

City of Lakeland

**DRAFT**



**COMMUNITY & ECONOMIC DEVELOPMENT  
PLANNING & HOUSING DIVISION**

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

**2020-2021, 2021-2022, 2022-2023**

**April 6, 2020**



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G. Interlocal Agreement-N/A	



**I. Program Details:**

**A. LG(s)**

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

**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: 2020-2021, 2021-2022, 2022-2023**

**D. Governance:** The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 7-37, 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 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 completed applications



were submitted as well as any established funding priorities as described in this plan.

The city may accept applications for assistance continuously. Applications are placed in the order they are received. When funds are available, the applicant is contacted to update the application for SHIP assistance. Applicants will be placed in line for assistance when the required documentation has been received and has been deemed eligible under SHIP. Applicants will be processed on a first qualified, first served basis unless otherwise stated in a specific strategy.

The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:

N/A

- 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](http://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	Admin. Fee Percentage
Local Government	Wholly performed and maintained by the City of Lakeland	100
Third Party Entity/Sub-recipient		

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *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. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home 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 in accordance with applicable regulations. 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.*

- S. Project Delivery Costs:** *(state the percentage or dollar amount per applicant and which strategies are covered)* The city project delivery costs include inspections, work writeups, client meetings, payment processing, and other staff hours associated with a Rehabilitation project. This cost will not exceed 2% of the contracted SHIP award.
  
- T. Essential Service Personnel Definition (ESP):** **ESP includes** teachers and educators, other school district, community college, and university employees, police and fire personnel, health care personnel, and skilled building trades personnel, federal, State, County and local government personnel, and warehouse employees.
  
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** The City is committed to the production of energy efficient housing for long term affordability. The City is committed to the production of energy efficient housing for long term affordability. Such improvements will be incorporated to reduce energy costs, base on funding availability. Specific improvements may include and are not limited to installation of energy efficient doors and windows; Replacement of heating and/or cooling systems with high energy efficient 15 SEER; Installing R30 insulation; Energy Star appliances and water heaters and low consumption toilets and faucets.
  
- V. Describe efforts to meet the 20% Special Needs set-aside:** *(describe which strategies and how Special Needs are prioritized for funding)* In order to identify persons with Special Needs as defined in 420.0004, the City has included a question on its client application inquiring if the applicant or the household meets this definition. If the answer is yes, staff sends a letter and/or calls to explain and asks for more detail, then determines eligibility based on the client's explanation. If the client qualifies under the SHIP definition of Special Needs, the client is assisted under the Special Needs Strategy.
  
- W. Describe efforts to reduce homelessness:** The City coordinates efforts with the Homeless Coalition of Polk County and the Continuum of Care (CoC) through active participation in strategic planning and the Point-in- Time (PIT) count. The city staff works closely with the local homeless and special needs providers to support their efforts in their program, to reduce and/or prevent homelessness. The City increases housing opportunities through its Homebuyer Education & Down Payment Assistance programs.



**Section II. LHAP Strategies:**

<b>A. Strategy Name:</b> Purchase Assistance without Rehabilitation	Code 2
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a. Summary: The City of Lakeland will provide home purchase assistance for down payment and closing costs. It is anticipated that the homes purchased will include new and existing homes. Applications will be made through a nonprofit agency that will provide required and approved home ownership counseling and application processing. Applicants are required to take an 8-hour home buyer education class offered by a HUD certified Housing Counseling Agency.

b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023

c. Income Categories to be served: Extremely low, very low, low and moderate

d. Maximum award:	Very Low	\$25,000
	Low	\$17,000
	Moderate	\$12,000

e. Terms:

1. Repayment loan/deferred loan/grant: The loan is secured by a recorded subordinate lien in the amount of assistance awarded, not including project delivery fees paid to the Sponsor.
2. Interest Rate: 0 %
3. Years in loan term: 10 Years
4. Forgiveness: Forgiven at the end of the term
5. Repayment: No repayment, so long as the loan is in good standing.
6. Default: The principal balance (100% of the loan up to year 5, 50% of the loan form years 6-10) of the deferred payment loan shall be due at the occurrence of the earliest of the following events:
  - 1) Death of recipient or recipients
  - 2) Sale or transfer of title
  - 3) Property is no longer maintained as principal residence
  - 4) Property is not maintained to minimum housing standards

