

**LEE COUNTY  
LOCAL HOUSING ASSISTANCE PLAN  
(LHAP)**

State Fiscal Years 2008/09-2010/11

**Prepared for Participation in the  
State Housing Initiatives Partnership  
(SHIP) Program**



**Prepared in conjunction with  
The Lee County Affordable Housing Committee and  
Lee County Department of Community Development  
Division of Planning**

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**I. PROGRAM DESCRIPTION:**

**A. Name of the participating local government and Interlocal if Applicable:**

Local Government: Lee County

Interlocal: Yes \_\_\_\_\_ No X \_\_\_\_\_

Name of participating local government(s) in the Interlocal Agreement: An interlocal agreement is not applicable to the development and submission of this plan.

A copy of the Interlocal Agreement is attached as Exhibit H. N/A

Recaptured Funds and Program Income: Recaptured funds and program income will be used for eligible SHIP activities described in the Housing Delivery Goals Chart. SHIP staff is authorized to use these funds for emergency housing needs as well. The funds must be expended within the statutory requirements for program income and recaptured funds. The Local Housing Assistance Plan may be amended from time to time to ensure program requirements are met.

**B. Purpose of the program:**

Creation of the Plan is for the purpose of meeting the housing needs of the very low, low and moderate income households, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing.

Lee County's SHIP program provides funding and technical assistance to non-profit housing development organizations and down payment/closing cost assistance to qualified homebuyers. The provision of affordable housing in unincorporated Lee County is a program priority.

~~However, w~~With approval from the Board of County Commissioners SHIP funds may be used to provide funding for affordable housing projects within Lee County's municipalities. The Lee County Affordable Housing Committee makes recommendations to the Board of County Commissioners about the implementation of the SHIP program.

**C. Fiscal years covered by the Plan:**

2008/2009

2009/2010

2010/2011

**D. Governance:**

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 Florida Administrative Code. The SHIP Program does further the housing element of the local government Comprehensive Plan. Cities and counties must be in compliance with these applicable statutes and rules.

The Lee County Local Housing Assistance Plan (LHAP) was prepared for the county's participation in the State Housing Initiatives Partnership (SHIP) program. The program is administered by the Lee County Department of Community Development, which also oversees the local government comprehensive plan, zoning, permitting, and environmental resources services.

**E. Local Housing Partnership:**

SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups. The county's affordable housing program involves an active partnership between non-profit affordable housing developers, private developers, lenders, builders, and homebuyers. The program was begun in 1991. The following describes the various roles played by the members of the public-private partnership.

Lee County. The county has in place an expedited system for processing permits for affordable housing. The county provides technical assistance in permitting, project review and resource allocation to affordable housing providers. The county evaluates the direction of its efforts in affordable housing after conducting public meetings, workshops and studies and analyzing the degree of need, the inventory of programs available and appropriate allocation of resources.

Non-Profit Sponsors. Lee County's public/private affordable housing partnership relies on IRS recognized (such as 501.c.3) non-profit affordable housing providers to carry out the majority of SHIP assisted affordable housing production. Non-profit affordable housing providers must specialize in housing, construction, community development, or supported housing for people with special needs. In selecting non-profit affordable housing providers, Lee County considers an organization's mission, capacity, experience, financial stability, type of program, client base, ability to meet SHIP requirements, participation in the Welfare Transition (WT) program as employers, and other qualifications. Community Housing Development Organizations or CHDO's are an example of the type of organization that may be eligible to sponsor housing initiatives. The Addendum includes the selection criteria.

Construction Industry. Lee County has worked diligently with the construction industry to greatly reduce permitting time and to expedite affordable housing projects where needed.

Financial Institutions. Lee County's private lending institutions have partnered and continue to foster partnerships with affordable housing providers that receive SHIP funding in order to meet the Community Reinvestment Act requirement to provide loans to low income citizens.

**F. Leveraging:**

The Plans are 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.

The local partnerships that have been fostered in Lee County have used and will continue to use SHIP, private market, federal and other state funds to reduce the cost of housing by making loans at below market rate, providing deferred payment loans and grants for specific housing activities. The county's partnership with various affordable housing providers gives them the opportunity to purchase land and pay for infrastructure with the SHIP funds, which results in a lower first mortgage to cover the construction materials and subcontractors cost.

The home ownership partnerships involve the combination of funds from private lenders with SHIP funds in order to bring down the overall cost of the permanent mortgage. The SHIP funds may be used to underwrite the land acquisition, soft costs, construction, and infrastructure, which allows for a lower total construction cost that is covered by the first mortgage. Home ownership new construction and rehabilitation funds are blended with HOME, CDBG, HOPE 3, and other funds available to fund affordable housing providers and the county's owner rehabilitation program.

For owner occupied units the total mortgaged amount including deferred payment loans (such as from SHIP) cannot exceed appraised value **plus reasonable closing costs**. Exceptions may be approved by the county on a case by case basis with compensating factors; in these instances, amounts in excess of appraised value **plus reasonable closing costs** will be grants.

Homeowner mortgages will be fixed interest for the life of the loan. Exceptions may be approved by the county on a case by case basis with compensating factors.

Rental and special needs projects leverage funds from many sources including, but not limited to, private capital, HOME, CDBG, FEMA, tax credits, SAIL, Federal Home Loan Bank Board funds, HUD 811, HUD 202 and the Rural Housing Services program. Non-profit sponsors may work with for-profit developers to complete the projects.

**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. The Lee County LHAP was prepared by the Division of Planning and presented to the Lee County Affordable Housing Committee on March 28, 2008. Public input was solicited on the Plan through newspaper advertisements and public meetings. The Lee County Local Planning Agency reviewed the plan for consistency with the Lee Plan, Lee County's Comprehensive Plan, on April 28, 2008.

**H. Advertising and Outreach:**

The county or eligible municipality or its administrative representative shall advertise the notice of funding availability 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. Discrimination:**

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing. In the administration and implementation of the SHIP program, its strategies and incentives, Lee County is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the Nation. Lee County encourages and supports affirmative advertising and marketing programs in which there are no barriers to obtaining housing because of race, color, religion, sex, disability, familial status, marital status or national origin.

**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, and Tenant Counseling ~~and Transportation~~

1. Lee County's SHIP program provides technical assistance to its sponsors. Along with direct funding for housing, homebuyer education is an important component of the program. SHIP funds are used to provide a homeownership training seminar to SHIP applicants to prepare them for homeownership. The training, offered free of charge, includes materials covering the subject of financing, family budgeting, home maintenance and credit mortgage counseling. A video and manual are available, along with housing counseling. This training is also offered in Spanish when appropriate.

2. The affordable rental housing providers for the Special Needs populations provide tenant counseling to their residents. This counseling is tailored to meet the specific needs of the particular tenant population.

**K. Purchase Price Limits:**

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:

- Independent Study (copy attached)
- U.S. Treasury Department
- Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts. Staff has the authority to change the maximum purchase prices for new and existing dwellings so these price limits are pegged to 90% of the median area purchase price as established by the U. S. Treasury and provided by the Florida Housing Finance Corporation. Staff will notify the Board of County Commissioners and the Affordable Housing Committee of such changes. (Figures will be rounded down to the nearest dollar).

**L. Income Limits, Rent Limits and Affordability:**

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation.

“Affordable” means that the monthly rents or monthly mortgage payments, including taxes and insurance do not exceed 30 percent of the median annual gross income for the household defined as extremely-low, very-low, low, moderate, or workforce. Exceptions to this policy may be granted in the case of assistance to home buyers also receiving a first mortgage from a private lender concurrent with the County’s SHIP assistance where the lender is satisfied that the household can afford the monthly payment. In those instances, the monthly housing payment including taxes and insurance may increase above 30% of the household’s gross income and the household’s total debt including the monthly housing payment, may increase to 41% of the household’s gross income. Exceptions to these ratios may be granted on a case-by-case basis, with compensating factors which may include but is not limited to items such as



homeowner association fees. Long-term debt (car payments, credit cards, student loan payment etc.) is defined as debt due in one year or more.

In the case of rental housing, monthly rent plus utilities shall be deemed affordable if it does not exceed 30% of household income and those rental limits adjusted for bedroom size.

Because several persons with special needs often live together in one residence, where each person functions as a single household; for special needs developments, each special needs person can be counted as an individual household and be eligible to receive the maximum award available under the appropriate income category.

**M. Welfare Transition Program:**

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

**N. Monitoring and First Right of Refusal:**

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$6,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance which ever 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 detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

Lee 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. In accordance with Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, 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. 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), 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. Lee County has adopted the above findings in the attached resolution, Exhibit E.

**P. PROGRAM ADMINISTRATION:**

Administration of the local housing assistance plan is the responsibility of Lee County. Should a third party entity or consultant contract for all or part of the administrative or other functions of the program provide in detail the duties, qualification and selection criteria.

**Q. Essential Service Personnel**

Define in accordance with Rule Chapter 67-37.002(8) F.A.C. and Chapter 67-37.005(8), F.A.C. and Section 420.9075(3)(a) FS. Lee County defines Essential Services Personnel households as households that include at least one person employed as: a teacher or educator; other school district, community college, and university employee; police or fire personnel; healthcare personnel; or, skilled building trades personnel.

**R. Income Limits Defined (Maximum Awards are shown in the Goals Delivery Chart)**

Extremely-Low Income Person or Household:

- A household that has a total annual gross income that does not exceed 30 percent of the median annual income adjusted for household size within the Cape Coral-Fort Myers MSA.
- Maximum Award is the same as for Very Low Income households as shown in the Goals Delivery Chart

Very-Low Income Person or Household:

- A household that has a total annual gross income that does not exceed 50 percent of the median annual income adjusted for household size within the Cape Coral-Fort Myers MSA.

Low Income Person or Household:

- A household that has a total annual gross income that does not exceed 80 percent of the median annual income adjusted for household size within the Cape Coral-Fort Myers MSA.

Moderate Income Person or Household:

- A household that has a total annual gross income that does not exceed 120 percent of the median annual income adjusted for household size within the Cape Coral-Fort Myers MSA.

Workforce Income Person or Household:

- A household that has a total annual gross income that does not exceed 140 percent of the median annual income adjusted for household size within the Cape Coral-Fort Myers MSA.
- Maximum Award is the same as for Moderate Income households as shown in the Goals Delivery Chart
- Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.

## **LHAP HOUSING STRATEGIES:**

### **HOMEOWNERSHIP**

Sixty-five percent (65%) of SHIP funds must be expended on home ownership activities. Home ownership strategies to be utilized during the 2008/9-2010/11 SHIP LHAP are New Construction (Code 10), Purchase Assistance-without Rehab (formerly known as Down Payment/Closing Cost Assistance) (Code 2), Purchase Assistance with Rehab (Code 1), Rehabilitation (Code 3), Special Needs (formerly known as Rehabilitation – Barrier Free) (Code 11), Disaster Repair/Mitigation (Code 5), Foreclosure Prevention (Code 7) **and the Florida Homebuyer Opportunity Program (Code 15)**. Special Needs (Code 11), ~~and~~ Foreclosure Prevention (Code 7), **and the Florida Homebuyer Opportunity Program (Code 15)** Strategies may be layered with other Homeownership Strategies.

#### **A. New Construction (Code 10)**

1. Summary of the Strategy: The County will make funds available to IRS approved non-profit affordable housing providers for the construction of homes. Non-profit sponsors will be selected according to their qualifications determined by mission, experience, financial stability, capacity, type of program, and overall ability to meet SHIP requirements. The funds are used to pay costs of land acquisition, site preparation, infrastructure, permitting fees, construction, down payment assistance and other construction related costs. These expenses must be completed within one year immediately preceding the date of conveyance of title (i.e., closing) or within 24 months of the close of the applicable State fiscal year. The cost of the home to the home buyer is transferred through a first mortgage, which is held by a lending institution, and the property is transferred to the new owner fee simple, at the completion of construction. A subordinate deferred, non-amortizing mortgage is placed on the property for the subsidy amount, which varies according to the actual cost and other subsidies used in the project. The SHIP subsidy may be used for closing costs and/or principal reduction. Non-profit sponsors may apply on behalf of more than one applicant.

The non-profit sponsors will be leveraging SHIP dollars with private funds derived from mortgages from lenders as well as sweat equity from the homebuyers. All components of the program will be monitored to ensure that the benefits accrue directly to the home buyer/owner.

