

CITY OF LAKELAND

**DRAFT**



**COMMUNITY DEVELOPMENT  
Neighborhood Services Division**

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

**2017-2018, 2018-2019 and 2019-2020**

**April 3, 2017**

**Amended April 9, 2019**

**Amended September 16, 2019**

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**Section I Program Details**

**A. Name of the participating local government:** City of Lakeland

Is there an Interlocal Agreement: Yes \_\_\_\_\_ No X

**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.

**B. Fiscal years covered by the Plan:** 2017-2018, 2018-2019 and 2019-2020

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

**D. 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.

**E. 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.

**F. 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.

**G. 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.

- H. 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.

The City may accept applications for assistance continuously. Applications are placed in order of receipt. 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 have been deemed eligible under SHIP. Applicants will be processed on a first qualified, first served basis unless otherwise stated in a specific strategy.

The Home Purchase Assistance applications are processed on a first qualified, first served basis through a participating non-profit agency.

- I. 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.
- J. Support Services and Counseling:** Support services are available from various sources. Available support services may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, and Transportation.
- K. Purchase Price Limits:** The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- U.S. Treasury Department  
 Local HFA Numbers

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

- L. Income Limits, Rent Limits and Affordability:** The Income and Rent Limits used in the SHIP Program are updated annually 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.

- M. 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.
- N. 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.
- O. Administrative Budget:** A line-item budget of proposed Administrative Expenditures is attached as Exhibit A. The City of Lakeland finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

*Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states: "A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan."*

*Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: "The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 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.*

- P. Program Administration:** Administration of the local housing assistance plan will be wholly performed and maintained by the City of Lakeland.
- Q. Project Delivery Costs:** In addition to administration listed above, the City project

delivery includes inspections, work write-ups, client meetings, payment processing, and other staff hours associated with a Rehabilitation project. This cost will not exceed 2% of the contracted SHIP award.

- R. Essential Service Personnel Definition:** “Essential Service Personnel” means teachers and educators, other school district employees, community college, and university employees; police and fire personnel; health care personnel; skilled building trades personnel: Federal, State, County and local government personnel and warehouse/production employees. SHIP assistance cannot be used to assist households whose income exceeds 120% AMI as determined annually by the Florida Housing Finance Corporation.
- S. 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 will incorporate energy efficient improvements to reduce energy costs based on funding availability. Specific improvements include, but 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.
- T. Describe efforts to meet the 20% Special Needs set-aside:** In order to identify Persons with Special Needs as defined in 420.0004, the City has included a question on its application inquiring if applicant or household member meets this definition. If the answer is yes, staff sends a letter and/or calls to explain and asks for more details and then decides based on client explanation. If the client qualifies under the SHIP definition of Special Needs the client is assisted under the Special Needs Strategy.
- U. 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 count. The City staff works closely with the local homeless and special needs providers to support their efforts in their programs to reduce and/or prevent homelessness. The City increases housing opportunities through its homebuyer education & down payment assistance program. The City and Polk County collaborated to create a rapid re-housing program.

**Section II LHAP Strategies**

<b>A. Purchase Assistance without Rehabilitation</b>	<b>Code 2</b>
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- a. Summary of Strategy: The City of Lakeland will provide home purchase assistance for down payment and closing costs. It is anticipated that 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 homebuyer education class offered by a HUD-certified Housing Counseling Agency.
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: extremely low, very low, low and moderate
- d. Maximum award:
  - Extremely Low Income \$24,000
  - Very Low Income 24,000
  - Low Income 16,000
  - Moderate 11,000
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: The Loan is secured by a subordinate note and mortgage for the amount of the assistance not including project delivery fees paid to the Sponsor.
  - 2. Interest Rate: 0 %
  - 3. Years: 10 years
  - 4. Forgiveness: 100% Payback in years 1-5 and 50% Payback in years 6-10.
  - 5. Repayment: No repayment as long as loan is in good standing.
  - 6. Default: The principal balance 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; or
    - 4) property is not maintained to minimum housing standard.

Financial assistance provided to one client may be assumed by an approved, qualified client under the guidelines for the specific funding source or sources.

- f. Recipient 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 Neighborhood Services Division for home purchase assistance approval. Applicants must contribute a minimum of \$1,000 of their own funds toward the purchase of homes. Habitat applicants must contribute at least \$250 and 500 hours of sweat equity.
- g. Sponsor/Developer 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 the administration of extremely low, very low, low and moderate income home buyer programs; will have demonstrated capacity to process the anticipated number of loans; will provide the required home buyer education; will have experience with lenders, and will have attended SHIP training within the last 12 months. The ability to leverage private dollars will also be a selection criterion. The City would prefer a sponsor with an office located in Polk County. Eligible sponsor employing Welfare Transition Program and Workforce Development personnel will be given preference in the selection process.
- h. Additional Information: Mobile Homes are not eligible for assistance.

