

RESOLUTION NO. 2017- 129

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE LOCAL HOUSING ASSISTANCE PLAN FOR FISCAL YEARS 2017/2018, 2018/2019 AND 2019/2020 AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING AND DIRECTING THE BOARD CHAIR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE COUNTY ADMINISTRATOR TO DO ALL THINGS NECESSARY AND PROPER TO CARRY OUT THE TERMS AND CONDITIONS OF THE STATE HOUSING INITIATIVES PARTNERHIP PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Law, 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, required local governments to develop a one to three -year Local Housing Assistance Plan (LHAP) 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 benefitting from awards made pursuant to the Act; The methodology and purchase process used are defined in the attached Local Housing Assistance Plan (LHAP); and

WHEREAS, as required by section 420.9075, Florida Statutes, it is found 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, and

WHEREAS, the cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), Florida Statutes, and eligible municipalities receiving a local distribution of up to \$350,000 may use up to 10 percent of program income for

administrative costs; and

WHEREAS, the Housing and Community Development Division has prepared a three year Local Housing Assistance Plan (LHAP) for submission to the Florida Housing Finance Corporation; and

WHEREAS, the Board of County Commissioners (the Board) finds that it is in the best interest of the public for St Johns County to submit the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY:

Section 1. The above recitals are incorporated by reference into the body of this resolution and such recitals are adopted as findings of fact.

Section 2. The Board of County Commissioners approves the Local Housing Assistance Plan (LHAP), as attached and incorporated herein, for submission to the Florida Housing Finance Corporation as required by the SHIP Act, for fiscal years 2017/2018, 2018/2019 and 2019/2020.

Section 3. The Chair is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation related to the Local Housing Assistance Plan, and to submit the Local Housing Assistance Plan to the Florida Housing Finance Corporation for review and approval.

Section 4. The County Administrator, or his designee, is authorized to do all things necessary and proper to carry out the terms and conditions of the SHIP Program.

Section 5. To the extent that there are typographical or administrative errors or omissions that do not change the tone, tenor, or context of this resolution, this resolution may be revised without subsequent approval of the Board of County Commissioners.

Section 6. This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County this 18th day of April 2017.

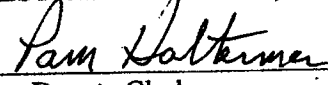
BOARD OF COUNTY
COMMISSIONERS OF ST. JOHNS
COUNTY

By: _____


James K. Johns, Chair

ATTEST: Hunter S. Conrad, Clerk

By: _____


Deputy Clerk

RENDITION DATE 4/20/17



ST. JOHNS COUNTY



SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2017-2018, 2018-2019 and 2019-2020



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| D. Signed LHAP Certification | |
| E. Signed, dated, witnessed or attested adopting resolution | |
| F. Ordinance: (If changed from the original creating ordinance) | |
| G. Interlocal Agreement | |



I. Program Details:

A. Name of the participating local government: ST. JOHNS COUNTY

Is there an Interlocal Agreement: Yes _____ No X

If "Yes", name local government(s) in the Interlocal Agreement: N/A

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: 2017-2018, 2018-2019 and 2019-2020

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

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

F. Leveraging: The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

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

H. Advertising and Outreach: SHIP funding availability shall be advertised in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Waiting List/Priorities: A waiting list 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 following priorities for funding described/listed here apply to all strategies unless otherwise stated in the strategy: 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
- Local HFA Numbers

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

“Affordable” means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, it is not the intent to limit an individual household’s ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

- N. Welfare Transition Program: Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.



- O. **Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.
- P. **Administrative Budget:** A line-item budget of proposed Administrative Expenditures is attached as Exhibit A.

St. Johns County 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.

- Q. **Program Administration:** Administration of the local housing assistance plan will be wholly performed and maintained by St. Johns County.

A third party entity or consultant will be contracted for all or part of the administrative of the program. The name of the entity is: N/A. The administrative duties they will provide are:

- R. **Project Delivery Costs:** St. Johns County utilizes a contractor for inspections of single-family residences, associated with single-family rehab, at a cost between \$600 and \$1,100.
- S. **Essential Service Personnel Definition:**



"Essential Services Personnel" means any person in need of affordable housing, who is a permanent employee (excluding temporary and on-call employees) of a company or organization located within St. Johns County, including, but not limited to teachers and educators, police and fire personnel, health care personnel and skilled building trades personnel.

