

# City of Deltona

2345 Providence Blvd.  
Deltona, FL 32725

## Agenda

### Affordable Housing Advisory Committee

*Chair Ruben Colon*  
*Vice Chair Eric James*  
*Member Jodi Pena-Castaldi*  
*Member Wesley Kihlmire*  
*Member Michael Ruggieri*  
*Member Patricia Ulicny-Hoback*  
*Member Michael E. Williams*

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Tuesday, March 1, 2016

6:00 PM

Room 150A

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**1. CALL TO ORDER:**

**2. ROLL CALL**

**3. APPROVAL OF MINUTES:**

A. Minutes of January 26, 2016

**4. PRESENTATIONS/AWARDS/REPORTS:**

**5. PUBLIC FORUM:**

**6. OLD BUSINESS:**

**7. STAFF COMMENTS:**

**8. NEW BUSINESS:**

A. Affordable Housing Advisory Committee (AHAC) Questions and Answers.

B. Discussion re: Draft Local Housing Assistance Plan (LHAP).

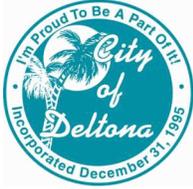
**9. BOARD/COMMITTEE MEMBERS COMMENTS:**

**10. ADJOURNMENT:**

*NOTE: If any person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting or hearing, he/she will need a*

*record of the proceedings, and for such purpose he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).*

*Individuals with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk, Joyce Raftery 48 hours in advance of the meeting date and time at (386) 878-8500.*



# City of Deltona

2345 Providence Blvd.  
Deltona, FL 32725

## Minutes

### Affordable Housing Advisory Committee

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Tuesday, January 26, 2016

6:00 PM

Room 150A

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#### 1. CALL TO ORDER:

The meeting was called to order at 6:06 p.m.

#### 2. ROLL CALL:

Mike Williams arrived at 6:17 p.m.

**Present:** 7 - Chair Ruben Colon  
Vice Chair Eric James  
Member Jodi Pena-Castaldi  
Member Wesley Kihlmire  
Member Michael Ruggieri  
Member Patricia Ulicny-Hoback  
Member Michael E. Williams

#### 3. APPROVAL OF MINUTES & AGENDA:

#### 4. PRESENTATIONS/AWARDS/REPORTS:

##### A. Introductions - New and Returning AHAC Members and Staff.

Affordable Housing Advisory Committee (AHAC) members and staff introduced themselves.

#### 5. PUBLIC FORUM:

None.

#### 6. OLD BUSINESS:

None.

#### 7. NEW BUSINESS:

##### A. Election of Officers - Committee Chair and Vice-Chairperson.

Motion by Patricia Ulicny-Hoback, seconded by Jodi Pena-Castaldi to nominate Ruben Colon as Chairman. The Motion carried by the

following vote.

**For:** 6 - Member Pena-Castaldi, Chair Colon, Vice Chair James, Member Kihlmire, Member Ulicny-Hoback and Member Ruggieri

**Motion by Wesley Kihlmire, seconded by Jodi Pena-Castaldi to nominate Eric James as Vice Chairman. The Motion carried by the following vote.**

**For:** 7 - Member Pena-Castaldi, Chair Colon, Vice Chair James, Member Kihlmire, Member Ulicny-Hoback, Member Williams and Member Ruggieri

Chairman Colon asked the AHAC members and staff to give a brief background of themselves. City Manager Shang entered the meeting at this time and participated as well.

Chairman Colon and Member Williams asked about the remaining AHAC member seats and if additional members could be added at this time. City staff replied they would look into this and let the AHAC members know as soon as possible.

**B. Set Meeting Time and Place.**

Chairman Colon deferred setting the meeting date and time to the end of the meeting.

**C. AHAC Bylaws.**

Mr. Paradise presented the AHAC By-Laws.

**D. 2015 Sunshine & Public Records Overview.**

Mr. Paradise gave a summary of the Sunshine Laws and explained to the members that after reviewing the documentation presented to them that if they have any questions to please send an email to Mrs. Brooke, who in turn will then forward their questions to the City Attorney.

Member Williams asked for examples of violations to the Sunshine Laws to which Mr. Paradise complied with several scenarios. Mrs. Brooke suggested that he further review the documentation and submit any questions he may have to her via email so they may be forwarded to the City Attorney for clarification.

Members also received the presentations via email prior to the AHAC meeting for review.

**E. 2015 Sunshine Law Overview.**

Mr. Paradise presented the members with a brief summary. Members also received the presentations via email prior to the AHAC meeting for review.

**F. 2015 Scope of the Sunshine Law.**

Mr. Paradise presented the members with a brief summary. Members also received the presentations via email prior to the AHAC meeting for review.

**G. LHAP Revision 2013-2016 with exhibits Approved by Florida Housing Corp.**

The Local Housing Assistance Plan (LHAP) was presented by Mr. Paradise with discussions between members and questions directed to staff about the different programs, elements and ways there may be to help the residents.

The members had previously been supplied a copy of the LHAP via email for review prior to the meeting. Mr. Paradise has solicited the members to submit their comments and questions by February 16, 2016 so staff will have time to ready their responses by the next meeting.

Chairman Colon has requested a reminder to be sent to the members seven (7) days out from comment submittal date for the LHAP.

Chairman Colon and members would like to hold a Fair Housing Event. Chairman Colon asked City Manager Shang her thoughts on this. She explained that first there are tasks at hand and the priority of City staff is to make sure the deadlines are met. If the AHAC members would like to hold an event on their own maybe they can work with an entity that puts on such events and to remember they must be mindful of the Sunshine Laws.

Chairman Colon asked the AHAC members if they would be interested in learning more about homelessness. Member Pena-Castaldi asked if homelessness could be addressed in the LHAP.

Mr. Paradise relayed to the AHAC members that a copy of the City's Strategic Plan would be sent to them for their review if they would be interested.

**8. STAFF COMMENTS:**

Ms. Briggs thanked the board members for coming and stated lets all work together to do some good for the City.

Mr. Paradise thanked the board members for coming.

**9. BOARD/COMMITTEE MEMBERS COMMENTS:**

Member Williams stated perception of the homeless by society needs change.

Member Ulicny-Hoback stated this has been an eye opening and constructive meeting and she believes we are moving forward in the right direction.

Member Pena-Castaldi stated this was a very productive meeting. Affordable housing is a passion and she commend the City for doing all that they do with what they have.

Vice Chairman James stated this was a very productive meeting everyone. He would like to have further conversations on Affordable Housing and especially when it comes to homelessness.

Chairman Colon stated he would like to thank everyone for coming out tonight. He has committed this year to not only work on this but, to make a difference for our neighbors and that the board will work hard on a lot of the things that were discussed. He stated he believes, this board is very committed to our neighbors. He once again asked City staff to send out a reminder for the February 16th comments submission date and the event in April for the Board of Realtors. He stated March 1st and the 15th is the next meeting dates, if need be they can be changed.

**10. ADJOURNMENT:**

There being no further business, the meeting adjourned at 7:54 p.m.

\_\_\_\_\_  
Ruben Colon, Chairman

ATTEST:

\_\_\_\_\_  
Denise Brooke, Board Secretary

## Summary of AHAC Member Comments and City Staff Response

### Eric James

**Question 1:** What are the approved Green Techniques for energy conservation and water conservation?

**Answer:** The city will, when economically feasible, employ the following Green Building requirements on rehabilitation and emergency repairs:

1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
2. Low-flow water fixtures in bathrooms—Water-Sense labeled products or the following specifications:
  - a. Toilets: 1.6 gallons/flush or less,
  - b. Faucets: 1.5 gallons/minute or less,
  - c. Showerheads: 2.2 gallons/minute or less;
3. Energy Star qualified refrigerator;
4. Energy Star qualified dishwasher, if provided;
5. Energy Star qualified washing machine, if provided in units;
6. Energy Star qualified exhaust fans in all bathrooms; and
7. Air conditioning: Minimum SEER of 14. Packaged units are allowed in studios and one bedroom units with a minimum of 11.7 EER.
  - Source: SHIP LHAP Template 2009-001 Revised: 6/2015

**Question 2:** “Can a repair replace a defective or outdated septic tank/drain field with a more updated system that is eco-friendly?”