<b>B. Owner Occupied Rehabilitation</b>	<b>Code 3</b>
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- a. Summary of Strategy: 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: 2017-2018, 2018-2019 and 2019-2020
- 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: Secured by a deferred payment loan.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 10 or 15
  - 4. Forgiveness: Housing rehabilitation assistance provided by the City using SHIP funds will be in the form of a deferred payment loan. 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 6.50% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth



year. 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.

Amount of Assistance Length of Forgivable loan

Up to \$5,000	Grant
Up to \$40,000	10 years
Over \$40,000	15 years

- 5. Repayment: No repayment as long as 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.

Financial assistance provided to one client may be assumed by an approved, qualified client under the guidelines for the specific funding source or sources.

- f. Recipient Selection Criteria: The Neighborhood Services 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/Developer Selection Criteria: N/A
- h. Additional Information: Mobile Homes are not eligible for assistance

<b>C. Disaster Repair/Mitigation</b>	<b>Code 5</b>
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- a. Summary of Strategy: 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 the immediate health and safety needs of eligible clients in the event of a disaster. Relocation assistance may be provided. (Rental subsidies are expressly prohibited under the SHIP regulations.) Generally, such needs may include purchase of emergency supplies for income eligible households to weatherproof damaged homes, provide interim repairs to avoid further damage, tree and debris removal, or other assistance as 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. Because of the emergency nature of this strategy, the City may implement an expedited income verification process.

SHIP LHAP Template 2009-001

Revised: 9/2016



- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- 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:

Disaster assistance provided by the City using SHIP funds will be in the form of a deferred payment loan.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 10 or 15
  - 4. Forgiveness: Housing rehabilitation assistance provided by the City using SHIP funds will be in the form of a deferred payment loan. 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 6.50% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year. 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.

Amount of Assistance	Length of Forgivable loan
Up to \$5,000	Grant
Up to \$40,000	10 years
Over \$40,000	15 years
  - 5. Repayment: No repayment as long as 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; or
    - 4) property is not maintained to a minimum housing standard.
- f. Recipient Selection Criteria:

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

<b>D. Emergency Repairs</b>	<b>Code 6</b>
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- a. Summary of Strategy: 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 (See attachment).
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: extremely low, very low and low
- d. Maximum award: \$20,000
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: The emergency repairs provided by the City using SHIP funds will be in the form of a deferred payment loan.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 10
  - 4. Forgiveness: Ten-year deferred payment loans are forgiven at the rate of 10% per year Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs such as payroll and inspections are provided to the client as grants.
 

Amount of Assistance	Length of Forgivable loan
Up to \$5,000	Grant
Up to \$20,000	10 years
  - 5. Repayment: No repayment as long as 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
- f. Recipient Selection Criteria: The Neighborhood Services Division staff will accept applications, determine the nature of the emergency, and qualify the clients based on income requirements. Eligible clients are first-qualified, first-ready

- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: Mobile Homes are not eligible for this strategy

<b>E. Demolition/Reconstruction</b>	<b>Code 4</b>
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- a. Summary of Strategy: 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: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: extremely low, very low and low
- d. Maximum award: \$120,000
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Secured by a deferred payment loan .
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 30
  - 4. Forgiveness: The new construction deferred payment loan is forgiven at the rate of 3.50% per year for the first 14 years, 4.50% shall be forgiven at the end of year 15 and the remaining 50% will be forgiven at the end of year 30. Temporary relocation expenses (if needed), ownership and encumbrance reports and preliminary service costs such as payroll and inspections are provided to the client in the form of a grant.
  - 5. Repayment: No repayment as long as 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 standardFinancial assistance provided to one client may be assumed by an approved, qualified client under the guidelines for the specific funding source or sources.
- f. Recipient Selection Criteria: The Neighborhood Services Division staff will accept



applications, determine the extent of the needed rehabilitation or demolition, 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/Developer Selection Criteria: N/A
- h. Additional Information: Mobile homes are not eligible for assistance.

<b><i>F. Special Needs/Barrier Removal</i></b>	<b><i>Code 11</i></b>
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- a. Summary of Strategy: SHIP funds may be used to provide assistance to 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.
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- 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: Housing rehabilitation assistance provided by the City using SHIP funds will be in the form of a deferred payment loan secured by a note and mortgage.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 10 or 15
  - 4. Forgiveness: Housing rehabilitation assistance provided by the City using SHIP funds will be in the form of a deferred payment loan. 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 6.50% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year. 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.

Amount of Assistance Length of Forgivable loan

Up to \$5,000	Grant
Up to \$40,000	10 years
Over \$40,000	15 years

- 5. Repayment: No repayment as long as 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

Financial assistance provided to one client may be assumed by an approved, qualified client under the guidelines for the specific funding source or sources.