T. Describe efforts to incorporate Green Building and Energy Saving products and processes:

St. Johns County encourages the incorporation of innovative design techniques into construction and rehabilitation projects for ongoing sustainability and affordability. New home construction and scopes of work for rehabilitation projects will contain practices to utilize green building initiatives that may include but are not limited to:

- Use of an Energy Rater to test and evaluate the building (pre and post rehab) and make recommendations that are designed to reduce utility and maintenance costs.
- Use of a blower door (and other building performance test procedures) to verify duct tightness and the overall performance of the building envelope, any existing gas appliances should be tested with a gas monitor for proper combustion.
- Purchase of Energy Star rated refrigerators and ceiling fans with light fixtures, Energy Star fluorescent light fixtures throughout units, high-efficiency air conditioning units with programmable thermostats, well-insulated exterior walls, exterior doors, and ceilings, light colored roofing material, low/no VOC interior paint, light colored interior and exterior paint, utilization of environmentally friendly pesticides and drought tolerant plantings, high efficiency low flow and/or dual flushing toilet systems, low-flow shower heads and faucets, durable long-lasting asphalt roof shingles and light colored reflective roofing material, utilization of recycled material for flooring, insulation, countertops and concrete driveways.
- Any rehab should consider features that promote Aging in Place. Lever handles on both faucets and door knobs, elevated toilets, zero threshold exterior doors, consider a walk-in shower, if feasible, and install backing for grab bars.

U. Describe efforts to meet the 20% Special Needs set-aside:

A minimum of 20% of each year's allocation will be expended on assistance for special needs persons, with a priority on assisting persons with developmental disabilities. To meet the requirement, St. Johns County Housing and Community Development staff partner with the St. Johns Housing Partnership to market the SHIP strategies, with an emphasis on utilizing the rehabilitation program for ADA enhancements and home modifications that promote accessibility. Marketing efforts may include brochures and flyers, public awareness campaigns through both different agencies serving this population and through social media, public



information releases, and participation in local events.

V. Describe efforts to reduce homelessness:

St. Johns County Housing and Community Development staff work with the County's Social Service staff as well as a number of different agencies that serve the Homeless population, including the local Continuum of Care. St. Johns County Social Services provides funding to provide rental and utility assistance. The Housing department utilizes a local Affordable Housing grant to assist agencies that provide not only affordable housing but also housing for individuals suffering from homelessness. The Housing Department also has hosted workshops, in conjunction with the Florida Housing Coalition, to assist non-profit agencies in the community to develop capacity in an effort to better serve their clients. The Housing Department has also looks to prioritize the funding of projects that assist individuals in the alleviation of homelessness through the use of the Land Acquisition-Rental Strategy found in this plan.

Section II. LHAP Strategies:

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| 1. Purchase Assistance with Rehab | 1 |
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- a. Summary of Strategy: The St. Johns County Purchase Assistance Program is designed to assist homebuyers with the purchase of a new or existing single family home or condominium. Funding, which is provided as a subordinate mortgage loan, may be used for down payment, closing costs, principal buy-down and repairs as needed for affordable homeownership. Additionally, necessary repairs to major systems: roof, plumbing, HVAC, and electrical systems are encouraged to be made at time of purchase, as funds permit, to prevent future financial burdens to new homeowners. SHIP funds may be used in conjunction with a first mortgage loan obtained from a participating lender, not-for-profit developer, Florida Housing Finance Corporation's Bond Program, or Rural Development.
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: Very Low, Low, and Moderate Income.
- d. Maximum award: \$40,000
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: An interest deferred loan will be



executed from the date of closing.