**Answer:** The more eco-friendly septic system is sometimes referred to as an aerobic septic. An aerobic system relies on the injection of oxygen in to the tank for a more complete digestion. The aerobic systems however, are more expensive to construct and require periodic maintenance. The maintenance burden may financially stress some applicants and may defeat the City continued affordability objective. Finally, there is a proposal to add a strategy to the LHAP to help defray the cost of sewer connection when it becomes available.

**Member Comments:** “The 2013-2016 LHAP is a very thorough and well written document. I have no complaints with its intent or implementation. For the record, I have to say the income limits are artificially low, and will make recipient selection very difficult. I also realize the income limits are set by HUD and are immutable.”

**Staff Response:** Noted

### Patricia Ulicny

**Comment 1:** “I have always thought if we could piggy back on one of the utility bills we could reach everyone.”

**Staff Response:** Our housing programs have been highlighted in the quarterly City Newsletter. This publication was mailed directly to Deltona households and we have enjoyed a successful response. The new format is a summarized version of the City Newsletter that will be mailed with the water bills. We have submitted a housing narrative for the April, May, and June edition of the City Newsletter, which will be mailed with the March utility bill.

**Comment 2:** “It sounds very simple to follow and repeats itself in several areas, so anyone who wanted to read it can follow it. I had a couple of comments about some areas. Other areas of advertising should be look at to get the word out about this program. Not everyone gets the paper, or goes to our churches; the paper can be costly to some retirees.”

**Staff Response:** City staff has committed to meet with non-profit organizations in the next couple weeks to provide program information and hands on assistance in application completion.

**Comment 3:** “On buyer education and counseling--I think it should be several meetings for all categories not just a one-time situation, so that the people can be coached for several years, especially on the up keep of the property.”

**Staff Response:** Noted. Personal financial responsibility is a significant part of home ownership. The City does require applicants take a home buyer education course and financial literacy is an element of that course. However, there is recognition that there is room to enhance financial literacy. Therefore, staff has added some language to the LHAP that is intended to improve financial awareness in a measurable manner – testing. The proposed changes do not include a long term strategy which has merit. The challenge is compelling applicants to return for refresher course work after the house has been purchased or the project has been completed. In addition, the effort to remind applicants of, monitor and track the refresher course work would be staff intensive.

**Question 1:** “One page 4--income limits, is that combined income or a single income?”

**Answer:** The income limits are based on household income.

**Question 2:** “On page 12, does rehabilitation include grandparents with young children who also have a pool, to put a guard around the pool?”

**Answer:** A home that does not have a protective barrier around a swimming pool is a code violation. Our priorities for rehabilitation are code, life, health and safety issues.

**Jodi Pena-Castaldi**

**Comment:** “Under the Terms, Recapture and Default calls for the deferred payment forgivable loan due immediately if the homeowner refinances or requires subordination for a new second mortgage. This would prohibit homeowners from taking advantage of the lower interest rates currently being offered.”

**Question:** “If a homeowner refinanced for better loan terms ONLY and did not pull cash-out, why would the City not resubordinate?”

**Answer:** There have been a few cases where homeowners have refinanced and the City has processed them on a case by case basis. The new interest rate was substantially lower, the loan term was not protracted, cash was not taken out and the closing costs were not rolled into the mortgage. City staff is proposing language to the LHAP allowing a potential refinance event. The criteria for allowing refinancing are strict.

**Question:** “Foreclosure Prevention Assistance Program: If a homeowner receives assistance under this program, even though it appears their hardship has been cured – shouldn’t they be required to attend housing counseling? Should a 2-4 hour session on post-purchase for credit and budgeting in order to plan for emergencies?”

**Answer:** This has been proposed as part of the LHAP changes.

**Mike Williams**

**Comment:** “The one change I would like to suggest is: Eliminate the Max Rehab of \$10,000 and add it to the down payment.

- a. Very low goes to \$30,000
- b. Low goes to \$25,000
- c. Moderate goes to \$20,000

- No lender will give repair money when granting a loan.”

**Staff Response:** The SHIP program has several set-aside requirements we must meet. The City combines down payment assistance with rehabilitation in order to meet help meet the construction set aside. By pairing the rehabilitation with the down payment assistance the City can assist more families with down payment assistance. The

Down Payment Assistance strategy alone does not meet the 75% construction set-aside.

**Wes Kihlmire**

**Question:** “SHIP Local Housing Assistance Plan (LHAP) Pg. 12-16 Item C: Owner Occupied Rehabilitation Assistance Program Under Additional Information: If there is a determination that a dwelling will require more than the \$30,000 award to rehabilitate, the applicant will be considered ineligible for Owner Occupied Rehabilitation. Is other assistance available? Will some work be done up to \$30,000?”

**Answer:** The Housing Quality Standards (HQS) inspector, contracted by the City of Deltona, provides the City and the homeowner with a comprehensive list of needed repairs, prioritized by life, health and safety standards in the context of the building codes. The City procured contractors bid on the project and a line item is assigned to the repairs. The repairs are prioritized by the most urgent until the budgeted funds are expended. We work closely with the homeowner to accommodate them, but at times the homeowner will decline the assistance and we reserve the right to walk away from a project if the state of the home is beyond repair. We refer clients to other funding sources, if we are unable to help them.

**Question:** “Are life safety issues considered above all others?  
Rehabilitation Prioritization Standards:

1. Code Compliance
2. Roof Work
3. Septic Tank/Drain Field
4. “HVAC”

**Answer:** Yes. The priority is determined by the independent HQS inspector and the City.

**Ruben Colon**

**Comments:** “2015 LHAP Suggested Changes”

1. II. LHAP HOUSING STRATEGIES  
Institute a Rapid Rehousing Strategy (Addresses our homelessness)

a. <http://www.flhousing.org/wp-content/uploads/2015/03/Using-SHIP-to-Help-End-Homelessness-2015-6-24-15.pdf>

Upcoming Webinar:

b. <https://attendee.gotowebinar.com/register/1949190394232845826>

- Seems we may already have provisions supporting this program or like.”

**Staff Response:** Please note: This SHIP strategy is new for 2015-2016 and although it has been budgeted – it is **not** a SHIP statute. SHIP Rental Assistance is limited to 25% of each SHIP Allocation PLUS all Program Income 15/16 SHIP Rental Assistance Policy FY 15-16 SHIP funds may provide the following types of rental assistance and rent subsidies:

- a. Security and utility deposit assistance.
- b. Eviction prevention subsidies not to exceed 6 months’ rent.
- c. Rent subsidies for very-low-income households with at least one adult who is a person with special needs as defined in s. 420.0004 or a person who is homeless as defined in s. 420.621 when the person initially qualified for a rent subsidy. The period of rental subsidy may not exceed 12 months for any eligible household or person.
- d. This subsection expires July 1, 2016.**

- Source: Budget Implementing Bill, Section 67, beginning on line 2096

**Comment:** 2. I. PROGRAM DESCRIPTION  
a. Support Services and Counseling: Support services are available from various sources. Available support services may include but are not limited to homeownership counseling (pre and post), credit counseling, tenant counseling, and homeless prevention and transportation modes.”

**Staff Response:** The City requires a homeownership course for applicants that utilize certain strategies. City staff has proposed including a financial literacy element for strategies to hopefully more fully educate applicants.

