

*Hillsborough County, Florida*

**August 3, 2016**

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

**2016-2017, 2017-2018 and 2018-2019**

Revised for Technical Correction November 29, 2016

Revised for Technical Correction- December 13, 2016

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**I. Program Details:**

A. Name of the participating local government:

Hillsborough County, Florida.

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

B. Purpose of the program:

This Local Housing Assistance Plan has been developed to:

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

C. Fiscal years covered by the Plan:

1. 2016-2017
2. 2017-2018
3. 2018-2019

D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Hillsborough County is in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process. The Hillsborough County Comprehensive Plan Housing Element and adopted Hillsborough County Consolidated Plan further the strategies of the SHIP Program.

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

Hillsborough County will continue current partnerships with the building, banking and real estate industries and expand into new partnerships as feasible to support the program. These efforts also include collaborating with local housing advocates for the homeless, for profit, and nonprofit entities assisting very low and low income households.

Housing Partners could be or become Eligible Sponsors as defined by the SHIP regulations. An eligible sponsor is a person or a private or public for-profit or not-for-profit entity that applies for an award under the local housing assistance plan for the purpose of providing eligible housing for eligible persons. There may be cases where a Sub Recipient, as defined by SHIP regulations, may be contracted by Hillsborough County to administer aspects of the SHIP program.

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

Hillsborough County will continue current partnerships with the building, banking and real estate industries and expand into new partnerships as feasible to support the program. These efforts also include collaborating with local housing advocates for the homeless, for profit, and nonprofit entities assisting very low and low income households. In addition, Hillsborough County works in cooperation with the City of Tampa, City of Temple Terrace and the City of Plant City in developing and implementing affordable housing goals and programs.

G. Public Input: Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations. The following steps were taken to ensure significant opportunity was provided for public input:

1. The draft LHAP was submitted to the Hillsborough County Affordable Housing Advisory Board at their February 1, 2016 meeting.
2. The draft LHAP was placed at local public facilities,
3. The draft LHAP was placed on Affordable Housing Services web site, and
4. Emails were sent out to notify interested parties of the availability of the draft LHAP.
5. Public input was solicited through the Tampa Tribune and the local minority newspaper *The Sentinel*.

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

I. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted as well as any established funding priorities as described in this plan. All waiting lists will be managed on a First Qualified, First Served basis unless otherwise stated in a specific strategy.

J. Discrimination: In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing. Hillsborough County complies with all requirements of these anti-discrimination statutes. In particular, the Hillsborough County Board of County Commissioners adopted the Human Rights Ordinance (Ordinance 00-37, as amended) in support of these anti-discrimination statutes.

K. Support Services and Counseling: Support services are available from various sources. Available support services may include but are not limited to:

- Affordable Housing Services Department (AHS): AHS administers various grants and housing programs to improve lives and revitalize deteriorating neighborhoods. Housing programs are targeted for multi-families, seniors, farm-workers, first-time homebuyers, home rehabilitation and housing replacement.



- Housing Finance Authority of Hillsborough County (HFA): The HFA provides bond and tax credit financing for the development of affordable housing.
- Equal Opportunity Administrator (EOA): The office implements the Human Rights Ordinance, which prohibits discrimination in housing, employment, public procurement and public accommodations based on race, color, sex, age, national origin, religion, disability, marital status, sexual orientation, gender identity or expression and also based on familial status in housing.
- Homeownership Counseling/Education Services: Homeownership counseling and education for first time homebuyers and participants in the homeowner rehabilitation program are provided by partnering agencies. These programs offer one on one counseling, pre and post homeowner counseling, foreclosure counseling and prevention, credit worthiness and credit repair counseling, budgeting and debt management counseling, online courses, and lender prequalification.
- Hillsborough County Social Services and Homeless Services Departments: These Departments provide services that include case management, education, support services, employment assistance, crisis intervention, homeless prevention, health care and a variety of other services for Hillsborough County residents, who qualify, including senior citizens, adults, adolescents, children and veterans.
- Hillsborough County Sunshine Line: This service provides door-to-door transportation and bus passes for elderly, low income & disabled persons, including Hillsborough Healthcare clients, who do not have or cannot afford their own transportation. Transportation is provided primarily to medical facilities and Aging Services daycare and SCNAP sites; but non-medical trips are provided on a space-available basis.
- Hillsborough Area Regional Transit Authority (HART): HART provides reduced transportation passes (approximately 50%) for seniors 65 years and older, youth 5-17 years, persons with disabilities and those receiving Medicare. There is also a special shuttle program for disabled persons unable to utilize the fixed bus system.
- City of Tampa Housing Authority (THA): THA provides numerous housing resources for area residents. Primarily they manage the Section 8 Housing Choice Voucher Program for residents throughout Hillsborough County. The Family Self-Sufficiency (FSS) Program offered by THA is available to families and individuals who meet the income eligibility requirements and may receive financial assistance to rent a privately owned dwelling. THA provides Foreclosure Prevention and Tenant-Based Rental Assistance (TBRA) Counseling for residents participating in these programs.
- Plant City Housing Authority (PCHA): PCHA provides subsidized public housing for area residents within Plant City.
- Tampa Hillsborough Homeless Initiative (THHI): THHI, as the Continuum of Care

(CoC) lead agency, administers CoC program funded by the U. S. Department of Housing and Urban Development (HUD). Funds are distributed to a wide range of agencies which provide street outreach, emergency shelter, counseling services, transitional housing and other services.

- Public Service Agencies: These agencies throughout the county and cities provides a wide variety of public services which meet the needs of low income residents. Services include but are not limited to legal services, mentoring, and literacy training.

L. Purchase Price Limits: The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- U.S. Treasury Department
- Local HFA Numbers

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

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

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

Evaluation and selection criteria will be incorporated into the Request for Proposal (RFP) or Request for Qualification (RFQ) documents for SHIP funding, which includes bonus point(s) for proposed sponsor(s) who have employed persons participating in the Welfare Transition Program.

To receive the bonus points, eligible sponsor(s) must submit the appropriate information within the RFP or RFQ application documenting each employee that has participated in the Welfare Transition Program.

O. Monitoring and First Right of Refusal: In the case of rental housing, the County has administrative authority for implementing the local housing assistance plan to assist in rental housing development. The County shall annually monitor the projects funded and determine tenant eligibility or, to the extent another eligible sponsor or appointed designee provides periodic monitoring and determination of tenant eligibility. However, any loan or grant in the amount of \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored at least annually for 15 years or the term of assistance and compliance period, whichever is longer, unless as specified otherwise in this Plan.

Eligible sponsors offering rental housing for sale before the end of the 15 years of affordability or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations. If the nonprofit agrees to purchase the property, they will purchase at the current market value and will be required to continue the occupancy by eligible persons. For developments being monitored by the Florida Housing Finance Corporation, the County may rely on such monitoring and determination of tenant eligibility.

P. Administrative Budget: A line-item budget of proposed Administrative Expenditures is attached as Exhibit A. Hillsborough County finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

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

**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:** “The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.”

The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

Q. Program Administration: Administration of the local housing assistance plan will be wholly performed and maintained by **Hillsborough County’s Affordable Housing Services Department.**

R. Project Delivery Costs: Project delivery costs will be granted to the borrower. These project delivery costs may include underwriting services, title searches, credit reporting and appraisals. These project delivery costs are actual amounts of services and deliverables. Most costs to administer the various program activities will be covered in the County’s administrative budget. In cases where an activity is outsourced to a third party, a service

delivery fee shall be allowed to cover costs associated with providing the service to a household to offset the cost with managing the activity. These service delivery fees include loan closing costs, inspections/testing and rehabilitation/construction management. A service delivery fee will be utilized in conjunction with third party administration of the Housing Rehabilitation Programs.

S. Essential Service Personnel Definition: For purpose of SHIP funding, the county considers the following groups as Essential Services to our county: First Responders, Educators in K-12, Active Military, and Veterans in the county.

T. Describe efforts to incorporate Green Building and Energy Saving products and processes: Hillsborough County Affordable Housing Services will encourage the use of Green Building Standards which address the following areas:

***Energy and Water Efficiency***

- High efficiency heating, ventilation, and air conditioning (HVAC) systems;
- Tight building envelope;
- Low-E (heat blocking) windows;
- Energy efficient appliances and water-saving fixtures;
- Compact fluorescent light bulbs; and
- Building orientation to maximize use of natural light.

***Environmental Sustainability***

There are several ways to reduce the impact of construction and buildings on the environment. Hillsborough County encourages the following:

- Recycled/recyclable materials;
- In-fill development and adaptive site reuse;
- Native landscaping; and
- Water-saving irrigation techniques.

***Healthy Living Environments***

The following building practices can reduce health risks:

- Low VOC (volatile organic compound)/no-VOC paint, primer, sealant;
- Formaldehyde-free cabinets;
- Good ventilation for high indoor air quality; and
- Fans in bathrooms to prevent mold and mildew growth.

Energy Efficiency and Green Housing related repairs shall be encouraged. Every effort will be made to leverage SHIP funding with Utility Rebates for insulation, air conditioner replacement and more. Repairs shall also be guided by the Enterprise Foundation's Green Communities Criteria 2015 which included single family rehabilitation specifications. These repairs shall include but not be limited to the following:

- Window repair, replacement and weather stripping.

- Paints and primers that meet the Green Seal G-11 Environmental Standard
- Commodes with 1.3 gallons per flush capacity.
- Building envelop sealing specifications.
- Installation of Energy Star Ceiling Fans.
- Integrated Pest Control Management that does not use insecticides.
- Proper ventilation when undertaking substantial rehabilitation

Information regarding Green Communities can be located at the following web link:  
<http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities>.

U. Describe efforts to meet 20% Special Needs set-aside. The Special Needs set-aside shall be determined through an RFP process that will include this set aside as criteria for award. This includes rehabilitation activities for barrier removal for disabled households and assisting victims of domestic violence.

V. Describe efforts to Reduce Homelessness: Hillsborough County collaborates with the CoC/THHI and the County's Homeless Services Department to ensure resources are targeted and strategies are followed to reduce homelessness. AHS staff attends the monthly CoC meetings to track both solutions and efforts of local homeless assistance providers. As the recipient of the HUD Emergency Solutions Grant, AHS partners with the CoC to administer the HESG activities and a portion of the CDBG public service funding that is used as a match to the HESG funds. This working relationship allows for a coordinated effort on reducing homelessness and a better use of resources to reduce duplication of services.

## Section II. LHAP Strategies:

A.

<b>Owner Occupied Rehabilitation</b>	<b>3</b>
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- a. Summary of Strategy:  
 The County or Eligible Sponsors may perform rehabilitation on substandard single family housing units, for households who own and occupy substandard housing units. When eligible Sponsors are to be utilized, they would be selected through a competitive qualification and application process per Hillsborough County Procurement Policy and procedures (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ) or the Affordable Housing Services Department Procurement Policy. This process requires applicants to be reviewed based upon an evaluation criteria included within the application.
- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low, and Moderate Income
- d. Maximum award: \$60,000.
- e. Terms:
  1. Loan/deferred loan/grant: Deferred Loan secured by a recorded mortgage

and note for all hard costs. Soft costs are included in the maximum award above and are granted to the borrower.

2. Interest Rate: 0%

3. Term: Deferred Payment loans will be provided on a tiered format with the period of affordability determined by the amount of financial assistance. The loan will be based on the amount of assistance as outlined below:

Assistance	Affordability Period
<\$15,000	5 years
\$15,-\$40,000	10 years
>\$40,000	15 years

4. Forgiveness/Repayment: The loan is forgiven on a prorated basis so that the principal is forgiven annually based on the amount of assistance.

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	5 years	1/5 <sup>th</sup>
\$15,-\$40,000	10 years	1/10 <sup>th</sup>
>\$40,000	15 years	1/15 <sup>th</sup>

5. Default/Recapture:

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

In the event of foreclosure by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

f. Recipient Selection Criteria:

Eligible applicants will be approved for assistance on a first-qualified, first-served basis subject to funding availability and priority ranking issues. In compliance with established County policies, other selection criteria are as follows:

- At the time of loan closing, Applicants must be able to demonstrate that they have the ability to pay property taxes, insurance, utilities, and existing mortgage payments, and must be able to demonstrate the ability to maintain the property, according to AHS Policies and Procedures (Policy 5.4 Housing Rehabilitation Program – please see attached).



- First time applicants will be given priority over previously assisted persons. Households may only be assisted once every five (5) years. Exceptions may be made for Eligible Property Owners in cases where living conditions threaten the personal health and safety of the household.
- Applicants must be in good standing with the County (County utility accounts and property taxes must be current). Property with code enforcement violations may be assisted in order to eliminate substandard housing.

g. Sponsor/Developer Selection Criteria:

The County has a competitive Request for Proposal (RFP) process for the selection of Sponsors and/or Developers. This RFP process uses the following criteria to select the most responsive applicants: 1) Previous experience of the organization, 2) Staffing Plan for the project, 3) the amount of leveraged funding the organization provides to the project and 4) the financial capacity of the organization. Scoring criteria also includes participation in the Welfare to Work transition program as a scoring criteria. (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ).

h. Additional Information:

- Emergency financial assistance may be provided on a one-time basis not to exceed the maximum subsidy amount. Such determining factors include, but are not limited to: loan-to-value ratio, Specials Needs populations, and financial feasibility.
- All rehabilitations shall address, whenever possible, the Green Housing Standards, listed under Section T of this plan.
- In the case of situations identified as urgent related to the health and welfare of the household, assistance will be provided to mitigate or alleviate the cause(s) creating the safety conditions. Emergency financial assistance provided in these instances will only be used under specific direction by the Board of County Commissioners to address a documented situation AND that other resources cannot be identified to carry out the activity in a timely manner. Households located in unincorporated Hillsborough County, the City of Tampa, City of Plant City and City of Temple Terrace may be eligible for this assistance.

B.

<b>Down Payment Assistance (In House)</b>	<b>1, 2</b>
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a. Summary of Strategy:

The County may provide Down Payment Assistance (DPA) to eligible first time homebuyers with a deferred payment loan to be applied towards down payment, closing costs for the purchase of eligible owner occupied housing, including single family homes, townhouses, condominiums or villas, and for the construction of new single family homes.



Prospective homebuyers must qualify as a First Time Homebuyer under the HUD definition: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*

- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low and Moderate Income
- d. Maximum award: \$20,000.00

1. Essential Personnel are eligible for an additional \$5,000 than they would otherwise qualify for, but not to exceed a total of \$20,000.00. Funds can only be used for Down Payment Assistance.

- e. Terms:

1. Loan/grant: Fund will be awarded as a Deferred Loan that is subordinate loan secured by a recorded mortgage and note.

2. Interest Rate: 0%

3. Term:

Assistance	Affordability Period
<\$15,000	5 years
\$15,000-20,000	10 years

4. Forgiveness/Repayment: The loans will be forgiven based upon the period of affordability as outlined below:

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	5 years	1/5 <sup>th</sup>
\$15,000 -20,000	10 years	1/10 <sup>th</sup>

5. Default/Recapture:

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to



occupy the home, the outstanding balance of the loan will be due and payable.

- f. Recipient Selection Criteria:
  - Applicants will be ranked for assistance based on a first-qualified, first-served basis. Special Needs populations will have priority.
  - Any household assisted must purchase a home located in the unincorporated County, City of Plant City, or City of Temple Terrace.
  - The applicants must have attended and completed a Homebuyer Education class provided by an agency that meets the requirements of the County’s “First Time Home Buyer Policies and Procedures”, as amended (Please see the Policies and Procedures at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/7254> )
  - A Certificate of homeownership counseling completion is required prior to loan closing.
- g. Sponsor/Developer Selection Criteria:  
N/A
- h. Additional Information:
  - An additional \$5,000 in DPA funds may be awarded to a certified teacher, certified nurse, certified firefighter, a certified law enforcement officer, active military personnel and Veterans of Military Service as detailed in the First Time Homebuyers Program Policies and Procedures in Section B – 9 (Please see the Policies and Procedures at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/7254> )

C.