2. Interest Rate: 0% interest
3. Years in loan term: In effect for the length of the first note (coterminous) from the date of closing.
4. Forgiveness: The loan will be forgiven at the end of the 30 year period if all conditions have been met.
5. Repayment: Due upon sale, transfer or refinance, the amount of repayment will be equal to: The original amount of purchase assistance plus a percentage of the net gain (increased value) based upon the sales price or in the case of a transfer or refinance the net gain will be calculated using the current appraised value. The percentage used to determine the County's share of the gain will be equal to the amount of the original purchase assistance divided by the original purchase price. Any repayment is to be made to the St. Johns County Local Housing Assistance Trust Fund.
6. Default: Repayment of the loan is required in full when one of the following conditions is met, whichever occurs first:
 - a. Sale: if proceeds are not sufficient to pay off the first mortgage note then the client may petition the Community Services Department for an optional payment plan or the county may consider accepting an amount less than the outstanding balance as part of a short sale.
 - b. Title transfer: either voluntarily or by operation of law, including death of the surviving mortgage holder or foreclosure;
 - c. Refinance to access equity: a refinance of the first mortgage may be approved if the request is submitted in writing, the refinance is at a lower fixed rate with no cash out, and refinanced closing costs do not increase the loan balance beyond the original loan amount;
 - d. Homeowner no longer resides in the home: The County reserves the right to foreclose if payment is not received as noted above.
 - e. Death of homeowner: In a case where the assisted homeowner dies during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as their 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: Applicants must submit application to St. Johns County Homeownership Program and meet income and eligibility guidelines. Applicants must contractually agree to all SHIP Program guidelines, repayment provisions and certify that the unit assisted will be their primary residence. The applicant must be approved for a first mortgage by a participating lender. Funds will be awarded on a first-qualified, first-served basis.
 - g. Sponsor/Developer Selection Criteria: Sponsor criteria not applicable.
 - h. Additional Information:
 - 1. Single-family houses, town houses and condominiums are eligible. Mobile homes are not.
 - 2. The home to be purchased must be located in St. Johns County
 - 3. The PITI should meet the affordability target criteria of 30 percent of Area Median Income adjusted for family size, unless the lender approves a higher percentage.
 - 4. Other funding sources may include lending institutions down payment assistance mortgage loan products, State or Federal programs such as Rural Development, HOME or HOP.
7. Completing credit counseling sessions, the St. Johns County Homebuyer Education Class and/or other program requirements are mandatory before closing on the home. Homeownership counseling classes will be offered by St. Johns County and led by a HUD certified St. Johns County staff person. Classes are offered during a six hour, 1 day session.
8. A subordination of this deferred payment mortgage will only be approved under the guidelines of the Subordination Policy established by the St. Johns County SHIP Program. (Exhibit F)

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| 2. Owner Occupied Rehabilitation | 3 |
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- a. **Summary of Strategy:** This program is designed to assist eligible homeowners with needed repairs, alterations, mitigation, and/or additions to improve their health, safety and well-being or contribute to the structural integrity, long-term affordability and preservation of their owner-occupied home. Loans for assistance may include costs related to all eligible repairs, such as testing, inspections, engineering, permit fees, and abatement and pest control.
- b. **Fiscal Years Covered:** 2017-2018, 2018-2019 and 2019-2020
- c. **Income Categories to be served:** Very Low; Low Income.
- d. **Maximum award:** \$30,000
- e. **Terms:**
 - 1. **Repayment loan/deferred loan/grant:** A deferred loan will be executed.
 - 2. **Interest Rate:** 0% interest
 - 3. **Years in loan term:** 20-years from the date of closing.
 - 4. **Forgiveness:** This deferred loan will be forgiven at a rate of five percent (5%) per year for the 20 year term.
 - 5. **Repayment:** In the event of sale, transfer or cash-out to homeowner refinance of the property prior to the expiration of the 20 year term, the remaining balance is due immediately.
 - 6. **Default:** The County reserves the right to foreclose if payment is not received as noted above. In the event the owner should die, the strategy allows the possibility of assumption of the remaining pro rata amount of the original lien by income eligible heirs who will reside in the home as their primary owner occupied residence. Eligible heir will be responsible for first and subordinate mortgage payments, property taxes and/or assessments must be current, with no judgments, liens, or third mortgages against the property; any first or subordinate mortgage payments must be current.
- f. **Recipient Selection Criteria:**
 - 1. Assistance is awarded on a first-served/first-qualified basis with preference given to very-low income clients, the elderly and individuals with special



needs. A waiting list is maintained and applications are taken all year long.