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 resident. 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.

f. Recipient/Tenant Selection Criteria: Eligible clients are assisted on a first qualified, first served basis. Completed applications will be forwarded to a consortium member for approval on first mortgage financing by the Sponsor and to the City of Lakeland’s Planning & Housing Division for home purchase assistance approval. Applicants must contribute a minimum of \$1,000 of their own funds towards the purchase of the home. Habitat applicants must contribute at least \$250 and 500 hours of sweat equity.



- g. Sponsor Selection Criteria: This strategy shall be implemented by an eligible sponsor. The eligible sponsor will be selected by a Request for proposal (RFP) process. The successful respondent will have a proven record with administration of extremely low, very low, low and moderate income, home buyer programs. The sponsor will have demonstrated capacity to process the anticipated number of loans, provide the required home buyer education, have experience with lenders, and has attended SHIP training within the last 12 months.
- h. Additional Information: Mobile Houses are not eligible for assistance.

<b>B. Strategy Name:</b> Owner Occupied Rehabilitation	Code 3
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a. Summary: Funds will be used to perform substantial owner-occupied housing rehabilitation. Rehabilitation will include repair to correct code violations and to provide general renovation of the housing stock. Rehabilitation is intended to extend the life of the housing stock. When the cost to rehabilitate the existing home exceeds 65% of the cost to construct, a replacement home shall be constructed (see Strategy E).

- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, and low
- d. Maximum award: \$75,000
- e. Terms:
  1. Repayment loan/deferred loan/grant: The loan is secured by a deferred payment loan. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs such as payroll and inspections are provided to the clients as grants (included within the maximum award).
  2. Interest Rate: 0%
  3. Years in loan term:
 

Up to \$5,000	Grant
\$5,001 to \$40,000	10 years
Over \$40,000	15 years
  4. Forgiveness: Ten-year deferred payment loans are forgiven at the rate of 10% per year. Fifteen-year deferred payment loans are forgiven at the rate of 6.5% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year.
  5. Repayment: No repayment if loan is in good standing
  6. Default: The portion of the deferred payment loan remaining will be due at the occurrence of the earliest of the following events:
    - 1) death of recipient or recipients;
    - 2) sale or transfer of title;
    - 3) property is no longer maintained as principal residence; and
    - 4) property is not maintained to a minimum housing standard.





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.

- f. Recipient/Tenant Selection Criteria: The Community Planning & Housing Division staff will accept applications, determine the extent of the needed rehabilitation and qualify the clients based on income requirements. Clients are assisted on a “first-qualified, first-served” basis. Additional assistance in this regard may include relocation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b>C. Strategy Name:</b> Disaster Repair/Mitigation	Code 5
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a. Summary: SHIP funds may be used to provide emergency repair in the aftermath of a disaster as declared by Executive Order as provided in section 420.9078(1) F.S. Funds will be used to address emergency housing repair. The intent of this strategy is to address immediate health and safety needs of eligible clients in the event of disaster. Relocation assistance may be provided.

Generally, such needs may include purchase of emergency supplies for income eligible households to weather proof damaged homes; provide interim repairs to avoid further damage; tree and debris removal; or other assistance may be necessary to make individual housing units habitable. This assistance would additionally be for non-insured repairs such as insurance deductible expenses. New construction or reconstruction of housing units will be eligible under Strategy E.

- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, low
- d. Maximum award: \$75,000
- e. Terms:
  1. Repayment loan/deferred loan/grant: The loan is secured by a deferred payment loan. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs, such as payroll and inspections, are provided to the clients as grants.
  2. Interest Rate: 0%
  3. Years in loan term:
 

Up to \$5,000	Grant
\$5,001 to \$40,000	10 years
Over \$40,000	15 years
  4. Forgiveness: Ten-year deferred payment loans are forgiven at the rate of 10% per year. Fifteen-year deferred payment loans are forgiven at the rate of 6.5% for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year.