<b>Down Payment Assistance (Partnership with Quasi-Governmental Agencies)</b>	1, 2
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- a. Summary of Strategy:  
The County has entered into SHIP Program Funding Agreement with the Housing Finance Authority of Hillsborough County to fund costs for down payment assistance. Assistance provided under this program may be deferred for the length of the first mortgage financing. All down payment loans provided with Hillsborough County funds that are repaid under these agreements must be returned to the available pool of down payment assistance funds and made available for future down payment assistance provided by those institutions in perpetuity.
- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low, Moderate Income and households up to 140% AMI. Household income will be verified according to an IRS process rather than the HUD Section 8 income definition used for other SHIP strategies. This acceptable alternative method is required because the SHIP assistance provided under

this strategy is combined with tax exempt bond mortgages and/or with Mortgage Credit Certificates, which mandates an IRS based income verification process.

d. Maximum award: \$15,000

e. Terms:

1. Loan/grant: Fund will be awarded as a Deferred Loan that is subordinate loan secured by a recorded subordinate mortgage and note.
2. Interest Rate: 0%
3. Term: Minimum of 5 years up to the term of the First Mortgage with Primary Lender
4. Forgiveness/Repayment: The loan will be repaid the full amount of subsidy at time of sale or when first mortgage has been satisfied.

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	Minimum 5 years	N/A

**Default/Recapture:**

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

f. Recipient Selection Criteria:

- Applicants will be ranked for assistance based on a first-qualified, first-served basis. Special Needs populations will have priority.
- Any household assisted must purchase a home located in the unincorporated County, City of Plant City, or City of Temple Terrace.
- The applicants must have attended and completed a Homebuyer Education class provided by an agency that meets the requirements of the County's "First Time Home Buyer Policies and Procedures", as amended (Please see the Policies and Procedures at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/7254> )
- A Certificate of homeownership counseling completion is required prior to loan closing.
- The applicants must contribute a minimum amount towards the purchase price (including pre-paid costs) towards the purchase of the home. The amount will be listed in the County's "First Time Home Buyer's Policies and Procedures", as amended. Applicants must reside in the home being assisted within 60

days after closing.

- g. Sponsor/Developer Selection Criteria:  
Addressed in the strategy section.
- h. Additional Information: None

D.

<b>Down Payment Assistance (County-Funded Developments)</b>	<b>1, 2</b>
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- a. **Summary of Strategy:**  
The County or Eligible Sponsors provides Down Payment Assistance (DPA) to eligible first time homebuyers with a deferred payment loan or other forms of financial assistance to be applied towards down payment, closing costs, if necessary, for the purchase of eligible owner occupied housing, including single family homes, townhouses, condominiums or villas, and for the construction of new single family homes.

Prospective homebuyers must qualify as a First Time Homebuyer under the HUD definition: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*

- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low and Moderate Income
- d. Maximum award: \$45,000

1. Essential Personnel are eligible for an additional \$5,000 than they would otherwise qualify for, but not to exceed a total of \$45,000.00.

- e. **Terms:**

1. Loan/grant: Fund will be awarded as a Deferred Loan that is subordinate loan secured by a recorded subordinate mortgage and note.

2. Interest Rate: 0%

3. Term:

Assistance	Affordability Period
<\$15,000	5 years
\$15,000 up to \$40,000	10 years
>\$40,000	15 years

New Construction

20 years

4. Forgiveness/Repayment: The loans will be forgiven based upon the period of affordability as outlined below:

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	5 years	1/5 <sup>th</sup>
\$15,000 - \$40,000	10 years	1/10 <sup>th</sup>
>\$40,000	15 years	1/15 <sup>th</sup>
New Construction	20 years	1/20 <sup>th</sup>

5. Default/Recapture:

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

- f. Recipient Selection Criteria:

- Applicants will be ranked for assistance based on a first-qualified, first-served basis. Special Needs populations will have priority.
- Any household assisted must purchase a home located in the unincorporated County, City of Plant City, or City of Temple Terrace.
- The applicants must have attended and completed a Homebuyer Education class provided by an agency that meets the requirements of the County's "First Time Home Buyer Policies and Procedures", as amended (Please see the Policies and Procedures at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/7254> )
- A Certificate of homeownership counseling completion is required prior to loan closing.
- The applicants must contribute a minimum amount towards the purchase price (including pre-paid costs) towards the purchase of the home. The amount will be listed in the County's "First Time Home Buyer's Policies and Procedures", as amended. Applicants must reside in the home being assisted within 60 days after closing.

- g. Sponsor/Developer Selection Criteria:

The County has a competitive Request for Proposal (RFP) process for the selection of Sponsors and/or Developers. This RFP process uses the following criteria to select the most responsive applicants: 1) Previous experience of the organization, 2) Staffing Plan for the project, 3) the amount of leveraged funding the organization provides to the project and 4) the financial capacity of the organization. Scoring criteria also

includes participation in the Welfare to Work transition program as a scoring criteria. (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ).

h. Additional Information:

- An additional \$5,000 in DPA funds may be awarded to a certified teacher, certified nurse, certified firefighter, a certified law enforcement officer, active military personnel and Veterans of Military Service as detailed in the First Time Homebuyers Program Policies and Procedures in Section B – 9 (Please see the Policies and Procedures at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/7254> ).

E.

<b>Barrier Removal</b>	<b>3</b>
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a. Summary of Strategy:

This rehabilitation program provides funds to owner-occupants in need of rehabilitation assistance to provide accessibility for the resident(s). Assistance provides for health and safety repairs as needed to assist elderly and/or disabled persons to maintain their independence.

b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019

c. Income Categories to be served: Very Low, Low and Moderate

d. Maximum award: \$36,000. The maximum award stated in the Goals Chart is \$36,000, which includes project soft cost that are not included in the maximum mortgage amount of \$30,000. Project delivery/soft costs will not exceed 15% of the cost of the rehabilitation. Project soft costs include loan closing costs and inspections/testing. Project delivery costs include rehabilitation management. All project soft and delivery costs are by a third party.

e. Terms:

1. Loan/deferred loan/grant: Deferred Loan secured by a recorded mortgage and note for hard costs. Soft costs are granted to the borrower.

2. Interest Rate: 0%

3. Term:

Assistance	Affordability Period
<\$15,000	5 years
\$15,000-\$36,000	10 years

4. Forgiveness/Repayment: The loans will be forgiven based upon the period of affordability as outlined below:

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	5 years	1/5 <sup>th</sup>
\$15,000-\$36,000	10 years	1/10 <sup>th</sup>

5. Default/Recapture:

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

f. Recipient Selection Criteria:

- Eligible applicants will be selected on a first qualified, first-served basis, with priority provided to those households with a family member who is either disabled, elderly (62 years or older), or frail elderly and who resides in the home.
- Property must be owner occupied.

g. Sponsor/Developer Selection Criteria:

The County has a competitive Request for Proposal (RFP) process for the selection of Sponsors and/or Developers. This RFP process uses the following criteria to select the most responsive applicants: 1) Previous experience of the organization, 2) Staffing Plan for the project, 3) the amount of leveraged funding the organization provides to the project and 4) the financial capacity of the organization. Scoring criteria also includes participation in the Welfare to Work transition program as a scoring criteria. (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ).

h. Additional Information:

- All rehabilitations shall address whenever possible the Green Housing Standards.

F.

<b>Disaster Mitigation - Homeowner</b>	<b>5</b>
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a. Summary of Strategy:

In the case of a natural or man-made disasters, priorities need to be changed to meet emergency conditions. This strategy will only be used if a disaster, and/or a declaration by the State of Florida and/or federal government of a disaster, as declared by Executive Order.

These funds will be used for the following activities:

- Payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies.
- Purchase of emergency supplies to waterproof damaged homes.

- Interim repairs to avoid further damage, such as tree and debris removal required to make housing units habitable.
- Construction of wells or repair of existing wells where public water is unavailable.
- Security deposits and temporary rental assistance for displaced households.
- Removal of incipient hazards that may damage a structure.

b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019

c. Income Categories to be served: Very Low, Low and Moderate Income

d. Maximum award: \$20,000

e. Terms:

1. Loan/deferred loan/grant: Grant and/or Loan

In most cases financial assistance will be in the form of a loan. However, costs associated with the displacement and temporary shelter of the client will be treated as grant.

2. Interest Rate: 0%

3. Term: Not to exceed 10 years.

4. Forgiveness/Repayment: The loans will be forgiven based upon the period of affordability as outlined below:

Assistance	Affordability Period	Portion Forgiven Year
<\$15,000	5 years	1/5th
\$15-\$20,000	10 years	1/10 <sup>th</sup>

5. Default/Recapture:

Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, rent, if the home ceases to be the primary homestead residence, or if they fail to meet the requirements of the loan documents during the term of the loan.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

f. Recipient Selection Criteria:

Assistance shall be provided on a first-qualified, first-served basis.

g. Sponsor/Developer Selection Criteria:

The County has a competitive Request for Proposal (RFP) process for the selection of Sponsors and/or Developers. This RFP process uses the following criteria to select the most responsive applicants: 1) Previous experience of the organization, 2) Staffing Plan for the project, 3) the amount of leveraged funding the organization provides to the project and 4) the financial capacity of the organization. Scoring criteria also

includes participation in the Welfare to Work transition program as a scoring criteria. (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ).

- h. Additional Information:  
Assistance is limited to a one-time award.

Assistance will be provided households with incomes up to 120% of AMI adjusted to family size as described in F.S. Section 420.9071(19), (20) and (28).

G.

<b>Multi-Family New Construction/Rehabilitation</b>	<b>14, 21</b>
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- a. Summary of Strategy:  
SHIP funds may be awarded for site acquisition, site development, and infrastructure improvements to include utilities, road improvements and drainage systems. The County’s financial assistance will be secured with a mortgage and note. The terms of the financial assistance shall be outlined in the Funding Agreement as approved by the Hillsborough County Board of County Commissioners.
- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low and Moderate
- d. Maximum award: \$140,000 per unit
- e. Terms:
  1. Loan/deferred loan/grant: Deferred Loan secured by a recorded subordinate mortgage and note. Grants may be provided for projects requiring the local government contribution or local government preference for project applications submitted to the Florida Housing Finance Corporation (FHFC).
  2. Interest Rate: 0% - 3%.
  3. Term: Up to 30 years based on the pro forma analysis.
  4. Forgiveness/Repayment: Each funded rental project’s affordability period shall meet the minimum requirements as established by the most restrictive of funding sources provided by the County for the overall development of the project.
  5. Default/Recapture: Recapture: The borrower must repay the outstanding amount of the loan if they sell, transfer title, or if they fail to meet the requirements of the loan documents during the term of the loan.
- f. Recipient Selection Criteria:  
A Developer’s designated management company will select and place eligible households into SHIP assisted units on a, first-qualified, first-served basis in a manner which will ensure there will be no discrimination on the basis of race, creed, color, age, sex, familial or marital status, handicap, religion, or national origin. Selection





and qualification criteria for SHIP recipients will be tied to affordability guidelines as published by HUD and distributed by the Florida Housing Finance Corporation on an annual basis. Household income of recipients placed in SHIP assisted units cannot exceed the designated areas median income adjusted for family size for an identified percentage category as identified on the Florida Housing Finance Corporation Income Limits Chart. The County will be responsible for monitoring affordability and regular tenant monitoring reports required under the SHIP statute. This strategy will be leveraged with other resources such as locally provided discounts of impact fees, HOME funding and Community Development Financial Institution funding to assist selected affordable developments.

- g. **Sponsor/Developer Selection Criteria:**  
The County has a competitive Request for Proposal (RFP) process for the selection of Sponsors and/or Developers. This RFP process uses the following criteria to select the most responsive applicants: 1) Previous experience of the organization, 2) Staffing Plan for the project, 3) the amount of leveraged funding the organization provides to the project and 4) the financial capacity of the organization. Scoring criteria also includes participation in the Welfare to Work transition program as a scoring criteria. (The Procurement Policy and Procedures Handbook is available at this link - <http://www.hillsboroughcounty.org/DocumentCenter/View/6355> ).
- h. **Additional Information:**  
All rehabilitations shall address, whenever possible, the Green Housing Standards, listed under Section T of this plan.

H.

<b>Disaster Mitigation – Rental Households</b>	<b>16</b>
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- a. **Summary of Strategy:**  
In the case of a natural or man-made disasters, priorities need to be changed to meet emergency conditions. This strategy will only be used if a disaster, and/or a declaration by the State of Florida and/or federal government of a disaster, as declared by Executive Order.  
  
These funds will be used for the following activities:
  - Security deposits and temporary rental assistance for displaced households.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Very Low, Low and Moderate Income
- d. **Maximum award:** \$5,000 per household
- e. **Terms:**
  1. Loan/deferred loan/grant: Grant to the tenant
  2. Interest Rate: N/A
  3. Term: N/A

- 4. Forgiveness/Repayment: N/A
- 5. Default/Recapture: N/A
- f. Recipient Selection Criteria:  
Assistance shall be provided on a first-qualified, first-served basis.
- g. Sponsor/Developer Selection Criteria:  
N/A
- h. Additional Information:  
Assistance is limited to a one-time award.

Assistance will be provided households with incomes up to 120% of AMI adjusted to family size as described in F.S. Section 420.9071(19), (20) and (28).

### III. LHAP Incentive Strategies

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

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

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

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

Permits for affordable housing projects are expedited to a greater degree than other projects by policy. The County established an internal policy in 1994 to expedite the processing of affordable housing projects. Processing time is reduced by 50% for projects that are sponsored or participating in any of the affordable housing programs offered by Hillsborough County. Preliminary site plan review is reduced to 7 days and construction plan review is reduced to 10 days.

The Development Review Procedures Manual (Section 4.1.5.1.2.e.2) provides for an expedited process for approvals of development orders or permits for an affordable housing development. Additionally, it provides for the administrator to review and determine a project is qualified as an affordable housing development and thus subject to other development review considerations (density bonuses, zero lot line, etc.). The County has an on-line permitting system which allows for electronic submissions and approvals.

B. Name of the Strategy: **Ongoing Review Process**

An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

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

Refer to the County's Comprehensive Plan Policy B-3.2 and Land Development Code (Sections 6.01.02 & 6.11.07) and Hillsborough County Ordinance No. 92-05 for reduced maximum gross densities, minimum open space, minimum site area and minimum lot area requirement for affordable housing. Under Section 6.11.07 for Affordable Housing Development general standards defining affordable housing, Development Standards such as reduction of lot size and setbacks and Density Bonus allowances are noted.

The Board of County Commissioners approved the creation of a permanent Affordable Housing Advisory Board (AHAB) to advise and make recommendations to the Board of County Commissioners and Affordable Housing Services on issues affecting affordable housing development. The AHAB is to assist the County in developing new programs and policies in order to foster the development and preservation of attainable housing for those County residents who desire to live in safe, decent and affordable housing

AHS staff shall draft an Administrative Directive for consideration by the County Administrator establishing a requirement for consultation among the relevant departments or offices before drafting policies, procedures, ordinances, regulations or Plan provisions to determine the effect on affordable/workforce housing development or the cost of housing development. This includes activities which may impact the protection of current affordable/workforce housing or the rehabilitation of the existing housing stock for low income homeowners/buyers.

C. Other Incentive Strategies Adopted:

**Modification of Impact Fee Requirements**

The County implemented impact fee relief from Transportation, Parks, and Fire impact fees for affordable single family homes and multi-family rental developments (multi-family projects are subject to an annual cap) in 1996 and as amended under the Hillsborough County Code of Ordinances Section 17.5-27(7) Impact Assessment Procedures and Section 17.5-35 Affordable Housing Relief Program (Ordinances 96-29 and 00-31).

This relief is available to owner occupied households and developers of multi-family rental projects. Multi-family rental units that will be set-aside for households whose total annual anticipated gross income does not exceed 80% of the Median Annual Income adjusted for family size for households within the metropolitan statistical area are eligible for impact fee relief. Up to 90% of the impact fees are paid for multi-family projects that include amenities such as on-site daycare. A seven year restrictive covenant is placed on the property in order to preserve the affordable nature of the property.

The Affordable Housing Impact Fee Relief Program has been funded for the fiscal year - 2015/16.