2. The home must be owner-occupied.
 3. Property taxes and/or assessments must be current, with no judgements, liens, or third mortgages against the property; any first or subordinate mortgage payments must be current.
- g. Sponsor/Developer Selection Criteria: The Sub-recipient will be the non-profit agency administering the Rehabilitation Program and will be charged with overseeing the implementation of this program.
1. Preference will be given to sponsors that employ personnel from the Welfare Transition Program as required by Rule 67- 37.005(6)(a)(2), Florida Administrative Code.
 2. Preference will be given to 501(c) (3) agencies with a primary goal of providing affordable housing in St. Johns County which have:
 - i. Financial accountability standards which permits County staff to monitor SHIP funds;
 - ii. A demonstrated capacity to complete rehabilitation by having experienced/licensed staff who have successfully completed projects similar to those proposed;
 - iii. An experience in managing like housing programs for at least five previous years;
 - iv. History of serving St. Johns County for three or more years;
 - v. Insurance coverage to meet St. Johns County requirements;
 - vi. References from other non-profits or previous clients familiar with their work.
- h. Additional Information:
1. The home must be inspected before, during, and after construction.
 2. Mobile homes, rentals, and condominiums are not eligible for assistance.
 3. In situations where the home has been assessed by the St. Johns County code enforcement division as too badly damaged to be rehabilitated, the



home may be demolished (demolition of the damaged home shall be conducted by an independent contractor participating in the St. Johns County Abatement and Replacement program which is locally funded) and rebuilt upon the approval of the St. Johns County Board of County Commissioners. Homes constructed under the terms of this provision will be subject to all criteria, terms, recapture and default conditions of the SHIP Rehabilitation strategy; dependent upon the availability of funds. Construction of the replacement home shall be implemented by the non-profit sponsor contracted with St. Johns County Board of County Commissioner to execute SHIP Rehabilitation strategy functions.

4. Other funding sources may include lending institutions, State or Federal Programs such as: Rural Development, HAP or HOP.
5. A subordination of this deferred payment mortgage will only be proved under the guidelines of the Subordination Policy established by the St. Johns County SHIP Program.

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| 3. <i>Disaster Repair/Mitigation</i> | 5 |
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- a. Summary of Strategy: The Disaster Strategy provides assistance to households following a disaster as declared by Executive Order by the President of the United States or Governor of the State of Florida. This strategy will only be implemented in the event of a disaster using any funds that have not yet been encumbered or additional disaster funds issued by Florida Housing Finance Corporation. SHIP disaster funds may be used for items such as, but not limited to:
 1. Purchase of emergency supplies for eligible households to weatherproof damaged homes;
 2. Interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;
 3. Construction of wells or repair of existing wells where public water is not available;



4. Payment of insurance deductibles for rehabilitation of homes covered under homeowners insurance policies;
 5. Security deposit for eligible recipients that have been displaced from their homes due to disaster;
 6. Rental assistance both during and up to twelve months after the Florida Office of the Governor Executive Order, for eligible recipients that have been displaced from their homes due to disaster;
 7. Other activities as proposed by the counties and eligible municipalities approved by Florida Housing.
- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: Very Low, Low, and Moderate Income.
- d. Maximum award: \$30,000
- e. Terms:
1. Repayment loan/deferred loan/grant: Grant
 2. Interest Rate: N/A
 3. Years in loan term: N/A
 4. Forgiveness: N/A
 5. Repayment: N/A
 6. Default: N/A
- f. Recipient Selection Criteria: Applicants will be served on a come, first qualified basis. However, priority shall be given to persons who have special housing needs and individuals or households that qualify as Elderly as defined in 420.503, F.S.
- g. Sponsor/Developer Selection Criteria: Given the emergency nature of this program and the fact that St. Johns County has no SHIP rehabilitation construction staff, the (non-profit) agency administering the Rehabilitation Program will be charged with overseeing the implementation of this program.
- h. Additional Information: SHIP funds at all times must be used for eligible applicants and eligible housing. SHIP disaster funds may not be used for the purchase or rehabilitation of mobile homes.
1. The home must be located in St. Johns County.



2. Applicants income and ownership of the home will be verified in the form of third party verification.
3. Mobile homes and rentals are not eligible for assistance.
4. Homes that are too badly damaged to be rehabilitated may be demolished. Demolition of the damaged home shall be conducted by an independent contractor participating in the locally-funded St. Johns County Abatement and Replacement program. Homes that are to be rebuilt must have the approval of the St. Johns County Board of County Commissioners. Homes constructed under the terms of this provision will be subject to all criteria, terms, recapture and default conditions of the SHIP Rehabilitation strategy and are dependent upon the availability of funds. Construction of the replacement home shall be implemented by the non-profit sponsor contracted with St. Johns County Board of County Commissioner to execute SHIP Rehabilitation strategy functions.

