very low-, and low-income households or individuals.

4. Maximum Award as Noted on the Housing Delivery Goals Charts: \$50,000

5. Terms, Recapture and Default: Assistance will be provided in the form of a below-market rate deferred payment loan (interest will be determined on a case by case basis), for a 15-year term, or a period that is coterminous with the first mortgage loan. The loan will be due and payable within that term if the property is sold, or is no longer used to house eligible households or persons with special needs. The loan may be forgiven for non-profit agencies at the end of the term of the loan on a case-by-case basis if the non-profit is in compliance with the requirements of the Special Needs Housing Program (see the Housing Division Policy and Procedures manual for the forgiveness policy). The for-profit agencies must repay the loan after 15 years or a period that is coterminous with the first mortgage loan. In the event the sponsor ceases to use the property to house eligible households or individuals with special housing needs, or if the sponsor offers the property for sale prior to the end of the term of the loan, the agency must give a right of first refusal to an eligible non-profit for purchase at the current market value for continued occupancy by eligible persons.

6. Recipient Selection Criteria: Applications for assistance under this program will be reviewed for eligibility and approved based on a first-come, first-ready basis and may be referred by other agencies. Recipients must provide documentation proving the need for special housing and must meet income qualification guidelines. Mobile homes are not eligible. No more than 20% of the annual SHIP allocation may be expended on manufactured homes.

7. Sponsor Selection Criteria: Applications from potential sponsors will be reviewed on an ongoing basis. Non-profit sponsors administering this program must have received a tax-exempt ruling as a non-profit agency from the IRS under Section 501(c) of the Internal Revenue Code. The non-profit must have in its mission statement, in its Articles of Incorporation, or in its bylaws that it is dedicated to the provision of services for persons with special housing needs. For-profit sponsors administering the program must have experience performing the activities for persons with special housing needs. The criteria to select for-profit

or non-profit agencies may include, but is not limited to, the following:

- The financial strength of the sponsor
- The ability of the sponsor to complete the project by the deadlines established by the SHIP rule and statute
- The experience of the Board or Staff with matters related to special needs issues
- Willingness to contractually commit to SHIP and other City requirements
- Agreement to select tenants on the basis of compliance with all eligibility requirement imposed by the program
- Preference for sponsors that employ personnel from the Welfare Transition Program

8. Additional Information: See the Housing Division Policy and Procedures manual for more specific information on this strategy.

F. Strategy Name: Acquisition-Rehabilitation Program

Code: 9

1. Strategy Summary: In order to preserve the City’s housing stock; to reduce the City’s number of vacant, boarded-up and blighted properties; and to provide an additional resource for the provision of affordable housing, this program is designed to provide assistance to non-profit or for-profit sponsors for land acquisition and rehabilitation of vacant single family housing units for resale to an income eligible buyer. Rehabilitation units may include those units that have been acquired by the City because of extensive code violation fines, for resale to income eligible households. Rehabilitation must be completed either within one year immediately preceding the date of conveyance of title (i.e., closing) or within 24 months of the close of the applicable State fiscal year. Mobile homes are not eligible for rehabilitation under this program. No more than 20% of the annual SHIP allocation may be expended on manufactured homes. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, green building and design techniques into rehabilitation or construction projects for sustainability and affordability.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Extremely low-, Very low- and low-income households.

4. Maximum Award as Noted on the Housing Delivery Goals Charts: \$40,000

5. Terms, Recapture and Default: Funds will be made available in the form of a below-market rate deferred payment loan (interest will be determined on a case by case basis), secured by a note and mortgage but may be forgiven for non-profit agencies on a case-by-case basis (see the Housing Division Policy and Procedures manual for the forgiveness policy.) The loan shall be due and payable upon the sale of the unit. If a unit is not sold to an eligible household within program expenditure timelines, the borrowing agency shall be required to pay back the amount of the loan in full.

6. Recipient Selection Criteria: Applications for assistance under this program will be reviewed and approved on a first-come, first-ready basis. The applicant must be able to obtain mortgage financing.