2. Fiscal Years Covered: 2008-09/2010-11
3. Income Categories to be served: Extremely-low, very-low, low, moderate, and workforce income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts.

5. Terms and Default. SHIP funds used in the home ownership new construction strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 15 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 15 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.** If the new buyer is income eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met.
6. Recipient Selection Criteria: To qualify, applicant households must be eligible under the SHIP income guidelines and select a home for construction that meets SHIP criteria in Sec. 420.907 Florida Statutes and Chapter 67-37 Florida Administrative Code. New construction by non-profit sponsors is made available on a first come first ready basis. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria, if applicable: IRS approved non-profit affordable housing providers and/or government agencies compete for SHIP funding according to the county's procurement procedures. Sponsors will be selected based on the criteria shown in the Addendum.
8. Additional Information: Efforts will be made to leverage public dollars to the maximum extent possible in the program. The home ownership new construction strategy encourages the use of CDBG, HOP, HOME, HOPE, and other available programs. Private capital, donations and sweat equity are also important in the home ownership construction strategy.
  - A unit which has obtained a certificate of occupancy and has never been occupied will be considered new construction. Preference will be given to projects that guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.
  - All new construction projects must provide: At least one entrance, which will be a ramp or no-step entrance unless the proposed construction of a no-step entrance will require the installation of an elevator.
  - **In the case of a never occupied unit, rehabilitation needed as part of an acquisition, rehabilitation, resale program shall be considered a new construction activity.**

**B. Purchase Assistance without Rehab (Code 2) (Down Payment Assistance or DPA)**

1. Summary of the Strategy. Funds are provided to extremely-low, very-low, low, moderate, and workforce income homebuyers in a direct assistance program for purchase assistance without rehabilitation. To qualify, applicants must be income eligible under SHIP guidelines and select a home for purchase that meets SHIP criteria. The SHIP subsidy may be used for closing costs and/or principal reduction. The program is advertised when funds are available and a waiting list is kept on a first come/first ready basis. The primary mortgage lender submits the initial application and funds are disbursed at closing.
2. Fiscal Years Covered. 2008/09-2010/11
3. Income Categories to be served. Extremely-low, very-low, low, moderate, and workforce income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
3. Maximum award is noted on the Housing Delivery Goals Charts:
4. Terms and Default. SHIP funds used in the purchase assistance without rehabilitation strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 15 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 15 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.** If the new buyer is income eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met.
5. Recipient Selection Criteria. Purchase assistance without rehabilitation funds are made available directly under the waiting list program on a first come first ready basis. Very-low and low-income households will be given priority.
6. Sponsor Selection Criteria. Not-applicable. Purchase assistance without rehabilitation assistance program is administered by Lee County government.
7. Additional Information. This strategy is leveraged primarily with private lending sources. Impact Fee assistance, if available, may be used in conjunction with this strategy for principal reduction.

- A unit which has obtained a certificate of occupancy and has never been occupied will be considered new construction.
- Preference will be given to projects that guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.
- All Purchase Assistance without Rehab projects must provide: At least one entrance, which will be a ramp or no-step entrance unless the proposed construction of a no-step entrance will require the installation of an elevator.
- **In the case of a never occupied unit, rehabilitation needed as part of an acquisition, rehabilitation, resale program shall be considered a new construction activity.**

C. **Purchase Assistance-with Rehab (Code 1)**

1. **Summary of the Strategy:** The County will make funds available to IRS approved non-profit affordable housing providers and local government agencies for the acquisition, rehabilitation and resale of existing homes. Non-profit sponsors and local government agencies will be selected according to their qualifications determined by mission, experience, financial stability, capacity, type of program, and overall ability to meet SHIP requirements. The funds are used to pay costs of acquisition, infrastructure, permitting fees, rehabilitation, and other construction related costs. These expenses must be completed within one year immediately preceding the date of conveyance of title (i.e., closing) or within 24 months of the close of the applicable State fiscal year. The cost of the home to the home buyer is transferred through a first mortgage, which is held by a lending institution, and the property is transferred to the new owner fee simple, at the completion of rehabilitation. A subordinate deferred, non-amortizing mortgage is placed on the property for the subsidy amount, which varies according to the actual cost and other subsidies used in the project. The SHIP subsidy may be used for closing costs and/or principal reduction. Non-profit sponsors and local government agencies may apply on behalf of more than one applicant.

The non-profit sponsors and local government agencies will be leveraging SHIP dollars with private funds derived from mortgages from lenders as well as sweat equity from the homebuyers. All components of the program will be monitored to ensure that the benefits accrue directly to the home buyer/owner.

2. **Fiscal Years Covered:** 2008-09/2010-11
3. **Income Categories to be served:** Extremely-low, very-low, low, moderate, and workforce income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. **Maximum award is noted on the Housing Delivery Goals Charts.**
5. **Terms and Default.** SHIP funds used in the Purchase Assistance-with Rehab Strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 15 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 15 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the**



**Mortgage and any applicable penalty shall become immediately due and payable.** If the new buyer is income eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met.

6. Recipient Selection Criteria: To qualify, applicant households must be eligible under the SHIP income guidelines and be selected for a home that has been acquired, rehabbed and available for resale that meets SHIP criteria in Sec. 420.907 Florida Statutes and Chapter 67-37 Florida Administrative Code. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria, if applicable: IRS approved non-profit affordable housing providers and/or government agencies compete for SHIP funding according to the county's procurement procedures. Sponsors will be selected based on the criteria shown in the Addendum.
8. Additional Information: Efforts will be made to leverage public dollars to the maximum extent possible in the program. The Purchase Assistance-with Rehab Strategy encourages the use of CDBG, HOP, HOME, HOPE, and other available programs. Private capital, donations and sweat equity are also important in the Purchase Assistance-with Rehab Strategy.
  - Preference will be given to projects that guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.

#### D. Rehabilitation (Code 3)

1. Summary of the Strategy. The county will make funds available to IRS approved non-profit affordable housing providers and government agencies for the rehabilitation of homes for their current owners. Sponsors will be selected according to their qualifications determined by mission, experience, financial stability, capacity, type of program, and overall ability to meet SHIP requirements. The funds are used to pay the costs of permitting fees, construction and construction related costs. A subordinated deferred, non-amortizing mortgage is placed on the property for the subsidy amount, which varies according to the actual cost and other subsidies used in the project. Only the amount of subsidy needed will be awarded.
2. Fiscal Years Covered. 2008/09-2010/11
3. Income Categories to be served. Extremely-low, very-low, low, moderate, and workforce-income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. SHIP funds used in the Rehabilitation strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 15 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 15 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.** If the new buyer is income eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met.
6. Recipient Selection Criteria. To qualify, applicant households must be eligible under SHIP income guidelines. SHIP funds for rehabilitation are made available on a first come, first ready basis. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria. IRS approved non-profit affordable housing providers and government agencies compete for SHIP funding according to

the county's procurement procedures. Sponsors will be selected based on the criteria shown in the Addendum.

8. Additional Information. Efforts will be made to leverage public dollars to the maximum extent possible in the program. The home ownership rehabilitation strategy encourages the use of private capital, CDBG, HOP, HOME, HOPE, and other available programs.

**E. Special Needs (Code 11)**

1. Summary of the Strategy. The county will make funds available to IRS approved non-profit affordable housing providers, disability support organizations and government agencies for the rehabilitation of homes in order to make them barrier free and accessible to the handicapped and persons with disabilities defined as “Persons Who Have Special Housing Needs:”

“Persons Who Have Special Housing Needs” means individuals who have incomes non exceeding moderate-income and, because of particular social, economic, or health-related circumstances, may have greater difficulty acquiring or maintaining affordable housing. Such persons may have, for example, encountered resistance to their residing in particular communities, and may have suffered increased housing costs resulting from their unique needs and high risk of institutionalization. Such persons may include, but are not limited to, persons with developmental disabilities; persons with mental illnesses or chemical dependency; persons with Acquired Immune Deficiency Syndrome (“AIDS”) and Human Immunodeficiency Virus (“HIV”) disease; runaway and abandoned youth; public assistance recipients; migrant and seasonal farm workers; refugees and entrants; the elderly; and disabled adults.

2. Fiscal Years Covered. 2008/09-2010/11
3. Income Categories to be served. Extremely-low, very-low, low, moderate and workforce-income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. SHIP funds used in the Special Needs strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 15 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 15 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.**

If the new buyer is income eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met.

If the total amount of SHIP funds used by a non-profit provider to complete a barrier free rehabilitation project on one single-family dwelling is \$20,000 or less, or if the cumulative amount of SHIP funds used by a non-profit housing provider to complete several barrier free rehabilitation projects on one single-family dwelling unit over the course of two or more years is a total of \$20,000 or less, then the funds shall be considered a grant and no recapture or repayment will apply.

6. Recipient Selection Criteria. To qualify, applicant households must be eligible under SHIP income guidelines. SHIP funds for rehabilitation of homes in order to make them barrier free and accessible are made available on a first come, first ready basis. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria. IRS approved non-profit affordable housing providers and government agencies compete for SHIP funding according to the county's procurement procedures. Sponsors will be selected according to their qualifications determined by mission, experience, financial stability, capacity, type of program, and overall ability to meet SHIP requirements. The funds are used to pay the costs of permitting fees, construction and construction related costs. A subordinated deferred, non-amortizing mortgage is placed on the property for the subsidy amount, which varies according to the actual cost and other subsidies used in the project. Only the amount of subsidy needed will be awarded.
8. Additional Information. Efforts will be made to leverage public dollars to the maximum extent possible in the program. The home ownership rehabilitation strategy encourages the use of private capital, CDBG, HOP, HOME, HOPE, and other available programs.

## F. Foreclosure Prevention (Code 7)

1. Summary of Strategy. For foreclosure prevention of homeowner dwelling. The County will provide funds to organizations (see sponsor selection criteria) to bring a household current with their existing first mortgage, up to the maximum allowable subsidy under this strategy. Assistance will be approved for the amount required. The household will be required to demonstrate the steps they are taking to resolve their situation.
2. Fiscal Years Covered. 2008/09-2010/11
3. Income Categories to be served. The household must be very-low, low, moderate or workforce (CWHIP clients) income at the time the Foreclosure Prevention assistance is provided.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. The amount of the assistance provided will be subject to a subordinate mortgage on the property in the amount of the subsidy. The mortgage is zero interest, deferred payment, non-amortizing. It is forgiven in 5 years if the owner maintains the home as a principal residence. ~~Upon the transfer of ownership or sale of the property before 5 years, the entire amount of the mortgage is due and payable to the SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.**
6. Recipient (Beneficiary Household) Selection Criteria: Residences must be located in unincorporated Lee County, Bonita Springs, Fort Myers Beach or Sanibel. An exception will be made if an owner household acquired the residence in which the household currently resides with the assistance of the Lee County SHIP Program and that residence is located within Fort Myers or Cape Coral city limits or if the household qualifies as a Special Needs Household which includes, but is not necessarily limited to persons with developmental disabilities; persons with mental illnesses/substance abuse, persons with AIDS and HIV disease; runaway and abandoned youth; farm workers, the homeless, the elderly and persons with disabilities.
  - Assistance will be provided if the participating household has a fixed interest mortgage or agrees to modify or refinance their variable interest rate mortgage to a fixed rate mortgage.
  - To qualify for assistance households must demonstrate:

- 1) the steps they are taking to resolve their situation
  - 2) once assistance is rendered that: a) they will keep up with their mortgage payments and b) that these mortgage payments will be affordable (as defined in this Local Housing Assistance Plan)
  - 3) commit to enroll in a credit counseling/budgeting course offered by an approved local provider.
- Funding will be available on a first come, first qualified, first serve basis providing funding is available. Priority will be given to the following households: Special Needs; Very-low, Low income and those with a current Lee County SHIP, HOME or CDBG Mortgage.
  - Assistance will be provided where an extraordinary hardship exists -- as demonstrated through adequate documentation -- that is cause for the delinquency on their first mortgage payments.