**Allowance of Flexibility in Densities for Affordable Housing**

The Land Development Code sets forth density flexibility in Section 6.01.01, and Section 6.01.02 sets forth those specifically for affordable housing. The project may receive density and/or Floor Area Ratio (FAR) bonuses. The increases in density and/or intensity which may

be achieved are established in the Comprehensive Plan under Affordable Housing Bonuses. Such site plan controlled projects will establish specific lot sizes, setbacks and dwelling unit types and shall be exempt from meeting the standard district setback requirements.

The Density Bonus incentive is supported by the County's Comprehensive Plan and Land Development Code (Section 6.11.07 and Hillsborough County Ordinance No. 92-05, as amended by Ordinance No. 00-21, Ordinance No. 02-13 and Ordinance No. 14-18).

The LHIS contains a Cottage Housing strategy which can be produced on smaller lots thus protecting natural resources of land, water and energy. This type of development also reduces investment in infrastructure therefore making the housing more affordable. The current Land Development Code does provide for cottage-type housing in Section 6.11.90, Single Family Efficiency.

### **Reservation of Infrastructure Capacity**

At this time, under the current statutes which removed the statewide requirement for transportation concurrency, the reservation of road capacity will need further study. Other infrastructure capacity for water and sewer will be reviewed on a case by case basis and cannot be reserved for future development.

### **Allowance of Affordable Accessory Residential Units**

Hillsborough County has adopted several special use categories that can provide incentives for the development of affordable housing. The Land Development Code establishes standards for accessory structures in several Sections. Specific types of structures are provided for in other sections of the LDC. Special use categories are as follows:

- Sec. 6.11.02. Accessory Dwelling Standards for living spaces up to 900 square feet, can be attached or detached.
- Sec. 6.11.38. Family Lot designation where the parcel can be used for immediate family members of the owner of the original tract.
- Sec. 6.11.39. Farm Worker Housing in suburban and urban plan categories that allow a density bonus.
- Sec. 6.11.51. Housing for Older Persons will receive special consideration under the Land Development Code especially within the provision of such facilities and is found to be necessary to provide housing opportunities for older persons.
- Sec. 6.11.90. Single Family Efficiency dwellings can come in three forms: bungalow, small atrium house, and two-story cottage. These types of housing can have off street parking, between 640 and 850 square feet, and reduced front setbacks.

### **Reduction of Parking and Setback Requirements**

Hillsborough County has adopted Affordable Housing Development Standards in the Land

Development Code Section 6.11.07 (B) which provides for

- Flexibility of housing development that includes, detached, zero lot line, attached, duplex, quadraplex, townhome, for lots less than 7,000 square feet
- Reduction of setbacks for lots less than 5,000 square feet
- Reduction of building setbacks
- Minimum lot size standards

#### **Allowance of Flexible Lot Configurations, Including Zero Lot Line**

The County offers Zero-lot-line construction as provided in section 6.01.04 of the Land Development Code and as per Hillsborough County Ordinance No. 92-05.

This residential lot type is permitted in environmentally sensitive developments, affordable housing developments, and planned districts. No minimum yards in the conventional sense are required, but the homes are detached housing with a minimum building spacing of ten feet. Developers may use fixed lot patterns such as Z lots to best fit their product to the development. Design Standards dependent on the square footage of the lots note minimum front yard requirements, garage requirements and total building coverage on the lot.

#### **Modification of Street Requirements for Affordable Housing**

The Land Development Code Section 6.02.08 (C)(3) provides for sidewalks on only one side of the road in Affordable Housing Developments. The Transportation Technical Manual provides for sidewalk widths and planting strips. These standards are considered reasonable and within the normal practice for subdivision development standards. Variances or waivers can be submitted to the county engineer who has the authority to approve alternatives to the current standards.

#### **Preparation of a Printed Inventory of Locally Owned Public Lands**

The County complies with requirements of Florida Statute Section 125.379 which requires the preparation of an inventory list of all real property within the jurisdiction to which the County holds fee simple tile and is considered appropriate for use as affordable housing. The County held a public hearing and adopted this list by Resolution R10-73 on June 16, 2010. This list has been revised per Resolution 13-089 on June 5, 2013.

The list continues to be maintained and updated as necessary. Request for Proposals may be released in the future to identify any potential nonprofit developers for any or all of the properties. The applicants must meet specified requirements in order to be considered for the use of the lot(s).

#### **Support of Development near Transportation Hubs and Major Employment and Mixed Use Centers**

The Comprehensive Plan recognizes that affordable housing should be encouraged in mixed-use developments with incentives if necessary (Policy C-26.2). There are a number of policies

outlined within the County's Comprehensive Plan that addresses the development near transportation hubs, major employment centers and mixed use centers.

**Other Affordable Housing Incentives**

The AHAB identified an additional item for consideration that will also be evaluated in cooperation with the Development Services Department and Planning Commission staff.

AHS staff will determine the possibility that for affordable/workforce housing redevelopment, particularly the re-purposing of existing buildings, which requires a Comprehensive Plan Amendment, rezoning, major modification, or minor modification, the related application fees will be reduced. Staff will also study ways to reduce the timelines to the best of their ability to shorten length of time for review.

**IV. EXHIBITS:**

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

**EXHIBIT A**  
**ADMINISTRATIVE BUDGET**

<b>LHAP 2009-001</b>		
<b>Exhibit A</b>		
<b>Revised: 6/2015</b>		
(Local Government name)		
<b>Fiscal Year: 2016-2017</b>		
<b>Estimated Allcoation for Calculating:</b>	<b>\$ 4,000,000.00</b>	
Salaries and Benefits	\$ 300,000.00	
Office Supplies and Equipment	\$ 10,000.00	
Travel Per diem Workshops, etc.	\$ 10,000.00	
Advertising	\$ 10,000.00	
Recording Expenses	\$ 10,000.00	
Other Professional Services	\$ 10,000.00	
Meal Allowance	\$ 10,000.00	
Other Travel Expenses	\$ 10,000.00	
Fleet Fuel & Oil (for Fleet Mgmt Charc	\$ 10,000.00	
Postage & Freight Services - General	\$ 10,000.00	
Computer Software/Hardware Upgrac	\$ 10,000.00	
<b>Total</b>	<b>\$ 400,000.00</b>	0.1
<b>Fiscal Year: 2017-2018</b>		
<b>Estimated Allcoation for Calculating:</b>	<b>\$ 4,000,000.00</b>	
Salaries and Benefits	\$ 300,000.00	
Office Supplies and Equipment	\$ 10,000.00	
Travel Per diem Workshops, etc.	\$ 10,000.00	
Advertising	\$ 10,000.00	
Recording Expenses	\$ 10,000.00	
Other Professional Services	\$ 10,000.00	
Meal Allowance	\$ 10,000.00	
Other Travel Expenses	\$ 10,000.00	
Fleet Fuel & Oil (for Fleet Mgmt Charc	\$ 10,000.00	
Postage & Freight Services - General	\$ 10,000.00	
Computer Software/Hardware Upgrac	\$ 10,000.00	
<b>Total</b>	<b>\$ 400,000.00</b>	0.1
<b>Fiscal Year 2018-2019</b>		
<b>Estimated Allcoation for Calculating:</b>	<b>\$ 4,000,000.00</b>	
Salaries and Benefits	\$ 300,000.00	
Office Supplies and Equipment	\$ 10,000.00	
Travel Per diem Workshops, etc.	\$ 10,000.00	
Advertising	\$ 10,000.00	
Recording Expenses	\$ 10,000.00	
Other Professional Services	\$ 10,000.00	
Meal Allowance	\$ 10,000.00	
Other Travel Expenses	\$ 10,000.00	
Fleet Fuel & Oil (for Fleet Mgmt Charc	\$ 10,000.00	
Postage & Freight Services - General	\$ 10,000.00	
Computer Software/Hardware Upgrac	\$ 10,000.00	
<b>Total</b>	<b>\$ 400,000.00</b>	0.1
<p>*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document.</p> <p>Details:</p>		



**EXHIBIT B**  
**TIMELINE FOR ESTIMATED**  
**ENCUMBRANCE AND EXPENDITURE**

**Exhibit B**

**Timeline for SHIP Expenditures**

**Hillsborough County, Florida** affirms that funds allocated for these fiscal years will meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 <sup>st</sup> Year AR	2 <sup>nd</sup> Year AR	Closeout AR
<b>2016-2017</b>	6/30/2018	6/30/2019	9/15/2017	9/15/2018	9/15/2019
<b>2017-2018</b>	6/30/2019	6/30/2020	9/15/2018	9/15/2019	9/15/2020
<b>2018-2019</b>	6/30/2020	6/30/2021	9/15/2019	9/15/2020	9/15/2021

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

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 <sup>st</sup> Year AR Not Submitted	2 <sup>nd</sup> Year AR Not Submitted	Closeout AR Not Submitted
<b>2016-2017</b>	3/30/2018	3/30/2019	6/15/2017	6/15/2018	6/15/2019
<b>2017-2018</b>	3/30/2019	3/30/2020	6/15/2018	6/15/2019	6/15/2020
<b>2018-2019</b>	3/30/2020	3/30/2021	6/15/2019	6/15/2020	6/15/2021

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

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

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

**Other Key Deadlines:**

AHAC reports are due for each local government by **December 31** of the year prior to the local government's LHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.

**EXHIBIT C**  
**HOUSING DELIVERY GOALS CHART (HDGC)**  
**FOR EACH FEDERAL YEAR COVERED IN THE PLAN**



FLORIDA HOUSING FINANCE CORPORATION													LHAP Exhibit C 2016		
HOUSING DELIVERY GOALS CHART													Please check applicable box		
2017-2018													New Plan: <input checked="" type="checkbox"/>		
Name of Local Government: Hillsborough County													Amendment: <input type="checkbox"/>		
Allocation: \$4,000,000.00													Fiscal Yr. Closeout: <input type="checkbox"/>		
Strategy #	From Plan Text	Code	HOME OWNERSHIP STRATEGIES (strategy title must be same as the title used in plan text.)	VLI Units	Max. SHIP Award	LJ Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units
A	3		Owner Occupied Rehabilitation	6	\$60,000	8	\$60,000	8	\$60,000	\$0.00	\$1,320,000	\$0	\$1,320,000	33.00%	22
B,C,D	2		Home Buyer Down Payment Assistance	4	\$45,000	9	\$40,000	8	\$30,000	\$0.00	\$0	\$772,500	\$772,500	19.31%	21
E	3		Barrier Free and Green Rehab	5	\$40,000	5	\$40,000	5	\$40,000	\$0.00	\$600,000	\$0	\$600,000	15.00%	15
F	5		Disaster Mitigation - Homeov	TBD	\$20,000	TBD	\$20,000	TBD	\$20,000	\$0.00	\$0	\$0	\$0	0.00%	0
													\$0	0.00%	0
													\$0	0.00%	0
													\$0	0.00%	0
													\$0	0.00%	0
			Subtotal 1 (Home Ownership)	15		22		21		\$0.00	\$1,920,000	\$772,500	\$2,692,500	67.31%	58
RENTAL STRATEGIES															
G	14,21		New Construction/Rehabilitat	4	\$140,000	2	\$140,000	2	\$140,000	\$780,000	\$340,000	\$0	\$1,120,000	28.00%	8
H	23		Rental Deposit Eviction Prot	2	\$5,000	2	\$5,000	1	\$5,000	\$0	\$0	\$25,000	\$25,000	0.63%	5
I	16		Disaster Mitigation - Rental	TBD	\$5,000	TBD	\$5,000	TBD	\$5,000	\$0	\$0	\$0	\$0	0.00%	0
													\$0	0.00%	0
													\$0	0.00%	0
			Subtotal 2 (Non-Home Owne	6		4		3		\$780,000	\$340,000	\$25,000	\$1,145,000	28.63%	13
			Administration Fees										\$400,000.00	10.00%	
			Admin. From Program Income										\$12,500.00	0.31%	
			Home Ownership Counseling											0.00%	
			GRAND TOTAL	21		26		24		\$780,000	\$2,260,000	\$797,500	\$4,250,000	106.25%	71
			Add Subtotals 1 & 2, plus all												
			Percentage Construction	Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.										76%	
			Maximum Allowable Purchase Price:							New	\$239,860	Existing	\$239,860		
			Allocation Breakdown	Amount	%	Projected Program Income:		\$250,000.00	Max Amount Program Income For Admin		\$12,500.00				
			Very-Low Income	\$1,310,000.00	32.8%	Projected Recaptured Funds:									
			Low Income	\$1,322,500.00	33.1%	Distribution:		\$4,000,000.00							
			Moderate Income	\$1,205,000.00	30.1%	Total Available Funds:		\$4,250,000.00							
			TOTAL		95.9%										
			Owner Occupied Rehabilitation	Home Buyer Down Payment Assistance	Barrier Free and Green Rehabilitation	New Construction/Rehabilitation		\$560,000	Rental Deposit Eviction Protection		Total per Income Level, by Income Level				
			VLI \$360,000	\$180,000	\$200,000	\$560,000		\$10,000	\$1,310,000		32.8%				
			L \$480,000	\$352,500	\$200,000	\$280,000		\$10,000	\$1,322,500		33.1%				
			MI \$480,000	\$240,000	\$200,000	\$280,000		\$5,000	\$1,205,000		30.1%				
			\$1,320,000	\$772,500	\$600,000	\$1,120,000		\$25,000			95.9%				
			75% Construction requirement:	\$3,040,000	76.00%	65% Home Ownership requirement:		\$2,692,500	87.31%						

SHIP LHAP Template 2009-001  
Revised: 7/2015



FLORIDA HOUSING FINANCE CORPORATION										LHAP Exhibit C 2016					
HOUSING DELIVERY GOALS CHART										Please check applicable box					
2016-2017										New Plan: <input checked="" type="checkbox"/>					
										Amendment: <input type="checkbox"/>					
										Fiscal Yr. Closeout: <input type="checkbox"/>					
Name of Local Government: Hillsborough County					Allocation: \$4,000,000.00										
Strategy #	HOME OWNERSHIP	Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units		
A	3 Owner Occupied Rehabilitation	6	\$60,000	8	\$60,000	8	\$60,000	\$0.00	\$1,320,000	\$0	\$1,320,000	33.00%	22		
B,C,D	2 Home Buyer Down Payment Assistance	4	\$45,000	9	\$40,000	8	\$30,000	\$0.00	\$0	\$772,500	\$772,500	19.31%	21		
E	3 Barrier Free and Green Rehabil	5	\$40,000	5	\$40,000	5	\$40,000	\$0.00	\$600,000	\$0	\$600,000	15.00%	15		
F	5 Disaster Mitigation - Homeown	TBD	\$20,000	TBD	\$20,000	TBD	\$20,000	\$0.00	\$0	\$0	\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
	Subtotal 1 (Home Ownership)	15		22		21		\$0.00	\$1,920,000	\$772,500	\$2,692,500	67.31%	58		
Strategy #	RENTAL STRATEGIES	Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units		
G	14,21 New Construction/Rehabilitate	4	\$140,000	2	\$140,000	2	\$140,000	\$780,000	\$340,000	\$0	\$1,120,000	28.00%	8		
H	23 Rental Deposit Eviction Protec	2	\$5,000	2	\$5,000	1	\$5,000	\$0	\$0	\$25,000	\$25,000	0.63%	5		
I	16 Disaster Mitigation - Rental Hd	TBD	\$5,000	TBD	\$5,000	TBD	\$5,000	\$0	\$0	\$0	\$0	0.00%	0		
											\$0	0.00%	0		
											\$0	0.00%	0		
	Subtotal 2 (Non-Home Owners)	6		4		3		\$780,000	\$340,000	\$25,000	\$1,145,000	28.63%	13		
	Administration Fees										\$400,000.00	10.00%			
	Admin. From Program Income										\$12,500.00	0.31%			
	Home Ownership Counseling											0.00%			
	GRAND TOTAL														
	Add Subtotals 1 & 2, plus all A	21		26		24		\$780,000	\$2,260,000	\$797,500	\$4,250,000	106.25%	71		
	Percentage Construction/Rehab	Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.										76%			
	Maximum Allowable Purchase Price:							New	\$239,860	Existing	\$239,860				
	Allocation Breakdown	Amount	%					Projected Program Income:	\$250,000.00	Max Amount Program Income F:	\$12,500.00				
	Very-Low Income	\$1,310,000.00	32.8%					Projected Recaptured Funds:							
	Low Income	\$1,322,500.00	33.1%					Distribution:	\$4,000,000.00						
	Moderate Income	\$1,205,000.00	30.1%					Total Available Funds:	\$4,250,000.00						
	TOTAL		95.9%												
	Owner Occupied Rehabilitation	\$360,000		\$180,000		\$200,000		\$560,000		\$10,000	\$1,310,000	32.8%			
	Home Buyer Down Payment Assistance	\$480,000		\$382,500		\$200,000		\$280,000		\$10,000	\$1,322,500	33.1%			
	Barrier Free and Green Rehabilitation	\$480,000		\$240,000		\$200,000		\$280,000		\$5,000	\$1,205,000	30.1%			
	New Construction/Rehabilitation	\$1,320,000		\$772,500		\$600,000		\$1,120,000		\$25,000	\$2,500,000	63.1%			
	Rental Deposit Eviction Protection									\$10,000	\$10,000	0.24%			
	Total per Income Level														
	75% Construction requirement:	\$3,000,000.00						\$2,692,500				90.0%			
	65% Home Ownership requirement:	\$2,600,000.00						\$2,692,500				103.5%			