7. Sponsor Selection Criteria: Applications for assistance may be reviewed on an ongoing basis. Non-profit sponsors used to implement this program must have received a tax-exempt ruling as a non-profit agency from the IRS under Section 501(c) of the Internal Revenue Code. The non-profit must have in its mission statement, in its Articles of Incorporation, or in its bylaws that it is dedicated to the provision of this service. For-profit sponsors administering the program must have experience performing the activities. The criteria to select for-profit or non-profit agencies may include, but is not limited to, the following:

- The financial strength of the sponsor
- The ability of the sponsor to complete the projects by deadlines established by the City
- The capacity of the sponsor
- Willingness to contractually commit to SHIP and other City requirements
- Agreement to select recipients on the basis of compliance with all eligibility requirements imposed by the program
- Preference for Community Housing Development Organizations (CHDOs) who acquire land and rehabilitate housing units located in the City's targeted neighborhoods
- Preference for sponsors who employ personnel from the Welfare Transition program

8. Additional Information: See the Housing Division Policy and Procedures manual for more specific information on this strategy.

G. Strategy Name: Acquisition-New Construction

Code: 10

1. Strategy Summary: This program is designed to provide assistance to non-profit or for-profit sponsors for land acquisition and new construction of single-family housing units. The agencies will offer the new units for sale to income-eligible households. New construction must be completed either within one year immediately preceding the date of conveyance of title (i.e., closing) or within 24 months of the close of the applicable State fiscal year. No more than 20% of the annual SHIP allocation may be expended on manufactured homes. To the maximum extent possible, the City and all contracted agencies shall encourage the incorporation of energy efficiency features, green building and design techniques into rehabilitation or construction projects for sustainability and affordability.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

3. Income Categories to Be Served: Extremely low-, Very low- and low-income households.

4. Maximum Award as Noted on the Housing Delivery Goals Charts: \$40,000

5. Terms, Recapture and Default: Assistance will be provided in the form of a below-market rate deferred payment loan (interest will be determined on a case by case basis), but may be forgiven for non-profit

agencies on a case-by-case basis (see the Housing Division Policy and Procedures manual for forgiveness policy.) Loans will be due and payable upon the sale of the unit. If a unit is not sold to an eligible household within program expenditure timelines, the borrowing agency shall be required to pay back the amount of the loan in full.

6. Recipient Selection Criteria: Applications for assistance under this program will be reviewed and approved on a first-come, first-ready basis. The applicant must be able to obtain mortgage financing.

7. Sponsor Selection Criteria: Applications for assistance may be reviewed on an ongoing basis. Sponsors used to implement this program must have received a tax-exempt ruling as a non-profit agency from the IRS under Section 501(c) of the Internal Revenue Code. The non-profit must have in its mission statement, in its Articles of Incorporation, or in its bylaws that it is dedicated to the provision of this service. For-profit sponsors administering the program must have experience performing the activities. The criteria to select for-profit or non-profit agencies may include, but is not limited to, the following:

- The financial strength of the sponsor
- The ability of the sponsor to complete the projects by deadlines established by the SHIP rule and statute
- The capacity of the sponsor
- Willingness to contractually commit to SHIP and other City requirements
- Agreement to select recipients of funding assistance on the basis of compliance with all eligibility requirements imposed by the program
- Preference for Community Housing Development Organizations (CHDOs) who acquire land and construct housing units located in the City's targeted neighborhoods
- Preference for sponsors who employ personnel from the Welfare Transition program

8. Additional Information: See the Housing Division Policy and Procedures manual for more specific information on this strategy.

H. Strategy Name: Disaster Relief and Preparedness

Code: 5

1. Strategy Summary: This strategy will be utilized in the event of a federal, state or local natural disaster declared by Executive Order, or to prevent disaster through hazard mitigation. Funds will be made available to provide emergency disaster assistance to income eligible homeowners to make interim repairs to avoid further damage to the home, and to provide assistance with relocation expenses. To receive hazard mitigation funds, a disaster declared by Executive Order is not required. Funds may be used to elevate water heaters, heating and cooling units in flood prone areas; install back-flow valves on sewer lines; remove trees or limbs which represent a hazard during high winds; or other approved improvements.

