

RESOLUTION NO. 2007- 153

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, AMENDING RESOLUTION NO. 2006-75, WHICH ADOPTED LOCAL LHAP FOR FY 2006-2007, 2007-2008, AND 2008-2009.

WHEREAS, the Florida Housing Finance Corporation and the Florida Statutes require an adopted Local Housing Assistance Plan (LHAP) prior to receipt and distribution of the State Housing Initiatives Partnership (SHIP) funds; and

WHEREAS, the Board of County Commissioners of Nassau County, Florida adopted the Nassau County LHAP for FY 06-07, 07-08, and 08-09, pursuant to Resolution 2006-75, adopted April 24, 2006; and

WHEREAS, the Nassau County Affordable Housing Advisory Committee has recommended an amendment to the County's Local Housing Assistance Plan for FY 06-07, 07-08, and 08-09 to amend the Local Housing Assistance Strategies, amending the Down Payment and Closing Cost Assistance, to reduce the maximum amount of down payment and closing cost assistance to \$21,500.00 or ten percent (10%) of the purchase price whichever is less; and

WHEREAS, the Nassau County Affordable Housing Advisory Committee has recommended an amendment to the County's Local Housing Assistance Plan for FY 06-07, 07-08, and 08-09 to amend the Local Housing Assistance Strategies, amending the Owner Occupied Housing Rehabilitation, to modify the current homeowner rehabilitation strategy to allow any funds requested in the amount of \$25,000.00 or less be considered a grant and the homeowners insurance requirement would be waived; and

WHEREAS, the revised excerpts from the LHAP are attached hereto as Exhibit "A" to be incorporated into the LHAP upon approval of the Board of County Commissioners of Nassau County, Florida; and

WHEREAS, the Board of County Commissioners of Nassau County, Florida wishes to adopt the revised SHIP Affordable Housing Strategies as recommended by the Nassau County Affordable Housing Advisory Committee.

NOW, THEREFORE, BE IT RESOLVED this 15th day of August, 2007, by the Board of County Commissioners of Nassau County, Florida that the Local Housing Assistance Plan shall be hereby amended.

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA



JIM B. HIGGINBOTHAM
Its: Chairman

Attest as to Chairman's Signature:



JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney:



DAVID A. HALLMAN

EXHIBIT "A"

II. LHAP HOUSING STRATEGIES: *Chapter 67-37.005(5), F.A.C.*

Provide Description:

A. Down payment and Closing Cost Assistance (Homeownership)

- a. Summary of the Strategy: The down payment and closing cost assistance strategy assists first-time homebuyers paying a portion of their down payment and closing costs. The Program provides second mortgages to eligible applicants to purchase newly constructed and/or existing single-family homes or condominiums.
- b. Fiscal Years Covered: The down payment and closing cost assistance (or homeownership) strategy will be funded for the State Fiscal Years 2006-2007, 2007-2008, and 2008-2009.
- c. Income Categories to be served: Assistance will be provided to eligible applicants whose household income is at or less than 120% of the area median income and who have secured primary financing through a lending institution recognized by the Nassau County SHIP program.
- d. Maximum award is noted on the Housing Delivery Goals Charts: Down payment and closing costs assistance shall be provided up to a maximum of \$40,000. \$21,500 or 10% of the purchase price whichever is less. Down payment and closing cost assistance through the Nassau County SHIP program is not intended to be used as a substitution for the contribution of personal funds by eligible participants.
- e. Terms, Recapture of loan: A deferred payment loan at a zero percent (0%) annual interest rate will be secured by a second mortgage that is forgivable at the end of 10 years. This loan requires no monthly payments, however, this loan is due and payable if the property is sold or title is transferred or the house is no

longer the primary residence. In the event that the home is sold or title is transferred or the house is no longer the primary residence of the eligible applicant during the 10 year affordability period then 100% of the subsidy is due and payable in full to the Nassau County Board of County Commissioners – SHIP

f. Recipient Selection Criteria:

1. Applicants to this program must be a first time homebuyers. A first time homebuyer is defined as not having owned a home during the past three years.
2. The eligible participant must qualify for a mortgage loan to receive down payment and closing cost assistance.
3. Assistance will be provided on a first-come, first-ready basis.
4. To be considered for inclusion in this program the applicant must not have a contract for a home prior to attending the Nassau County SHIP homeownership education seminar series.
5. Should a waiting list develop for this strategy, then new eligible applicants will be added to the waiting list for future consideration.
6. The home to be purchased must be located within the Nassau County jurisdiction.
7. The purchase price for the home must not exceed the maximum allowed sales price in the SHIP program.
8. The applicant must contribute a minimum of \$500 (excluding pre-pays) towards the purchase of the home.
9. The applicant must reside within the home being assisted within 60 days after closing.
10. Applicant must not have received assistance from SHIP within the past 10 years prior to applying for assistance.