FLORIDA HOUSING FINANCE CORPORATION												LHAP Exhibit C 2016										
HOUSING DELIVERY GOALS CHART												Please check applicable box										
2018-2019												New Plan:	<input checked="" type="checkbox"/>									
Name of Local Government: Hillsborough County												Amendment:										
Allocation: \$4,000,000.00												Fiscal Yr. Closeout:										
Strategy #	HOME OWNERSHIP	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F									
From Plan Text	Code	Units	Award	Units	Award	Units	Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units									
A	3	Owner Occupied Rehabilitation	6	\$60,000	8	\$60,000	8	\$60,000	\$0.00	\$1,320,000	\$0	\$1,320,000	33.00%	22								
B,C,D	2	Home Buyer Down Payment Assis	4	\$45,000	9	\$40,000	8	\$30,000	\$0.00	\$772,500	\$0	\$772,500	19.31%	21								
E	3	Barrier Free and Green Rehabil	5	\$40,000	5	\$40,000	5	\$40,000	\$0.00	\$600,000	\$0	\$600,000	15.00%	15								
F	5	Disaster Mitigation - Homeowner	TBD	\$20,000	TBD	\$20,000	TBD	\$20,000	\$0.00	\$0	\$0	\$0	0.00%	0								
Subtotal 1 (Home Ownership)		15		22		21		\$0.00	\$1,920,000	\$772,500	\$2,692,500	67.31%	58									
Strategy #	RENTAL STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F									
From Plan Text	Code	Units	Award	Units	Award	Units	Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units									
G	14,21	New Construction/Rehabilitation	4	\$140,000	2	\$140,000	2	\$ 140,000	\$780,000	\$340,000	\$0	\$1,120,000	28.00%	8								
H	23	Rental Deposit Eviction Protectio	2	\$5,000	2	\$5,000	1	\$ 5,000	\$0	\$0	\$25,000	\$25,000	0.63%	5								
I	16	Disaster Mitigation - Rental Hous	TBD	\$5,000	TBD	\$5,000	TBD	\$ 5,000	\$0	\$0	\$0	\$0	0.00%	0								
Subtotal 2 (Non-Home Ownership)		6		4		3		\$780,000	\$340,000	\$25,000	\$1,145,000	28.63%	13									
Administration Fees											\$400,000.00	10.00%										
Admin. From Program Income											\$12,500.00	0.31%										
Home Ownership Counseling											\$0	0.00%										
GRAND TOTAL		21		26		24		\$780,000	\$2,260,000	\$797,500	\$4,250,000	106.26%	71									
Percentage Construction/Rehab											Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.		76%									
Maximum Allowable											New		\$239,860		Existing		\$239,860					
Purchase Price:											New		\$239,860		Existing		\$239,860					
Allocation Breakdown											Amount		%		Projected Program Income:		\$250,000.00		Max Amount Program Income For Adm		\$12,500.00	
Very-Low Income											\$1,310,000.00		32.8%		Projected Recaptured Funds:							
Low Income											\$1,322,500.00		33.1%		Distribution:		\$4,000,000.00					
Moderate Income											\$1,205,000.00		30.1%		Total Available Funds:		\$4,250,000.00					
TOTAL													95.9%									
Owner Occupied Rehabilitation		Home Buyer Down Payment Assistance		Barrier Free and Green Rehabilitation		New Construction/Rehabilitation		Rental Deposit Eviction Protection		Total per Income Level, by Income Level												
VL	\$360,000		\$180,000		\$200,000		\$560,000		\$10,000	\$1,310,000	32.8%											
L	\$480,000		\$352,500		\$200,000		\$280,000		\$10,000	\$1,322,500	33.1%											
M	\$480,000		\$240,000		\$200,000		\$280,000		\$5,000	\$1,205,000	30.1%											
	\$1,320,000		\$772,500		\$600,000		\$1,120,000		\$25,000		95.9%											
75% Construction requirement:								\$3,000,000.00														
65% Home Ownership requirement:								\$2,692,500														
								\$3,040,000		76.0%												
										\$2,692,500				67.31%								

**EXHIBIT D**  
**SIGNED LHAP CERTIFICATION**

## **CERTIFICATION TO FLORIDA HOUSING FINANCE CORPORATION**

Local Government: Hillsborough County, FL

- (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 within 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.





Exhibit D  
67-37.005(1), F.A.C.  
Effective Date: 10/14

- 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.

Miguel H. Diaz  
Witness

Lesley Miller, Jr.  
Chief Elected Official or designee

\_\_\_\_\_  
Witness

Lesley Miller, Jr., Chairman  
Type Name and Title

February 17, 2016  
Date

**BOARD OF COUNTY COMMISSIONERS  
HILLSBOROUGH COUNTY FLORIDA  
DOCUMENT NO. 16-0198**

ATTEST: Pat Frank,  
Clerk of Circuit Court



Diana M. Frank  
Deputy Clerk

APPROVED BY COUNTY ATTORNEY  
BY [Signature]  
Approved as to Form and Legal Sufficiency

**EXHIBIT E**  
**SIGNED, DATED, WITNESSED OR**  
**ATTESTED ADOPTING RESOLUTION**



RESOLUTION #: R16-027

A RESOLUTION OF THE HILLSBOROUGH COUNTY BOARD OF COUNTY COMMISSION, 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 CHAIRMAN 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.

\*\*\*\*\*

Upon motion by Commissioner Murman, seconded by Commissioner Higginbotham, the following resolution was adopted by a vote of 7 to 0, with \_\_\_\_\_ voting No.

**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;

**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;

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

**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;

**WHEREAS**, as required by *section 420.9075, F.S.* 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

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

PASSED AND ADOPTED THIS 17th DAY OF February, 2016.

STATE OF FLORIDA  
COUNTY OF HILLSBOROUGH

I, PAT FRANK, Clerk of the Circuit Court and Ex Officio Clerk to the Board of County Commissioners of Hillsborough County, Florida, do hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted by the Board at its regular meeting of February 17, 2016, as the same appears of record in Minute Book 477 of the Public Records of Hillsborough County, Florida.

WITNESS, my hand and official seal this 22nd day of February, 2016.

PAT FRANK, CLERK OF CIRCUIT COURT

BY: *Michael H. Dit*  
Deputy Clerk



APPROVED AS TO FORM AND LEGAL  
SUFFICIENCY

BY: *Nancy Y. Takemori*  
Nancy Y. Takemori  
Senior Assistant County Attorney

**EXHIBIT F  
ORDINANCE**

N/A

**EXHIBIT G  
INTERLOCAL AGREEMENT**

N/A

**EXHIBIT H**  
**DOCUMENTS REFERENCED IN PLAN**



## 5.6 FIRST TIME HOME BUYER ASSISTANCE PROGRAM

**SUBJECT:** First Time Homebuyers Assistance Policy for County funded developments

**EFFECTIVE DATE:** April 15, 2016

**PURPOSE OF POLICIES AND PROCEDURES:** To document program policy guidelines and procedures used by the Affordable Housing Services (AHS) staff in the fulfillment of first time homebuyer activities offered by Hillsborough County (County).

### A. GENERAL PROGRAM POLICIES:

#### 1. Objectives/Goals of Assistance:

The First Time Home Buyers (FTHB) Assistance Program provides very low, low and moderate income homebuyers in unincorporated Hillsborough County, Temple Terrace and Plant City with deferred payment loans for down payment and closing costs assistance, hereinafter referred to as "DPA". First mortgage financing is available for eligible homebuyers through local private lending institutions.

#### 2. Funding Sources:

The County began the FTHB Assistance Program in 1992. Funding became available when the State of Florida authorized the State Housing Initiatives Partnership (SHIP) program through the William E. Sadowski Act, giving local communities a dedicated funding source for affordable housing to homebuyer households earning up to 120% Area Median Income (AMI). Funding is also provided through the Federal HOME Investment Partnerships (HOME) program, the Community Development Block Grant (CDBG) program and the Neighborhood Stabilization Program (NSP). HOME funding is restricted to households earning 80% or below the AMI; NSP and SHIP funding is restricted to households earning 120% or below the AMI.

- Community Development Block Grant (CDBG) – 24 CFR Part 570
- HOME Investment Partnership (HOME) – 24 CFR Part 92
- State Housing Initiatives Partnership (SHIP) – Sections 420.9071 - 420.9079 F.S., Chapter 67-37 F.A.C.
- Neighborhood Stabilization Program (NSP 1) – 73 FR 58330 and (NSP 3) – 75 FR 64322
- Private Financing (i.e., Lenders, Mortgage Brokers)

#### 3. Allocation of SHIP funds:

The SHIP statutes require that 30% of all funds received by the County annually be spent on families earning 50% and below the AMI (Very Low-Income), and another 30% of the funds must be expended for families earning 50.01 through 80.00% of AMI (Low-Income). Further, the SHIP statutes state that 65% of all funds that a



local government receives annually must be expended on activities that result in homeownership and 75% of the funds must be expended on activities that involve either new construction or some form of eligible rehabilitation as per Section 420.9075, F.S.

*4. Priority of Assistance:*

Assistance will be on first-come, first-served, first eligible basis (with special needs applicants taking priority) while funds remain available. When the amount of funds available for assistance falls below \$200,000, the Director of the Affordable Housing Services Department may give priority to very-low and low income homebuyer households and limit the amount of assistance provided to higher income homebuyer households. Assistance provided to homebuyer households will be based on the maximum amount allowable by program guidelines. **Per federal law, no funds will be provided to unqualified aliens. Permanent legal status is a requirement to receive assistance.**

*5. Homebuyer Household Responsibility:*

Homebuyer households are responsible for working in good faith and in a responsible, truthful, and timely manner with the AHS. Reasonable deadlines shall be established at each step of the process for the submission of information from the homebuyer. After two written notifications, any refusal or failure to provide information, or any established pattern of untimely submittal of information from the homebuyer shall result in closure of the case file.

*6. Ineligible Activities:*

First Time Homebuyer households shall not receive DPA from the County for the purpose of paying for luxury improvements or upgrades such as stainless steel appliances, granite countertops, upgraded cabinetry or flooring or any other items that are beyond meeting minimum building code requirements in the case of new construction or remodeling conducted as a condition of sale. Under no circumstances are swimming pools allowed. However, with respect to a new construction home, if upgrades are provided as incentives to a first time home buyer to purchase a newly constructed home and the upgrades are provided free of charge with no increase to the base price of that home, then FTHB assistance will be an eligible activity.

*7. Other Federal Requirements:*

With respect to Federal funds, the County will comply with all applicable "Other Federal Requirements" to include but not be limited to Fair Housing and Equal Opportunity, Equal Opportunity Employment, Section 3 Economic Opportunity,

Minority/Women Employment, Conflict of Interest, Debarred Contractors, Environmental Reviews, Flood Insurance, Lead-Based Paint, and Relocation.

## B. SPECIFIC REQUIREMENTS FOR APPLICANT, PROPERTY AND FINANCING:

### 1. Applicant Requirements:

- a. Prospective homebuyer must not have owned a home in the past three (3) years. If a homebuyer is using NSP funds for DPA, they cannot own any property at the time of application.
- b. The FTHB funding is available to homebuyer households earning 120% and below the AMI for unincorporated Hillsborough County including the Cities of Temple Terrace and Plant City. The basis for ranking cases for funding is first-come, first-served, based on income level.
- c. Homebuyer must first be eligible for a Federal Housing Administration (FHA), Veterans Administration (VA) or Conventional first mortgage loan from a private lending institution with a fixed interest rate no higher than one (1) point above the "Fannie Mae 60-Day Rate." **The County provides DPA to fund the gap between what the homebuyer can contribute for a down payment and what the lender will lend. The fixed interest rate will be established when the lender provides the eligible homebuyer with a "locked-in fixed interest-rate" for their proposed first mortgage loan on a "dated final loan commitment document."** The County will compare the homebuyer's locked-in fixed interest rate to the Fannie Mae 60-Day Rate published for the same day to determine if the locked-in rate is within the 1 point range and is acceptable to the AHS for approving DPA funds for that first mortgage. (See 8 (g) for only exception).
- d. All prospective homebuyers must complete a required minimum 8 hour Homebuyers Education program and receive a "Completion Certificate" as outlined in the County's "Homebuyer Education Policy, as amended.
- e. All First Time Homebuyers must read and sign the County's "Loan Subordination Policy Form" indicating that they have read and understand the County's "Loan Subordination Policy."

### 2. Qualifying Income and Assets:

- a. All members of the homebuyer's household must be included in the income calculation, not just the person(s) whose name(s) appear on the loan documents. Minors under the age of 18, do not have their incomes from employment included in the income calculation. Adult students living away from home (over the age of

18) are counted as members of the household in calculating the household's total gross annual income amount used for household eligibility determination. If the student is full-time (12 hours or more per semester), income to be counted is capped at \$480 annually. If the student is part-time (less than 12 hours per semester), all of the student's income must be counted. If the head of household is a student, the full amount of his/her income must be counted. If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household and including income attributable to that person as household income or specifying that the person is no longer a member of the household.

- b. Annual Income is defined as the gross amount of income for all adult homebuyer household members (excluding employment of minors under the age of 18) that is anticipated to be received during the upcoming 12 month period. Income information must be provided by the homebuyer for each adult member in their household. The information must be verified and must be included in the County's files to document for each homebuyer household's income eligibility.