**Comment:** 3. M. Welfare Transition Program:  
Should an eligible sponsor be used, the City has developed a qualification system and selection criteria for applications for awards to eligible sponsors. This includes a description that demonstrates how eligible sponsors, including those employed personnel from the Florida Welfare Transition Program, will be given preference in the selection process.

**Question:** Have we ever moved on this??

**Answer:** No.

**Comment:** ~~4. S. Section 420.9075(3)(d), F.S.:~~  
~~Green techniques for energy conservation and water conservation include careful use of salvage/recycling processes, preservation of wildlife habitat, healthy environmental provisions, and the usage of durable and sustainable products. This includes the incorporation of high-energy products and materials. Green building techniques, such as those previously mentioned and those described in the City of Deltona's Ordinance No. 42-2008, will be incorporated into the various Deltona SHIP strategies that involve construction/rehabilitation.~~

**Staff Response:** Green techniques cannot be struck, they are a statutory requirement.

**Question:** Has the possibility of SHIP fund for upcoming Senior Center been considered?

**Answer:** We have earmarked Community Development Block Grant (CDBG) federal funds for the Senior Center.

**Comment:** **5. Purchase Assistance with Potential Rehabilitation Program:**

- Terms, Recapture, and Default:

The maximum Down Payment Assistance for this strategy will be provided in the form of a second subordinate mortgage to the first mortgage that has a zero (0%) interest deferred payment, forgivable loan for a term of 30 years. The loan term is 30 years. At the end of 30 years, the loan is forgiven.

- Consider making this a loan of which 1/10% of total loan is forgiven for every year of which the terms and conditions are met or sliding scale based on amt. See sample below

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The amount due under the mortgage and note shall be reduced at the rate of ten percent (10%) on the anniversary date of each year following the date of execution of the mortgage and note during the affordability period. If during the affordability period the home is sold, there is an assignment, or any transfer of title of the property, or refinance, unless refinancing is for the purposes of lowering the interest rate or the County approved short sale, the prorated amount shall become immediately due from breach of the terms of the mortgage and note. This policy does not apply to the transfer of title to income eligible heirs.

**Staff Response:** LHAP(s) prior to 2013-2016, had a provision that incrementally forgave loans. However, after the foreclosure crisis, the State drastically reduced funding and the direction we received from Florida Housing Finance Corporation was in order to further the program, the City has a responsibility to recover funds in the form of program income. With this

policy, the City is able to assist more families and perpetuate the program, independent of the annual allocation.

**Comment:**       **6. Income Categories to be Served:**  
Household incomes that are at or below 120% of the area median income adjusted for household size are eligible to be served in the program. For the purposes of the SHIP Program, very low, low and moderate income households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by HUD and distributed by the Florida Housing Finance Corporation. Preference will be given to applicants that are below 50% level.

**Question:**    Have these figures changed???

**Answer:**       HUD adjusts the income levels annually.

**Comment:**       **7. Owner Occupied Rehabilitation Assistance Program:**  
Changing repayment to 10 years by forgiving 10% per year

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The amount due under the mortgage and note shall be reduced at the rate of ten percent (10%) on the anniversary date of each year following the date of execution of the mortgage and note during the affordability period. If during the affordability period the home is sold, there is an assignment, or any transfer of title of the property, or refinance, unless refinancing is for the purposes of lowering the interest rate or the County approved short sale, the prorated amount shall become immediately due from breach of the terms of the mortgage and note. This policy does not apply to the transfer of title to income eligible heirs.

**Staff Response:** LHAP(s) prior to 2013-2016, had a provision that incrementally forgave loans. However, after the foreclosure crisis, the State drastically reduced funding and the direction we received from Florida Housing Finance Corporation was in order to further the program, the City has a responsibility to recover funds in the form of program income. With this policy, the City is able to assist more families and perpetuate the program, independent of the annual allocation.

**Comment:**       ~~**8. D. Multi-Family Rental Units, New Construction, & Rehabilitation:**~~  
~~a. **Summary of the Strategy:**~~  
~~SHIP funds may be used as part of the local contribution when participating in programs such as, the Low Income Housing Tax Credit (LIHTC) program, State Apartment Incentive Loan (SAIL) program, the State HOME program and other programs, as applicable, when they are used to perform new construction and/or rehabilitation of multi-family rental housing developments. Eligible activities include payment of~~  
~~1. impact fees, infrastructure expenses, and soft/hard costs.~~

- **Strategy not relevant to Deltona at this time.”**

**Staff Response:** There have been inquiries about this strategy starting in late 2014. In 2015, the City Commission did agree to partner with a LIHTC developer. However, the project did not come to fruition. The Florida Housing Finance Corporation did recommend to entitlement entities that LHAP strategies need to be kept at a reasonable number reflecting community needs. Suggest that this recommendation be a topic of discussion at the next AHAC meeting.

**Comment:** **9. E. Foreclosure Prevention Assistance Program:**  
**a. Summary of the Strategy:**  
This strategy is used to provide homeowners who have previously received City SHIP or HHR assistance the opportunity to avoid foreclosure and retain their homes. This is a one-time per household assistance strategy.  
Please provide example of how this strategy was promoted and or accessed by citizens in 2016.

**Staff Response:** This strategy was not utilized in 2016.

**Comment:**

**3. Water Sewer Connections Strategy:**

**a. Summary of the Strategy:** Designed to assist eligible home owners with sewer connection in the 18 neighborhoods identified in the Broward County Neighborhood Improvement Project, areas in non-entitlement cities where Broward County is requiring mandatory sewer connection, and to emergency plumbing requests that poses a health hazard to the eligible home owner. SHIP assistance is to be applied towards the cost of connecting to a water supply and sewage discharge system being installed in those areas. The maximum assistance is up to \$10,000.00 per eligible homeowner.

- **Source:**  
**[http://205.166.161.204/docs/2013/CCCM/20130402\\_345/13647\\_Exhibit%201%20Resolution%2051pages.pdf](http://205.166.161.204/docs/2013/CCCM/20130402_345/13647_Exhibit%201%20Resolution%2051pages.pdf)**

**Staff Response:** At this point in time there are no plans to retrofit existing residential areas with central sewer. However, one day, retrofits may be needed. Acting upon this recommendation, Staff has proposed a strategy to address this matter.

**Comment:** **10. Consider Strategy:**  
Purchase Assistance without Rehabilitation is designed as a citywide strategy limited to households eligible under the SHIP income limits and who are first time homebuyers. The purpose of the program is to provide down payment and closing costs assistance, prepaid items, and the reduction of the mortgage

principal for new construction or existing homes. Assistance will not be provided for the acquisition of a mobile home, townhome, condominium, or villa. The Purchase Assistance without Rehabilitation Program is available city-wide to income eligible residents with equal priority given to the following:

1. Teachers Home Purchase– offers down payment assistance to teachers and administrators employed full time by a public or private school with a K-12 curriculum in Volusia County.
2. Safety 1st– provides down payment assistance to public safety personnel who reside within the City of Deltona. Public safety personnel are those persons who are full time employees of police departments, sheriff offices, correction departments, or other law enforcement agencies and members of local fire departments responsible for at least one of the following: fire suppression, emergency medical response and patient care, fire and injury prevention, arson investigation, hazardous materials incident response and management, and/or response to acts of terrorism.
3. City of Deltona Employee Assisted Housing– provides down payment assistance as an incentive for full-time employees to purchase their home within the City limits of Deltona.

▪ **Source:**

<http://www.floridahousing.org/FHImageWebDocs/Housing%20Partners/Local%20Governments/LHAPS/City%20LHAPS/Orlando%2015-18.pdf>

**Staff Response:** The SHIP program has several set-aside requirements we must meet. The City combines down payment assistance with rehabilitation in order to meet the construction set aside. By pairing the rehabilitation with the down payment assistance the City can assist more families with down payment assistance. Down payment assistance alone does not meet the 75% construction set-aside.