Extraordinary hardship is defined as situations such as:

- Loss of employment, through no fault of the borrower(s) but currently employed
  - Substantial decrease in household income, through no fault of the borrower(s)
  - Temporary or permanent disability that reduces income
  - Changes in household composition that reduces income
  - Demonstrated medical hardship
  - Weather events such as fire, hurricane, or other natural disaster
  - Unforeseen home repair bills
  - Substantial increase in mortgage payments due participation in an adjustable rate mortgage or “ramp up” mortgage
  - Substantial increase in payments due to escrow shortages
7. Sponsor Selection Criteria. IRS approved non-profit affordable housing providers and government agencies, compete for SHIP funding according to the county’s procurement procedures. Sponsors will be selected based on the criteria shown in the Addendum. To participate in this strategy an organization must be a certified foreclosure intervention counseling agency through an organization such as NeighborWorks America or a HUD approved affordable housing counseling agency. To receive funding the organization must provide for each participating household written verification of the household’s hardship, the resolution of the problem, and information on each household’s income, employment and benefits in accordance with SHIP the income certification process.
  8. Additional Information. Eligible expenses include delinquent mortgage payments (principal, interest, taxes and insurance). Legal fees, special assessments, late fees, processing fees and other customary fees associated with defaulted

mortgages may be paid if adequate documentation of efforts with lenders to negotiate them away is presented and depending on the availability of funding.

Cash on hand: In general, the applicant(s) should not have more than three mortgage payments on hand. If the applicant has additional assets available, he/she may be asked to use those assets before mortgage payment assistance will be disbursed. Extenuating circumstances may be considered.



**G. Florida Homebuyer Opportunity Program (FLHOP) (Code 15)**

1. Summary of Strategy. This strategy is designed in response to the legislative proviso requiring SHIP local governments to expend 2009-2010 funds to ensure that residents of the state derive the maximum possible economic benefit from the federal first time homebuyer tax credit created through The American Recovery and Reinvestment Act of 2009 by providing subordinate down payment assistance loans to first time homebuyers for owner occupied primary residences that can be repaid by the income tax refund the homeowner is entitled to under the First Time Homebuyer Credit. The state program shall be called the “Florida Homebuyer Opportunity Program.”
2. Fiscal Years Covered. 2009/2010 until expiration of the Florida Homebuyer Opportunity Program Tax Credit.
3. Income Categories to be served.
  - Up to \$75,000 for single taxpayers or \$150,000 for joint filers. There is no requirement to reserve 30 percent of the funds for awards to very-low-income persons or 30 percent of the funds for awards to low-income persons; and there is no requirement to expend 75% of the funds for construction, rehabilitation or emergency repair.
4. Maximum award is based on the principal balance of the loans provided but shall not exceed 10% of the purchase price or \$8,000, whichever is less.
5. Terms, Recapture and Default. The homebuyer is expected to use their federal income tax return to fully repay the loan. If the county receives repayment from the homebuyer within the earlier of 18 months after the closing date of the loan or 10 days after the receipt of their federal income tax refund, the county shall waive all interest charges. A homebuyer who fails to fully repay the loan within this time frame shall be subject to repayment terms as described below.

The amount of the assistance provided will be subject to a subordinate mortgage for 15 years on the property in the amount of the subsidy. The mortgage is zero interest, deferred payment, non-amortizing and will be payable in full at maturity.

If the loan is repaid within the earlier of 18 months after the closing date of the loan or 10 days after receipt of their federal income tax refund, repayment will require only the principal amount of the mortgage with no penalty.

If the loan is not repaid within the earlier of 18 months after the closing date of the loan or 10 days after receipt of their federal income tax refund, repayment will be the principal amount of the mortgage along with an additional 10% penalty.

If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.

6. Recipient (Beneficiary Household) Selection Criteria: Recipients must meet the requirements of the following:
  - To qualify as a first time homebuyer, applicants must not have owned a home within the last three years and be eligible to receive the federal first-time homebuyer tax credit created through the American Recovery and Reinvestment Act of 2009.
  - Applicants must certify that there are no unpaid obligations that could be offset against the credit.
  - Residences must be located in unincorporated Lee County, Bonita Springs, Fort Myers Beach or Sanibel. An exception will be made for residences in Fort Myers and Cape Coral for “Persons Who Have Special Needs” as defined under the Special Needs Strategy (Code 11).
  - Assistance will be provided only if the participating household receives a fixed interest mortgage.
  - Funding will be available on a first come, first qualified, first ready basis providing funding is available. Very-low, low, and moderate-income households will be given priority in that order.
  - If an applicant households qualifies for additional assistance through another Homeownership Strategy, the Florida Homebuyer Opportunity Program (Code 15) Strategy may be layered with other Homeownership Strategies.
  
7. Sponsor Selection Criteria. Funds are provided to first time homebuyers in a direct assistance program.
  
8. Additional Information. This strategy is intended to optimize eligibility for conventional, VA, USDA, FHA, and other loan programs through the State Housing Initiatives Partnership (SHIP) program. Up to 10% of the Florida Homebuyer Opportunity funds may be used to cover administrative expenses of the county.

## RENTAL

Rental strategies to be utilized during the 2008/9-2010/11 SHIP LHAP are Rental (Code 12), Special Needs Rental (formerly known as Rehabilitation – Barrier Free) (Code 13) and Disaster Repair/Mitigation (Code 05). Special Needs Rental (Code 13), and Disaster Repair/ Mitigation (Code 05) Strategies may be layered with other Rental Strategies.

### A. Rental (Code 12)

1. Summary of the Strategy. Eligible activities include construction and rehabilitation of rental housing for availability to eligible persons. Acquisition, new construction, permitting, pre-development costs, minor and major rehabilitation, weatherization, code compliance, emergency repairs, accessibility for persons with disabilities, and conversions are approved activities.
2. Fiscal years Covered. 2008/09-2010/11
3. Income Categories to be served. Extremely-low, very-low, low, moderate and workforce income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. All rental housing must be rented at affordable rates (i.e. rents will not exceed those limits adjusted for number of bedrooms published by HUD and distributed by the Florida Housing Finance Corporation) to qualified occupants for a period of fifteen years. SHIP funds will be provided as non-amortizing deferred payment loans with zero interest subject to the fifteen-year affordability period and will be forgiven at the expiration of that term. ~~If the property is transferred before the fifteen-year affordability period, the full amount of the mortgage will due to the Lee County Board of Commissioners SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.**

If the new buyer is eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met. All SHIP assisted rental properties offered for sale prior to 15 years or the term of assistance, which ever is longer, must be subject to a right of first refusal for purchase at the current market value less the amount of the SHIP subsidy, by eligible non-profit organizations who

would provide continued occupancy by eligible persons. An annual reporting of tenants and income certification is required for the 15 years period.

6. Recipient Selection Criteria. To qualify, applicant households must be eligible under SHIP income guidelines. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria. SHIP funds are available to government agencies, and IRS approved non-profit sponsors on a competitive basis according to the county's procurement procedures. Sponsors will maintain waiting lists on a first ready/first served basis for qualified recipients. See the Addendum for sponsor selection criteria.
8. Additional Information. All sources of public and private funds may be combined with SHIP funds for rental projects. Efforts will be made to leverage public dollars to the maximum extent possible in the program.
  - A unit which has obtained a certificate of occupancy and has never been occupied will be considered new construction.
  - Preference will be given to projects that guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.
  - All new construction projects must provide: At least one entrance, which will be a ramp or no-step entrance unless the proposed construction of a no-step entrance will require the installation of an elevator.

## B. Special Needs Rental (Code 13)

1. Summary of the Strategy. Eligible activities include the construction or rehabilitation of housing for persons who have special housing needs. These include, but are not necessarily limited to, persons with developmental disabilities, persons with mental illness/substance abuse, persons with AIDS and HIV disease, runaway and abandoned youth, farm workers, the homeless, the elderly and persons with disabilities. New construction, acquisition, permitting, predevelopment, minor or major rehabilitation, weatherization, code compliance, emergency repairs, accessibility for persons with disabilities, emergency move in assistance, and conversions are eligible activities. Special needs housing facilities are not restricted as to geographic location and may be located anywhere within Lee County – including the cities of Fort Myers and Cape Coral. Special Needs Rental Housing projects also qualify for funding under the General Rental Housing Strategy. Ten percent of SHIP funds are to be earmarked for Special Needs strategies or recipients.
2. Fiscal Years Covered. 2005/06-2007/08
3. Income Categories to be served. Extremely-low, very-low, low, moderate and workforce-income households as defined by Section 420.9071, F.S. are eligible. Housing must meet income certification guidelines. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. All rental housing must be rented at affordable rates (i.e. rents will not exceed those limits adjusted for number of bedrooms published by HUD and distributed by the Florida Housing Finance Corporation) to qualified, income eligible occupants for a period of fifteen years. SHIP funds will be provided non-amortizing deferred payment loans with zero interest subject to the fifteen-year affordability period and will be forgiven at the expiration of that term. ~~If the property is transferred before the fifteen-year affordability period, the full amount of the mortgage will be due to the Lee County Board of Commissioners SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.**

If the new buyer is eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met. All SHIP assisted rental properties offered for sale prior to 15 years or the term of assistance, which ever is longer,

must be subject to a right of first refusal for purchases at the current market value less the amount of the SHIP subsidy, by eligible non-profit organizations who would provide continued occupancy by eligible persons. An annual reporting of tenants and income certification is required for the 15-year period.

6. Recipient Selection Criteria. To qualify, applicant households must be eligible under the SHIP Income guidelines and select housing offered by a SHIP funded sponsor. The housing must meet SHIP criteria. SHIP funds for construction or rehabilitation of housing for persons who have special housing needs are made available on a first come, first ready basis. Very-low and low-income households will be given priority.
7. Sponsor Selection Criteria. Qualified non-profit sponsors or government agencies may compete for SHIP funds. Sponsors are selected according to the county's procurement procedures and the selection criteria shown in the Addendum.
8. Other funds leveraged. Special needs housing may be built with a variety of funds including private, federal and state sources. Efforts will be made to leverage public dollars to the maximum extent possible in the program.
  - A unit which has obtained a certificate of occupancy and has never been occupied will be considered new construction.
  - Preference will be given to projects that guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.
  - All new construction projects must provide: At least one entrance, which will be a ramp or no-step entrance unless the proposed construction of a no-step entrance will require the installation of an elevator.

## DISASTER REPAIR/MITIGATION - HOMEOWNERSHIP/RENTAL

### A. Disaster Repair/Mitigation (Code 05)

1. Summary of Strategy. Lee County SHIP funds may be used to provide emergency repairs for extremely-low, very-low, low, moderate and workforce-income households occupying housing that meets SHIP criteria in the aftermath of a disaster to address emergency housing repair needs. Lee County reserves the right to implement the Disaster Repair/Mitigation Strategy as described below or in compliance with the declarations of the President, the Governor, or the Board of County Commissioners, if these are different from the procedures set forth within. The goal is to provide Lee County with the flexibility to respond quickly and effectively to an emergency.

This strategy will be implemented only in the event of a disaster legally declared by Executive Order by the President of the United States, the Governor of the State of Florida or the Lee County Board of County Commissioners. Only unencumbered SHIP funds will be used to fund this strategy. Lee County SHIP funds may be used to provide emergency repairs to extremely-low, very-low, low, moderate and workforce-income households in the aftermath of a disaster to address emergency housing repair needs. Funds may be used for items such as, but not limited to: purchase of emergency supplies for eligible households to weatherproof damaged homes; interim repairs to avoid further damage; tree and debris removal required to make individual housing units habitable; and post disaster assistance with non-insured repairs and rehabilitation.

Funds will be advertised in a newspaper of general circulation and in periodicals serving ethnic and diverse neighborhoods within the County.

~~Manufactured housing and mobile homes are not eligible for assistance under this program.~~

2. Fiscal Years Covered. 2008/09-2010/11
3. Income Categories to be served. Extremely-low, very-low, low, moderate and workforce-income households as defined by Section 420.9071, F.S. are eligible. Workforce households are only eligible for funding in conjunction with an approved State of Florida CWHIP Application.
4. Maximum award is noted on the Housing Delivery Goals Charts:
5. Terms and Default. SHIP funds used in the disaster mitigation strategy are subject to a subordinate mortgage on the property in the amount of the subsidy or according to costs and other subsidies used in the project. SHIP funds will be provided non-amortizing deferred payment loans with zero interest subject to the

fifteen-year affordability period and will be forgiven at the expiration of that term. ~~If the property is transferred before the fifteen-year affordability period, the full amount of the mortgage will be due to the Lee County Board of Commissioners SHIP Trust Fund.~~ **If the property owner vacates, transfers, assigns, sells, refinances, mortgages, or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Lee County SHIP Program before the maturity date of the mortgage, the whole amount of the indebtedness secured by the Mortgage and any applicable penalty shall become immediately due and payable.**

If the total amount of SHIP funds used on one dwelling unit is \$20,000 or less, then the funds shall be considered a grant and no recapture or repayment will apply.