**The lender shall calculate and verify homebuyer's (only the individuals signing the first and second mortgage documents) gross annual anticipated income using the format described in the "SHIP Program Manual," as amended, which follows "HUD Handbook 4350.3." Lenders or non-profits, should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. The exception to this rule is when documentation is provided that current circumstances are about to change. The County will calculate and verify the gross anticipated income of the remaining household members and check and approve the income calculations and verifications performed by the lender on the homebuyers who will sign the mortgage documents and, if the gross annual household income amount is below the income limits for the number of individuals in that household, certify the household to be income eligible.**

- c. The County requires third party verification of income and assets as mandated by the U.S. Department of Housing and Urban Development and the Florida Housing Finance Corporation. Deviations are not allowed. Using stated income is not allowed. Every income and asset source for every adult 18 years or older living in the household must be verified by a third party source. First, however, income and assets need to be identified. All of the third party verifications received must not be dated more than 120 days from the beginning of the verification process. Verifications are only good for 120 days. Once the County issues an "Eligibility Award Letter" it stops the clock on the timing of the verification process.
- d. Homebuyers cannot have liquid assets exceeding \$20,000 except for amounts invested in financial instruments exclusively designated as a retirement account such as an IRA or 401K at the time of application.
- e. Types of Income to Count:



- e-1. All wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services (before any payroll deductions).
- e-2. Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income; however, an allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family, and the last two years of the business tax form.
- e-3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness cannot be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (e-2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD (currently, that is 2%).
- e-4. All gross periodic payments received from Social Security, SSI, welfare, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment (except Social Security).
- e-5. Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay (but see paragraph (f-2) under Income Exclusions).
- e-6. Periodic and determined allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling. Alimony and child support amounts awarded as part of a divorce or separation agreement are included as income unless the homebuyer (1) certifies that the income is not being provided, and (2) takes all reasonable legal actions to collect amounts due such as filing with the Child Support Enforcement Office, State of Florida, Department of Revenue.
- e-7. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other person whose dependents are residing in the unit (see paragraph e-6 under Income Inclusions).

f. Types of Income to be Excluded:

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- f-1. Employment income of minors, including foster children (age 17 and under) is not included. However, unearned income attributable to a minor (e.g., child support, AFDC payments, and other benefits paid on behalf of a minor) must be included.
  - f-2. Lump-sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (see paragraph e-5. of Inclusions). **Excessive irregular deposits will be counted as income and be projected forward.** Homebuyer's household will be required to provide receipts or other forms of evidence to substantiate unexplained deposits that may total up to over \$1,000. If no receipts or other forms of evidence are provided to substantiate unexplained deposits, then the unexplained deposits will be treated as income when determining the homebuyer's household eligibility for assistance.
  - f-3. If a household includes a paid live-in aide (whether paid by the family or a social service program), the income of the live-in aide, regardless of its source, is not counted. A related person can never be considered a live-in aid;
  - f-4. Foster children are not counted as family members when determining family size to compare with the Income Limits. Thus, the income a household receives for the care of foster children is not included.
  - f-5. In general terms, an asset is a cash or non-cash item that can be converted to cash. (Note: It is income earned - e.g. interest on a savings account-not the asset value that is counted in Annual Income). As with other types of income, the income included in Annual Income is the income that is anticipated to be received from the asset during the coming 12 months.
  - f-6. For most assets, calculating income from the assets is straight forward. Special rules have, however, been established to address situations in which the asset produces little or no income. This rule assumes that a household with assets has increased payment ability, even if its assets do not currently produce income. (For example, a household that owns land that is not rented or otherwise used to produce income). Rather than require the household to dispose of the property, the rule requires that the "imputed" income be calculated based on a Passbook Rate that is established periodically by HUD which is currently 2%).
3. *Credit:*
- a. Sufficient income and good credit are essential in order for an homebuyer to qualify for a mortgage loan.

- b. Homebuyers who have had a recent bankruptcy or currently have substantial debt and/or poor credit history, may be denied a DPA loan. If this occurs, homebuyers are encouraged to attend financial counseling. Borrower(s) must be at least two (2) years past the Discharge Date of any bankruptcy.
- c. Homebuyers cannot have any outstanding judgments or liens.

#### 4. *Property Eligibility*

- a. The following types of housing units are eligible for the FTHB Program:
  - Single-Family Residences
  - Condominium units
  - Townhouses
  - Villas & Zero-Lot Line
  - Modular & Manufactured homes (bearing a Florida Department of Community Affairs DCA approved insignia and meeting all requirements of Chapter 553, Florida Statutes) Owner-occupied
- b. All property to be purchased by potential homebuyers must meet the County's Property Maintenance (PMC) and Section 8 Housing Quality Standards (HQS). All homes must be inspected by an AHS inspector at no charge.
- c. Must be located within the unincorporated boundaries of Hillsborough County or within the municipal boundaries of the cities of Temple Terrace or Plant City.
- d. All prospective properties to be purchased must be vacant or occupied by the owner. No tenant can occupy the property at the time the contract is signed. The County cannot provide DPA to eligible homebuyers to purchase properties that are currently occupied by tenants who may be displaced/required to vacate the property so that the sale can be finalized.
- e. If the home was built prior to 1978 has evidence of peeling, chipping or chalking paint on surfaces exceeding two (2) square feet or more than 10% of a component, and is to be assisted with HOME, NSP or CDBG funds, it will need to be tested for lead-based paint. If lead based paint is found to be present, Lead Based Paint Notices must be provided to the purchaser and the "Disclosure of information on Lead-Based Paint and/or Lead Based Paint Hazards" must be signed by both the buyer and seller. Next, the severity of the lead based paint must be determined and what protocols are needed to address the lead implemented. The Visual Assessment Course Certificate must be submitted with the (Form 52580-A) when there is evidence of deteriorating paint surfaces. The County will pay for any required lead-based paint inspections. The seller will be responsible for bringing the unit into compliance with lead based paint hazards when they have been determined to exist before any assistance can be provided to a first time homebuyer household.



- f. All homes will require an Environmental Review by AHS, when applicable at no charge.
- g. All homeowners with homes located in a designated flood zone must obtain and maintain a flood insurance policy for the term of the loan, when applicable.
5. *Property Inspections / Warranty Packages*
- a. All homes that are being purchased in conjunction with receiving FTHB assistance must be inspected by AHS inspectors to be sure that they meet HQS and the County's PMC. The AHS Inspector will complete the HUD Section 8 Inspection Checklist (Form # : HUD-52580-A). This inspection is solely for AHS to meet the program requirements of the FTHB program; it is not an inspection for the buyer or lender. Homebuyers, at their own expense and in conjunction with the lender, are encouraged to utilize a home inspection service as a condition of the sale of the property. **The use of this inspection is only for AHS's program administration.**
- b. New construction homes must have received a Certificate of Occupancy (CO) before the County can provide DPA funds. If the sale of the home occurs within 90 days of CO, the inspection requirement in (a.) above by AHS inspectors will not be required
- c. New home contractor must provide a Warranty Package (with warranty length periods clearly defined and identified) to borrowers at or before closing. **Contractors are responsible to warrant their work for one year from loan closing not date of CO; time periods for manufactured materials are based on warranties provided.**
6. *Period of Affordability and Recapture:*
- a. The length of time the homeowner must live in their dwelling to fulfill the affordability requirements will vary in length and shall correspond to the amount of assistance received. The time lengths required are as follows:

Assistance Received:	Affordability Periods:
<\$15,000	5 years
\$15,000 up to \$40,000	10 years
>\$40,000	15 years
New Construction	20 years

The County will forgive an equal portion of the first time home buyer loan for each full year the homeowner maintains their residence during the period of affordability. The portion of the loan forgiven shall correspond to the length of time the homeowner

occupies the home after the loan is made in relation to the period of affordability (that is, if the affordability period for the loan is 5 years, for every full year the homeowner lives in the home, 1/5<sup>th</sup> or 20% of the loan is forgiven; accordingly, if the affordability period for the loan is 10 years, for every full year the homeowner lives in the home, 1/10<sup>th</sup> or 10% of the loan is forgiven; if the affordability period for the loan is 15 years, for every year the homeowner lives in the home, 1/15<sup>th</sup> or 6.67% of the loan is forgiven); and finally, if the affordability period for the loan is 20 years, for every full year the homeowner lives in the home, 1/20<sup>th</sup> or 5% of the loan is forgiven.

If the property is sold prior to the end of the period of affordability, the amount subject to recapture will be based on the time the homeowner has occupied the home and the unamortized amount of the loan. **The provision in this policy to forgive portions of the first time home buyer loans over the period of affordability is retroactively applicable to all open first time home buyer loans made prior to the effective date of this policy that have no changes in ownership and all first time home buyer loans made after the effective date of this policy.**

7. *Loan Forgiveness Terms Due to Hardship Circumstances:*

- a. As a result of a hardship circumstance, if the property is sold and **insufficient equity exists from the sale** of the property to satisfy the loan, the County will be limited to only recapturing that which is available from net proceeds regardless of the funding sources used in the provision of first time home buyer assistance. The type of hardship situation resulting in a sale includes but is not limited to a **judicial sale/foreclosure, deed in lieu to a superior mortgagee or a short sale**. Documentation to support the hardship circumstance (court order/judgment, lender notification/request, final HUD-1) will be required in order to use this provision.

If a first time home buyer loan was modified to include delinquent property tax payments, delinquent mortgage payments, or any other payment made by the County on the behalf of the homeowner to protect the County's investment made in that homeowner's property to avoid a tax foreclosure sale or other foreclosure then, this provision limiting the County to only recapturing that which is available from net proceeds is not applicable to that amount added.

The distribution of net proceeds will first be applied to pay off the first position mortgage; then applied to pay off the homebuyer's initial investment costs and any improvements costs to the property; then the County's second mortgage for DPA assistance provided; and finally, provide the homeowner with any equity he/she has appreciated/earned in the property. The County will not share in any excess proceeds. **The provision in this policy limiting the County to only recapturing that which is available from net proceeds is retroactively applicable to all open first time home buyer loans made prior to the effective date of this policy that have no changes in ownership and all first time home buyer loans made after the effective date of this policy.**



- b. If the property is sold and **sufficient equity exists from the sale of the property to satisfy the loan, the County will use the recapture option and loan forgiveness terms described above and will not share in any excess proceeds** (that is, excess proceeds will be paid to the homeowner). The amount subject to recapture will be limited to what is available from net proceeds.
  - c. The recaptured funds may be used for any HOME eligible activity without the requirement of matching funds. Regarding recaptured SHIP, CDBG and NSP funds, they may be used for any eligible activity respective to their original source of funding.
8. *Maximum Subsidy Limit for DPA Homebuyer Assistance Projects:*
- a. The maximum subsidy limit for assistance provided to an eligible homebuyer to purchase a housing unit must be below HUD limits established for the HOME program for the County 24 CFR 92.250.
  - b. In determining the amount of the DPA loan, the lender or non-profit must determine the homebuyer's maximum down payment amount that the homebuyer can comfortably put towards a down payment (at least the minimum required), and the maximum amount that the lender will lend. The amount of the DPA loan is strictly based upon need.
  - c. DPA provided to eligible First Time Home Buyers (FTHB) is based on need and the maximum amount loaned may not exceed \$40,000 for very low income; not exceed \$35,000 for low income; and not exceed \$25,000 for moderate income homebuyers using HOME or SHIP funds. In determining the amount of DPA that can be loaned to the eligible FTHB, **"project related soft costs"** will be not be included as part of the loan because these costs may be **"granted"** to the homebuyer's project. Project related soft costs include but are not limited to lead based paint hazard testing costs, environmental review costs, title policy costs and document recording costs. Granted project related soft costs are eligible costs that may be charged to a homebuyer's project and may, in some instances, be over and above the total maximum amount loaned to that homebuyer. In no event shall the total assistance provided, whether through the provision of a loan, a grant or combination thereof, exceed the established HUD limits or SHIP maximum subsidy limits as applicable.
  - d. If a housing project involves multiple sources of funding to acquire, rehabilitate and provide **Homebuyer Assistance** to a homebuyer to purchase a home then, the maximum amount of Homebuyer Assistance that can be provided to that homebuyer is \$65,000. Furthermore, if the Homebuyer Assistance provided in a multiple source project was initially funded with NSP funds, secured with a NSP mortgage and note and subsequently modified to be funded by another funding source then, **all the terms and provisions stated in that initial NSP mortgage and promissory note will remain the same and be reflected in the modified multiple source mortgage and promissory note including the provisions for loan forgiveness and equity sharing in order to maintain the original loan terms and remain in compliance with the NSP Management Plan.**

- e. If NSP funds are used alone as **Homebuyer Assistance** to purchase a home, the maximum amount loan may not exceed \$65,000 or 50% of the sales price of the home, whichever is less. Households receiving NSP Homebuyer Assistance do not have to be first time homebuyers; however they must occupy the property as a principal place of residency.
- f. Developments that are partially funded with NSP resources do not have to be sold to first time homebuyers; however the project developer will market to the best of their ability to first time homebuyers. Any NSP property will have to be the principal residence of the buyer(s).
- g. Bond funded down payment assistance used in conjunction with NSP funded projects: The only instance bond funded down payment assistance will be acceptable with Hillsborough County down payment assistance is when the home is wholly or partially funded with NSP funding.

Bond backed down payment assistance must:

- Be for a term of 5 years or less
- Be forgiven over the loan term on a prorated annual basis
- Provide an interest rate on the first mortgage no higher than 1.5% over the Fannie Mae 60 day rate at the time of application
- **This specific circumstance is the only situation where Hillsborough County will accept being in a position other than second place in a funding transaction for down payment assistance.**

9. *Additional DPA for Certain Professionals*

- An additional \$5,000 in DPA funds may be awarded to a state certified teacher, state certified nurse, state certified firefighter, state certified law enforcement officer, active military or veteran if that homebuyer household needs it. All members of the household must be included in the income calculation, not just the household member(s) who will sign the mortgage documents.

10. *Specific Underwriting Criteria for DPA Loans (Lender / Non-Profit Requirements):*

- a. **Each lending institution or non-profit organization participating in the First Time Homebuyer DPA Program will be limited to submitting no more than 3 applications per week during each reservation/commitment cycle. Date-and-time stamping of homebuyer packages shall be utilized by the AHS to establish priority of available assistance funding. Each lending institution will have three attempts to get the application process correct. If at the end of the third submission the lender is still unable to submit a complete and accurate application they will be withdrawn as a certified lender. They will be required to attend another workshop when offered and then be able to submit applications again.**

- b. Each lending institution or non-profit organization must ensure that homebuyer homebuyers meet the following underwriting requirements:
- b-1. **Principal, Interest Taxes and Insurance (PITI) cannot be less than 23% of the homebuyer's gross monthly household income.** If it is less than 23%, then the amount of DPA will be reduced to an amount whereby the PITI is equal to or exceeds 23%. This minimum percentage will be maintained by the lender or non-profit organization that is working with the homebuyer applicant. Should NSP funding be used as the DPA assistance provided to the eligible homebuyer applicant, a maximum of \$8,000 in buyer paid closing costs and pre-pays can be charged to this grant.
  - b-2. Homebuyer applicants are required to obtain a first mortgage with a **maximum housing expense or front-end ratio not to exceed thirty-three percent (33%) and total debt or back-end ratio not to exceed forty-five percent (45%).** Desk-top underwriting calculations beyond these ratios shall not be considered.
  - b-3. The lender shall assure that the **Combined Loan-to-Value (CLTV) ratio for DPA does not exceed 105% of the home's appraised value.** If the homebuyer applicant receives the additional subsidy, due to being a state certified teacher, state certified nurse, certified firefighter, or a state certified law enforcement officer and/or, if the home is in one of the County's CDBG Targeted Areas (as described above in the "Additional DPA for Certain Professionals Section"), the additional amount of DPA shall be included in the DPA loan.
  - b-4. **The County will not provide assistance when more than 2% of the sales price is being charged to the homebuyer applicant in combined lender fees for such things as, loan discounts, origination fees, and for interest rate buy-downs (only the buy-down amount necessary to qualify a borrower). Homebuyer applicants are only allowed to pay maximum of one-half of a percent (1/2%) of the sales price on any lender fees "Paid Outside of Closing" (POC). Yield spread premiums and similar fees are not allowed.**
  - b-5. **All closing costs fees must be reasonable as per industry standards. Fees that are excessive will not be allowed. Excessive fees are those which are above the industry standard for a first mortgage financing.**
  - b-6. If the homebuyer applicant is building on land they own, the equity in the land can be used as the minimum investment. Builder or seller contributions are eligible to be used towards down payment.
- c. Homebuyer applicants must contribute some of their own funds into the purchase of the home. The amount they are required to put down is based on the following:

➤ 0 – 50% AMI - \$500 minimum to include prepaids



- 51 – 80% AMI – \$1,000 minimum to include prepaids
- 81 – 120% AMI – 2% of purchase price, or a maximum of \$2,000, to include prepaids

This amount can be cash from the homebuyer applicant or a gift from a family member. The County may waive the minimum homebuyer applicant's contribution for certain types of mortgages, such as those provided through the Veterans Administration.

- d. Homebuyer applicants qualifying and participating in the USDA Sweat Equity Program utilize their completion of the program as the *"Borrower's Cash Contribution."*
- e. **Homebuyer applicants should make any real estate contract they enter into "contingent upon obtaining DPA funds."** This will protect the homebuyer in the event that they are not approved for County DPA funds, or if the County funds are not available.
- f. **DPA shall not exceed 50% of the purchase price of the home.**
- g. **DPA shall not be provided for cases in which the selling price is greater than the appraised value of the house.**
- h. With written authorization from the County, First Time Homebuyers will be allowed to change authorized lenders if the originally authorized lender cannot provide the loan through no fault of their own.