2. Fiscal Years Covered: FY 2016/2017, 2017/2018, 2018/2019.

- 3. Income Categories to Be Served:** Extremely low-, Very low- and Low-income households.
- 4. Maximum Award as Noted on the Housing Delivery Goals Charts:** \$5,000
- 5. Terms, Recapture and Default:** Assistance will be provided in the form of a grant requiring no repayment.
- 6. Recipient Selection Criteria:** Applications for assistance under this program will be reviewed for eligibility and approved on a first-come, first-ready basis. Applicants must own and occupy the home. Mobile homes are not eligible. No more than 20% of the annual SHIP allocation may be expended on manufactured homes.
- 7. Sponsor Selection Criteria:** Applications from potential sponsors will be reviewed on an ongoing basis. Sponsors used to implement this program must have received a tax-exempt ruling as a non-profit agency from the IRS under Section 501(c) of the Internal Revenue Code. The non-profit agency must have in its mission statement, its Articles of Incorporation or in its bylaws that it is dedicated to provision of these services.
- The financial strength of the sponsor
 - The ability of the sponsor to complete the repairs by the deadlines established by the SHIP rule or statute
 - The capacity of the sponsor
 - The level of experience
 - Willingness to contractually commit to SHIP and other City requirements
 - Agreement to select recipients on the basis of compliance with all eligibility requirement imposed by the program
 - Preference for sponsors that employ personnel from the Welfare Transition program
- 8. Additional Information:** See the Housing Division Policy and Procedures manual for more specific information on this strategy.

III. LHAP Incentive Strategies

City Commission Policy 710.03 implements incentives that are unique to affordable housing projects and are applicable to all land development projects certified as affordable housing projects.

A. Strategy Name: Expedited Permitting

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

Established policy and procedures: The City Commission has directed that certified affordable housing projects will be given priority status in the land use/growth management process (City Commission Policy 710.03). The Growth Management Department will give first priority to certified affordable housing projects in the processing of applications for Limited Partition subdivisions; Type A site plans; and all certificates, permits and approvals issued by Growth Management.

B. Strategy Name: Natural Area Inventory

Staff services are offered to perform a Natural Area Inventory for small certified affordable housing projects.

Established policy and procedures: Upon the receipt of a complete application and a map of the property in question showing two-foot contours, the Growth Management Department will perform the Natural Areas Inventory for small (20 units or less) certified affordable housing projects, as required by Section 61 of the Environmental Management Ordinance (City Commission Policy 710.03).

C. Strategy Name: Technical Assistance

Staff members from various city departments are available to consult, on an informal basis, on project feasibility at the outset of project planning.

Established policy and procedures: An interdepartmental team of City staff will be available to certify a project as affordable and/or to consult on an informal basis with applicants for potential affordable housing projects regarding the feasibility of the project and issues of land use approvals, permitting and utility service (City Commission Policy 710.03).

D. Strategy Name: Ongoing Review Process

A review of local policies, ordinances, regulations and plan provisions examines whether they will increase the cost of housing prior to their adoption.

Established policy and procedures: Housing Policies 2.1.5 and 2.1.6 in the Housing Element of the City's Comprehensive Plan requires local government to perform a fiscal impact analysis of any proposed policies, programs, ordinances, regulations, or plan provisions that might have an impact on affordable housing development costs or housing preservation. The analyses must be completed prior to submission to the City Commission for review and subsequent action. A statement showing the potential fiscal impact each proposed item may have on future development or preservation of affordable housing shall also be submitted to the Commission for consideration.

E. Strategy Name: Water and Sewer Connection Fee Exemption

Affordable housing units receive water and sewer connection fee exemptions.

Established policy and procedures: City Code of Ordinances Chapter 21, Article V. Section 21-152 exempts developers from water and sewer systems charges, and residential tap fees for new affordable housing developments.