SHIP staff is authorized to make available funds for emergency housing in compliance with SHIP statutes and any emergency declarations that may be in effect at the time.

Homeownership: If the new buyer is eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met. It is forgiven in 15 years if the owner maintains the home as a principal residence.

Rental: All SHIP assisted rental properties offered for sale prior to 15 years or the term of assistance, which ever is longer, must be subject to a right of first refusal for purchases at the current market value less the amount of the SHIP subsidy, by eligible non-profit organizations who would provide continued occupancy by eligible persons. An annual reporting of tenants and income certification is required for the 15-year period. In their rental selection process rental projects that receive disaster assistance funds shall give priority to households impacted by disasters for 15 years.

6. Recipient Selection Criteria:

Individual Households. Disaster Mitigation and Recovery funds will be made available to income eligible households by establishing a waiting list on a first come, first ready basis. Extremely-low, very-low and low-income households will be given priority.

7. Sponsor Selection Criteria

Eligible Sponsors: Disaster Mitigation and Recovery funds will be made available to eligible sponsors based on the following criteria:

- IRS approved non-profit sponsor, if applicable, with prior history of successfully working with the county as it relates to timely performance,



cost of construction, adherence to contractual, regulatory and statutory requirements;

- Demonstration of ability to serve the targeted population: extremely-low, very-low and low income households;
- Number of households in targeted population to be served (preference will be sponsors serving the highest number of households in the targeted population);
- Presentation of a specific plan and details (including budgets and timelines) for successful administration and implementation of the proposed project;
- Inclusion of a logistical schedule from beginning to completion to accomplish the proposed activity;
- Demonstration of the organization's ability to withstand periods of time without dependence on immediate receipt of SHIP funds (County disbursement of SHIP may not be immediate; however, any organization that can proceed immediately – while waiting for funds to be disbursed by the county – will be given preference).

8. Additional Information. SHIP funds will be used to leverage available federal and state funds to provide assistance to income eligible households.

### III. LHAP INCENTIVE STRATEGIES

In addition to Strategy A and Strategy B listed below, list all incentives as provided in 420.9076(4) FS.

**A. Expedited Permitting.** Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

1. Established policy and procedures: The Planning Division of the Lee County Department of Community Development provides technical assistance to developers of Affordable Housing Developments (AHDs). Developers of AHDs in unincorporated Lee County may apply to the Lee County Planning Division for a Certificate of Housing Affordability (CHA) that will entitle AHDs to receive expedited permit processing. A copy of the CHA will be attached to each county permit for which the AHD developer is applying. A copy of the CHA is also entered into Tidemark – Lee County’s permit tracking software. This assures that the AHD will be expedited to a greater degree than other projects.
2. Schedule for implementation: In effect at time of adoption.

**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.

1. Established policy and procedures: Lee County has created a series of committees whose responsibility is to review and consider the impact on the cost of development of all development regulations being considered for adoption.

The Lee Plan’s (Lee County’s Comprehensive Plan) Economic Element provides for the review of all policies that will create a cost to the public. On October 6, 1993, the Board of Commissioners created the Executive Regulatory Oversight Committee (EROC) to consider all such regulations or amendments.

The following language is from the Lee Plan’s Economic Element:

**Objective 158.6:** Lee County shall maintain a system of development regulations that will promote the accomplishment of the goals, objectives, and policies of this element.

**Policy 158.6.1:** Before adopting any new regulation which potentially imposes new costs to taxpayers and private business, Lee County first will generally assess the impact of that regulation upon the local economy and will adopt such regulations only in cases of compelling public need.

**Policy 158.6.2:** Lee County will continue to utilize Lee County staff and private citizen committees to recommend revisions that will streamline development regulations.

The EROC reviews all policies, ordinances, regulations and plan provisions that significantly (or have a potential impact) on the cost of housing (both affordable or otherwise) prior to adoption. The Committee is comprised of 12 members from the private sector, including representatives from the building industry, Lee County Government representatives, and other interested persons, such as utility company representatives. The meetings of the committee are held in a public hearing format, with public notice and minutes taken of proceedings. The findings and recommendations of the committee are presented to the Lee County Board of County Commissioners prior to adoption of the regulation. The committee is staffed by the Lee County Department of Community Development, who maintains the records, agenda and findings of the committee. The committee asks the following questions when reviewing proposals:

- a. What is the public interest that the ordinance is designated to protect?
- b. Can the identified public interest be protected by means other than the legislation (e.g. better enforcement, education programs, administrative code in lieu of ordinance, etc.)? If so, would other means be more cost effective?
- c. Is the regulation required by state or federal law? If so, to what extent does the county have the authority to solve the problem in a different manner?
- d. Does the regulation duplicate state or federal programs? If so, why?
- e. Does the regulation contain market-based incentives? If so, could that be used effectively?
- f. Is the regulation narrowly drafted to avoid imposing a burden on persons or activities that are not affecting the public interest?
- g. Does the regulation impose a burden on a few property owners for the benefit of the public as a whole? If so, does it provide any form of compensation?
- h. Does the regulation impact vested rights?
- i. Does the regulation provide prompt and efficient relief mechanisms for exceptional cases?
- j. Even though there is an interest to be protected, is it really worth another regulation?

- k. Has this approach been tried in other jurisdictions? If so, what were the results? If not, what were the reasons?
- l. If this regulation is enacted, how much will cost on an annual basis, both public and private? If this regulation is not enacted, what will be the public and private cost.

2. Schedule for implementation: In effect at time of adoption.

**C. The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.**

1. Established policy and procedures: The Planning Division of the Lee County Department of Community Development provides technical assistance to developers of Affordable Housing Developments (AHDs). Developers of AHDs in unincorporated Lee County may apply to the Lee County Planning Division for a Certificate of Housing Affordability (CHA) that will entitle AHDs to receive expedited permit processing. A copy of the CHA will be attached to each county permit for which the AHD developer is applying. A copy of the CHA is also entered into Tidemark – Lee County’s permit tracking software. This assures that the AHD will be expedited to a greater degree than other projects.

2. Schedule for implementation: In effect at time of adoption.

**D. The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.**

1. Established policy and procedures: Lee County Commissioners and the Lee County School District have established an affordable housing program that reimburses up to half (50%) of the amount paid for school impact fees for new construction of affordable residential single-family or multi-family homes to be occupied by income eligible households. These funds are available above and beyond any other assistance awarded.

This program is available for housing units built anywhere in Lee County where school impact fees have been paid within the past calendar year. The maximum purchase price of a home is the maximum established for the SHIP Program. Income limits apply to families purchasing the unit.

The maximum possible reimbursement amount is one-half the amount paid. To encourage broad participation, there is a ceiling on the cumulative total reimbursement distributed to any single builder per County fiscal year (10/1-9/30).

2. Schedule for implementation: In effect at time of adoption.

**E. The allowance of flexibility in densities for affordable housing.**

1. Established policy and procedures. The Density Bonus Program, Section 34-1511 of the Lee County Land Development Code provides increased densities for housing that is affordable to very-low and low-income families. The program provides both a construction option and cash option where if the density bonus units are not affordable, a cash contribution may be made into the Affordable Housing Trust Fund. In addition, Section 2-141 of the Lee County Land Development allows for the transfer or sale of development rights from environmentally sensitive areas. This provision may be used for affordable housing purposes if the proposal is consistent with the Comprehensive Plan.
2. Schedule for implementation: In effect at time of adoption.

**F. The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.**

1. Established policy and procedures. There are currently no restrictions on the availability of infrastructure capacity. Therefore, the reservation of capacity for very-low, low, and moderate income households is not necessary.
2. Schedule for implementation: N/A.

**G. The allowance of affordable accessory residential units in residential zoning districts.**

1. Established policy and procedures. In addition to the Density Bonus Program, Section 34-1177 of the Lee County Land Development Code allows accessory apartments by right in certain areas. The purpose is to facilitate the provision of affordable housing or to strengthen the family unit or to provide increased opportunities for housing the elderly and persons with special needs. This provision allows small subordinate garage apartments or “mother-in-law” apartments in single family areas.

The Accessory Apartment provision allows for the conversion of single family homes to allow for a subordinate unit either within the principal structure or detached, such as a garage apartment. The provision is allowed by right in duplex-zoned areas where bonus units are allowed according to the Lee Plan Land Use Element. Accessory apartments are allowed in RS-1 zoned areas only by special exception. For the purposes of establishing eligibility for bonus densities, an accessory apartment shall be considered an affordable unit.

2. Schedule for implementation: In effect at time of adoption.

**H. The reduction of parking and setback requirements for affordable housing.**

1. The Land Development Code provides several avenues for relief in parking and setbacks. First through the Planned Development rezoning process an applicant can design their own property development regulations for lot configuration and setbacks and seek deviations in roadway designs and parking. Variances are available for conventional zoning districts. Both processes are "fast tracked" for affordable housing
2. Schedule for implementation: In effect at time of adoption.

**I. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.**

1. The Land Development Code provides several avenues for the allowance of flexible lot configurations, including zero-lot-line configurations. First through the Planned Development re-zoning process an applicant can design their own property development regulations for lot configuration and setbacks and seek deviations in roadway designs and parking. Variances are available for conventional zoning districts. Both processes are "fast tracked" for affordable housing
2. Schedule for implementation: In effect at time of adoption.

**J. The modification of street requirements for affordable housing.**

1. The Land Development Code provides several avenues for the modification of street requirements. First through the Planned Development re-zoning process an applicant can design their own property development regulations for lot configuration and setbacks and seek deviations in roadway designs and parking. Variances are available for conventional zoning districts. Both processes are "fast tracked" for affordable housing
2. Schedule for implementation: In effect at time of adoption.

**K. The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.**

1. Established policy and procedures: Lee County has created a series of committees whose responsibility is to review and consider the impact on the cost of development of all development regulations being considered for adoption.

The Lee Plan's (Lee County's Comprehensive Plan) Economic Element provides for the review of all policies that will create a cost to the public. On October 6,

1993, the Board of Commissioners created the Executive Regulatory Oversight Committee (EROC) to consider all such regulations or amendments.

The following language is from the Lee Plan's Economic Element:

**Objective 158.6:** Lee County shall maintain a system of development regulations that will promote the accomplishment of the goals, objectives, and policies of this element.

**Policy 158.6.1:** Before adopting any new regulation which potentially imposes new costs to taxpayers and private business, Lee County first will generally assess the impact of that regulation upon the local economy and shall adopt such regulations only in cases of compelling public need.

**Policy 158.6.2:** Lee County will continue to utilize Lee County staff and private citizen committees to recommend revisions that will streamline development regulations.

The EROC reviews all policies, ordinances, regulations and plan provisions that significantly (or have a potential impact) on the cost of housing (both affordable or otherwise) prior to adoption. The Committee is comprised of 12 members from the private sector, including representatives from the building industry, Lee County Government representatives, and other interested persons, such as utility company representatives. The meetings of the committee are held in a public hearing format, with public notice and minutes taken of proceedings. The findings and recommendations of the committee are presented to the Lee County Board of County Commissioners prior to adoption of the regulation. The committee is staffed by the Lee County Department of Community Development, who maintains the records, agenda and findings of the committee. The committee asks the following questions when reviewing proposals:

- a. What is the public interest that the ordinance is designated to protect?
- b. Can the identified public interest be protected by means other than the legislation (e.g. better enforcement, education programs, administrative code in lieu of ordinance, etc.)? If so, would other means be more cost effective?
- c. Is the regulation required by state or federal law? If so, to what extent does the county have the authority to solve the problem in a different manner?
- d. Does the regulation duplicate state or federal programs? If so, why?