*11. Maximum Sales/Purchase Price and Maximum Property Value:*

In the case of acquisition only, the value of any homebuyer/homeowner-occupied property may not exceed the current maximum allowable value as established by HUD 24 CFR 92.254 (a)(2)(iii) for the HOME program. If rehabilitation is required, the value of the property after rehabilitation may not exceed the current maximum allowable value established by HUD for the HOME program. The after-rehabilitation value estimate should be completed prior to investment of HOME funds. Acceptable methods for determining the after-rehabilitation value for a HOME-assisted property include:

- a. An appraisal performed by a licensed fee appraiser or a staff appraiser of Hillsborough County; or
- b. Zillow website search for comparable home values in that neighborhood.

The project file must document the appraised value and the appraisal approach used.

*12. Loans Terms:*

- a. **The County's DPA funds are provided at 0% interest rate and are typically deferred payment loans to homeowners for a term not to exceed 20 years.**

- b. **DPA funding will only cover down payment and closing costs.**
- c. Homeowner must carry full hazard insurance on the property as well as flood insurance (if required). The County must be listed as a loss payee on these policies.
- d. The County will allow the first mortgage that is provided by the lender to have a term of forty (40) years as long as the interest rate is a fixed. Borrowers shall assure that their loan is a fixed rate mortgage. Borrowers must be able to obtain a first mortgage that conforms to the underwriting criteria in these policies. **Adjustable Rate Mortgages (ARMs), interest only loans and balloon payment type loans are not permitted.**
- e. All homes assisted must be Homestead Properties. All household members listed on the County's mortgage document(s) must be residents.
- f. There shall be no prepayment penalty on any County DPA loan. Borrowers may pay off all or any portion of the outstanding principal balance at anytime.
- g. If the homebuyer converts the home to a rental unit, transfers title, vacates the home, or if the home is refinanced for cash out or a home improvement loan is acquired, then the DPA loan amount must be repaid in full in accordance with the recapture provisions should there be time remaining on the period of affordability for the DPA assistance and other assistance provided to the homebuyer.

In the event of the homebuyer's death, terms of the Mortgage and Note may be assigned or transferred only to an income eligible heir(s) of the property to be used as their primary residence. If there are no income eligible heir(s), the loan must be repaid in accordance with Section B 6 or B 7 of this policy. If the income eligible heirs assumes the mortgage and note and then later decides to sell, rent, refinance (with cash out), or transfer title to the property, they will be required to pay-off any outstanding balance at the time. At the option of the County, the loan may be renegotiated.

### *13. Conditions for Default of Loan:*

- a. Where federal HOME funds are to be used, or when HOME and SHIP funds are used together for DPA, the following requirements must be met or the loan will be declared to be in default with the terms for the loan:
  - The DPA loan will be declared to be in default and must be repaid if homeowner rents out, refinances, sells, or transfers the title of the house prior to the termination of the affordability requirement and/or if the home is no longer the primary/principal residence and time remains on the period of affordability that was established when the loan was made.

### C. PROCEDURES FOR HOMEBUYER APPLICANTS, LENDERS AND NON-PROFITS:

1. Homebuyer applicants shall follow the following steps for receiving FTHB assistance:
  - a. Meet criteria for the First Time Homebuyer Program
  - b. Enroll and complete a Homebuyer Education Course and obtain a *Completion Certificate*
  - c. Pre-qualify with one of Hillsborough County's Certified lenders under the FTHB Guidelines
  - d. Assure that lender or non-profit submits a "*Request for Loan Commitment Form,*" "*Household Income and Asset Certification Form,*" "*Third Party Verification of Employment Form,*" "*Third Party Verification of Asset Income Form,*" "*Borrower's Authorization to Release Information Form,*" and "*Income Documents (current paystubs, Social Security Award Letter, Child Support Court Order, etc.)*" to the County to reserve DPA funds.
  - e. The County will issue a "*Preliminary Eligibility Award Letter*" (i.e., "Loan Commitment") to the lender or non-profit, with the amount of DPA funds needed to fund the gap between what the eligible homebuyer can put towards a down payment and what the lender will lend up to the limits established within these policies with respect to the eligible homebuyer's household income, source of funding for DPA funds provided, HUD's maximum HOME subsidy limits 24 CFR 92.250, and whether that borrower is a state certified teacher, nurse, fire fighter or law enforcement officer.
  - f. Homebuyer enters into Purchase Contract for home.
  - g. Assure that the County has a Housing Inspection, if resale (see B. 5. Property Inspections on page 8).
  - h. Assure that a complete Loan Package is submitted to the County for assistance; amount of assistance is based on policies established in this document, program regulations and funds availability. (File is also reviewed for proper documentation and eligibility).
  - i. County issues an "Eligibility Award" letter and request a check.
  - j. Loan goes to closing.
2. Lenders/Non-Profits shall follow these steps for reserving FTHB assistance for clients:
  - a. First, obtain a "*Preliminary Eligibility Award Letter*" to reserve the funds. The County will specify at the beginning of the commitment period the amount of funding



available and for what income categories. A representative of the lender or non-profit delivers the following forms-in person and completed to the County:

- "Request for Loan Commitment From"
- "Household Income and Asset Certification From"
- "Third Party Verification(s) of Employment"
- "Third Party Verification(s) of Assets Income"
- "All appropriate income documentation"
- "Borrowers Authorization"
- "Application for Housing Assistance"

Eligible homebuyers' packages date-and time-stamped by the AHS containing the information above comprises the order in which their packages will be considered. Eligible packages will be processed until all funds for a particular funding cycle are depleted. Limits on submittals and ranking by first-come first-served are intended to establish equity in funds distribution to meet the high demand on this program.

**If the documentation/forms submitted are missing any information and/or are incomplete, the Lender/Non-Profit will have five (5) business days from the date the County informs them of the missing/incomplete information to provide the documentation to the County.** Failure to do so will result in the commitment being withdrawn and the Lender/Non-Profit will have to reapply for funding. The County will provide notification in writing to the lender/nonprofit listing any information and/or documentation that is needed.

A "Preliminary Eligibility Award Letter" will be issued when the County determines, based on the documentation that has been submitted from the lender or non-profit, that the homebuyer(s) (only those household members signing the first and second mortgage documents) is/are income eligible and submits income information for all members in the household to the County and the County subsequently examines and verifies all household members income and determines that collectively, the household is income eligible, and sufficient funds exist to commit to the household in DPA assistance. The lender or non-profit will only initially determine income eligibility for only those household members signing the first and second mortgage. The County will subsequently examine and verify the gross anticipated income of all members of the household and re-check and approve the income calculations and verifications performed by the lender on the household members who will sign the mortgage documents. If the household meet all income eligibility criteria, the County will certify the household to be income eligible.

The County's goal is to fax the lender or non-profit a "Preliminary Eligibility Award" letter within five (5) business days of receipt of the required documentation.

The County will allow a homebuyer applicant to change lenders after they have obtained a "Preliminary Eligibility Award Letter", The homebuyer applicant still has to meet all of the applicable FTHB Guidelines and use a certified lender.

The "*Preliminary Eligibility Award Letter*" expires after sixty (60) days. Loans must close within the Commitment Period. The Commitment Period may be extended only in the following circumstances and only with a written request received by AHS before the expiration of the Commitment Period:

- The lender is no longer in business;
  - The lender has moved local operations out of state; or
  - New construction delays that impact home completion through no fault of the borrower, as established with detailed explanations by the builder.
  - Irreconcilable differences with loan officer or organization
- b. Second, homebuyer completes a sales contract. Upon County issuance of a loan commitment via a "Preliminary Eligibility Award" letter, homebuyer may select a home and complete a sales contract, if one has not been selected already. The executed sales contract is submitted, along with a good faith estimate, to the County for inclusion in the loan document package.
- c. Third, within 30 days of receipt of the "*Preliminary Eligibility Award Letter*", deliver the borrower's completed "*Application Package*" to the County for approval (a FAX copy will not be accepted). To assist in preparing a complete "*Application Package*", the submittal shall include a completed "*County File Checklist*". Failure to submit a complete file within 30 days of the "*Preliminary Eligibility Award Letter*" will result in the loan package being returned to the lender/non-profit. The "County File Checklist" was established to aid in summarizing the loan package and for reporting. All the forms used in the program are on the checklist as a double check for the lender or non-profit. Some key areas on the form are:
- Homebuyer/Purchase Rehab Boxes - The Purchase/Rehab box should ONLY be marked if the County is funding the repairs, or if the home has had documented/eligible rehab within twelve (12) months prior to closing.
  - Appraisal Value - This is the value of the property, not the cost of the appraisal.
  - Borrower contribution - This must be at least the amount required by the Minimum Investment Box.

Prior to the expiration of the original 30-day Application Submittal period, a lender may provide a request for an **extension of thirty (30) days** on the period in which a complete loan package must be submitted to the County. Requests for extensions, which must be in writing, will not be accepted after the original 30-day Application Submittal period has expired. The Lender must provide an explanation for the extension and receive written approval from the County. If an extension is granted, a complete loan package is required to be submitted to the County within sixty (60) days from the issuance of a "*Preliminary Eligibility Award Letter*" and the borrower will have a **total of ninety (90) days**, from the date of Preliminary Approval to close on a home. **Absolutely no extensions will be granted beyond the ninety (90) days.**



**Appraisal:** Only an appraisal from a licensed, certified appraiser may be used. Appraisals from licensed, certified appraisers will be valid for a period of 120 days from the effective date of the appraisal. Valuations by real estate professionals or lending institutions are not allowed.

**Credit Reports:** Include the latest credit report in the package. Credit reports are required on both spouses, where only one is required for lender financing. For separated spouses, the County will permit just one spouse to sign the County's loan documents, but will need an affidavit from the estranged spouse stating that home to be purchased is not their homestead. If an affidavit is not possible to be obtained, then both spouses will need to sign the County's loan documents.

- d. Denied Applications: Lenders or non-profits will be provided written confirmation from the County when applications are denied.
  - e. Fourth, schedule closing. The borrower must close on their home within the sixty (60) day period of the "Preliminary Eligibility Award Letter". Exceptions to the sixty (60) day term will be granted when a new home is being constructed, but the term of the Preliminary Eligibility Award Letter shall not exceed six (6) months. In the event of a man-made, natural or state/federal declared disaster that delays a loan closing and/or new home construction, the County, at its option, may grant an extension on the term of the Preliminary Eligibility Award Letter.
  - f. DPA funds will only be dispersed once the County approves the loan. Upon review of the completed client loan file, the County will issue an "Eligibility Award Letter".
  - g. The homebuyer or homebuyer's real estate agent should not be permitted to call the County. The County will only confer with the lender or nonprofit.
3. Verifying Income and Assets:

Lenders or Non-profits must also complete and sign the Florida Housing Finance Corporation (FHFC) - "Income Certification Form" for the homebuyers who sign the first and second mortgage documents. The homebuyer must sign and date the FHFC Income Certification form and the form cannot be dated earlier than the date on the last 3<sup>rd</sup> Party Verification form received. The County will verify the income and assets for the remaining household members and check and approve the income and assets calculations and verifications performed by the lender or non-profit on the homebuyers who will sign the mortgage documents.

a. Employment Income:

Employment verification form completed by the employer or statement from employer on company letterhead; and if employment verification is unavailable, 30-day period of pay stubs, showing employee's name, gross pay per pay period.

b. Self-Employment Income:

- Accountant's or bookkeeper's statement of net income; or Audited or unaudited financial statement(s) of the business; all documents must be certified and notarized by preparer.
  - A notarized statement from the homebuyer giving the anticipated income for the 12 months following certification.
  - Source documents such as wage statements, interest statements, unemployment compensation statements, bank statements, etc. (Last years' tax return may be used to provide support to these source documents).
- c. Social Security, Pensions, Supplemental Security Income (SSI), Disability Income:
- A benefit verification form completed by the agency providing the benefits (this must be less than 4 months old); or
  - An award or benefit notification letter prepared and signed by the authorizing agency.
- d. Unemployment Compensation:
- A verification form completed by the unemployment compensation agency; or
  - Records from the unemployment office stating payment dates and amounts.
- e. Alimony or Child Support Payments:
- Required documents include; a separation or settlement agreement or a divorce decree stating the amount and type of support payment schedule. If the document is not within the 90-day time frame, a notarized statement from the applicant stating current income; or,
- A notarized letter from the person paying support; if not a court order; or,
  - A printout from the court or governmental agency through which payments are being made.
- f. Recurring Contributions and Gains:
- Notarized statement or affidavit signed by the person providing the assistance giving the purpose, dates, and value of the gifts; or
  - A letter from a bank, attorney, or a trustee providing required verification.
- g. Unemployed Applicants:

- The income of unemployed applicants with regular income from any source, such as Social Security, pension, recurring gifts, etc., must be verified as covered previously.

APPROVED BY:

  
\_\_\_\_\_  
Paula Harvey, AICP  
Director, Affordable Housing Services

  
Date

### 5.6.1 FIRST TIME HOME BUYER ASSISTANCE PROGRAM

SUBJECT: First Time Homebuyers Assistance Policy for SHIP Funding

EFFECTIVE DATE: April 15, 2016

**PURPOSE OF POLICIES AND PROCEDURES:** To document program policy guidelines and procedures used by the Affordable Housing Services (AHS) staff in the fulfillment of first time homebuyer activities offered by Hillsborough County (County).

#### A. GENERAL PROGRAM POLICIES:

##### 1. Objectives/Goals of Assistance:

The First Time Home Buyers (FTHB) Assistance Program provides very low, low and moderate income homebuyers in unincorporated Hillsborough County, Temple Terrace and Plant City with deferred payment loans for down payment and closing costs assistance, hereinafter referred to as "DPA". First mortgage financing is available for eligible homebuyers through local private lending institutions.

##### 2. Funding Sources:

The County began the FTHB Assistance Program in 1992. Funding became available when the State of Florida authorized the State Housing Initiatives Partnership (SHIP) program through the William E. Sadowski Act, giving local communities a dedicated funding source for affordable housing to homebuyer households earning up to 120% Area Median Income (AMI). SHIP funding is restricted to households earning 120% or below the AMI.

- Statutes and regulations implementing the State Housing Initiatives Partnership (SHIP) are located at Sections 420.9071 - 420.9079 F.S., and Chapter 67-37 F.A.C.

##### 3. Allocation of SHIP funds:

The SHIP statutes require that 30% of all funds received by the County annually be spent on families earning 50% and below the AMI (Very Low-Income), and another 30% of the funds must be expended for families earning 50.01 through 80.00% of AMI (Low-Income). Further, the SHIP statutes state that 65% of all funds that a local government receives annually must be expended on activities that result in homeownership and 75% of the funds must be expended on activities that involve either new construction or some form of eligible rehabilitation as per Section 420.9075, F.S. Certain State legislative appropriations of SHIP funds contain additional use requirements.

#### 4. *Priority of Assistance:*

Assistance will be on first-come, first-served, first eligible basis) while funds remain available. When the amount of funds available for assistance falls below \$200,000, the Director of the Affordable Housing Services Department may give priority to very-low and low income homebuyer households and limit the amount of assistance provided to higher income homebuyer households. Assistance provided to homebuyer households will not exceed the maximum amount allowable in this Policy. **No funds will be provided to unqualified aliens. Permanent legal status is a requirement to receive assistance.**

#### 5. *Homebuyer Household Responsibility:*

Homebuyer households are responsible for working in good faith and in a responsible, truthful, and timely manner with the AHS. Reasonable deadlines shall be established at each step of the process for the submission of information from the homebuyer. After two written notifications, any refusal or failure to provide information, or any established pattern of untimely submittal of information from the homebuyer shall result in closure of the case file.

#### 6. *Ineligible Activities:*

First Time Homebuyer households shall not receive DPA from the County for the purpose of paying for luxury improvements or upgrades such as stainless steel appliances, granite countertops, upgraded cabinetry or flooring or any other items that are beyond meeting minimum building code requirements in the case of new construction or remodeling conducted as a condition of sale. Under no circumstances are swimming pools allowed. However, with respect to a new construction home, if upgrades are provided as incentives to a first time home buyer to purchase a newly constructed home and the upgrades are provided free of charge with no increase to the base price of that home, then FTHB assistance will be an eligible activity.