The Housing Department conducts a thorough underwriting of applicants and all strategies are available city-wide to income eligible residents with equal priority given to teachers and public safety personnel. City of Deltona employees undergo an additional level of underwriting and must be approved by the City Manager in order avoid a perception preferential treatment.

*City of Deltona*

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

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

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B. Ongoing Review Process	
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<b>Section IV, Exhibits</b>	
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	

**I. Program Details:**

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

City of Deltona, Florida

Is there an Interlocal Agreement: Yes  No

**B. Purpose of the program:**

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

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

2016-2017, 2017-2018 and 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 (F.A.C.). The City of Deltona's Affordable Housing Assistance Program was enacted by the passage of Ordinance 08-2001 on May 1, 2001, and was signed into law on May 7, 2001. Thus, the SHIP Program is consistent with and furthers the Housing Element of the local government Comprehensive Plan.

**E. Local Housing Partnership:**

The City's SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, and advocates for low-income persons and community groups.

**F. Leveraging:**

The intent of the LHAP is Plan is intended to protect the existing housing stock and increase the availability of affordable residential 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 a local match to obtain federal housing grants or programs.

**G. Public Input:**

Public input was solicited through in-person meetings with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper through the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability. In addition, the City's Affordable Housing Committee (AHAC), consisting of community members representing various disciplines and walks of life provided extensive input for the LHAP.

**H. Advertising and Outreach:**

The City shall advertise the Notice of Funding Availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

**I. Discrimination:**

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, sexual preference or handicap in the award application process for eligible housing.

**J. Support Services and Counseling:**

Support services are available from various sources. Available support services may include but are not limited to homeownership counseling (pre and post), credit counseling, tenant counseling, financial literacy coursework, and transportation modes.

**K. Purchase Price Limits:**

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning no earlier than the fourth (4<sup>th</sup>) calendar year prior to the year in which the award occurs. The sales price of new and existing units, may be lower, but may not be 90% of the median area purchase price established by the U.S. Treasury Department or as described above. The methodology used is:

- U. S. Treasury Department
- Local HFA Numbers

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

Maximum Sales Price: \$258,691.00

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

The Income and Rent Limits used in the SHIP Program are updated annually from the United States Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation. The term “affordable” means that monthly rents or mortgage payments, including taxes and insurance, do not exceed 30% of that amount which represents the percentage of the median annual gross income for the households, as indicated in Sections 420.9071 (19), (20) and (28), F.S. The intent is not to limit an individual household’s ability to devote more than 30% of its income for housing. Housing for a household that devotes more than 30% of its income shall be deemed affordable when 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, for rents that do not exceed those rental limits adjusted for bedroom size. Lender will be required to provide documentation of “substantial” compensating factors for any ratio exceptions.

**M. Welfare Transition Program:**

Should an eligible sponsor be used, the City has developed a qualification system and selection criteria for applications for awards to eligible sponsors. This includes a description that demonstrates how eligible sponsors, including those employed personnel from the Florida Welfare Transition Program, will be given preference in the selection process.

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

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan for rental developments shall annually monitor and determine tenant eligibility or, to the extent that another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored on an annual basis for a minimum of 15 years or the term of assistance; whichever is longer, unless as specified above.

**O. Sponsors:**

As an option and for the continued occupancy of eligible persons, eligible sponsors that offer rental housing before the 15-year period of the loan, or have a remaining mortgage funded under this program, must give a right of first refusal to an eligible nonprofit organization for home purchase at the current market value.

**P. Administrative Budget:**

A detailed listing, including a line-item budget of proposed Administrative Expenditures, is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted. The City of Deltona finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the Local Housing Assistance Plan.

A county or an eligible municipality may not exceed the 5% limitation on administrative costs, unless its governing body finds by resolution that 5% of the local housing distribution, plus 5% of program income, is insufficient to adequately pay the necessary costs of administering the Local Housing Assistance Plan. The cost of administering the program may not exceed 10 percent of the local housing distribution, plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17) and eligible municipalities receiving a local housing distribution of up to \$350,000, may use up to 10% of program income for administrative costs.

*The City of Deltona has adopted the above findings in the attached resolution. Please see Exhibit E.*

**Q. Program Administration:**

Administration of the local housing assistance plan is the responsibility of the City of Deltona. Should a third party entity or consultant contract for all or part of the administrative or other functions of the program, detail of the duties, and the qualification and selection criteria will be made available.

**R. Essential Service Personnel:**

The City will operate as defined in accordance with Rule Chapter 67-37.002(8) F.A.C. and Chapter 67-37.005(10), F.A.C. and Section 420.9075(3) F.S. Essential Service Personnel means, pursuant to Chapter 2006-69, Laws of Florida, persons in need of affordable housing who are employed in occupations or professions in which they are considered essential service personnel, as defined by each county and eligible municipality within its respective local housing assistance plan pursuant to Section 420.9075(3)(a), F.S. The City shall consider at minimum public school teachers and public safety workers as essential personnel.

**S. Section 420.9075(3)(d), F.S:**

Green techniques for energy conservation and water conservation include the careful use of salvaged/recycling recycled materials processes, the preservation of wildlife habitat, incorporation of healthy environmental provisions, and the usage of durable and sustainable products. This includes the ~~incorporation~~ use of high-energy products and materials. Green building techniques, such as those previously mentioned and those described in the City of Deltona's Ordinance No. 42-2008, will be ~~incorporated into~~ promoted in the various Deltona SHIP strategies that involve construction/rehabilitation.

**T. Homebuyer Education, Financial Literacy and Counseling:**

Homebuyer education and counseling is a service provided by a HUD certified housing counselor in conjunction with the City's Purchase Assistance, Owner Occupied Repair and other strategies to assist households in learning about how to purchase a home, maintain a home after purchase, and to prevent future foreclosures. As part of the qualification process, all applicants will be required to attend homebuyer education and maintenance classes. ~~Homebuyer~~ Financial literacy, money management, counseling for credit issues and other matters will be provided, as needed, in order to prepare an eligible applicant for homeownership, and self-sufficiency. ~~A minimum of \$2,500 has been set aside in each grant year for this activity to hire outside counselors and other contractors, as deemed necessary.~~

**U. Refinancing:**

If a dwelling is refinanced, SHIP loans are to be re-paid. However, the City may allow, on a case by case basis, refinancing with continued loan sub-ordination only if the following criteria are met;

1. No case back to the owner either in lump sum, through monthly payments or other mechanisms;
2. Loan terms are not extended beyond existing loan life;
3. Interest rates are substantially lower;
4. Fees and points are not excessive;
5. Monthly payments may not increase;
6. Owner must pay closing costs out of pocket; and
7. Other terms may apply in order for the City to allow continued sub-ordination.

**V. Priorities:**

Per Section 420.9075(1)(a), F.S., preference will be given to those eligible recipients with special housing needs, including but not limited to, homeless people, the elderly, migrant farm workers, and person with disabilities; if in accordance with all applicable Federal or State laws.

**Section II. LHAP HOUSING STRATEGIES:**

**A.**

<b>Purchase Assistance with Potential Rehabilitation Program</b>	<b>Code ?</b>
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- a. **Summary of Strategy:** This strategy assists eligible first time homebuyers with a deferred payment loan to be applied as gap-financing, based on need, towards down payment, closing costs, interest rate buy-down, and/or principal reduction and potential rehabilitation for the purchase of eligible housing; which includes single family homes, townhouses, condominiums, villas, or State approved manufactured buildings (pursuant to Chapter 553.35 F.S). Eligible housing types under this strategy include existing and newly constructed homes.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Household incomes that are at or below 120% of the area median income adjusted for household size are eligible to be served in the program. For the purposes of the SHIP Program, very low, low and moderate income households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by HUD and distributed by the Florida Housing Finance Corporation. Preference will be given to applicants that are below 50% level.