F. Strategy Name: Density Bonus for Inclusionary Housing

Under the Inclusionary Housing Ordinance, residential developments of 50 units or more in specific geographic areas, Target Planning Areas, Critical Planning Areas, and Developments of Regional Impact, are required to build 10% of their units as affordable housing. In return for building the affordable units, developers may construct the units at densities greater than those provided in the respective classifications of land use contained within the Land Use Element of the City’s Comprehensive Plan.

Established policy and procedures: Developers who agree to build affordable housing units under the Inclusionary Housing Ordinance may increase the density of the development up to 25% provided that there are no negative environmental impacts or other negative consequences (Housing Element Policy 2.1.4 and Land Use Element 2.1.14, Tallahassee-Leon County Comprehensive Plan; and Land Development Code Chapter 9, Article VI, Section 9-246).

G. Strategy Name: Regulation Reduction for Inclusionary Housing

Under the Inclusionary Housing Ordinance, residential developments of 50 units or more in specific geographic areas, Target Planning Areas, Critical Planning Areas, and Developments of Regional Impact, are required to build 10% of their units as affordable housing. In return for building the affordable units, developments may benefit from reductions in setbacks, lot sizes, buffering, and screening. Inclusionary housing units are exempt from transportation concurrency fees.

Established policy and procedures: Developers who agree to build affordable housing units under the Inclusionary Housing Ordinance may receive design flexibility, deviation from design standards and a transportation concurrency exemption (Land Development Code, Chapter 9, Article VI, Section 9-246.)

H. Strategy Name: Density Bonus for Affordable Housing

Housing developers that commit to sell or rent homes to households earning less than 80% AMI would be eligible to construct the units at densities greater than those provided in the respective classifications of land use contained within the Land Use Element of the City’s Comprehensive Plan.

Established policy and procedures: Developers who agree to build affordable housing units in Planned Unit Developments may increase the density of the development up to 25% provided that there are no negative environmental impacts or other negative consequences (Land Use Element 2.1.14, Tallahassee-

Leon County Comprehensive Plan).

I. Strategy Name: Regulation Reduction for Affordable Housing

As an incentive to build affordable housing developments to maximum allowable density, regulation reductions are provided for any housing units constructed in Planned Unit Developments for households earning 80% AMI or less.

Established policy and procedures: Housing developers that commit to sell or rent homes to households earning less than 80% AMI in Planned Unit Developments are eligible to receive reductions in urban forest and landscape requirements (Land Use Element 2.1.14, Tallahassee-Leon County Comprehensive Plan).

J. Name the Strategy: Allowance of Accessory Dwelling Units in Residential Districts

The City allows attached and detached accessory dwelling units in residential zoning districts.

Established policy and procedures: Attached accessory dwelling units and detached garage dwelling unit conversions are allowed based on Land Development Regulation Chapter 10 Zoning, Article VII Supplementary Regulations, Section 10-412.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan. **Exhibit A.**
- B. Timeline for Estimated Encumbrance and Expenditure. A separate timeline for each fiscal year covered in this plan is attached as **Exhibit B.** Program funds will be encumbered by June 30th 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. Signed LHAP Certification. **Exhibit D.**
- E. Signed, dated, witnessed or attested adopting resolution. **Exhibit E.**
- F. Ordinance: (If changed from the original creating ordinance).

G. Other Documents Incorporated by Reference.

Administrative Budget for Each Fiscal Year

Fiscal Year 2016/2017	
Salaries and Benefits	\$ 119,808.30
Office Supplies and Equipment	\$ 0
Travel Per diem Workshops, etc.	\$ 0
Advertising	\$ 0
	\$0
Total	

Fiscal Year 2017/2018	
Salaries and Benefits	\$ 119,808.30
Office Supplies and Equipment	\$ 0
Travel Per diem Workshops, etc.	\$ 0
Advertising	\$ 0
	\$ 0
Total	

Fiscal Year 2018/2019	
Salaries and Benefits	\$ 119,808.30
Office Supplies and Equipment	\$ 0
Travel Per diem Workshops, etc.	\$ 0
Advertising	\$ 0
	\$ 0
Total	

Based on an annual SHIP distribution of \$1,198,083.00

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Name of Local Government: **CITY OF TALLAHASSEE**

- (1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
- (3) A process for selection of recipients for funds has been developed.
- (4) The City of Tallahassee has developed a qualification system for applications for awards.
- (5) Recipients of funds will be required to contractually commit to program guidelines.
- (6) The Florida Housing Finance Corporation will be notified promptly if the local government will be unable to comply with the provisions the plan.
- (7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.
- (8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.
- (9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation within 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.
- (13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.
- (14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.