- 5. Repayment: No repayment if loan is in good standing.
- 6 Default: The portion of the deferred payment loan remaining will be due at the occurrence of the earliest of the following events:
  - 1) death of recipient or recipients;
  - 2) sale or transfer of title;
  - 3) property is no longer maintained as principal residence; and
  - 4) property is not maintained to a minimum housing standard.

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.

- f. Recipient/Tenant Selection Criteria: The Community Planning & Housing Division staff will accept applications, determine the extent of the needed rehabilitation and qualify the clients based on income requirements. Clients are assisted on a “first-qualified, first-served” basis. Additional assistance in this regard may include relocation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b>D. Strategy Name:</b> Emergency Repairs	Code 6
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a.	Summary: The City will provide owner-occupied housing emergency repair. Funds will be used to eliminate conditions that create a health or safety threat to the owners who occupy the housing. A list of eligible emergency repairs is published in the Neighborhood Services Policy and Procedures Manual.
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- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, low
- d. Maximum award: \$20,000
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: The loan is secured by a deferred payment loan. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs, such as payroll and inspections, are provided to the clients as grants.
  - 2. Interest Rate: 0%
  - 3. Years in loan term:
 

Up to \$5,000	Grant
\$5,001 to \$20,000	10 years
  - 4. Forgiveness: Ten-year deferred payment loans are forgiven at the rate of 10% per year and forgiven at the end of the tenth year.
  - 5. Repayment: No repayment if loan is in good standing.



6. Default: The portion of the deferred payment loan remaining will be due at the occurrence of the earliest of the following events:
- 1) death of recipient or recipients;
  - 2) sale or transfer of title;
  - 3) property is no longer maintained as principal residence; and
  - 4) property is not maintained to a minimum housing standard.

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.

- f. Recipient/Tenant Selection Criteria: The Community Planning & Housing Division staff will accept applications, determine the extent of the needed rehabilitation and qualify the clients based on income requirements. Clients are assisted on a “first-qualified, first-served” basis. Additional assistance in this regard may include relocation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b>E. Strategy Name:</b> Demolition and Reconstruction	Code 4
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a. Summary: Funds will be used to build new housing units for clients whose current owner-occupied unit is scheduled to be demolished. When the cost to rehabilitate the existing home exceeds 65% of the cost to construct a replacement home, reconstruction may be performed. Relocation assistance may be provided. Should the subject lot or surrounding area no longer be conducive to single family housing construction, consideration may be given to City redevelopment plans in the area and the lot incorporated into the City’s redevelopment efforts. This will be an even exchange of property or outright purchase of client’s property at terms to be negotiated based on market value/appraisal.

- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, low
- d. Maximum award: \$120,000
- e. Terms:
1. Repayment loan/deferred loan/grant: The loan is secured by a deferred payment loan. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs, such as payroll and inspections, are provided to the clients as grants.
  2. Interest Rate: 0%
  3. Years in loan term: 30
  4. Forgiveness: Thirty-year deferred payment loans are forgiven at the rate of 3.5% per year for the first 14 years, 4.5% at the end of the fifteenth year and the remaining 50% will be forgiven at the



end of the thirtieth year.

5. Repayment: No repayment if loan is in good standing.
6. Default: The portion of the deferred payment loan remaining will be due at the occurrence of the earliest of the following events:
  - 1) death of recipient or recipients;
  - 2) sale or transfer of title;
  - 3) property is no longer maintained as principal residence; and
  - 4) property is not maintained to a minimum housing standard.

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.