**d. Maximum award: (Includes Closing Costs)**

<u>Income Limit</u>	<u>Max DPA +</u>	<u>Max Rehab</u>	=	<u>Max Award/ Per Unit</u>
Very Low	\$25,000	\$10,000	=	\$35,000
Low	\$20,000	\$10,000	=	\$30,000
Moderate	\$15,000	\$10,000	=	\$25,000

**e. Terms, Recapture, and Default:**

1. The maximum Down Payment Assistance for this strategy will be provided in the form of a second subordinate mortgage to the first mortgage that has a zero (0%) interest deferred payment, forgivable loan for a term of 30 years. The loan term is 30 years. At the end of 30 years, the loan is forgiven. An applicant will be awarded the minimum amount possible to facilitate home purchase.
2. If a default occurs during a 30-year loan term, the entire balance of the loan is due and payable.
3. When SHIP funds are combined with Florida Housing Finance Corporation Programs for purchase assistance, the SHIP Administrator has the option of allowing the City's SHIP funds to be awarded as a third mortgage.
4. Mortgage payments, including taxes and insurance, may not exceed 30% of an amount representing the percentage of the annual gross income for the household. No more than 45% of the combined mortgage payment shall include taxes insurance and overall debt.

5. Repairs to the home, if applicable, may not begin until after the closing. Therefore, City SHIP funds will be provided as a subordinate third mortgage to the City SHIP funds at zero (0%) interest, deferred payment, for a forgivable loan for 10 years. ~~upon the five (5) year event.~~
6. The deferred payment forgivable loans shall immediately become due and payable to the City, if any of the following occurs:
  - A. Homeowner sells, transfers, or disposes of the property by any means, including bankruptcy, foreclosure, short sale, or deed in lieu of foreclosure;
  - B. Homeowner no longer occupies the unit as their principal residence;
  - C. Homeowner dies, or if a married couple, the survivor dies; or
  - D. Homeowner refinances their first mortgage (See Program Description for a potential exception), ~~or~~ requires subordination for a new second mortgage or obtains a reverse mortgage.
  - E. An heir may assume the debt as long as they are income eligible and become the owner-occupant.
7. Recipients of SHIP awards will be required to contractually commit to program guidelines. The recipients will execute a mortgage and a promissory note for the value of the award received. The mortgage encumbering the real property will promptly be recorded in the public records of the Clerk of the Circuit Court for Volusia County.

f. **Recipient Selection Criteria:** Funds will be made available on a first come, first qualified, first served basis while funds are available;

1. All dwelling units will be within the Deltona city limits;
2. HUD defined manufactured homes (mobile homes) are not eligible for assistance;
3. Applicants are required to submit a completed City of Deltona SHIP Application and provide all written documentation requested including income, and other eligibility and qualification parameters; and
4. A first time homebuyer is defined as an eligible applicant who has not owned a home within the last three (3) years preceding the application for SHIP assistance. However, someone who has lost his or her home as a result of divorce within the last three years, a single parent, or a very low or low income person living in a substandard dwelling that cannot be brought into compliance with local building codes for less than the cost of constructing a permanent structure, meets the first-time homebuyer definition.
5. Applicants must be credit ready and have sufficient income required to obtain mortgage financing from participating, institutional lenders;
6. Applicants must attend, and complete, and pass a Homebuyer Education Counseling course, including a financial literacy component, provided by or approved by the City.
7. A Home Quality Standards (HQS) inspection must be conducted by the applicant's certified housing inspector or the City Housing Program's designated HQS inspector.

8. Mortgage payments, including taxes and insurance, may not exceed 30% of an amount representing the percentage of the annual gross income for the household and no more than 45% combined mortgage payment, including taxes, insurance, fees and overall debt.
9. Persons who qualify for SHIP assistance must contractually agree to all SHIP Program guidelines and City of Deltona requirements, recapture provisions, and certify that the unit assisted will be their principal residence. The City shall periodically monitor applicants that obtain a dwelling through this strategy to ensure that the terms of the program are implemented and to authenticate application information.

**g. Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy ~~by advertising~~ consistent with Deltona’s purchase and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation, or a community-based organization. Selection is based on the sponsor’s ability to proceed, past experience in related fields, and performance.

**h. Additional Information:**

1. Institutional first mortgage lender with no private owner financing;
2. First mortgages shall be at a fixed rate. The rate may not exceed two (2) points above the current 60-day Fannie Mae par pricing;
3. The term of the loan shall be for 30 years;
4. Loan origination and broker fees as combined, may not exceed 2% of the sales price;
5. The purchase price may not exceed the sales price of the home;
6. There is no pre-payment penalty;
7. There is “No Cash Back” to the borrower; must be reflected on the HUD-1 Settlement Statement;
8. Funds will be encumbered for eligible applicants whose contracted homes are deemed repairable according to program guidelines; and
9. The City or its designee will facilitate the work write up on inspections to ensure that all work is performed by a licensed and insured contractor.
10. The rehabilitation element of this strategy will be limited to code, health and safety items. The rehabilitation amount represents the maximum possible granted. Actual amounts allocated per house may be less than the maximum amount.

**B.**

<b>Owner Occupied Rehabilitation Assistance Program:</b>	<b>Code 6</b>
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**a. Summary of Strategy:** This strategy offers eligible homeowners assistance with needed and program verifiable repairs, and possible alterations to improve their health, and safety. Assistance to make a home barrier free for special needs households is also eligible.

- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Serviceable categories are for household incomes that are at or below 80% of the area median income adjusted for household size. For the purposes of the SHIP program, very low, and low income households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by HUD and distributed by the Florida Housing Finance Corporation. ~~Preference will be given to applicants below the 50% level. Further, per Section 420.9075(1)(a), F.S., preference will be given to those verified eligible recipients with special housing needs, including but not limited to, the elderly, migrant farm workers, and person with disabilities and in accordance with all applicable Federal or State laws.~~

d. **Maximum award, as follows:**

<u>Income Limit</u>	<u>Maximum</u>
Very Low	\$30,000
Low	\$30,000

- e. **Terms, Recapture, and Default:** The City of Deltona will provide a second mortgage deferred payment, zero interest (0%), forgivable loan for a term of up to 15 years. However, the Owner Occupied Repair strategy is need based and applicants are only entitled to the least amount of possible award for which they are qualified for;
- Minimum affordability period is:  
15 Years Assistance - \$0 - \$30,000

The deferred payment forgivable loan shall immediately be due and payable to the City if any of the following occurs;

1. Homeowner sells, transfers, or disposes of the property by any means, including bankruptcy, foreclosure, short sale, or deed in lieu of foreclosure;
2. Homeowner no longer occupies the unit as their principal residence;
3. Homeowner dies, or if a married couple, the survivor dies;
4. Homeowner refinances their first mortgage (See Program Description for a possible exception.) or requires subordination for a new second mortgage or reverse mortgage;
5. An heir may assume the debt, as long as they are income eligible and become the owner-occupant;
6. Recipients of SHIP awards will be required to contractually commit to program guidelines. The recipients will execute a mortgage and a promissory note for the value of the award received. The mortgage encumbering the real property will promptly be recorded in the public records of the Clerk of the Circuit Court for Volusia County; and

7. Legal fees associated with dispute shall be the responsibility of the homeowner or successor in title.

**f. Recipient Selection Criteria:** Funds will be made available on a first come, first complete, first served basis, while funds are available;

1. All dwelling units will be within the Deltona city limits;
2. HUD defined manufactured homes (mobile homes) are not eligible for assistance;
3. Applicants are required to submit a completed City of Deltona SHIP Application and provide all written documentation requested including income, and other eligibility and qualification parameters;
4. Persons who qualify for SHIP assistance must contractually agree to all SHIP Program guidelines, City of Deltona requirements, including recapture provisions and certify that the assisted unit is their principal and only residence/dwelling. Applicants must attend, ~~and~~ complete and pass a Homebuyer Education Counseling course, including a homeowner maintenance and financial literacy component provided by or approved by the City; and
5. A Home Quality Standards (HQS) inspection must be conducted by ~~the applicant's certified housing inspector~~ or the City Housing Program's designated HQS inspector.