- e. Does the regulation contain market-based incentives? If so, could that be used effectively?
- f. Is the regulation narrowly drafted to avoid imposing a burden on persons or activities that are not affecting the public interest?
- g. Does the regulation impose a burden on a few property owners for the benefit of the public as a whole? If so, does it provide any form of compensation?
- h. Does the regulation impact vested rights?
- i. Does the regulation provide prompt and efficient relief mechanisms for exceptional cases?
- j. Even though there is an interest to be protected, is it really worth another regulation?
- k. Has this approach been tried in other jurisdictions? If so, what were the results? If not, what were the reasons?
- l. If this regulation is enacted, how much will cost on an annual basis, both public and private? If this regulation is not enacted, what will be the public and private cost.

2. Schedule for implementation: In effect at time of adoption.

**L. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.**

- 1. The Division of County Lands was created in January 1987 when County Administration recognized the need for this type of support service to other departments due to the increasing Capital Improvement Program requiring real estate acquisition.

In 1990, County Lands added an in-house title plant for producing its own research and established an up-to-date County Lands Inventory. County Lands handles acquisition and title research for Capital Improvement Projects and numerous miscellaneous and administrative projects.

The Division is also actively working on reducing the County Lands Inventory of properties that can be either sold, or donated to not-for-profit corporations, and therefore placed back on the tax roll. The Division reviews County owned surplus real estate for possible disposal either by donation or sale in full compliance with



Florida Statute 125.35 or Florida Statute 125.38, as the case may be, for disposition of governmentally owned real estate.

2. Schedule for implementation: In effect at time of adoption.

**M. The support of development near transportation hubs and major employment centers and mixed-use developments.**

1. Established policy and procedures: The Lee Plan's (Lee County's Comprehensive Plan) Future Land Use Element provides for an economically feasible plan which coordinates the location and timing of new development with the provision of infrastructure by government agencies, private utilities, and other sources.

The following language is from the Lee Plan's Future Land Use Element:

**OBJECTIVE 2.1: DEVELOPMENT LOCATION.** Contiguous and compact growth patterns will be promoted through the rezoning process to contain urban sprawl, minimize energy costs, conserve land, water, and natural resources, minimize the cost of services, prevent development patterns where large tracts of land are bypassed in favor of development more distant from services and existing communities. (Amended by Ordinance No. 94-30, 00-22)

**POLICY 2.1.1:** Most residential, commercial, industrial, and public development is expected to occur within the designated Future Urban Areas on the Future Land Use Map through the assignment of very low densities to the non-urban categories.

2. Schedule for implementation: In effect at time of adoption.

**IV. EXHIBITS:**

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

Administrative Budget – 2008/2009 Exhibit A (1)

Administrative Budget – 2009/2010 Exhibit A (2)

Administrative Budget – 2010/2011 Exhibit A (3)

**B. Timeline for Encumbrance and Expenditure:** *Chapter 67-37.005(6)(d) and (f) F.A.C.*  
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.

Timeline – 2008/2009 Exhibit B (1)

Timeline – 2009/2010 Exhibit B (2)

Timeline – 2010/2011 Exhibit B (3)

**C. Housing Delivery Goals Chart (HDGC) for each Fiscal Year covered in the Plan:**  
Completed HDGC for each fiscal year is attached as Exhibit C.

HDGC – 2008/2009 Exhibit C (1)

HDGC – 2009/2010 Exhibit C (2)

HDGC – 2010/2011 Exhibit C (3)

**D. Certification Page:**  
Signed Certification is attached as Exhibit D.

**E. Adopting Resolution:**  
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.

**F. Program Information Sheet:**  
Completed program information sheet is attached as Exhibit F.

**G. Ordinance:** Not Applicable

**H. Interlocal Agreement:** Not Applicable

**ADMINISTRATIVE BUDGET FOR EACH FISCAL YEAR**

LHAP Template 6/06

Fiscal Year 2008/2009	
Salaries and Benefits	\$ 270,000
Office Supplies and Equipment	\$ 24,956
Travel Per Diem Workshops, etc	\$ 12,000
Advertising	\$ 9,000
<b>Total</b>	<b>\$ 315,956</b>

Fiscal Year 2009/2010	
Salaries and Benefits	<del>\$ 270,000</del>
	<b>\$ 32,863</b>
Office Supplies and Equipment	<del>\$ 24,956</del>
	<b>\$ 5,000</b>
Travel Per Diem Workshops, etc	<del>\$ 12,000</del>
	<b>\$ 0</b>
Advertising	<del>\$ 9,000</del>
	<b>\$ 1,000</b>
<b>Total</b>	<del>\$ 315,956</del>
	<b>\$ 38,863</b>

Fiscal Year 2010/2011	
Salaries and Benefits	\$ 270,000
Office Supplies and Equipment	\$ 24,956
Travel Per Diem Workshops, etc	\$ 12,000
Advertising	\$ 9,000
<b>Total</b>	<b>\$ 315,956</b>

Based on a distribution of \$ 3,159,569

Exhibit B – Timeline for Encumbrance and Expenditure: 2008/2009

Exhibit B – Timeline for Encumbrance and Expenditure: 2009/2010

Exhibit B – Timeline for Encumbrance and Expenditure: 2010/2011

Exhibit C. Housing Delivery Goals Chart (HDGC) 2008/2009

Exhibit C. Housing Delivery Goals Chart (HDGC) 2009/2010



Exhibit C. Housing Delivery Goals Chart (HDGC) 2010/2011

**CERTIFICATION TO  
FLORIDA HOUSING FINANCE CORPORATION**

Name of Local Government: Lee County

- (1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
- (3) A process for selection of recipients for funds has been developed.
- (4) The eligible municipality or county has developed a qualification system for applications for awards.
- (5) Recipients of funds will be required to contractually commit to program guidelines.
- (6) The Florida Housing Finance Corporation will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions the plan.
- (7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.
- (8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.
- (9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation with in 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.
- (13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.

- (14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.
- (15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements, Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- (16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
- (17) Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)
- (18) The Plan meets the requirements of Section 420-907-9079 FS, and Rule Chapter 67-37 FAC, and how each of those requirements shall be met.
- (19) The provisions of Chapter 83-220, Laws of Florida      *has or*   X   *has not* been implemented.

\_\_\_\_\_  
Witness

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

\_\_\_\_\_  
Witness

Ray Judah, Chair  
\_\_\_\_\_  
Type Name and Title

\_\_\_\_\_  
Date

**OR**

Approved as to Form

\_\_\_\_\_  
Attest:

\_\_\_\_\_  
Office of the County Attorney

(Seal)

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN 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 AND DIRECTING THE CHAIR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

\* \* \* \* \*

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

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

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

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

**WHEREAS**, as required by Section 420.9075, F.S., and Chapter 67-37 F.A.C, 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. 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), 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.

**WHEREAS**, Lee County has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

**WHEREAS**, the County Commission finds that it is in the best interest of the public for the Lee 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 LEE COUNTY, FLORIDA that:**

Section 1: The Board of County Commissioners of Lee County hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420-9079, Florida Statutes, for fiscal years 2008/2009, 2009/2010, and 2010/2011.

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

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

The foregoing Resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and, upon being put to a vote, the vote was as follows:

Bob Janes	_____
A. Brian Bigelow	_____
Ray Judah	_____
Tammara Hall	_____
Frank Mann	_____

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

(CORPORATE SEAL)

\_\_\_\_\_  
Chair

ATTEST:  
CHARLIE GREEN, CLERK

Approved as to Legal Form and Content

\_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
Office of the County Attorney

**RESOLUTION NO. 08-09-37**

**WHEREAS**, pursuant to Section 420 Florida Statutes (FS), and Chapter 67-37 Florida Administrative Code (FAC), Lee County has prepared and adopted the Local Housing Assistance Program, the Affordable Housing Trust Fund and the State Housing Initiatives Partnership (SHIP) Ordinance; and

**WHEREAS**, Chapter 67-37 FAC requires that the Local Housing Assistance Plan be adopted by resolution and Lee County adopted the 2007/2008-2010/2011 Local Housing Assistance Plan by Lee County Resolution No. 08-04-43.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, that:**

Lee County hereby amends the 2007/2008-2010/2011 Local Housing Assistance Plan of the SHIP Program adopted by Lee County Resolution No. 08-04-43:

Amendments: Revisions to the Foreclosure Prevention Strategy to expand the strategy to meet current economic conditions and amend the Housing Delivery Goals Charts to increase the maximum SHIP Award to \$8,000 per household.

**Effective Date**

This Resolution shall become effective immediately upon its adoption by the Board of County Commissioners at a regular meeting.

The foregoing Resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and, upon being put to a vote, the vote was as follows:

BOB JANES	_____
A. BRIAN BIGELOW	_____
RAY JUDAH	_____
TAMMARA HALL	_____
FRANK MANN	_____

DULY PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

ATTEST:  
CHARLIE GREEN, CLERK

LEE COUNTY  
BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
Chair

APPROVED AS TO LEGAL  
FORM AND CONTENT

\_\_\_\_\_  
Office of County Attorney

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, pursuant to Section 420 Florida Statutes (FS), and Chapter 67-37 Florida Administrative Code (FAC), Lee County has prepared and adopted the Local Housing Assistance Program, the Affordable Housing Trust Fund and the State Housing Initiatives Partnership (SHIP) Ordinance; and

**WHEREAS**, Chapter 67-37 FAC requires that the Local Housing Assistance Plan be adopted by resolution and Lee County adopted the 2007/2008-2010/2011 Local Housing Assistance Plan by Lee County Resolution No. 08-04-43.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, that:**

Lee County hereby amends the 2008/2009-2010/2011 Local Housing Assistance Plan of the SHIP Program adopted by Lee County Resolution No. 08-04-43 amended by Resolution 08-09-37:

- Amendments: 1. Add the Florida Homebuyer Opportunity Program as a Strategy under Homeownership; 2. Add language as required to implement the passage of SB360, and 3. Add language to correct scrivener's errors as necessary and appropriate.

**Effective Date**

This Resolution shall become effective immediately upon its adoption by the Board of County Commissioners at a regular meeting.

The foregoing Resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and, upon being put to a vote, the vote was as follows:

BOB JANES	_____
A. BRIAN BIGELOW	_____
RAY JUDAH	_____
TAMMARA HALL	_____
FRANK MANN	_____

DULY PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

ATTEST:  
CHARLIE GREEN, CLERK

LEE COUNTY  
BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
Chair

APPROVED AS TO LEGAL  
FORM AND CONTENT

\_\_\_\_\_  
Office of County Attorney

Exhibit F.

**STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM  
INFORMATION SHEET**

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PLEASE COMPLETE THE FOLLOWING INFORMATION:

LOCAL GOVERNMENT: Lee County  
CHIEF ELECTED OFFICIAL: Ray Judah, Chair, Lee County Board of County Commissioners

ADDRESS: P.O. Box 398 Fort Myers, FL 33902-0398

SHIP CONTACT PERSON: Mary Gibbs, Director, Lee County Dept of Community Development

TELEPHONE: (239) 533-8345 FAX: (239) 485-8399 E-MAIL: [gibbsm@leegov.com](mailto:gibbsm@leegov.com)

ADDITIONAL SHIP CONTACTS: Paul O'Connor, Director (239) 533-8309  
[oconnops@leegov.com](mailto:oconnops@leegov.com); Gloria Sajgo, Principal Planner (239) 533-8311  
[sajgogm@leegov.com](mailto:sajgogm@leegov.com); Susan Strum, Senior Planner (239)533-8549, [strumsm@leegov.com](mailto:strumsm@leegov.com);  
Fax:(239) 485-8319

ADDRESS: Lee County Planning Division, P.O. Box 398 Fort Myers, FL 33902-0398

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INTERLOCAL AGREEMENT: YES/NO (If yes, list other participants in the interlocal agreement) No

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

LOCAL GOVERNMENT EMPLOYER FEDERAL ID NUMBER: 59-6000702

MAIL DISBURSEMENT TO: N/A

ADDRESS: N/A

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

X NO CHANGE FROM PREVIOUS ELECTRONIC FORM SUBMITTED.

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

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Please return this form to: SHIP PROGRAM MANAGER, FHFC 227 N. BRONOUGH ST, STE 5000 TALLAHASSEE, FL 32301 Fax: (850) 922-7253



## Addendum #1      **Selection Criteria For Non-Profit Sponsors**

The applications submitted must meet the following five criteria in order to be ranked. Applications that do not meet these five criteria will be disqualified.