Exhibit D

- (15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- (16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
- (17) Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)
- (18) The Plan meets the requirements of Sections 420.907 through 9079, F.S., and Rule Chapter 67-37 F.A.C., and how each of those requirements shall be met.
- (19) The provisions of Chapter 83-220, Laws of Florida ___ *has* or *has not* been implemented.

Witness

Andrew Gillum, Mayor

Witness

Date

OR

Attest:
(Seal)

Exhibit E

Adopting Resolution No. 16-R-11

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF TALLAHASSEE, FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

* * * * *

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one- to three-year Local Housing Assistance Plan outlining how funds will be used; and

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; the methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

WHEREAS, as required by *Section 420.9075 (7), F.S.*, it is found that 5% of the local housing distribution plus 5% of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10% of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10% of program income for administrative costs.

WHEREAS, the Community Housing and Human Services Department has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

WHEREAS, the City Commission finds that it is in the best interest of the public for the City of Tallahassee to submit the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TALLAHASSEE, FLORIDA that:

Exhibit E

Section 1: The CITY COMMISSION of the CITY OF TALLAHASSEE hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907 through 420.9079, Florida Statutes, for fiscal years **FY 2016/2017, 2017/2018, 2018/2019.**

Section 2: The Mayor is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said program.

Section 3: This resolution shall take effect immediately upon its adoption.

ADOPTED by the City Commission of the City of Tallahassee this 27th day of April, 2016.

CITY OF TALLAHASSEE

By: _____
Andrew Gillum
Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
James O. Cooke, IV
City Treasurer-Clerk

By: _____
Lewis Shelley
City Attorney

Exhibit F

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM
INFORMATION SHEET

LOCAL GOVERNMENT: City of Tallahassee

CHIEF ELECTED OFFICIAL (Mayor, Chairman, etc.): Andrew Gillum, Mayor

ADDRESS: 300 S. Adams Street, Tallahassee, FL 32301

SHIP ADMINISTRATOR: Joyce Olaves, Housing & Grants Administrator

ADDRESS: Department of Community Housing and Human Services
300 S. Adams Street B-27, Tallahassee, FL 32301

TELEPHONE: (850) 891-6526 FAX: (850) 891-6597

EMAIL ADDRESS: joyce.olaves@talgov.com

ADDITIONAL SHIP CONTACTS: Julie Evans, Housing Planner

ADDRESS: Department of Community Housing and Human Services
300 S. Adams Street B-27, Tallahassee, FL 32301

EMAIL ADDRESS: Julie.Evans@talgov.com

INTERLOCAL AGREEMENT: YES/NO (IF yes, list other participants in the inter-local agreement):
NO

The following information must be furnished to the Corporation before any funds can be disbursed.

LOCAL GOVERNMENT EMPLOYER FEDERAL ID NUMBER: 59-6000-435

MAIL DISBURSEMENT TO: City of Tallahassee

ADDRESS: Local Housing Assistance Trust Fund, ECD/Housing Assistance
300 S. Adams Street, Box B-27, Tallahassee, Florida 32301

OR: IF YOUR FUNDS ARE ELECTRONICALLY TRANSFERRED PLEASE COMPLETE FORM:

NO CHANGE FROM PREVIOUS ELECTRONIC FORM SUBMITTED.

Provide any additional updates the Corporation should be aware of in the space below.

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

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

The City of Tallahassee's ordinance has not changed from the original ordinance at the time of the first SHIP allocation.

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

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

The City of Tallahassee has not entered into an Interlocal Agreement at the time of the adoption of this plan.