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| 4. Utility Tap & Connection Fees | 8 |
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- a. **Summary of Strategy:** This program will replace failing septic systems and old wells by paying for connections to central water and wastewater for homeownership units. All tap and connection fees may be paid, private well abandonment and closing septic tanks may also be funded, as well as any related plumbing costs.
- b. **Fiscal Years Covered:** 2017-2018, 2018-2019 and 2019-2020
- c. **Income Categories to be served:** Very Low and Low Income.
- d. **Maximum award:** \$7,500
- e. **Terms:**
 1. **Repayment loan/deferred loan/grant:** Grant
 2. **Interest Rate:** N/A
 3. **Years in loan term:** N/A
 4. **Forgiveness:** N/A
 5. **Repayment:** N/A



6. Default: N/A

- f. Recipient Selection Criteria: Assistance is awarded on a first-served/first-qualified basis to applicants who meet the following selection criteria.
 - 1. The owner-occupied home must be located in St. Johns County.
 - 2. Mobile homes and rentals are not eligible for assistance.
 - 3. The households must be connecting to public water and/or sewer.
 - 4. True emergencies referred by the State Environmental Health Department or social services agencies will be handled immediately or as funds are available.
 - 5. The assessed value of the home may not exceed the maximum purchase of the existing house program.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: This strategy will be funded as a "grant" as defined in 420.9071 (12).

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| 5. Land Acquisition-Rental | 20 |
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- a. Summary of Strategy: This program will directly fund or leverage funds for rental developments agreeing to reserve a certain percentage of units, as affordable housing. Developers receiving assistance from SHIP and the Low Income Housing Tax Credit Program, SAIL or HOME shall be required to comply with the income, affordability and other Housing Credit, SAIL, HOME requirements. Similarly, any units receiving assistance from other federal, state, or local programs shall be required to comply with any requirements specified by the other program in addition to SHIP program requirements.
 - 1. Special Needs Facility Development St. Johns County will provide the funds to aid a not-for-profit agency, coalition or the St. Johns County Housing Financing Authority to apply for HUD funds either directly or through the State of Florida. This strategy may be funded as a grant as defined in 4209071(12), with no repayment required along with the



execution of a Land Use Restriction Agreement to assure the 15- year
affordability.

- b. Fiscal Years Covered: 2017-2018, 2018-2019 and 2019-2020
- c. Income Categories to be served: Very Low and Low Income.
- d. Maximum award: \$30,000
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: Funds will be secured by a mortgage and a note and will conform to the compliance terms of the other loan program used such as HOME, SAIL or the Low Income Housing Tax Credit Program.
 - 2. Interest Rate: Loan interest rates are set at zero percent for those developments that maintain 80 percent of their occupancy for farmworkers, commercial fishing workers or homeless people. The interest rates are set at one percent for all other developments.
 - 3. Years in loan term: Loans are issued for a maximum of 15 years unless housing credit syndication requirements or FannieMae requirements dictate longer terms, In which case the term may be made coterminous with the longest term of the superior loan. In most cases, the SAIL loan cannot exceed 25 percent of the total development cost and can be used in conjunction with other state and federal programs. Maximum term is 25 years, unless a longer term is specifically required as a condition for project financing. As defined in the applicable mortgage and note, full recapture of SHIP funds invested is required upon default, unless a forgiveness provision (depreciating balance) is incorporated into the mortgage and note in which case, the un-depreciated portion shall be due and payable upon default. Compliance monitoring shall be performed annually by county housing program staff or a designated agent for a minimum of 15 years through direct review of Sponsor agency documentation to establish compliance with SHIP Program affordability requirements with respect to tenant occupancy, income levels, and rental rates. For FHFC financed projects that also receive SHIP local support, occupancy, rent, and housing quality



compliance documentation secured by FHFC or its contract monitor, shall be deemed acceptable in meeting this requirement. Forgiveness:

4. **Repayment:** The sale of properties assisted with SHIP funds shall require approval of the Board of County Commissioners and shall be acceptable (without repayment) only if the subsequent owner(s) agree to meet any remaining rental, occupancy and affordability obligations established in the development agreement, mortgage and note.
 5. **Default:** will conform to the compliance terms of the other loan program involved in the initial transaction such as HOME, SAIL or the Low Income Housing Tax Credit Program.
- f. **Sponsor/Developer Selection Criteria:** Assistance is awarded on a competitive basis to applicant-sponsors who meet the following selection criteria:
1. The recipients are for-profit developers, nonprofit housing providers, Community Housing Development Organizations (CHDOs) or local governments, redevelopment Organizations.
 2. Numbers or percentages of units reserved for specific area median incomes, populations, or geographic areas may be specified.
 3. Proposed developments must meet all threshold requirements.
 4. Other criteria such as staffing, capacity, experience in rental projects may be used.
 5. Preference will be given to sponsors that employ personnel from the Transition Program as required by Rule 67-37.005(6)(b)(7) Florida Administrative Code.
 6. Preference will be given to eligible sponsors that employ personnel from the Welfare Transition Program as required by Rule 67-37.005(6)(b)(7) Florida Administrative Code.
 7. Funds must be expended and the development must be located in St. Johns County.
 8. They must provide shelters or group homes to domestic violence victims, persons with developmental disabilities or mental illnesses, elderly or disabled adults, runaway/abandoned children, Youth Aging out of Foster Care, homeless, veterans, families that are considered to be



homeless or similar populations.

9. They have successfully completed projects similar to those being proposed and in a timely manner, thus demonstrating capacity to develop affordable housing;
10. Their financial accountability standards permit the County Finance Department and the SHIP staff to account for and audit the SHIP funds utilized, in order to meet the state statutory requirements of the SHIP program relating to beneficiaries and units assisted.
11. They have administrative capacity to provide all necessary income and demographic documentation by May 30 of the year monies are expended, in order to meet the state statutory requirements of the SHIP program relating to beneficiaries, units assisted, and state statutory deadline for expending SHIP program funds;
12. They demonstrate or document items are in place: zoning, infrastructure, site control, other financing, cost per unit, and support services;
13. There is one contact person named, preferably having prior grant experience.

h. Additional Information: Other funding sources may include the Housing Credit, HOME, SAIL, and other related programs, as well as private lending sources and developer resources.

III. LHAP Incentive Strategies

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

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

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

Provide a description of the procedures used to implement this strategy: In September, 1993, the County instituted the Development Review Committee (DRC) to establish uniform



requirements and procedures for submittal and review of applications for development plan approval, to implement the goals and policies of the Comprehensive Plan, and to ensure compliance with all applicable land development regulations. The eighteen-member committee representing planning, zoning, growth management, transportation, utilities, environmental health, fire service, 911 addressing, building, codes, survey, environmental planning, and landscaping, reviews all proposed developments (such as subdivisions or multi-family) within 20 working days, then meets with the developer to discuss their independent findings at a joint DRC meeting. February 24, 1998, adopted by Resolution 98-48, developers planning affordable housing projects will be directed to the Housing Office by any staff receiving questions. Housing staff can work with the developer to determine, quantitatively, if the project is truly affordable (i.e., the anticipated payments do not exceed 30% of the very-low to moderate income categories, or if rents do not exceed standard limits adjusted for bedroom size). Upon issuance of an "Affordable Housing Development" (AHD) designation, a sheet to be attached to all copies submitted for development review, the developer is assured that the original review time may be reduced by up to 50 percent. Rezoning requests may be facilitated in agenda placement for committee and Board of County Commissioners' review. St. Johns County's permitting process has been centralized and expedited with the location of all applicable permitting departments in one facility. It has cut down on developer's time expended on obtaining permits. The Comprehensive Plan adopted by Ord. 90-53, Policy E.1.1.4(a), adopted in December, 1990, and amended by Policy C.1.1.4, adopted by Ordinance 2000-34, and amended by Policy C.1.1.4, adopted by Ordinance 2000-34, recommended this change. Permits may be applied for in advance of lot purchase closing so delays can be avoided by careful planning.

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 SHIP-required Affordable Housing Advisory Committee (AHAC) was transformed to the Housing Revitalization Agency (HRA) and thence to the Housing Advisory Committee (HAC) with policy-reviewing responsibilities. This incentive was adopted by the original ordinance establishing the SHIP Program on April 23, 1993 (93-21) and the "glitch" ordinance



required by the State to amend Resolution 93-21 on July 27, 1993 (93-36). It was also covered by the Local Affordable Housing Incentive Plan (LAHIP), which was adopted on April 1, 1994. The HRA became the Housing Advisory Committee (HAC) by Resolutions 99-61 and 99-112, and the HAC responsibilities were added to the Housing Finance Authority on March 13, 2001 by Resolution 2001-41. The board was increased from 5 to 7 members and serves as a "clearing house" for affordable housing issues. In addition, the Planning and Zoning Agency and Board of County Commissioners (BCC) review policies, ordinances, regulations and plan provisions affecting affording housing.