1. Applicants must have their application signed by the designated party,
2. Applicants must include in the application proof that the organization is recognized as a non-profit agency by the State of Florida,
3. Applicants must include in the application proof that the U.S. Internal Revenue Service has approved the organization as a non-profit organization (i.e. 501.c.3); existing non-profits that have been in existence long enough to file federal taxes must also include a copy of their latest federal tax return (IRS Form 990).
4. Projects that are not in the appropriate Lee Plan land use classification will be disqualified.
5. Minimum design criteria: All new home ownership and new rental projects must provide at least one entrance, which will be a ramp or no-step entrance, unless the proposed construction of a no-step entrance will require the installation of an elevator.

All applicants will be given the maximum number of points for having an audit and for prior contract compliance unless there is evidence that the applicant had a poor audit report or contract experience with Lee County and the situation has not been rectified. For each unrectified finding, points will be subtracted from the total score. New organizations that do not have an audit will receive no points.

If staff believes a project is not viable, staff reserves the right to recommend no funding for that project and state the reason for such a recommendation. This is to avoid a situation where the county would end up funding an unfeasible project just because it met the minimum requirements and there was money available to fund it.

The applications will be scored so that they can be compared and that comparison will be used for making funding recommendations. An application scoring the most points in a funding category does not guarantee full funding for the request. It is the goal of the Lee County SHIP Program to provide funding for a variety of housing units and projects in many locations and to ensure that all projects can be completed in a timely manner.

## Homeownership Strategies

### Overall Capacity of the Organization, Including Management System, for Effective and Efficient Production as Well as Cost and Quality Control

#### **Staffing (Maximum Points – 5)**

An applicant may be eligible for the maximum number of points if it can demonstrate in its narrative that it has adequate and available staff to commence and complete the project in an effective and efficient manner.

#### **Operations Procedures (Maximum Points – 5)**

In order to receive the maximum number of points, the applicant must provide its Board of Directors' approved Operations Procedures Manual. The applicant may receive some points if it provides draft Operations Procedures.

#### **Staff Experience (Maximum Points – 5)**

The experience of the applicant will be evaluated to include the applicant's length of time in business and staff experience and/or expertise in undertaking projects of a similar complexity as the one for which the funds are being requested.

<b>Years of Similar Project Experience</b>	<b>Points Available</b>
5 years or more	5
3 to 5 years	3
1 to 3 years	2
Less than 1 year	1
No experience	0

#### **Board Experience (Maximum Points – 5)**

The experience of the board will be evaluated to include the board members' experience and/or expertise in undertaking projects of a similar complexity as the one for which the funds are being requested.

<b>Years of Similar Project Experience</b>	<b>Points Available</b>
5 years or more	5
3 to 5 years	3
1 to 3 years	2
Less than 1 year	1
No experience	0

#### **Homeowner Counseling and Training (Maximum Points – 5)**

In order to receive the maximum number of points, applicants must document that they have a homeowner counseling and educational program or access to one. Applicants should include program guidelines, training schedule, and the number of households who have participated in the training over the past twelve months.

## **Development Feasibility – Ability to Proceed in a Timely Fashion and Attain Clear, Achievable Objectives**

### **Measurable Objectives are Clearly Stated (Maximum Points – 5)**

The applicant clearly describes the project and states the type of unit, number of bedrooms, and the number of housing units to be provided as well as number of intended beneficiaries and their income categories.

### **Project Readiness and Can Be Accomplished in a Timely Fashion (Maximum Points – 5)**

Points will be awarded based on the project commencement and completion dates listed in the application. Applicants must keep in mind that if the project is funded, the project commencement date cannot be prior to the date on which the grant award agreement between the grantee and the county is fully executed.

<b>Project Readiness</b>	<b>Points Available</b>
Ready to start immediately	5
Start within 3 to 4 months	3
Start within 5 to 6 months	2
Start more than 6 months out	1

### **New Construction Projects Only - Site Control (Maximum Points – 5)**

The applicant or the general partner must demonstrate site control. Site control can be in the form of a contract for purchase and sale, an option, or a warrantee deed. The applicant must provide proof of ownership or an option for a time frame long enough to assure project completion.

### **Engineering and Architectural Drawings (Maximum Points – 5)**

The applicant must provide site plans and architectural drawings of the buildings.

For rehabilitation projects the applicant must provide an accurate and detailed description of the proposed work to be done.

### **Rehabilitation Projects Only – Minimum Accessibility Design (Maximum Points – 5)**

Homeownership rehabilitation projects meeting the minimum accessibility design criteria applicable to homeownership new construction will receive points as shown on the table below. To receive the points, rehabilitation projects must provide at least one entrance, which will be a ramp or no-step entrance unless the proposed construction of a no-step entrance will require the installation of an elevator.

**New Construction Projects Only - Zoning and Land Use (Maximum Points – 5)**

Applicants indicating they have the proper zoning and proper land use designation will be given the maximum number of points.

<b>Zoning and Land Use</b>	<b>Points Available</b>
Proper Land Use Designation	Projects not in the proper Lee Plan land use classification will be disqualified.
Proper Zoning Designation	5

**New Construction Projects Only – Site Suitability (Maximum Points – 5)**

A site that is buildable according to local government regulations and is in the proximity of urban amenities will receive the maximum number of points.

**Financial Feasibility**

**Project Budget to Include Sources and Uses of Funds (Maximum Points – 15)**

In order to receive the maximum number of points, the applicant’s budget must be clear, add up correctly, demonstrate that the project is financially feasible, and include all sources and uses to be used to implement the project for which funds are being requested. There must be documentation of all sources of funds such as a letter of commitment from funding sources or a statement of intent to apply for specific sums from identified funding sources at specified times.

**Due Diligence in Cost Estimates (Maximum Points – 15)**

In order to receive the maximum number of points, the applicant must attach cost estimates for all applicable project components. No points will be awarded if cost estimates are “lump sum” or turnkey; these are not acceptable. Project components may include the following:

**DUE DILIGENCE IN COST ESTIMATES**

		<b>Cost Per Unit</b>	<b>Total Project Cost</b>
<b>1. Construction/building costs</b>	Site preparation		
	Fill		
	Demolition		
	Off-site (explain)		
	New Units (detail)		
	Rehab of existing (detail)		
	Accessory buildings		
	Recreational areas		
	Common areas		
	Other (explain/detail)		
	Sub-Total		
<b>2. Contractor costs</b>	Building contractor costs (explain/detail)		
	Builder's Risk Insurance		
	Indemnity and Surety Bonds		
	Other (explain/detail)		
	Sub-Total		
<b>3. General development costs</b>	Attorneys/Legal Fees		
	Accounting Fees		
	Appraisal		
	Architect's Fees -- Design		
	Architect's Fees -- Supervision		
	Building Permit(s)		
	Brokerage Fees (Land and Buildings)		
	Closing Costs – Construction Loan		
	Closing Costs – Permanent Loan		
	Engineering Fees		
	Environmental Report(s)		
	Environmental Mitigation (Gopher Tortoise Relocation etc.)		
	Expenses in conjunction with initial occupancy		
	Impact Fees		
	Inspection Fees		
	Insurance Premiums		
	Landscaping		
	Market Study/Marketing/Advertising		
	Off site improvements (roads etc.)		
	Plans		
	Property Taxes		
	Soil Test Report		
	Survey(s)		
	Taxes and Assessment Costs		
	Title Insurance		
	Utilities (on site and off site including connection fees)		
	Other (explain/detail)		
	Sub-Total		

*Due Diligence in Cost Estimates Table continues on next page*

<b>DUE DILIGENCE IN COST ESTIMATES Continued</b>			
		<b>Cost Per Unit</b>	<b>Total Project Cost</b>
<b>4. Financial Costs</b>	Bridge Loan Costs (interest, origination fee)		
	Construction Loan Costs (interest, origination fee)		
	Contingency Reserves		
	Financing (misc.)		
	Permanent Loan Costs (interest, origination fee)		
	Reserves required by lender		
	Trustee fees and expenses, depositories, and agent's fees for bonds		
	Working Capital		
	Other (detail/explain)		
	Sub-Total		
<b>5. Developer Fees</b>	Developers Administrative Overhead		
	Developer Fee (detail/explain)		
	Other (detail/explain)		
	Sub-Total		
<b>6. Acquisition Costs</b>	Cost of acquiring land		
	Existing Building		
	Payment for options, deposits, or contracts		
	Other (detail/explain)		
	Sub-Total		
<b>Grand Total</b>			

**Findings and Prior Contract Compliance (Maximum Points – 5)**

In order to receive the maximum points, an applicant must not have had any findings during Lee County's SHIP Program Monitoring or the monitoring visits by the auditors' from the Florida Housing Finance Corporation, a clean audit report, and completion of previous projects funded by prescribed deadlines. New organizations that do not have an audit will receive no points.

Points will be subtracted for each finding from the overall number of points an applicant receives. This functions as a penalty to the applicant. The more findings; the more points subtracted.

**Independent Audit Report (Maximum Points – 5)**

In order to receive 5 points, the applicant who has received prior SHIP, CDBG, or HOME funds must provide an audit that does not include any material weaknesses for the prior year. Applicants who have not been audited will not receive any points nor have any points subtracted

**Financial Resources in Place – Adequate Cash Available for Project to be Implemented (Maximum Points – 5)**

In order to be eligible to receive the maximum number of points, the applicant must document that it has adequate cash available for the project to be implemented. There must be documentation of all sources of funds such as a letter of commitment from funding sources or a statement of intent to apply for specific sums from identified funding sources at specified times and financial statements that illustrate adequate cash available.

**Funds Leveraged/Funds Requested for the Proposed Project (Maximum Points – 10)**

<b>Leverage/Request</b>	<b>Points Available</b>
More than 1 to 1	10
1 to 1	8
.75 - .99 to 1	6
.50 - .74 to 1	4
.25 - .49 to 1	2
Less than .25	0

**Developer Fee or Developer/Builder Fee Appropriate for Work (Maximum Points – 5)**

The developer's fee is the fee that the applicant charges to develop (plan and manage the project exclusive of builders costs). For new construction, in no case can the developer's fee exceed 10% of the project cost. For rehabilitation, in no case can the developer's fee exceed 10% of the total development cost of the project. The developer/builder's fee that an applicant may charge if acting as both the project developer (planning and managing the project) and the builder of the units to include site preparation cannot exceed 16% of project cost. The applicant that meets the above threshold and charges the least amount for the above fees will receive 5 points. The remaining applications will receive a prorated number of points depending on where they rank in comparison to developer fee or developer/builder fee charged by other applicants.

## **Bonus Points**

### **Welfare Transition Participation (Maximum Points – 5)**

In order to receive 3 bonus points for this item, an applicant must provide documentation that it employs at least one full-time equivalent (35 to 40 hours) employee(s) that is a State of Florida Welfare Transition program graduate. An applicant will receive 2 bonus points if it provides documentation that it employs one part-time employee who is a graduate of the Welfare Transition program. The part-time employee must work at least 20 hours per week.

### **Very Low and Low Income Benefit (Maximum Points – 8)**

These points will only be given to those applicants who demonstrate that a proposed project will exceed the SHIP guidelines of benefiting either a minimum of 30% very low and 30% low income or a minimum of 60% very-low income households. While stating that there will be outreach to very-low and low income households is desirable; outreach alone will not demonstrate or guarantee benefit to very-low and low income households, so no bonus points will be awarded for outreach.

### **Low Income Benefit (Maximum Points – 6)**

These points will only be given to those applicants who demonstrate that a proposed project will benefit over 70% low-income households. While stating that there will be outreach to low income households is desirable; outreach alone will not demonstrate or guarantee benefit to low income households, so no bonus points will be awarded for outreach.

### **Ongoing Affordability (Maximum Points – 20)**

Projects must guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.

### **Essential Services Personnel (Maximum Points – 8)**

Preference will be given to essential services personnel households – these are defined as households that include at least one person employed as: a teacher or educator; other school district, community college, and university employee; police or fire personnel; healthcare personnel; or, skilled building trades personnel.

### **Assistance for Special Needs Populations (Maximum Points – 5)**

These points will only be given to those applicants who demonstrate that a proposed project will serve special needs populations. While stating that there will be outreach to special needs populations is desirable, no bonus points will be awarded for outreach.

Eligible activities include the construction or rehabilitation of housing for persons who have special housing needs. These include, but are not necessarily limited to, persons with developmental disabilities, persons with mental illness/substance abuse, persons with AIDS and HIV disease, runaway and abandoned youth, farm workers, the homeless, the elderly and persons with disabilities.