**g. Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy by using the City's purchasing and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation, or a community based organization. Selection is based on the sponsor's ability to proceed, past experience in related fields, and performance.

**h. Additional Information:** If it is determined by the City of Deltona SHIP program that the applicant meets income eligibility guidelines, a home inspection and work write-up will be completed by the City or its designee;

1. Funds will be encumbered for eligible applicants whose homes are deemed repairable according to program guidelines;
2. The City or its designee will perform a work write up and conduct inspections. All construction will be performed by a licensed and insured contractor;
3. All insurance, mortgages, taxes, and special assessments must be current and paid;
4. All homes eligible for rehabilitation must be owner-occupied with fee simple title encumbered with a first mortgage only. Applicants with second or third mortgages or reverse mortgages will not be eligible;
5. The City, or its designee, will manage the contractor bid process and inspections to ensure that all work is performed by a licensed and insured contractor.

6. If there is a determination that a dwelling will require more than the \$30,000 award to rehabilitate, the applicant will be considered ineligible for Owner Occupied Rehabilitation.
7. In no instances shall a client be able to contribute any funds to upgrade materials, work, etc. as part of this strategy.
8. Applicants that stop work, or otherwise interfere with City hired contractors or associated subcontractors will potentially have an approved rehabilitation project terminated. If a project is terminated the contractor will be paid for work done and a lien as per LHAP requirements will be placed on the dwelling to cover money invested in the dwelling. Any disputes, questions, or concerns about contractor work needs to be coordinated through City staff.

i. **Rehabilitation Prioritization and Standards:** Rehabilitation activities will be prioritized. The first rehabilitation activity shall be the priority with subsequent actions, if warranted, taken as award amounts allow. The HQS inspection will be used to help prioritize rehabilitation activities:

1. Code Compliance Related Health, Welfare and Safety. With regard to unpermitted construction, including unpermitted rooms, porches, etc. restoration back to original condition or demolition of these improvements will be the method of which to address complying with applicable code.
2. Roof Work or Replacement. Roofing will be replaced with code compliant asphalt shingles. Metal, tile, etc. will not be an option even if originally constructed with such material.
3. Septic Tank/Drain-field. Drain-field repair will not cover the costs of non-code complaint turf and/or landscaping replacement or the costs to repair/replace irrigation systems and/or fences disrupted as a result of septic work. Finally, drain-field repair cannot be used to upsize a septic system as a result of unpermitted room addition(s).
4. Heating, ventilation and air conditioning.

Owner Occupied Repair awards shall not be used to fund ~~the following activities: kitchen replacement (cabinets, counter tops, appliances, etc.), interior paint, carpet, fences or other~~ non-structural, non-code related items.

The prioritization of work performed on a dwelling will be the decision of the City. Based on the limited amount of funds available to spend on a single project, not all work, even to comply with code requirements, may be possible. Finally, if rehabilitation work is too extensive and may exceed the \$30,000 limit, as per section "h" of this Strategy, the applicant will be determined ineligible for assistance.

D.

<b>Multi-Family Rental Units, New Construction, &amp; Rehabilitation:</b>
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<b>Code 7</b>
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- a. **Summary of Strategy:** SHIP funds may be used as part of the local contribution when participating in programs such as, the Low Income Housing Tax Credit (LIHTC) program, State Apartment Incentive Loan (SAIL) program, the State HOME program and other programs, as applicable, when they are used to perform new construction and/or rehabilitation of multi-family rental housing developments. Eligible activities include payment of impact fees, infrastructure expenses, and soft/hard costs.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Household incomes that are at or below 80% of the area median income adjusted for household size. For the purposes of the SHIP Program, very low, low and moderate income households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by HUD and distributed by the Florida Housing Finance Corporation. Per Section 420.9075(1)(a), F.S., preference will be given to those eligible recipients with special housing needs, including, but not limited to, homeless people, the elderly, migrant farm workers, and person with disabilities, in accordance with all applicable Federal or State laws.
- d. **Maximum award:** Maximum award of \$50,000 per ~~unit~~ project. A project shall be considered a multi-family development occurring on a parcel of record that can be feasibly developed at a density of no less than eight units per acre and no more than twenty units per acre.
- e. **Terms, Recapture, and Default:** Assistance is provided to an eligible developer/sponsor through payment of impact fees, infrastructure expenses, and construction hard/soft costs. The assistance shall be provided in the form of a loan. All properties are subject to recapture of funds through a lien placed on the property to recapture funds, if the property is sold. The loan is a 15-year term, with a zero (0%) percent interest rate. No payments are due until the end of ~~the~~ the loan terms of other funding partners, not to exceed a 15-year term. For the purpose of the Agreement between the City and the property owner, “sold” shall mean the property is sold in a fee-simple arms-length transaction, and the title transferred. Rental units receiving SHIP funds shall be monitored ~~annually~~ appropriately for compliance with tenant income and affordability requirements by the City for 15 years, as required by the SHIP program. The development will be monitored for compliance with an FHFC funding source that meets or exceeds this requirement and that compliance is acceptable for SHIP compliance. The City shall rely on State monitoring efforts to assist in local monitoring.

- f. **Recipient Selection Criteria:** An eligible recipient shall be assisted on a first come, first ready basis. The beneficiary shall ~~have a household~~ only serve households with an income at or below 80% of the area median income that is adjusted for household size and shall meet all eligibility requirements of the SHIP Program.
- g. **Sponsor Selection Criteria, if applicable:** An eligible developer/sponsor may submit applications at any time for assistance. Eligible costs include payment of impact fees, infrastructure expenses, and/or construction soft/hard costs. Applicants will be evaluated and awarded based upon the following criteria: the financial strength of the developer/sponsor such as financing commitments, verifiable income listed in tax returns, up to date independent audits, etc.; capacity; features of the proposed development, including but not limited to the number of bedrooms, interior/exterior treatments, amenities, etc.; marketing plan for the proposed project; site control; affordability of the development; previous similar work experience; and whether or not personnel from the Florida Welfare Transition Program will be employed. Eligible developers/sponsors must contractually commit to follow the guidelines of the SHIP Program. Any monetary commitment made by the City under this strategy must be approved by the City Commission during a regularly scheduled hearing as an item appearing on the agenda.
- h. **Additional Information:** In the case of rental housing, there will be monitoring and first right of refusal for the City's SHIP Program. Staff or entity (State) that has administrative authority for implementing the LHAP in assisting rental developments shall ~~annually appropriately~~ monitor and determine tenant eligibility. ~~However, any loan or grant in the original amount of \$3,000 or less shall not be subject to annual monitoring and the determination of tenant eligibility requirements.~~ Tenant eligibility will be monitored annually for at least 15 years or the term of assistance; whichever is longer, unless as specified otherwise and the City will rely on State monitoring efforts to determine compliance.

E.

<b>Foreclosure Prevention Assistance Program:</b>	<b>Code 5</b>
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- a. **Summary of Strategy:** This strategy is used to provide homeowners ~~who have previously received City SHIP or HHR assistance~~ the opportunity to avoid foreclosure and retain their homes. This is a one-time per household assistance strategy and may not be combined with any other foreclosure assistance program like Hardest Hit.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Household incomes at or below ~~420~~80% of the area median income adjusted for household size. For the purposes of the SHIP Program, very low and low income ~~and moderate income~~ households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by HUD and distributed by the Florida Housing Finance Corporation.