C. Other Incentive Strategies Adopted: Affordable Housing Economic Incentive Program

Provide a description of the procedures used to implement this strategy: Ordinance No. 2005-101 provides for an Affordable Housing Economic Initiative in order to 1) Preserve and promote affordable housing within the County, and 2) to lessen the potential negative effect of Residential Impact Fee increases in certain situations.

IV. EXHIBITS:

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

ADMINISTRATIVE BUDGET FOR EACH FISCAL YEAR

Exhibit A

LHAP 2009-001

Exhibit A

Revised: 6/2016

St. Johns County

| Fiscal Year: 2017-2018 | | |
|---------------------------------------|-----------|-------------------|
| Estimated Allocation for Calculating: | \$ | 1,364,517.00 |
| Salaries and Benefits | \$ | 114,380.00 |
| Office Supplies and Equipment | \$ | 10,000.00 |
| Travel Per diem Workshops, etc. | \$ | 5,860.00 |
| Advertising | \$ | 3,270.00 |
| Other* | \$ | 2,000.00 |
| Total | \$ | 135,510.00 |
| | | 0.09931 |
| Fiscal Year: 2018-2019 | | |
| Estimated Allocation for Calculating: | \$ | 1,364,517.00 |
| Salaries and Benefits | \$ | 114,380.00 |
| Office Supplies and Equipment | \$ | 10,000.00 |
| Travel Per diem Workshops, etc. | \$ | 5,860.00 |
| Advertising | \$ | 3,270.00 |
| Other* | \$ | 2,000.00 |
| Total | \$ | 135,510.00 |
| | | 0.09931 |
| Fiscal Year 2019-2020 | | |
| Estimated Allocation for Calculating: | \$ | 1,364,517.00 |
| Salaries and Benefits | \$ | 114,380.00 |
| Office Supplies and Equipment | \$ | 10,000.00 |
| Travel Per diem Workshops, etc. | \$ | 5,860.00 |
| Advertising | \$ | 3,270.00 |
| Other* | \$ | 2,000.00 |
| Total | \$ | 135,510.00 |
| | | 0.09931 |

*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document.

Details: Professional Memberships, Postage, & other Small Miscellaneous Administrative Charges

**Exhibit B
Timeline for SHIP Expenditures**

St. Johns County affirms that funds allocated for these fiscal years will meet the following deadlines:

| Fiscal Year | Encumbered | Expended | 1st Year AR | 2nd Year AR | Closeout AR |
|--------------------|-------------------|-----------------|-------------------------------|-------------------------------|--------------------|
| 2017-2018 | 6/30/2019 | 6/30/2020 | 9/15/2018 | 9/15/2019 | 9/15/2020 |
| 2018-2019 | 6/30/2020 | 6/30/2021 | 9/15/2019 | 9/15/2020 | 9/15/2021 |
| 2019-2020 | 6/30/2021 | 6/30/2022 | 9/15/2020 | 9/15/2021 | 9/15/2022 |

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 | 1st Year AR Not Submitted | 2nd Year AR Not Submitted | Closeout AR Not Submitted |
|--------------------|-----------------------------|---------------------------|---|---|----------------------------------|
| 2017-2018 | 3/30/2019 | 3/30/2020 | 6/15/2018 | 6/15/2019 | 6/15/2020 |
| 2018-2019 | 3/30/2020 | 3/30/2021 | 6/15/2019 | 6/15/2020 | 6/15/2021 |
| 2019-2020 | 3/30/2021 | 3/30/2022 | 6/15/2020 | 6/15/2021 | 6/15/2022 |

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 and 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 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: St. Johns County

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).

Yvonne King
Witness Yvonne King

[Signature]
Chief Elected Official or designee

Natasha McGee
Witness Natasha McGee

James K. Johns, Chairman
Type Name and Title

April 27, 2017
Date

OR

Attest:
(Seal)



Mail to: St. Johns County
Housing and Community Development
200 San Sebastian View, Suite 2300
St. Augustine, FL 32084

**ST. JOHNS COUNTY STATE HOUSING INITIATIVES PARTNERSHIP (SHIP)
HOME BUYER DOWN PAYMENT ASSISTANCE PROGRAM**

SUBORDINATION AGREEMENT

This subordination agreement is made by St. Johns County, a political subdivision of the state of Florida, on this _____ day of _____, _____, as follows:

1. The undersigned warrants that St. Johns County is the owner and holder of a note (the SHIP note) and mortgage (the SHIP mortgage) dated the _____ day of _____, _____. The SHIP mortgage is recorded in official records book _____, page _____, of the public records of St. Johns County, State of Florida, and encumbers the property described as follows (the Property):
(Enter legal property description below or attach as Schedule A.)