- f. Recipient Selection Criteria: The Neighborhood Services 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/Developer Selection Criteria: N/A
- h. Additional Information: Mobile Homes are not eligible for assistance.

<b><i>G. Rapid Re-Housing Rental</i></b>
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<b><i>Code 26</i></b>
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- a. Summary of Strategy: 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 as long as the assistance does not exceed the maximum award amount of \$5,000 per client. Assistance is provided as defined in HFS 420.621 applied to an individual, or “individual experiencing homelessness” means an individual who lacks a fixed, regular, and adequate nighttime residence. Eligible costs also include rent, utilities, rental application fees, security deposits, and utility deposits.
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: extremely low, very low, and 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

6.

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- f. Recipient Selection Criteria: Applicants who are homeless or at risk of homelessness (i.e., seeking eviction prevention) will be referred by the local Continuum of Care Coordinated Entry system, and be assisted on a first-qualified, first-served basis.
- g. Sponsor/Developer 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.

H. Rental Development

Codes 14.21

- b. a. Summary of Strategy: 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 required for the project. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: extremely low, very low, and low and moderate
- d. Maximum award: Up to \$50,000 maximum subsidy per rental unit. - In cases where a smaller development (less than 50 units) is being proposed that includes Special Needs units, the city may choose to provide a larger amount of the overall construction financing.
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: funds will be awarded as a forgivable loan secured by a recorded subordinate mortgage and note
  - 2. Interest Rate: 0% - 3%
  - 3. Years in loan term: 20 years based on the proforma analysis
  - 4. Forgiveness: Each funded rental project's affordability period shall meet the minimum requirements as established by the most restrictive of funding sources provided by The City for the overall development of the project.

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- 5. Repayment: The loan is due and payable if the required affordability period is not met.
- 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 any of the funding sources. If any of these occur, the outstanding balance will be due and payable.
- f. Recipient Selection Criteria: All applicants for residence in a SHIP-assisted unit must meet income qualifications of the program as determined and reported by the developer's management company for the development.
- g. Sponsor/Developer Selection Criteria: Developers will apply to The City through an RFA process that is open one time a year. The RFA will require proof of developer experience in providing affordable rental housing, proof of financial capacity, evidence of site control (or contract for sale), proof of ability to proceed once all funding is closed, and a housing unit design plan that meets with The City's [Land Development Code](#).
- h. Additional Information: Developers will be required to meet [statutory requirements](#) for compliance reporting.

**I. New Construction Home Ownership**

**Code 10**

- a. Summary of Strategy: The purpose of this strategy is to provide new single-family affordable housing opportunities for eligible home buyers. The City will provide incentives to encourage the development of affordable new single-family homes on infill lots throughout The City. This program will address the need for quality affordable housing and contribute to neighborhood stabilization. [Architectural](#) plans must be approved by The City of Lakeland.
- b. Fiscal Years Covered: 2017-2018, 2018-2019, and 2019-2020.
- c. Income Categories to be Served: Very-low, Low, and Moderate.
- d. Maximum Award: \$120,000.
- e. Terms:
  - i. Loan/Deferred Loan /Grant  
Developer: A deferred loan secured by a note and mortgage.
  - ii. Interest Rate: 0% -3%
  - iii. Term:  
Developer: Not to exceed 18 months



iv. Forgiveness/ Repayment: The loan will be due upon sale to an eligible homebuyer. If the home is not sold within one year of completion the loan shall be due.

f. Recipient Selection Criteria: The Housing Division staff will accept applications and qualify the clients based on income requirements. Clients will be assisted on a first qualified, first served basis.

g. Sponsor Selection Criteria: Applications for this program will follow the City of Lakeland's procurement process.

h. Additional Information: Completion of a HUD approved homebuyer's education course will be required to become an eligible buyer.

### Section III LHAP Incentive Strategies

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

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

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

The City's Affordable Housing Incentive Plan became effective December 6, 1993 and contained provisions for expediting the permitting process for affordable housing development.

- 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 neighborhood Services 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. **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 appreciate in value.

- C. Other Incentive Strategies Adopted: Attached

**Section IV Exhibits**

**A. Administrative Budget for each fiscal year covered in the Plan:**

Administrative Budget sheet is attached

**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 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.

**C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan:**

Completed HDGC for each fiscal year is attached

**D. Signed LHAP Certification:**

Signed Certification is attached

**E. Signed, dated, witnessed or attested adopting resolution:**

Original signed, dated, witnessed or attested adopting resolution is attached

**F. Ordinance: (If changed from the original creating ordinance): N/A**

**G. Interlocal Agreement: N/A**

**H. Other Documents Incorporated by Reference: Housing Program Emergency Policy  
Local Affordable Housing Incentives**