~~Per Section 420.9075(1)(a), F.S., preference will be given to those eligible recipients with special housing needs, including, but not limited to, the elderly, migrant farm worker, and persons with disabilities; in accordance with all applicable Federal or State laws.~~

**d. Maximum award:**

**Income Limits**

- Very Low \$7,500
- Low \$7,500
- ~~Moderate \$7,500~~

**e. Terms, Recapture, and Default:** The City of Deltona will provide a 0% interest ~~forgivable~~ deferred payment forgivable loan for 5 years. The deferred payment forgivable loan shall immediately become due and payable to the City if any of the following occurs:

1. Homeowner sells, transfers, or disposes of the property by any means, including bankruptcy, foreclosure, short sale or deed in lieu of foreclosure;
2. Homeowner no longer occupies the unit as their principal residence;
3. Homeowner dies, or if married couple, the survivor dies;
4. Homeowner refinances their first mortgage (See Program Description for potential exception.), obtains a reverse mortgage, or requires subordination for a new second mortgage; and
5. An heir may assume the debt as long as they are income eligible and become the owner-occupant.

Recipients of SHIP awards will be required to contractually commit to program guidelines. The recipients will execute a mortgage and a promissory note for the value of the award received. The mortgage encumbering the real property will promptly be recorded in the public records of the Clerk of the Circuit Court for Volusia County.

**f. Recipient Selection Criteria, if applicable:**

1. Funds will be made available on a first come, first complete, first served basis while funds are available;
2. All dwelling units will be within the Deltona city limits. HUD defined manufactured homes (mobile homes) are not eligible for assistance;
3. Applicants are required to submit a completed City of Deltona SHIP Application and provide all written documentation requested including income, and other eligibility and qualifications parameters;
4. ~~All assisted applicants still residing in the same dwellings must have previously received SHIP or HHRP homeownership assistance, such as purchase, rehabilitation, or disaster assistance;~~

5. Applicants must be at least 2 months arrears in mortgage payments and have received notification in writing from their lender that foreclosure proceedings will begin;
6. Applicants who apply for assistance and who need more than the foreclosure assistance that is offered in this strategy must have the additional funds to pay all the remaining unpaid delinquency;
7. Applicants must be income qualified and have sufficient income required to maintain their SHIP mortgage after foreclosure assistance is received;
8. Applicants may receive the foreclosure strategy one time only;
9. Applicants must demonstrate through documentary evidence that non-payment of their mortgage is due to one of the following reasons:
  - a. Sudden Loss of Income;
  - b. Sudden Medical Expenses;
  - c. Divorce or Separation;
  - d. Death ~~in~~ of a Family member that generated household income; and
  - e. Unforeseen home repair bills.
10. Persons who qualify for SHIP assistance must contractually agree to all SHIP Program guidelines, and City of Deltona requirements, including recapture provisions and certify that the unit assisted is their principal residence. Applicants must attend, complete and pass a Homebuyer Education Counseling course, including a homeowner maintenance and financial literacy component provided by or approved by the City.

**g. Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy by advertising using the City of Deltona purchase and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation or a community based organization. Selection is based on the sponsor’s ability to proceed, past experience in related fields, and performance.

**F.**

<b>Rental Assistance Program</b>	<b>Codes 14, 21</b>
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- a. **Summary of Strategy:** This strategy is used to provide tenants with the ability to obtain rental assistance. There is recognition that the Florida Finance Housing Commission has not officially approved this type of strategy. Until the FHFC does approve this type of strategy, the Rental and Utility Assistance program will be considered a placeholder. An objective of this strategy is to prevent homelessness by providing limited assistance for rent. In order to be eligible for this strategy, an applicant(s) will be required to prove residence within the City for a period of one full year.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Household incomes at or below 80% of the area median income adjusted for household size. For the purposes of the SHIP Program,

Very Low and Low Income Households are defined in SHIP Statute Section

420.9071. The income limits are annually provided by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC).

- d. **Maximum award:** \$2,000 maximum per household.
- e. **Terms, Recapture and Default:** Recipients of SHIP awards under this strategy will be required to contractually commit to program guidelines, including income/asset verification and residency. There are no recapture terms.
- f. **Recipient Selection Criteria:**
1. Funds will be made available on a first come, first complete, first served basis while funds are available;
  2. All dwelling units within the Deltona City limits;
  3. Applicants will be required to provide a valid lease for the place of residence;
  4. A written notice, pursuant to Florida Statutes 83 of non-payment of rent from landlord needs to be submitted;
  5. All applicants will be required to prove at least one year of continuous residency within the City to be eligible for this strategy;
  6. All requisite applicant information should be entered into the HMIS as applicable;
  7. Landlords will be required to accept rent payment directly from the City and sign a release ending the eviction notice process.
  8. Applicants are required to submit a completed City of Deltona SHIP Application or other application if this strategy is implemented by a sponsor; and
  9. Persons who qualify for SHIP assistance must contractually agree to SHIP Program guidelines, and City of Deltona requirements.
- g. **Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy. Selection of a sponsor will be consistent with City of Deltona purchase and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation, or a community based organization. Selection is based on the sponsor's ability to proceed, past experience in related fields, and performance.
- h. **Additional Information:**
1. Applicants who apply for assistance and need more than one month rental payment must have the funds to pay all the arrears rental and associated fees illustrated within the terms of the lease;
  2. Applicants must demonstrate through documentary evidence that non-payment of rent or utility payment is due to one of the following reasons:
    1. Sudden Loss of Income;
    2. Sudden Medical Expenses;
    3. Divorce or Separation; or
    4. Death of a Family member that generated household income.

G.

<b>Disaster Mitigation/Recovery Assistance Program:</b>	<b>Code 13</b>
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- a. **Summary of Strategy:** In the event of a Federal or State declared disaster affecting all or part of the City of Deltona, the City Commission reserves the right to utilize unencumbered SHIP funds to support this contingency strategy. Regulations require that the disaster be declared by Executive Order.

SHIP disaster mitigation/recovery funds may be used to provide assistance to income eligible ~~persons households occupying affordable housing~~. Funds will be leveraged, when feasible, with the homeowner's flood insurance policy, homeowners insurance policy, FEMA Hazard Mitigation Grant Program and/or other or disaster funds. SHIP disaster awards must be directly related to assisting disaster victims. SHIP disaster funds may be used for items such as, but not limited to:

1. Purchase of emergency supplies for eligible households to weatherproof damaged homes;
2. Interim repairs to avoid further damage; such as tree and debris removal required to make the individual housing unit habitable;
3. Construction of wells or repair of existing wells where public water is not available;
4. Payment of insurance deductibles for rehabilitation of homes covered under homeowners insurance policies;
5. Security deposit, rental assistance for the duration of Florida Office of the Governor Executive Order No. 04-182, for eligible recipients that have been displaced from their homes due to damage from the storm; and
6. Owner occupied rehabilitation; for eligible ~~recipients~~ households with storm damages in need of repairs to improve their health, safety and well-being or contribute to structural integrity and preservation of their owner occupied home.