- f. Recipient/Tenant Selection Criteria: The Community Planning & Housing Division staff will accept applications, determine the extent of the needed rehabilitation and qualify the clients based on income requirements. Clients are assisted on a “first-qualified, first-served” basis. Additional assistance in this regard may include relocation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b>F. Strategy Name:</b> Special Needs/Barrier Removal	Code 11
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a. Summary: Summary of Strategy: SHIP funds may be used to assist special needs households, particularly developmental disabilities. Those needing home modifications, including technological enhancements and devices, may allow the homeowner to remain independent in their own home.
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- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, low
- d. Maximum award: \$75,000
- e. Terms:
  1. Repayment loan/deferred loan/grant: The loan is secured by a deferred payment loan. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs, such as payroll and inspections, are provided to the clients as grants.
  2. Interest Rate: 0%
  3. Years in loan term:
 

Up to \$5,000	Grant
\$5,001 to \$40,000	10 years
Over \$40,000	15 years
  4. Forgiveness: Ten-year deferred payment loans are forgiven at the rate of 10% per year. Fifteen-year deferred payment loans are forgiven at the rate of 6.5% for the first fourteen years and the



final 9% is forgiven at the end of the fifteenth year.

5. Repayment: No repayment if loan is in good standing.
6. Default: The portion of the deferred payment loan remaining will be due at the occurrence of the earliest of the following events:
  - 1) death of recipient or recipients;
  - 2) sale or transfer of title;
  - 3) property is no longer maintained as principal residence; and
  - 4) property is not maintained to a minimum housing standard.

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.

- f. Recipient/Tenant Selection Criteria: The Community Planning & Housing Division staff will accept applications, determine the extent of the needed rehabilitation and qualify the clients based on income requirements. Clients are assisted on a “first-qualified, first-served” basis. Additional assistance in this regard may include relocation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b>G. Strategy Name:</b> Rapid Re-Housing Rental	Code 26
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a. Summary: This strategy will provide housing relocation and stabilization services and short (up to three months) and/or medium (four to six months) term rental assistance.
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- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low,
- d. Maximum award: \$5,000
- e. Terms:
  1. Repayment loan/deferred loan/grant: The assistance for Rapid Re-Housing will be provided as a grant and is not subject to recapture.
  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/Tenant Selection Criteria: Applicants who meet the State of Florida’s definition of homelessness will be referred by the local Continuum of Care Coordinated Entry system, and be assisted on a first-qualified, first-served basis.
- g. Sponsor Selection Criteria: The program will be advertised county wide for eligible sponsors that are interested in participating in Lakeland Housing’s Rapid Re-Housing Program.

The Program may be implemented by a single entity or a consortium of eligible sponsors. The eligible sponsors or eligible sub-recipients will be chosen by a Request for Proposal process. The successful respondents will have a proven record with experience managing similar programs and background information on many applicants (through the Homeless Management Information System). In addition, they will have successfully demonstrated capacity to handle the administrative process for the service.

- h. Additional Information: This strategy will provide housing relocation and stabilization services as necessary to help individuals living in shelters or in places not meant for human habitation.

<b>H. Strategy Name:</b> Rental Development	Code 14, 21
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a. Summary: Funds will be awarded to developers of affordable rental units that are awarded construction financing through other state or federal housing programs to construct or rehabilitate affordable rental units. This funding is intended to be used as gap financing for the projects.

- b. Fiscal Years Covered: 2020-2021, 2021-2022, 2022-2023
- c. Income Categories to be served: Extremely low, very low, low and moderate
- d. Maximum award: Up to \$50,000 maximum subsidy per rental unit  
Up to \$150,000 maximum subsidy per development
- e. Terms:
  1. Repayment loan/deferred loan/grant: The loan is secured by a mortgage and a note.
  2. Interest Rate: Determined by type of developer and terms of development agreement:
    - Non-Profit 0% - 1%
    - For-profit 2% - 3%
  3. Years in loan term: 20
  4. Forgiveness: N/A
  5. Repayment: Interest on the principal balance will be collected on an annual basis. The loan is fully due and payable at the end of the term.
  6. Default: For all awards, a default will be determined as sale, transfer, or conveyance of property; conversion to another use; failure to maintain standards for compliance as required by and performed through any of the funding sources. If any of these occur, the outstanding balance will be due and payable.