#### 7. *Other Federal Requirements:*

The County will comply with all applicable "Other Federal Requirements" to include but not be limited to Fair Housing and Equal Opportunity, Equal Opportunity Employment, Section 3 Economic Opportunity, Minority/Women Employment, Conflict of Interest, Debarred Contractors, Environmental Reviews, Flood Insurance, Lead-Based Paint, and Relocation.



**B. SPECIFIC REQUIREMENTS FOR APPLICANT, PROPERTY AND FINANCING:***1. Applicant Requirements:*

- a. Prospective homebuyer must not have owned a home in the past three (3) years.
- b. The FTHB funding is available to homebuyer households earning 120% and below the AMI for unincorporated Hillsborough County including the Cities of Temple Terrace and Plant City.
- c. Homebuyer must first be eligible for a Federal Housing Administration (FHA), Veterans Administration (VA) or Conventional first mortgage loan from a private lending institution with a fixed interest rate no higher than one (1) point above the "Fannie Mae 60-Day Rate." **The County provides DPA to fund the gap between what the homebuyer can contribute for a down payment and what the lender will lend. The fixed interest rate will be established when the lender provides the eligible homebuyer with a "locked-in fixed interest-rate" for their proposed first mortgage loan on a "dated final loan commitment document."** The County will compare the homebuyer's locked-in fixed interest rate to the Fannie Mae 60-Day Rate published for the same day to determine if the locked-in rate is within the 1 point range and is acceptable to the AHS for approving DPA funds for that first mortgage. **(See 8 (d) for only exception).**
- d. All prospective homebuyers must complete a required minimum 8 hour classroom (no online certificates accepted) Homebuyers Education program and receive a "Completion Certificate" as outlined in the County's "Homebuyer Education Policy, as amended.
- e. All First Time Homebuyers must read and sign the County's "Loan Subordination Policy Form" indicating that they have read and understand the County's "Loan Subordination Policy."

*2. Qualifying Income and Assets:*

- a. All members of the homebuyer's household must be included in the income calculation, not just the person(s) whose name(s) appear on the loan documents. Minors under the age of 18 do not have their incomes from employment included in the income calculation. Adult students living away from home (over the age of 18) are counted as members of the household in calculating the household's total gross annual income amount used for household eligibility determination. If the student is full-time (12 hours or more per semester), income to be counted is capped at \$480 annually. If the student is part-time (less than 12 hours per

semester), all of the student's income must be counted. If the head of household is a student, the full amount of his/her income must be counted. If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household and including income attributable to that person as household income or specifying that the person is no longer a member of the household.

- b. Annual Income is defined as the gross amount of income for all adult homebuyer household members (excluding employment of minors under the age of 18) that is anticipated to be received during the upcoming 12 month period. Income information must be provided by the homebuyer for each adult member in their household. The information must be verified and must be included in the County's files to document for each homebuyer household's income eligibility.

**The lender shall calculate and verify homebuyer's (only the individuals signing the first and second mortgage documents) gross annual anticipated income using the format described in the "SHIP Program Manual," as amended, which follows "HUD Handbook 4350.3."** Lenders or non-profits, should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. The exception to this rule is when documentation is provided that current circumstances are about to change. The County will calculate and verify the gross anticipated income of the remaining household members and check and approve the income calculations and verifications performed by the lender on the homebuyers who will sign the mortgage documents and, if the gross annual household income amount is below the income limits for the number of individuals in that household, certify the household to be income eligible.

- c. The County requires third party verification of income and assets as mandated by the U.S. Department of Housing and Urban Development and the Florida Housing Finance Corporation. Deviations are not allowed. Using stated income is not allowed. Every income and asset source for every adult 18 years or older living in the household must be verified by a third party source. First, however, income and assets need to be identified. All of the third party verifications received must not be dated more than 120 days from the beginning of the verification process. Verifications are only good for 120 days. Once the County issues an "Eligibility Award Letter" it stops the clock on the timing of the verification process.
- d. Homebuyers cannot have liquid assets exceeding \$20,000 except for amounts invested in financial instruments exclusively designated as a retirement account such as an IRA or 401K at the time of application.
- e. Types of Income to Count:
- e-1. All wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services (before any payroll deductions).

- e-2. Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income; however, an allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
- e-3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness cannot be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (e-2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD (at the time of the adoption of this Policy, that is .06%).
- e-4. All gross periodic payments received from Social Security, SSI, welfare, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment (except Social Security).
- e-5. Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay (but see paragraph (f-2) under Income Exclusions).
- e-6. Periodic and determined allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling. Alimony and child support amounts awarded as part of a divorce or separation agreement are included as income unless the homebuyer (1) certifies that the income is not being provided, and (2) takes all reasonable legal actions to collect amounts due such as filing with the Child Support Enforcement Office, State of Florida, Department of Revenue.
- e-7. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other person whose dependents are residing in the unit (see paragraph e-6 under Income Inclusions).

f. Types of Income to be Excluded:

- f-1. Employment income of minors, including foster children (age 17 and under) is not included. However, unearned income attributable to a minor



(e.g., child support, AFDC payments, and other benefits paid on behalf of a minor) must be included.

- f-2. Lump-sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (see paragraph e-5. of Inclusions). **Excessive irregular deposits will be counted as income and be projected forward.** Homebuyer's household will be required to provide receipts or other forms of evidence to substantiate unexplained deposits that may total up to over \$1,000. If no receipts or other forms of evidence are provided to substantiate unexplained deposits, then the unexplained deposits will be treated as income when determining the homebuyer's household eligibility for assistance.
- f-3. If a household includes a paid live-in aide (whether paid by the family or a social service program), the income of the live-in aide, regardless of its source, is not counted. A related person can never be considered a live-in aide;
- f-4. Foster children are not counted as family members when determining family size to compare with the Income Limits. Thus, the income a household receives for the care of foster children is not included.
- f-5. In general terms, an asset is a cash or non-cash item that can be converted to cash. (Note: It is income earned - e.g. interest on a savings account-not the asset value that is counted in Annual Income). As with other types of income, the income included in Annual Income is the income that is anticipated to be received from the asset during the coming 12 months.
- f-6. For most assets, calculating income from the assets is straight forward. Special rules have, however, been established to address situations in which the asset produces little or no income. This rule assumes that a household with assets has increased payment ability, even if its assets do not currently produce income. (For example, a household that owns land that is not rented or otherwise used to produce income). Rather than require the household to dispose of the property, the rule requires that the "imputed" income be calculated based on a Passbook Rate that is established periodically by HUD (24 CFR 5.609 (b)(3); which at the time of the adoption of this Policy is .06%).

### 3. *Credit:*

- a. Sufficient income and good credit are essential in order for a homebuyer to qualify for a mortgage loan.
- b. Homebuyers who have had a recent bankruptcy or currently have substantial debt and/or poor credit history, may be denied a DPA loan. If this occurs, homebuyers are

encouraged to attend financial counseling. Borrower(s) must be at least two (2) years past the Discharge Date of any bankruptcy.

- c. Homebuyers cannot have any outstanding judgments or liens.

4. *Property Eligibility*

- a. The following types of housing units are eligible for the FTHB Program:
- Single-Family Residences
  - Condominium units
  - Townhouses
  - Villas & Zero-Lot Line
  - Modular & Manufactured homes (bearing a Florida Department of Community Affairs DCA approved insignia and meeting all requirements of Chapter 553, Florida Statutes) which are owner-occupied
- b. All property to be purchased by potential homebuyers must meet the County's Property Maintenance (PMC) and Section 8 Housing Quality Standards (HQS). All homes must be inspected by an AHS inspector at no charge. See Section B.5.a. of this Policy regarding limitations on the use of the AHS inspection.
- c. Must be located within the unincorporated boundaries of Hillsborough County or within the municipal boundaries of the cities of Temple Terrace or Plant City.
- d. All prospective properties to be purchased must be vacant or occupied by the owner. No tenant can occupy the property at the time the contract is signed. The County cannot provide DPA to eligible homebuyers to purchase properties that are currently occupied by tenants who may be displaced/required to vacate the property so that the sale can be finalized.
- e. If the home was built prior to 1978 has evidence of peeling, chipping or chalking paint on surfaces exceeding two (2) square feet or more than 10% of a component, and is to be assisted with SHIP funds, it will need to be tested for lead-based paint. If lead based paint is found to be present, Lead Based Paint Notices must be provided to the purchaser and the "Disclosure of information on Lead-Based Paint and/or Lead Based Paint Hazards" must be signed by both the buyer and seller. Next, the severity of the lead based paint must be determined and what protocols are needed to address the lead implemented. The Visual Assessment Course Certificate must be submitted with the (Form 52580-A) when there is evidence of deteriorating paint surfaces. The County will pay for any required lead-based paint inspections. The seller will be responsible for bringing the unit into compliance with lead based paint hazards when they have been determined to exist before any assistance can be provided to a first time homebuyer household.

- f. All homeowners with homes located in a designated flood zone must obtain and maintain a flood insurance policy for the term of the loan, when applicable.

5. *Property Inspections / Warranty Packages*

- a. All homes that are being purchased in conjunction with receiving FTHB assistance must be inspected by AHS inspectors to be sure that they meet HQS and the County's PMC. The AHS Inspector will complete the HUD Section 8 Inspection Checklist (Form #: HUD-52580-A). This inspection is solely for AHS to meet the program requirements of the FTHB program; it is not an inspection for the buyer or lender. Homebuyers, at their own expense and in conjunction with the lender, are encouraged to utilize a home inspection service as a condition of the sale of the property. **The use of this inspection is only for AHS's program administration.**
- b. New construction homes must have received a Certificate of Occupancy (CO) before the County can provide DPA funds. If the sale of the home occurs within 90 days of CO, the inspection requirement in (a.) above by AHS inspectors will not be required.
- c. New home contractors must provide a Warranty Package (with warranty length periods clearly defined and identified) to borrowers at or before closing. **Contractors are responsible to warrant their work for one year from loan closing not date of CO;** time periods for manufactured materials are based on warranties provided.

6. *Period of Affordability and Recapture:*

- a. The length of time the homeowner must live in their dwelling to fulfill the affordability requirements will vary in length and shall correspond to the amount of assistance received. The maximum award is \$14,999. The affordability period required is:

Assistance Received:	Affordability Periods:
<\$15,000	5 years
>\$15,000	10 years

The County will forgive an equal portion of the first time home buyer loan for each full year the homeowner maintains their residence during the period of affordability. The portion of the loan forgiven shall correspond to the length of time the homeowner occupies the home after the loan is made in relation to the period of affordability (that is, if the affordability period for the loan is 5 years, for every full year the homeowner lives in the home, 1/5<sup>th</sup> or 20% of the loan is forgiven).



If the property is sold prior to the end of the period of affordability, the amount subject to recapture will be based on the time the homeowner has occupied the home and the unamortized amount of the loan. **The provision in this policy to forgive portions of the first time home buyer loans over the period of affordability is retroactively applicable to all open first time home buyer loans made prior to the effective date of this policy that have no changes in ownership and all first time home buyer loans made after the effective date of this policy.**

7. *Loan Forgiveness Terms Due to Hardship Circumstances:*

- a. As a result of a hardship circumstance, if the property is sold and **insufficient equity exists from the sale** of the property to satisfy the loan, the County will be limited to only recapturing that which is available from net proceeds regardless of the funding sources used in the provision of first time home buyer assistance. The type of hardship situation resulting in a sale includes but is not limited to a **judicial sale/foreclosure, deed in lieu to a superior mortgagee or a short sale**. Documentation to support the hardship circumstance (court order/judgment, lender notification/request, final TILA disclosure statement) will be required in order to use this provision.

If a first time home buyer loan was modified to include delinquent property tax payments, delinquent mortgage payments, or any other payment made by the County on the behalf of the homeowner to protect the County's investment made in that homeowner's property to avoid a tax foreclosure sale or other foreclosure, this provision limiting the County to only recapturing that which is available from net proceeds is not applicable to that amount added.

The distribution of net proceeds will first be applied to pay off the first position mortgage; then applied to pay off the homebuyer's initial investment costs and any improvements costs to the property; then the County's second mortgage for DPA assistance provided; and finally, provide the homeowner with any equity he/she has appreciated/earned in the property. The County will not share in any excess proceeds. **The provision in this policy limiting the County to only recapturing that which is available from net proceeds is retroactively applicable to all open first time home buyer loans made prior to the effective date of this policy that have no changes in ownership and all first time home buyer loans made after the effective date of this policy.**

- b. If the property is sold and **sufficient equity exists from the sale** of the property to satisfy the loan, the County will use the **recapture option and loan forgiveness terms described above and will not share in any excess proceeds** (that is, excess proceeds will be paid to the homeowner). The amount subject to recapture will be limited to what is available from net proceeds.
- c. Regarding recaptured SHIP funds, they may be used for any eligible activity allowed by their original source of funding.

8. *Maximum Subsidy Limit for DPA Homebuyer Assistance Projects:*

- a. The maximum subsidy limit for assistance provided to an eligible homebuyer to purchase a housing unit must be at or below the limits set forth in the housing delivery goals chart in the Hillsborough County LHAP.
- b. In determining the amount of the DPA loan, the lender or non-profit must determine the homebuyer's maximum down payment amount that the homebuyer can comfortably put towards a down payment (at least the minimum required), and the maximum amount that the lender will lend. The amount of the DPA loan is strictly based upon need.
- c. DPA provided to eligible First Time Home Buyers (FTHB) is based on need and the maximum amount loaned may not exceed \$14,999 for homebuyers using SHIP funds. In determining the amount of DPA that can be loaned to the eligible FTHB, "**project related soft costs**" will be not be included as part of the loan because these costs may be "**granted**" to the homebuyer's project. Project related soft costs include but are not limited to lead based paint hazard testing costs, environmental review costs, title policy costs and document recording costs. Granted project related soft costs are eligible costs that may be charged to a homebuyer's project and may, in some instances, be over and above the total maximum amount loaned to that homebuyer. In no event shall the total assistance provided, whether through the provision of a loan, a grant or combination thereof, exceed the established HUD limits or SHIP maximum subsidy limits as applicable.
- d. The only instance bond funded down payment assistance will be acceptable with Hillsborough County down payment assistance is when the terms below apply:

Bond backed down payment assistance must:

- Be for a term of 5 years or less
- Be forgiven over the loan term on a prorated annual basis
- Provide an interest rate on the first mortgage no higher than 1.5% over the Fannie Mae 60 day rate at the time of application
- **This specific circumstance is the only situation where Hillsborough County will accept being in a position other than second place in a funding transaction for down payment assistance.**

9. *Additional DPA for Certain Professionals*

- An additional \$5,000 in DPA funds may be awarded to a state certified teacher, state certified nurse, state certified firefighter, state certified law enforcement officer, active military or veteran if that homebuyer household needs it. All members of the household must be included in the income calculation, not just the household member(s) who will sign the mortgage documents.