<b>Special Needs Units</b>	<b>Points Available</b>
100%	5



### **Location (Maximum Points – 5)**

New construction or rehabilitation for homeownership in unincorporated Lee County or in the cities of Bonita Springs, Fort Myers Beach, or Sanibel (i.e. outside the city limits of Cape Coral and Fort Myers (SHIP Entitlement cities)) will be awarded bonus points. Special Needs Housing projects will receive the 5 bonus points regardless of location.

### **Special Circumstances Justification (Maximum Points – 20)**

There is a need for all types of affordable housing throughout Lee County. However, it is also recognized that special circumstances will make the implementation of a particular project urgent. In that instance, these bonus points will be awarded. *Note: The intent is to award these points rarely and on a case by case basis.* Projects will be evaluated in terms of the documentation and justification for the need for the project. The applicant should explain and document the need for the project, including any special circumstances in the program narrative.

### **Innovative Approach (Maximum Points – 5)**

Applicants will be awarded maximum points for an innovative approach to project design and implementation. An innovative approach is defined as one that has not been used previously for affordable housing in this area and could be a model for other agencies.

### **Universal Design (UD) Maximum Points – 20)**

Five points up to a maximum of 20 points will be awarded for each element of Universal Design beyond the minimum required by the Lee County SHIP program. Universal Design is the principle of design for home environments and products so as to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.

There are many sources of information on Universal Design. A suggested source is the Center for Universal Design, North Carolina State University, Box 8613, Raleigh, NC 27695-8613 or <http://www.design.ncsu.edu/cud>.

### **Health or Welfare Emergency (Maximum 25 points)**

The intent is to award these points rarely. In order to obtain the points the applicant must adequately describe the project and provide background information justifying the urgency of a particular project in terms of health and welfare. Since there is a shortage of all kinds of affordable housing, merely describing a particular housing crisis will not earn the applicant points. To earn these points, the applicant must provide information about a health or welfare situation that a particular project will rectify. The applicant must show that this is an unusual or emergency situation, which is time sensitive and must describe the consequences of postponing the funding.

### **Energy Efficiency (Maximum Points – 20)**

Five points up to a maximum of 20 points will be awarded for each energy saving feature.

**MEASURES AND POINTS FOR HOMEOWNERSHIP**

<b>MEASURES</b>	<b>Maximum Points Available</b>	
<b>Overall Capacity of the Organization, Including Management System, for Effective and Efficient Production as Well as Cost and Quality Control</b>	<b>New Construction</b>	<b>Rehabilitation</b>
Staffing	5	5
Operations Procedures	5	5
Staff Experience	5	5
Board Experience	5	5
Homeowner Counseling and Training	5	5
<b>Section Sub-Total</b>	<b>25</b>	<b>25</b>
<hr/>		
<b>Development Feasibility – Ability to Proceed in a Timely Fashion and Attain Clear, Achievable Objectives</b>	<b>New Construction</b>	<b>Rehabilitation</b>
Measurable Objectives are Clearly Stated	5	5
Project Readiness and Can Be Accomplished in a Timely Fashion	5	5
Site Control	5	N/A
Engineering and Architectural Drawings	5	5
Minimum Accessibility Design		5
Zoning and Land Use	5	N/A
Site Suitability	5	N/A
<b>Section Sub-Total</b>	<b>30</b>	<b>20</b>
<hr/>		
<b>Financial Feasibility</b>	<b>New Construction</b>	<b>Rehabilitation</b>
Project Budget to Include Sources and Uses of Funds	15	15
Due Diligence in Cost Estimates	15	15
Findings and Prior Contract Compliance	5	5
Audit Report	5	5
Financial Resources in Place – Adequate Cash Available for project to be Implemented	5	5
SHIP Funds Leveraged/Matched for the Proposed Project	10	10
Developer Fee or Developer/Builder Fee Appropriate for Work	5	5
<b>Section Sub-Total</b>	<b>60</b>	<b>60</b>
<hr/>		
<b>Sub-Total Points</b>	<b>115</b>	<b>105</b>

Continues next page

## Bonus Points

<b>MEASURES</b>	<b>Maximum Points Available</b>	
	<b>Bonus Points</b>	<b>New Construction</b>
Welfare Transition Participation	5	5
Very Low and Low Income Benefit	8	8
Low Income Benefit	6	6
Ongoing Affordability	20	20
Essential Services Personnel	8	8
Assistance for Special Needs Populations	5	5
Location	5	5
Special Circumstances Justification	20	20
Innovative Approach	5	5
Universal Design	20	20
Health or Welfare Emergency	25	25
Energy Efficiency	20	20
<b>Section Sub-Total</b>	*	*
<b>TOTAL POINTS</b>	*	*

\* Bonus Points are not “summed up” because no one project can receive all bonus points as some measures for bonus points are mutually exclusive.

## **Rental Strategies**

Rental developments only qualify for funding under the Rental Housing Strategy.

Special Needs Rental developments qualify for funding under the Special Needs Rental Strategy because this strategy provides a guaranteed minimum set aside for special needs rental housing. However, if this category is over-subscribed (i.e. the amount of dollars requested exceeds the dollars allocated for that strategy), the Special Needs Rental applications also will qualify for funding under the Rental strategy. Persons who have special housing needs, include, but are not necessarily limited to, persons with developmental disabilities, persons with mental illness/substance abuse, persons with AIDS and HIV disease, runaway and abandoned youth, farm workers, the homeless, the elderly and persons with disabilities.

All new rental projects must provide at least one entrance, which will be a ramp or no-step entrance, unless the proposed construction of a no-step entrance will require the installation of an elevator.

## **Overall Capacity of the Organization, Including Management System, for Effective and Efficient Production as Well as Cost and Quality Control**

### **Staffing (Maximum Points – 5)**

An applicant may be eligible for the maximum number of points if it can demonstrate in its narrative that it has adequate and available staff to commence and complete the project in an effective and efficient manner.

### **Operations Procedures (Maximum Points – 5)**

In order to receive the maximum number of points, the applicant must provide its Board of Directors' approved Operations Procedures Manual. The applicant may receive some points if it provides draft Operations Procedures.

### **Staff Experience (Maximum Points – 5)**

The experience of the applicant will be evaluated to include the applicant's length of time in business and experience in undertaking projects of a similar complexity as the one for which the funds are being requested.

<b>Years of Similar Project Experience</b>	<b>Points Available</b>
5 years or more	5
3 to 5 years	3
1 to 3 years	2
Less than 1 year	1
No experience	0

### **Board Experience (Maximum Points – 5)**

The experience of the board will be evaluated to include the board's experience and/or expertise in undertaking projects of a similar complexity as the one for which the funds are being requested.

<b>Years of Similar Project Experience</b>	<b>Points Available</b>
5 years or more	5
3 to 5 years	3
1 to 3 years	2
Less than 1 year	1
No experience	0

### **Rental Property Management and Operations Experience and Approach (Maximum Points – 5)**

The applicant must document how it will operate and manage the project. In order to receive the maximum number of points, the applicant must provide a copy of its rental property management procedures, state who will be providing the management, how much experience they have in rental property management, and that adequate management staff will be available.

<b>Property Management Experience</b>	<b>Points Available</b>
5 years or more	5
3 to 5 years	3
1 to 3 years	2
Less than 1 year	1
No experience	0

## **Development Feasibility – Ability to Proceed in a Timely Fashion and Attain Clear, Achievable Objectives**

### **Measurable Objectives are Clearly Stated (Maximum Points – 5)**

The applicant clearly describes the project and states the type of unit, number of bedrooms, and the number of housing units to be provided as well as number of intended beneficiaries and their income categories.

### **Project Readiness and Can Be Accomplished in a Timely Fashion (Maximum Points – 5)**

Points will be awarded based on the project commencement and completion dates listed in the application. Project commencement will start after the grant award is fully executed.

<b>Project Readiness</b>	<b>Points Available</b>
Ready to start immediately	5
Start within 3 to 4 months	3
Start within 5 to 6 months	2
Start more than 6 months out	1

### **Site Control (Maximum Points – 5)**

The applicant or the general partner must demonstrate site control. Site control can be in the form of a contract for purchase and sale, an option, or a warrantee deed. The applicant must provide proof of ownership or an option for a time frame long enough to assure project completion.

### **Engineering and Architectural Drawings (Maximum Points – 5)**

The applicant must provide site plans and architectural drawings of the buildings.

For rehabilitation projects the applicant must provide an accurate and detailed description of the proposed work to be done. The applicant must provide architectural drawings only if the rehabilitation project is of a type and magnitude that require them.

### **Zoning and Land Use (Maximum Points – 5)**

Applicants indicating they have the proper zoning and proper land use designation will be given the maximum number of points.

<b>Zoning and Land Use</b>	<b>Points Available</b>
Proper Land Use Designation	Projects not in the proper Lee Plan land use classification will be disqualified.
Proper Zoning Designation	5

**Site Suitability (Maximum Points – 5)**

A site that is buildable according to local government regulations and is in the proximity of urban amenities will receive the maximum number of points.

**Financial Feasibility**

**Project Budget to Include Sources and Uses of Funds (Maximum Points – 15)**

In order to receive the maximum number of points, the applicant’s budget must be clear, add up correctly, demonstrate that the project is financially feasible, and include all sources and uses to be used to implement the project for which funds are being requested. There must be documentation of all sources of funds such as a letter of commitment from funding sources or a statement of intent to apply for specific sums from identified funding sources at specified times.

**Due Diligence in Cost Estimates (Maximum Points – 15)**

In order to receive the maximum number of points, the applicant must attach cost estimates for all applicable project components. No points will be awarded if cost estimates are “lump sum” or turnkey; these are not acceptable. Project components may include the following:

**DUE DILIGENCE IN COST ESTIMATES**

		<b>Cost Per Unit</b>	<b>Total Project Cost</b>
<b>1. Construction/building costs</b>	Site preparation		
	Fill		
	Demolition		
	Off-site (explain)		
	New Units (detail)		
	Rehab of existing (detail)		
	Accessory buildings		
	Recreational areas		
	Common areas		
	Other (explain/detail)		
	Sub-Total		
<b>2. Contractor costs</b>	Building contractor costs (explain/detail)		
	Builder's Risk Insurance		
	Indemnity and Surety Bonds		
	Other (explain/detail)		
	Sub-Total		
<b>3. General development costs</b>	Attorneys/Legal Fees		
	Accounting Fees		
	Appraisal		
	Architect's Fees -- Design		
	Architect's Fees -- Supervision		
	Building Permit(s)		
	Brokerage Fees (Land and Buildings)		
	Closing Costs – Construction Loan		
	Closing Costs – Permanent Loan		
	Engineering Fees		
	Environmental Report(s)		
	Environmental Mitigation (Gopher Tortoise Relocation etc.)		
	Expenses in conjunction with initial occupancy		
	Impact Fees		
	Inspection Fees		
	Insurance Premiums		
	Landscaping		
	Market Study/Marketing/Advertising		
	Off site improvements (roads etc.)		
	Plans		
	Property Taxes		
	Soil Test Report		
	Survey(s)		
	Taxes and Assessment Costs		
	Title Insurance		
	Utilities (on site and off site including connection fees)		
	Other (explain/detail)		
	Sub-Total		

*Due Diligence in Cost Estimates Table continues on next page*



<b>DUE DILIGENCE IN COST ESTIMATES Continued</b>			
		<b>Cost Per Unit</b>	<b>Total Project Cost</b>
<b>4. Financial Costs</b>	Bridge Loan Costs (interest, origination fee)		
	Construction Loan Costs (interest, origination fee)		
	Contingency Reserves		
	Financing (misc.)		
	Permanent Loan Costs (interest, origination fee)		
	Reserves required by lender		
	Trustee fees and expenses, depositories, and agent's fees for bonds		
	Working Capital		
	Other (detail/explain)		
		Sub-Total	
<b>5. Developer Fees</b>	Developers Administrative Overhead		
	Developer Fee (detail/explain)		
	Other (detail/explain)		
		Sub-Total	
<b>6. Acquisition Costs</b>	Cost of acquiring land		
	Existing Building		
	Payment for options, deposits, or contracts		
	Other (detail/explain)		
		Sub-Total	
<b>Grand Total</b>			

**Findings and Prior Contract Compliance (Maximum Points – 5)**

In order to receive the maximum points, an applicant must not have had any findings during Lee County's SHIP Program Monitoring or the monitoring visits by the auditors' from the Florida Housing Finance Corporation, a clean audit report, and completion of previous projects funded by prescribed deadlines. New organizations that do not have an audit will receive no points.