5. Repayment: Sponsor/Developer - The loan will be due upon sale to an eligible homebuyer. If the home is not sold within 18 months, the loan will be due. When the home is sold, SHIP funds not passed through to the buyer (minus a developer fee) shall be repaid to the city.  
Homebuyer - No repayment if loan is in good standing.
6. Default: Sponsor/Developer - A default will occur if the developer fails to meet any of the following: program requirements; loan terms; home is sold to an ineligible homebuyer.  
Homebuyer - The principal balance (100% up to year 5, 50% from years 6-10) of the deferred payment loan shall be due at the occurrence of the earliest of the following events:
  - 1) death of recipient or recipients;
  - 2) sale or transfer of title;
  - 3) property is no longer maintained as principal residence; and
  - 4) property is not maintained to a minimum housing standard.

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.

- f. Recipient Selection Criteria: Eligible Clients are assisted on a first-qualifies, first served basis. Completed applications will be forwarded to a consortium member for approval of first mortgage financing by the Sponsor and the city of Lakeland's Housing Division for home purchase assistance approval.
- g. Sponsor/Developer Selection Criteria: The eligible sponsor/developer will be selected by a Request for Proposal (RFP) process. The RFP will require proof of previous experience in providing affordable housing; proof of financial capacity; ability to leverage other financing resources to complete the project; other factors may also be considered in the selection process.
- h. Additional Information: Completion of a HUD approved Homebuyer's Education course will be required to become an eligible buyer.





**I. 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:

- 1) Single Family Infill Construction: The City’s Building Inspection Division has a relatively short turnaround time for permitting single family infill construction. Special consideration will be given to speed the process of issuing building permits to those developers who have qualified as “affordable housing developers”. A list of qualified affordable housing developers has been created by the Community Planning Housing Division and provided to the permit clerks of the Building Inspection Division. An updated list of affordable housing developers is provided periodically. Additionally, housing staff meets at least annually with the City’s Building Official to review the process and update as necessary. At the time a request is made for the issuance of a building permit by a designated affordable housing developer and providing the single family dwelling unit meets the definition of “affordable housing” set forth herein below, the permit clerk shall process the permit request in an expeditious manner as follows: Providing that the building plans and permit request contain all necessary information upon submission and the proper building/impact fees have been paid (or appropriately waived or set up for reimbursement); the permit clerk shall flag the plans with a GREEN DOT. This green dot will draw attention of the plans examiner to the fact that the plans are to be treated as priority before non-affordable housing or commercial development and handled in an expeditious manner, resulting in the early issuance of building permits.
- 2) Multi-Family Developments: Affordable housing builders of multi-family developments shall be approved by the Affordable Housing Review Committee (AHRC). Multi-family developments shall receive expedited permitting as referenced above. However, by their nature, larger multi-family developments must be reviewed and approved by multiple City service areas such as plans examiner, planning and zoning, traffic, landscape, electric, water, fire, etc. Multi-family developers are encouraged to schedule early preliminary meetings with the different departments and the Development Review Team (DRT) to assist in an early resolution of any development/plan requirements. Definitions: “Affordable housing” - Housing offered for sale at or below the City’s State Housing Initiatives Program (SHIP) maximum purchase price limit for new construction shall be defined as affordable. Purchase Price limits for the City’s housing program shall correspond with the maximum area purchase price published by the Florida Housing Finance Corporation (see attached Goals Charts). Rental housing meets the affordable definition if the units are offered to tenants with rent at or below the Rents Adjusted to Number of Bedrooms in the Unit as published annually by Florida Housing Finance Corporation. The rents represent the maximum gross rents which



must include an allowance for utilities. Household income cannot exceed 120% of the area median income.

“Affordable housing developer” - Developers who have made application and been approved for incentives through the City’s Affordable Housing Review Committee (AHRC) and contractors working through the City’s Housing Division grant programs to provide housing through rehabilitation, reconstruction, emergency repair, and new construction under the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and State Housing Initiatives Partnership (SHIP). Such developers provide housing assistance to low income residents of the City who earn less than 120% of the area median income as provided under said grants.