10. *Specific Underwriting Criteria for DPA Loans (Lender / Non-Profit Requirements):*

- a. **Each lending institution or non-profit organization participating in the First Time Homebuyer DPA Program will be limited to submitting no more than 3 applications per week during each reservation/commitment cycle. Date-and-time stamping of homebuyer packages shall be utilized by the AHS to establish priority of available assistance funding. Each lending institution will have three attempts to get the application process correct. If at the end of the third submission the lender is still unable to submit a complete and accurate application they will be withdrawn as a certified lender. They will be required to attend another workshop when offered and then be able to submit applications again.**
- b. Each lending institution or non-profit organization must ensure that homebuyer homebuyers meet the following underwriting requirements:
- b-1. **Principal, Interest Taxes and Insurance (PITI) cannot be less than 23% of the homebuyer's gross monthly household income. If it is less than 23%, then the amount of DPA will be reduced to an amount whereby the PITI is equal to or exceeds 23%. This minimum percentage will be maintained by the lender or non-profit organization that is working with the homebuyer applicant.**
- b-2. **Homebuyer applicants are required to obtain a first mortgage with a maximum housing expense or front-end ratio not to exceed thirty-three percent (33%) and total debt or back-end ratio not to exceed forty-five percent (45%). Desk-top underwriting calculations beyond these ratios shall not be considered.**
- b-3. **The lender shall assure that the Combined Loan-to-Value (CLTV) ratio for DPA does not exceed 105% of the home's appraised value. If the homebuyer applicant receives the additional subsidy, due to being a state certified teacher, state certified nurse, certified firefighter, or a state certified law enforcement officer and/or, if the home is in one of the County's CDBG Targeted Areas (as described above in the "Additional DPA for Certain Professionals Section"), the additional amount of DPA shall be included in the DPA loan.**
- b-4. **The County will not provide assistance when more than 2% of the sales price is being charged to the homebuyer applicant in combined lender fees for such things as, loan discounts, origination fees, and for interest rate buy-downs (only the buy-down amount necessary to qualify a borrower). Homebuyer applicants are only allowed to pay maximum of one-half of a percent (1/2%) of the sales price on any lender fees "Paid Outside of Closing" (POC). Yield spread premiums and similar fees are not allowed.**

b-5. **All closing costs fees must be reasonable as per industry standards. Fees that are excessive will not be allowed. Excessive fees are those which are above the industry standard for a first mortgage financing.**

b-6. If the homebuyer applicant is building on land they own, the equity in the land can be used as the minimum investment. Builder or seller contributions are eligible to be used towards down payment.

c. Homebuyer applicants must contribute some of their own funds into the purchase of the home. **The amount they are required to put down is 1% of the sales price.**

This amount can be cash from the homebuyer applicant or a gift from a family member. The County may waive the minimum homebuyer applicant's contribution for certain types of mortgages, such as those provided through the Veterans Administration based on their requirements.

d. Homebuyer applicants qualifying and participating in the USDA Sweat Equity Program utilize their completion of the program as the *"Borrower's Cash Contribution."*

e. **Homebuyer applicants should make any real estate contract they enter into "contingent upon obtaining DPA funds."** This will protect the homebuyer in the event that they are not approved for County DPA funds, or if the County funds are not available.

f. **DPA shall not exceed 50% of the purchase price of the home.**

g. **DPA shall not be provided for cases in which the selling price is greater than the appraised value of the house.**

h. With written authorization from the County, First Time Homebuyers will be allowed to change authorized lenders if the originally authorized lender cannot provide the loan through no fault of their own.

#### 11. *Maximum Sales/Purchase Price and Maximum Property Value:*

The maximum sale price of a home for this program is \$200,000 and may be accomplished in one of the methods below.

- a. An appraisal performed by a licensed fee appraiser or a staff appraiser of Hillsborough County; or
- b. Zillow website search for comparable home values in that neighborhood.

The project file must document the appraised value and the appraisal approach used.

#### 12. *Loan Terms:*

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April 8, 2016

- a. **The County's DPA funds are provided at 0% interest rate and are typically deferred payment loans to homeowners for a term not to exceed 10 years.**
- b. **DPA funding will only cover down payment and closing costs.**
- c. Homeowner must carry full hazard insurance on the property as well as flood insurance (if required). The County must be listed as a loss payee on these policies.
- d. The County will allow the first mortgage that is provided by the lender to have a term of forty (40) years as long as the interest rate is a fixed. Borrowers shall assure that their loan is a fixed rate mortgage. Borrowers must be able to obtain a first mortgage that conforms to the underwriting criteria in these policies. **Adjustable Rate Mortgages (ARMs), interest only loans and balloon payment type loans are not permitted.**
- e. All homes assisted must be Homestead Properties. All household members listed on the County's mortgage document(s) must be residents.
- f. There shall be no prepayment penalty on any County DPA loan. Borrowers may pay off all or any portion of the outstanding principal balance at anytime.
- g. If the homebuyer converts the home to a rental unit, transfers title, vacates the home, or if the home is refinanced for cash out or a home improvement loan is acquired, then the DPA loan amount must be repaid in full in accordance with the recapture provisions should there be time remaining on the period of affordability for the DPA assistance and other assistance provided to the homebuyer.

In the event of the homebuyer's death, terms of the Mortgage and Note may be assigned or transferred only to an income eligible heir(s) of the property to be used as their primary residence. If there are no income eligible heir(s), the loan must be repaid in accordance with Section B 6 or B 7 of this policy. If the income eligible heirs assumes the mortgage and note and then later decides to sell, rent, refinance (with cash out), or transfer title to the property, they will be required to pay-off any outstanding balance at the time. At the option of the County, the loan may be renegotiated.

### *13. Conditions for Default of Loan:*

- a. Where SHIP funds are used for DPA, the following requirements must be met or the loan will be declared to be in default with the terms for the loan:



- The DPA loan will be declared to be in default and must be repaid if homeowner rents out, refinances, sells, or transfers the title of the house prior to the termination of the affordability requirement and/or if the home is no longer the primary/principal residence and time remains on the period of affordability that was established when the loan was made.

### C. PROCEDURES FOR HOMEBUYER APPLICANTS, LENDERS AND NON-PROFITS:

1. Homebuyer applicants shall follow the following steps for receiving FTHB assistance:
  - a. Meet criteria for the First Time Homebuyer Program
  - b. Enroll and complete a Homebuyer Education Course and obtain a *Completion Certificate*
  - c. Pre-qualify with one of Hillsborough County's Certified lenders under the FTHB Guidelines
  - d. Assure that lender or non-profit submits a "*Request for Loan Commitment Form*," "*Household Income and Asset Certification Form*," "*Third Party Verification of Employment Form*," "*Third Party Verification of Asset Income Form*," "*Borrower's Authorization to Release Information Form*," and "*Income Documents (current paystubs, Social Security Award Letter, Child Support Court Order, etc.)*" to the County to reserve DPA funds.
  - e. The County will issue a "*Preliminary Eligibility Award Letter*" (i.e., "Loan Commitment") to the lender or non-profit, with the amount of DPA funds needed to fund the gap between what the eligible homebuyer can put towards a down payment and what the lender will lend up to the limits established within these policies with respect to the eligible homebuyer's household income, source of funding for DPA funds provided, maximum SHIP subsidy limits set forth in the housing delivery goals chart in the Hillsborough County LHAP, and whether that borrower is a state certified teacher, nurse, fire fighter, law enforcement officer, veteran or active military. The lender will in turn provide the Preliminary Eligibility Award Letter and Loan Estimate to the applicant in order to comply with the TILA-RESPA Integrated Disclosure Rule requirements for the timing, delivery and content of the LE.
  - e. Homebuyer enters into Purchase Contract for home.
  - f. Assure that the County has a Housing Inspection, if resale (see B. 5. Property Inspections on page 8).
  - g. Assure that a complete Loan Package is submitted to the County for assistance; amount of assistance is based on policies established in this document, program regulations and funds availability. (File is also reviewed for proper documentation and eligibility).

- h. County issues an "Eligibility Award" letter and requests a check. **(At this stage, the lender must also provide the consumer with the (CD) Closing Disclosure – see Section C. 1. (i) for additional reference to disclosure delivery timelines).**
  - i. Loan goes to closing. **(The lender must comply with the requirements for the timing, delivery and content of the Loan Estimate and the Closing Disclosure as set forth in the TILA-RESPA Integrated Disclosure (TRID) Rule).**
2. Lenders/Non-Profits shall follow these steps for reserving FTHB assistance for clients:
- a. First, obtain a *"Preliminary Eligibility Award Letter"* to reserve the funds. The County will specify at the beginning of the commitment period the amount of funding available and for what income categories. A representative of the lender or non-profit delivers the following forms-in person and completed to the County:
    - o *"Request for Loan Commitment Form"*
    - o *"Household Income and Asset Certification Form"*
    - o *"Third Party Verification(s) of Employment"*
    - o *"Third Party Verification(s) of Assets Income"*
    - o *"All appropriate income documentation"*
    - o *"Borrowers Authorization"*
    - o *"Application for Housing Assistance"*
    - o The lender must obtain the following: *purchaser name; income; social security number to obtain credit report; property address; an estimate of the value of the property; and requested mortgage loan amount.*

Eligible homebuyers' packages date-and time-stamped by the AHS containing the information above comprises the order in which their packages will be considered. Eligible packages will be processed until all funds for a particular funding cycle are depleted. Limits on submittals and ranking by first-come first-served are intended to establish equity in funds distribution to meet the high demand on this program.

**If the documentation/forms submitted are missing any information and/or are incomplete, the County will provide written notification to the Lender/Non-Profit listing any information and/or documentation that is needed. The County cannot issue a Preliminary Eligibility Award letter unless all required information is present, reviewed and approved. The Lender/Non-Profit must rectify the matter in a timely manner, in order to be in compliance with TRID regulations. (See Section C. 2. (i) regarding TRID delivery timelines). Failure to do so will result in the commitment being withdrawn and the Lender/Non-Profit will have to reapply for funding.**

A *"Preliminary Eligibility Award Letter"* will be issued when the County determines, based on the documentation that has been submitted from the lender or non-profit, that the homebuyer(s) **(only those household members signing the first and second mortgage documents)** is/are income eligible and submits income information for all



members in the household to the County and the County subsequently examines and verifies all household members income and determines that collectively, the household is income eligible, and sufficient funds exist to commit to the household in DPA assistance. The lender or non-profit will only initially determine income eligibility for only those household members signing the first and second mortgage. The County will subsequently examine and verify the gross anticipated income of all members of the household and re-check and approve the income calculations and verifications performed by the lender on the household members who will sign the mortgage documents. If the household meet all income eligibility criteria, the County will certify the household to be income eligible.

- j. The County will fax the lender or non-profit a "*Preliminary Eligibility Award Letter*" and the Loan Estimate in compliance with the TRID Rule. The lender must obtain the following: *purchaser name; income; social security number to obtain credit report; property address; an estimate of the value of the property; and requested mortgage loan amount.* The lender in turn will provide both the Preliminary Eligibility Award Letter and Loan Estimate to the consumer. These disclosures must be delivered to the applicant by the lender the same day they are received from the County, with the delivery to occur in compliance with the TRID Rule. (see Section C. 2. (a) for preliminary eligibility documentation completeness)

The County will allow a homebuyer applicant to change lenders after they have obtained a "*Preliminary Eligibility Award Letter*". The homebuyer applicant still has to meet all of the applicable FTHB Guidelines and use a certified lender.

The "*Preliminary Eligibility Award Letter*" expires after sixty (60) days. Loans must close within the Commitment Period. The Commitment Period may be extended only in the following circumstances and only with a written request received by AHS before the expiration of the Commitment Period:

- o The lender is no longer in business;
  - o The lender has moved local operations out of state; or
  - o New construction delays that impact home completion through no fault of the borrower, as established with detailed explanations by the builder.
  - o Irreconcilable differences with loan officer or organization
- b. Second, homebuyer completes a sales contract. Upon County issuance of a loan commitment via a "Preliminary Eligibility Award" letter, homebuyer may select a home and complete a sales contract, if one has not been selected already. The executed sales contract is submitted, along with a Good Faith Estimate (if application is prior to October 3, 2015) or Loan Estimate (LE), to the County for inclusion in the loan document package.
- c. Third, within 30 days of receipt of the "*Preliminary Eligibility Award Letter*", deliver the borrower's completed "*Application Package*" to the County for approval (a FAX copy will not be accepted). To assist in preparing a complete "*Application Package*",

the submittal shall include a completed "*County File Checklist*". Failure to submit a complete file within 30 days of the "*Preliminary Eligibility Award Letter*" will result in the loan package being returned to the lender/non-profit. The "County File Checklist" was established to aid in summarizing the loan package and for reporting. All the forms used in the program are on the checklist as a double check for the lender or non-profit. Some key areas on the form are:

Prior to the expiration of the original 30-day Application Submittal period, a lender may provide a request for an **extension of thirty (30) days** on the period in which a complete loan package must be submitted to the County. Requests for extensions, which must be in writing, will not be accepted after the original 30-day Application Submittal period has expired. The Lender must provide an explanation for the extension and receive written approval from the County. If an extension is granted, a complete loan package is required to be submitted to the County within sixty (60) days from the issuance of a "*Preliminary Eligibility Award Letter*" and the borrower will have a **total of ninety (90) days**, from the date of Preliminary Approval to close on a home. **Absolutely no extensions will be granted beyond the ninety (90) days.**

**Appraisal:** Only an appraisal from a licensed, certified appraiser may be used. Appraisals from licensed, certified appraisers will be valid for a period of 120 days from the effective date of the appraisal. Valuations by real estate professionals or lending institutions are not allowed.

**Credit Reports:** Include the latest credit report in the package. Credit reports are required on both spouses, where only one is required for lender financing. For separated spouses, the County will permit just one spouse to sign the County's loan documents, but will need an affidavit from the estranged spouse stating that home to be purchased is not their homestead. If an affidavit is not possible to be obtained, then both spouses will need to sign the County's loan documents.

- d. Denied Applications: Lenders or non-profits will be provided written confirmation from the County when applications are denied.
- e. Fourth, schedule closing. The borrower must close on their home within the sixty (60) day period of the "Preliminary Eligibility Award Letter". Exceptions to the sixty (60) day term will be granted when a new home is being constructed, but the term of the Preliminary Eligibility Award Letter shall not exceed six (6) months. In the event of a man-made, natural or state/federal declared disaster that delays a loan closing and/or new home construction, the County, at its option, may grant an extension on the term of the Preliminary Eligibility Award Letter.
- f. DPA funds will only be dispersed once the County approves the loan. Upon review of the completed client loan file, the County will issue an "*Eligibility Award Letter*". At this stage, the lender must also provide the County with the Closing Disclosure (CD). (See Section C. 2(i) for disclosure delivery timelines) The lender must confirm and provide proof to the County that the CD has been delivered to the consumer within specified timeframe. The lender can utilize an affidavit or other electronic (e-mail confirmation) proof that CD has been delivered.

- g. The homebuyer's real estate agent should not be permitted to call the County. The County will only confer with the lender or nonprofit.

3. Verifying Income and Assets:

Lenders or Non-profits must also complete and sign the Florida Housing Finance Corporation (FHFC) - "*Income Certification Form*" for the homebuyers who sign the first and second mortgage documents. The homebuyer must sign and date the FHFC Income Certification form and the form cannot be dated earlier than the date on the last 3<sup>rd</sup> Party Verification form received. The County will verify the income and assets for the remaining household members and check and approve the income and assets calculations and verifications performed by the lender or non-profit on the homebuyers who will sign the mortgage documents.

a. Employment Income:

Employment verification form completed by the employer or statement from employer on company letterhead; and if employment verification is unavailable, 30-day period of pay stubs, showing employee's name, gross pay per pay period.

b. Self-Employment Income:

- o Accountant's or bookkeeper's statement of net income; or Audited or unaudited financial statement(s) of the business; all documents must be certified and notarized by preparer.
- o A notarized statement from the homebuyer giving the anticipated income for the 12 months following certification.
- o Source documents such as wage statements, interest statements, unemployment compensation statements, bank statements, etc. (Last years' tax return may be used to provide support to these source documents).

c. Social Security, Pensions, Supplemental Security Income (SSI), Disability Income:

- o A benefit verification form completed by the agency providing the benefits (this must be less than 4 months old); or
- o An award or benefit notification letter prepared and signed by the authorizing agency.

d. Unemployment Compensation:

- o A verification form completed by the unemployment compensation agency; or



- Records from the unemployment office stating payment dates and amounts.

e. Alimony or Child Support Payments:

Required documents include; a separation or settlement agreement or a divorce decree stating the amount and type of support payment schedule. If the document is not within the 90-day time frame, a notarized statement from the applicant stating current income; or,

- A notarized letter from the person paying support; if not a court order; or,
- A printout from the court or governmental agency through which payments are being made.

f. Recurring Contributions and Gains:

- Notarized statement or affidavit signed by the person providing the assistance giving the purpose, dates, and value of the gifts; or
- A letter from a bank, attorney, or a trustee providing required verification.

g. Unemployed Applicants:

- The income of unemployed applicants with regular income from any source, such as Social Security, pension, recurring gifts. etc., must be verified as covered previously.

APPROVED BY:

  
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Paula Harvey, AICP  
Director, Affordable Housing Services

  
Date