Points will be subtracted for each finding from the overall number of points an applicant receives. This functions as a penalty to the applicant. The more findings; the more points subtracted.

**Independent Audit Report (Maximum Points – 5)**

In order to receive 5 points, the applicant who has received prior SHIP, CDBG, or HOME funds must provide an audit by an independent auditor that does not include any material weaknesses for the prior year. Applicants who have not been audited will not receive any points or have points subtracted.

**Financial Resources in Place – Adequate Cash Available for Project to be Implemented (Maximum Points – 5)**

In order to be eligible to receive the maximum number of points, the applicant must document that it has adequate cash available for the project to be implemented. There must be documentation of all sources of funds such as a letter of commitment from funding sources or a statement of intent to apply for specific sums from identified funding sources at specified times and financial statements that illustrate adequate cash available.

**Funds Leveraged/Funds Requested for the Proposed Project (Maximum Points – 10)**

<b>Leverage/Request</b>	<b>Points Available</b>
More than 1 to 1	10
1 to 1	8
.75 - .99 to 1	6
.50 - .74 to 1	4
.25 - .49 to 1	2
Less than .25	0

**Developer Fee or Developer/Builder Fee Appropriate for Work (Maximum Points – 5)**

The developer's fee is the fee that the applicant charges to develop (plan and manage the project exclusive of builders costs). For new construction, the developer's fee cannot exceed 10% of the project cost. For rehabilitation, the developer's fee cannot exceed 10% of the total development cost of the project. The developer/builder's fee that an applicant may charge if acting as both the project developer (planning and managing the project) and the builder of the units to include site preparation cannot exceed 16% of project cost. The applicant that meets the above threshold and charges the least amount for the above fees will receive 5 points. The remaining applications will receive a prorated number of points depending on where they rank in comparison to developer fee or developer/builder fee charged by other applicants.

## **Bonus Points**

### **Welfare Transition Participation (Maximum Points – 5)**

In order to receive 3 bonus points for this item, an applicant must provide documentation that it employs at least one full-time equivalent (35 to 40 hours) employee(s) that is a State of Florida Welfare Transition program graduate. An applicant will receive 2 bonus points if it provides documentation that it employs one part-time employee who is a graduate of the Welfare Transition program. The part-time employee must work at least 20 hours per week.

### **Very Low and Low Income Benefit (Maximum Points – 8)**

These points will only be given to those applicants who demonstrate that a proposed project will exceed the SHIP guidelines of benefiting either a minimum of 30% very low and 30% low income or a minimum of 60% very-low income households. While stating that there will be outreach to very-low and low income households is desirable; outreach alone will not demonstrate or guarantee benefit to very-low and low income households, so no bonus points will be awarded for outreach.

### **Low Income Benefit (Maximum Points – 6)**

These points will only be given to those applicants who demonstrate that a proposed project will benefit over 70% low-income households. While stating that there will be outreach to low income households is desirable; outreach alone will not demonstrate or guarantee benefit to low income households, so no bonus points will be awarded for outreach.

### **Ongoing Affordability (Maximum Points – 20)**

Projects must guarantee ongoing affordability of each unit and have a mechanism to monitor and implement ongoing affordability of the units.

### **Essential Services Personnel (Maximum Points – 8)**

Preference will be given to essential services personnel households – these are defined as households that include at least one person employed as: a teacher or educator; other school district, community college, and university employee; police or fire personnel; healthcare personnel; or, skilled building trades personnel.

### **Assistance for Special Needs Populations (Maximum Points – 5)**

These points will only be given to those applicants who demonstrate that a proposed project will serve special needs populations. While stating that there will be outreach to special needs populations is desirable, no bonus points will be awarded for outreach.

Eligible activities include the construction or rehabilitation of housing for persons who have special housing needs. These include, but are not necessarily limited to, persons with developmental disabilities, persons with mental illness/substance abuse, persons with AIDS and HIV disease, runaway and abandoned youth, farm workers, the homeless, the elderly and persons with disabilities.

<b>Special Needs Units</b>	<b>Points Available</b>
100%	5

### **Location (Maximum Points – 5)**

New construction or rehabilitation for units in unincorporated Lee County or in the cities of Bonita Springs, Fort Myers Beach, or Sanibel (i.e. outside the city limits of Cape Coral and Fort Myers (SHIP Entitlement cities)) will be awarded bonus points. Special Needs units shall receive 5 points regardless of location.

### **Special Circumstances Justification (Maximum Points – 20)**

There is a need for all types of affordable housing throughout Lee County. However, it is also recognized that special circumstances will make the implementation of a particular project urgent. In that instance, these bonus points will be awarded. *Note: The intent is to award these points rarely and on a case by case basis.* Projects will be evaluated in terms of the documentation and justification for the need for the project. The applicant should explain and document the need for the project, including any special circumstances in the program narrative.

### **Innovative Approach (Maximum Points – 5)**

Applicants will be awarded maximum points for an innovative approach to project design and implementation. An innovative approach is defined as one that has not been used previously for affordable housing in this area and could be a model for other agencies.

### **Universal Design (UD) (Maximum Points – 20)**

Five points up to a maximum of 20 points will be awarded for each element of Universal Design beyond the minimum required by the Lee County SHIP program. Universal Design is the principle of design for home environments and products so as to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.

There are many sources of information on Universal Design. A suggested source is the Center for Universal Design, North Carolina State University, Box 8613, Raleigh, NC 27695-8613 or <http://www.design.ncsu.edu/cud>.

### **Health or Welfare Emergency (Maximum 25 points)**

The intent is to award these points rarely. In order to obtain the points the applicant must adequately describe the project and provide background information justifying the urgency of a particular project in terms of health and welfare. Since there is a shortage of all kinds of affordable housing, merely describing a particular housing crisis will not earn the applicant points. To earn these points, the applicant must provide information about a health or welfare situation that a particular project will rectify. The applicant must show that this is an unusual or emergency situation, which is time sensitive and must describe the consequences of postponing the funding.

### **Energy Efficiency (Maximum Points – 20)**

Five points up to a maximum of 20 points will be awarded for each energy saving feature.

**MEASURES AND POINTS FOR RENTAL AND SPECIAL NEEDS**

<b>MEASURES</b>	<b>Maximum Points Available</b>
<b>Overall Capacity of the Organization, Including Management System, for Effective and Efficient Production as Well as Cost and Quality Control</b>	<b>Rental – General and Special Needs</b>
Staffing	5
Operations Procedures	5
Staff Experience	5
Board Experience	5
Rental Property Management and Operations Experience and Approach	5
<b>Section Sub-Total</b>	<b>25</b>
<b>Development Feasibility – Ability to Proceed in a Timely Fashion and Attain Clear, Achievable Objectives</b>	<b>Rental – General and Special Needs</b>
Measurable Objectives are Clearly Stated	5
Project Readiness and Can Be Accomplished in a Timely Fashion	5
Site Control	5
Engineering and Architectural Drawings	5
Zoning and Land Use	5
Site Suitability	5
<b>Section Sub-Total</b>	<b>30</b>
<b>Financial Feasibility</b>	<b>Rental – General and Special Needs</b>
Project Budget to Include Sources and Uses of Funds	15
Due Diligence in Cost Estimates	15
Findings and Prior Contract Compliance	5
Audit Report	5
Financial Resources in Place – Adequate Cash Available for project to be Implemented	5
SHIP Funds Leveraged/Matched for the Proposed Project	10
Developer Fee or Developer/Builder Fee Appropriate for Work	5
<b>Section Sub-Total</b>	<b>60</b>
<b>Sub-Total Points</b>	<b>115</b>

Continues next page

### Bonus Points

MEASURES	Maximum Points Available
<b>Bonus Points</b>	<b>Rental – General and Special Needs</b>
WAGES Participation	5
Very Low and Low Income Benefit	8
Low Income Benefit	6
Ongoing Affordability	20
Essential Services Personnel	8
Assistance for Special Needs Populations	5
Location	5
Special Circumstances Justification	20
Innovative Approach	5
Universal Design	20
Health or Welfare Emergency	25
Energy Efficiency	20
<b>Section Sub-Total</b>	*
<b>TOTAL POINTS</b>	*

\* Bonus Points are not “summed up” because no one project can receive all bonus points as some measures for bonus points are mutually exclusive.

## Addendum #2 **Special Needs Strategy Income Certification Plan**

It is recognized that special needs housing projects face unique situations that render some standard procedures, such as income certification, difficult or impossible. For example, an emergency shelter does not have the time to gather the essential documentation, such as third party verifications, to verify that an individual meets program income requirements. For this reason, this plan provides alternative guidelines for determining income eligibility for special needs strategies.

The following criteria shall be utilized for income certification for the Special Needs Strategy.

Eligible Persons shall include one or more natural persons, or a family, which are determined by the county to be extremely-low, very-low, low, moderate or workforce income according to the income limits adjusted to family size published annually by the United States Department of Housing and Urban Development based upon the annual gross income of the household.

Annual gross income of the household. Annual gross income shall be defined under one of the following methods: 1) the section 8 housing assistance payments programs in 24 C.F.R. part 5; 2) annual income as reported under the census long form; or 3) adjusted gross income as defined for purposes of reporting under Internal Revenue Services Form 1040 for individual federal annual income tax purposes.

Rental units constructed, rehabilitated, or otherwise assisted with SHIP funds must be monitored at least annually for 15 years for compliance with tenant income and affordability requirements. Annual monitoring shall be submitted to the county on a form provided by the county and shall include income level, race, age, amount of assistance provided, and other information. Maximum rents allowed are based on the number of bedrooms. Rents are provided annually by HUD and distributed by the Florida Housing Finance Corporation.

Special needs projects and income certification procedures will be defined as one of the following:

**Stage One Housing.** Projects include those intended to serve those at risk of becoming homeless, economic homeless, situational homeless, or chronic homeless. The housing serves as an entry shelter that functions on an emergency basis to provide immediate shelter, stabilization, treatment, and case management. A checklist shall be provided by the sponsors containing all income information gathered for each resident.

Income Certification. Upon intake, gross family income will be determined through the use of information that is available including pay stubs, tax returns, verification from employers and financial institutions. Persons considered homeless according to HUD definitions would be considered eligible. The intake checklist shall request income information and make verification as available. A determining of income eligibility shall be made upon provision of housing services.

**Stage Two Housing.** Projects which provide temporary housing, such as transitional shelters that function to provide family or personal accommodation for extended periods of time until the resident can move to permanent housing. Supportive services are coordinated and provided to the resident based on need.

Income Certification. A determination of income eligibility will be made upon provision of housing services. If the applicant has an income then anticipated annual income shall be certified according to standard SHIP rules, including the Section 8 housing assistance payments program in 24 CFR, part 5 methodology.

If an applicant does not have an income or is transitioning from Stage One Housing upon intake, gross family income will be determined through the use of information that is available including pay stubs, tax returns, verification from employers and financial institutions. Persons considered homeless according to HUD definitions would be considered eligible. The intake checklist shall request income information and make verification available. Once the person has found employment and has stayed employed for a period of 180 days anticipated annual gross income shall be certified according to standard SHIP rules, including the Section 8 housing assistance payments program in 24 CFR, part 5 methodology.

**Stage Three Housing.** Permanent housing that will be affordable to persons with special needs. Supportive services and environmental modifications are provided as needed. The goal of the housing is to provide the greatest independence possible in the least restrictive setting with the purpose of enhancing the quality of life as well as functional abilities.

Income Certification. Anticipated annual gross income shall be certified according to standard SHIP rules, including the Section 8 housing assistance payments programs in 24 CFR, part 5 methodology.



**Addendum #3 Disaster/Hurricane Income Certification Plan**

Recipients of SHIP funds under a local government's disaster strategy shall be required to verify income by executing a Hurricane Certification of Income Form provided by the Florida Housing Finance Corporation, hereby adopted and incorporated by reference.

Pay check stubs and other forms of proof are required, if available. Other documentation required for SHIP income qualification may be waived if unavailable. The county shall make every effort reasonable to insure that the recipients of SHIP funds are income qualified