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 was established by resolution to review established policies and procedures, ordinances, and development regulations, and the adopted local comprehensive plan of the City, and shall recommend specific initiatives to encourage or facilitate affordable housing while protecting the ability of the property to increase in value.

C. Other Incentive Strategies Adopted: Attached



**IV. EXHIBITS:**

Required

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

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement.
- H. Other Documents Incorporated by Reference.

**Exhibit B**  
**Timeline for SHIP Expenditures**

\_\_\_\_\_ affirms that funds allocated for these fiscal years will  
(local government)  
meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 <sup>st</sup> Year AR	2 <sup>nd</sup> Year AR	Closeout AR
2020-2021	6/30/2022	6/30/2023	9/15/2021	9/15/2022	9/15/2023
2021-2022	6/30/2023	6/30/2024	9/15/2022	9/15/2023	9/15/2024
2022-2023	6/30/2024	6/30/2025	9/15/2023	9/15/2024	9/15/2025

If funds allocated for these fiscal years is not anticipated to meet any of the deadlines in the table above, Florida Housing Finance Corporation will be notified according to the following chart:

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 <sup>st</sup> Year AR Not Submitted	2 <sup>nd</sup> Year AR Not Submitted	Closeout AR Not Submitted
2020-2021	3/30/2022	3/30/2023	6/15/2021	6/15/2022	6/15/2023
2021-2022	3/30/2023	3/30/2024	6/15/2022	6/15/2023	6/15/2024
2022-2023	3/30/2024	3/30/2025	6/15/2023	6/15/2024	6/15/2025

**Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 15 of the year in which funds are required to be expended. The extension request shall be emailed to [robert.dearduff@floridahousing.org](mailto:robert.dearduff@floridahousing.org) and [terry.auringer@floridahousing.org](mailto:terry.auringer@floridahousing.org) and include:**

1. A statement that "(city/county) requests an extension to the expenditure deadline for fiscal year \_\_\_\_\_.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan of how/when the money will be expended.

*Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended. Please email [terry.auringer@floridahousing.org](mailto:terry.auringer@floridahousing.org) when you are ready to "submit" the AR.*

**Other Key Deadlines:**

AHAC reports are due for each local government the same year as the local government's LHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.

**CERTIFICATION TO  
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity: \_\_\_\_\_

Certifies that:

- (1) The availability of SHIP funds will be advertised pursuant to program requirements in 420.907-420.9079, 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, color, national origin, sex, handicap, familial status, or religion.
- (3) A process to determine eligibility and for selection of recipients for funds has been developed.
- (4) Recipients of funds will be required to contractually commit to program guidelines and loan terms.
- (5) Florida Housing will be notified promptly if the local government /interlocal entity will be unable to comply with any provision of the local housing assistance plan (LHAP).
- (6) The LHAP provides a plan for the encumbrance of funds within twelve months of the end of the State fiscal year in which they are received and a plan for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.
- (7) The LHAP 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 LHAP.
- (8) Amendments to the approved LHAP shall be provided to the Florida Housing for review and/or approval within 21 days after adoption.
- (9) The trust fund exists with a qualified depository for all SHIP funds as well as program income or recaptured funds.
- (10) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (11) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements (CAFR). An electronic copy of the CAFR or a hyperlink to the document shall be provided to Florida Housing by June 30 of the applicable year.
- (12) Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S.

shall be provided to Florida Housing by June 30 of the applicable year.

- (13) SHIP funds will not be pledged for debt service on bonds.
- (14) 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.
- (15) 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 serve eligible persons.
- (16) Rental Units constructed or rehabilitated with SHIP funds shall be monitored for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e). 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.
- (17) The LHAP meets the requirements of Section 420.907-9079 FS, and Rule Chapter 67-37 FAC.
- (18) The provisions of Chapter 83-220, Laws of Florida have not been implemented (except for Miami-Dade County).

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Chief Elected Official or designee

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Type Name and Title

\_\_\_\_\_  
Date

**OR**

\_\_\_\_\_  
Attest:  
(Seal)