2. The SHIP mortgage was executed by _____
_____ (the Borrower) to the undersigned.

3. The SHIP mortgage and SHIP note have not been assigned, transferred or pledged by the undersigned which has full authority to execute this subordination agreement.

4. The undersigned acknowledges that the Borrower has executed a mortgage in favor of _____ a(n) _____
corporation (the Lender), dated the _____ day of _____, _____ securing a note in the amount of \$ _____, encumbering the Property. The undersigned recognizes that the Lender will not close on its mortgage loan and disburse the proceeds thereof unless the SHIP mortgage is subordinated in priority to the Lender's mortgage.

5. To induce the Lender to disburse the proceeds of its mortgage loan, the undersigned hereby subordinates and makes inferior in lien and dignity the SHIP mortgage and SHIP note to the Lender's mortgage. The lien, security interest, and all of the terms and conditions of the SHIP mortgage and SHIP note, and any and all assignments, amendments, extensions, consolidations, or renewals of the SHIP mortgage and SHIP note, as well as all future advances thereunder, are likewise subordinated.

6. This Subordination Agreement shall inure to the benefit the Borrower and the Borrower's successors and assigns, and shall be binding upon the undersigned and the undersigned's successors and assigns.

7. As an inducement to St. Johns County to subordinate the SHIP mortgage to the Lender's

mortgage, the Borrower offers the following assurances:

a. This is the first and only lien subordination requested by the Borrower on the real property described herein.

b. Except as provided below, the purpose of the subordination is not to facilitate consolidation or payment of other debts.

c. There is a benefit to Borrower as a result of the lien subordination, including, but not limited to one of the following:

1. The monthly payment (PTI) and the interest rate of the Lender's mortgage are lower than the PTI and interest rate of the existing mortgage on the Property;
2. There is a beneficial reduction in the term of the existing mortgage on the Property without a significant increase in monthly payment;
3. The Lender's mortgage will be a fixed rate loan with a duration of no more than 30 years; or
4. It is necessary for the Borrower to execute the Lender's mortgage in order to prevent foreclosure of the Property.

d. There shall be no cash or check returned to the Borrower at closing.

e. A Loan Estimate issued pursuant to the TILA-RESPA Integrated Disclosure Rule (the Rule) shall be provided to the County before or with the completed Subordination Agreement. If a Loan Estimate is not required under the Rule, a document providing substantially the same information as the Loan Estimate shall be provided to the County.

f. A Closing Disclosure issued pursuant to the Rule shall be faxed for final review to the County by the title company before closing. If a Closing Disclosure is not required under the Rule, a document providing substantially the same information as the Closing Disclosure shall be provided to the County.

8. This Subordination Agreement shall be governed by the laws of the State of Florida. Venue for any cause of action arising under this subordination agreement shall lie exclusively in St. Johns County or, in the case of a federal action, the Middle District of Florida, Jacksonville Division.

(Lender)

STATE OF _____
COUNTY OF _____

By: _____
(signature of officer or agent)

Its: _____
(title or position)

The foregoing instrument was acknowledged before me this

_____ by _____
(date) (name of officer or agent)

_____ of _____
(title) (name of corporation acknowledging)

a _____ corporation, on behalf of the corporation. He/she is
(state or place of incorporation)

personally known to me or has produced _____
(type of identification)

as identification.

(signature of person taking acknowledgment)

(name typed, printed or stamped)

(title or rank)

(serial number, if any)

STATE OF FLORIDA
COUNTY OF ST. JOHNS COUNTY

By:
County Administrator of St. Johns County
Post Office Drawer 349
St. Augustine, Florida 32085

The foregoing instrument was acknowledged before me this _____
(date)

by _____, County Administrator, who
is personally known to me or has provided _____ as
identification.

(type of identification)

(signature of person taking acknowledgment)

(name typed, printed or stamped)

(title or rank)

(serial number, if any)