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

- c. **Income Categories to be served:** Household incomes at or below 120% as defined by the U.S. Department of Housing (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for the use in the SHIP Program. ~~Preference will be given to applicants below 50%.~~

- d. **Maximum award:**

<u>Income Limit</u>	<u>Maximum</u>
Very Low	Up to \$40,000
Low	Up to \$40,000
Moderate	Up to \$40,000

- e. **Terms, Recapture, and Default:** SHIP funds for this activity will be in the form of a grant and shall not be subject to recapture, in the form zero (0%) deferred payment forgivable loan, for a term of ~~40~~ 15 years. ~~On each of the first ten (10) anniversaries of the date of conveyance of title, ten (10%) of the amount owed will automatically be forgiven and will not have to be repaid. Minimum affordability period is;~~

The deferred payment forgivable loan shall immediately become due and payable to the City if any of the following occurs:

1. Homeowner sells, transfers, or disposes of the property by any means, including bankruptcy, foreclosure, short sale, or deed in lieu of foreclosure;
2. Homeowner no longer occupies the unit as their principal residence;
3. Homeowner dies, or if married couple, the survivor dies;
4. Homeowner refinances their first mortgage (See Program Description for an exception), obtains a reverse mortgage, or requires subordination for a new second mortgage; or
5. An heir may assume the debt as long as they are income eligible and become the owner-occupant.

Recipients of SHIP awards will be required to contractually commit to program guidelines. The recipients will execute a mortgage and a promissory note for the value of the award received. The mortgage encumbering the real property will promptly be recorded in the public records of the Clerk of the Circuit Court for Volusia County.

f. **Recipient Selection Criteria:**

1. Funds will be made available on a first come, first complete, first served basis while funds are available;
2. All dwellings will be within the Deltona city limits;
3. HUD defined manufactured homes (mobile homes) are not eligible for assistance;
4. Applicants are required to submit a completed City of Deltona SHIP Application and provide all written documentation requested including income, eligibility and qualification-parameters;
5. Persons who qualify for SHIP assistance must contractually agree to all SHIP Program guidelines, City of Deltona requirements, including recapture provisions and certify that the unit assisted is their principal residence;
6. Applicants must attend, complete and pass a Homebuyer Education Counseling course, including a homeowner maintenance and financial literacy component provided by or approved by the City;
7. A Home Quality Standards (HQS) inspection must be conducted by the ~~applicant's certified housing inspector~~ or the City Housing Program's designated HQS inspector; and
8. Rehabilitation activities shall be administered and prioritized utilizing the criteria illustrated under the Owner Occupied Rehabilitation strategy.

- g. **Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy by advertising using the City of Deltona purchase and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation, or a community based organization. Selection is based on the sponsor's ability to proceed, past experience in related fields, and performance.

h. **Additional Information:**

1. Applicants for disaster mitigation/recovery will be given priority above others on the waiting lists for other strategies.

2. Funds will not be allocated to this strategy except in the case of a Federal or State declared disaster.

## H.

<b>Central Sewer Assistance Program:</b>	<b>Code ?</b>
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- a. **Summary of Strategy:** There is a potential that certain neighborhoods or areas of the City may be retrofitted with central sewer to eliminate septic tanks that are failing, creating environmental or health hazards, etc. The requirement for individual residents to connect to a central sewer facility may constitute a financial burden. Therefore, this strategy is intended to assist qualified households defray some of the cost associated with the connection to central sewer.
- b. **Fiscal Years Covered:** 2016-2017, 2017-2018 and 2018-2019
- c. **Income Categories to be served:** Household incomes at or below 80% of the area median income adjusted for household size. For the purposes of the SHIP Program, Very Low and Low Income Households are defined in SHIP Statute Section 420.9071. The income limits are annually provided by the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation (FHFC). Per Section 420.9075(1)(a), F.S. preference will be given to those eligible recipients with special housing needs, including, but not limited to, the elderly, migrant farm workers, and persons with disabilities; however, only if in accordance with all applicable Federal or State laws.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:** Very Low and Low income households are eligible for a one time grant to connect to central sewer of no more than \$10,000. The grant amount may be less if the cost to connect is less than \$10,000.
- e. **Terms, Recapture, and Default:** The City of Deltona will provide a second mortgage deferred payment, zero interest (0%), forgivable loan for a term of up to 15 years.
- f. **Recipient Selection Criteria:**
  1. Funds will be made available on a first come, first complete, first served basis while funds are available;
  2. The City will spend no more than 75% of a yearly SHIP allocation on this strategy;
  3. All dwelling units within the Deltona City limits;
  4. All homes eligible for sewer retrofit must be owner-occupied with fee simple title encumbered with a first mortgage only. Applicants with second or third mortgages or reverse mortgages will not be eligible;
  5. The City, or its designee, will manage the contractor bid process and inspections to ensure that all work is performed by a licensed and insured contractor.
  6. If a sewer connection project will cost more than the \$10,000 grant, a homeowner can provide extra money derived through any legit source to facilitate connection. However, the City shall be responsible for hiring a

- contractor to perform needed work;
7. Applicants are required to submit a completed City of Deltona SHIP Application; and
  8. Persons who qualify for SHIP assistance must contractually agree to SHIP Program guidelines, and City of Deltona requirements.
  9. Sewer connection will include all impact and permit fees; plumbing from the house to the City sewer line; and code compliant septic tank abandonment.
- g. **Sponsor Selection Criteria, if applicable:** The City of Deltona may choose a sponsor to assist in the administration of this strategy. Selection of a sponsor will be consistent with City of Deltona purchase and procurement guidelines. The sponsors may be a private corporation, a not for profit corporation, or a community based organization. Selection is based on the sponsor's ability to proceed, past experience in related fields, and performance.
- h. **Additional Information:** None.

### 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:**

1. **Expedited Permitting;** Permits as defined in S. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.
  - a. **Established Policy and Procedures;** The City of Deltona ~~has instituted a~~ will maintain the policy that affordable housing projects can be placed ahead of other projects to prevent delays. All SHIP-funded projects requiring a permit or any designated affordable housing project, which have been coordinated with the Department of Planning and Development Services will receive expedited permit processing. All such applications will be put on colored paper in order to easily identify them from other permit requests. In addition, the City is prepared to memorialize this policy by adding a provision in the Comprehensive Plan.

**B. Name of the Strategy:**

1. **Ongoing Review Process;** There is an on-going review process for local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption.
  - a. **Established Policy and Procedures;** For established policy and procedures, when any local policies, ordinances, regulations, and plans are prepared that would increase the cost of housing, the City shall provide a draft of said policies, ordinances, regulation, and plans to the Community Development Division for their review. Analysis and comments on how such initiative(s) may impact the cost of housing for

lower income households. ~~A memorandum from the Community Development Division will be included in the packets for consideration by the Planning and Zoning Board and/or the City Commission to assist them when they make their recommendations/decisions.~~

**C. Name of the Strategy:**

1. **The Reservation of Infrastructure;** Add to the Comprehensive Plan, the establishment capacity threshold of up to 120% for affordable housing projects relating to traffic level of service.

a. **Established Policy and Procedures;** Infrastructure, such as water/sewer, roads, drainage, parks and public safety capacity must be available to support development. Capacity is funded through impact fees, exactions, general taxes, and by federal, state and local units of government. Class "A" Concurrency items are managed by the City Comprehensive Plan.

**D. Name of Strategy:**

1. **Other Strategies;**

a. **Other Strategies** are illustrated in the latest 2015 AHAC Incentive, Review and Recommendation Report.

**IV. EXHIBITS:**

- A. Administrative Budget for each fiscal year covered in the Plan, Exhibit A.
- B. Timeline for Encumbrance and Expenditure: Chapter 67-37.005(6)(d) and F.A.C. A separate timeline for each fiscal year covered in this plan is attached as Exhibit B.
- C. Housing Delivery goals Chart (HDGC) For Each Fiscal Year Covered in the Plan. Completed HDGC for each fiscal year is attached as Exhibit C.
- D. Certification Page: Signed Certification will be submitted with the final document.
- E. Adopting Resolution: A Resolution will be submitted with the final document.
- F. Program Information Sheet: The completed Program Information Sheet is attached as Exhibit F.
- G. Ordinance: N/A
- H. Interlocal Agreement: N/A