g. Sponsor Selection Criteria: Not applicable

h. Additional Information:

1. Eligible applicants must complete the Nassau County SHIP homeownership education seminar series prior to the selection of a home and before funds can be distributed for assistance.
2. Single family houses and condominiums are eligible.
3. Mobile homes are not eligible for assistance.

B. Owner Occupied Housing Rehabilitation

- a. Summary of the Strategy: The purpose of this strategy is to target Nassau County SHIP funds to aid in the rehabilitation of owner occupied housing in Nassau County. Rehabilitation will include repairs necessary to provide general renovation of the housing stock and to correct code violations. This rehabilitation is intended to extend the life of the housing stock. When the cost to rehabilitate the existing home exceeds 60% of the cost to construct a replacement home, reconstruction on the same lot may be performed. In the event that it is determined that it would not be cost effective (that it would be too expensive) to rehabilitate a home and that consideration should be given to demolishing the existing home and replacing the home on the same lot then a presentation before the Board of County Commissioners will be required so that the replacement structure and specifications can be reviewed and discussed and the appropriate funding amount determined. The demolition of a mobile home and the replacement of that structure with a home on that same lot can be considered under this provision.
- b. Fiscal Years Covered: The owner occupied housing rehabilitation strategy will be funded for the State Fiscal Years 2006-2007, 2007-2008, and 2008-2009.
- c. Income Categories to be served: This strategy is only available to Very-low and Low -income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.
- d. Maximum award is noted on the Housing Delivery Goals Charts: The maximum award for housing rehabilitation is \$65,000. ~~Any request for more than \$65,000~~

~~must be submitted to the Board of County Commissioners for their approval. Evidence of a hardship must be included in the request to the Board of County Commissioners. Any amount in excess of \$65,000 is subject to the discretionary approval of the Board of County Commissioners and is subject to the availability of funds as determined by the Board of County Commissioners. Any request for funds of \$25,000 or less shall be a grant and the homeowner's insurance requirement shall be waived.~~

- e. Terms, Recapture of loan. A deferred payment loan at a zero percent (0%) annual interest rate will be secured by a mortgage that is forgivable at the end of the affordability period. The affordability period for the owner occupied rehabilitation strategy is seven (7) years. This loan requires no monthly payments, however, this loan is due and payable in full if the property is sold or title is transferred or the house is no longer the primary residence. In the event that the participant dies before the end of the affordability period, then a family member who is eligible under the conditions of the SHIP program can assume ownership of the home and occupy it for the balance of the affordability period without having to repay the subsidy amount at the transfer of the title. In this instance the eligible family member would assume the role in the SHIP program as specified for the participant who died. There will be no recapture provision for a grant request of \$25,000 or less.
- f. Recipient Selection Criteria: Selection criteria for awarding SHIP funds to eligible households are based on the priority of need. Priority will be given to very low or low-income households in the following order: disabled and/or handicapped head of household; participants 62 years of age or older; households of five or more persons; and households of four persons or less. Further, the applicant must have clear title (ownership) to the property. The applicant must not be delinquent on any real property tax owed to Nassau County. The applicant must occupy the assisted property as their principal residence. Assistance is provided on a "first ready, first served" basis and the

home to be assisted must be located in Nassau County.

- g. Sponsor Selection Criteria: Not applicable.
- h. Additional Information:
 - a. Mobile homes, rentals and condominiums are not eligible for assistance.
 - b. Eligible applicants can only receive assistance through this program once in a ten-year period.
 - c. Recipients of this SHIP subsidy are hereby advised that rehabilitation of your home may result in a change in your property taxes. The market value of your home as determined by the Property Appraiser's Office is used to determine your property taxes. If the market value of your property increases after your participation in this program, then your property taxes may also increase.
 - d. Recipients of this SHIP subsidy are required to have and maintain homeowners insurance during the affordability period. Unless a grant of \$25,000 or less has been awarded.
 - e. Recipients of this SHIP subsidy who are located in the applicable FEMA flood zone classification will be required to have and maintain flood insurance during the affordability period.
 - f. Bidding procedures for the owner occupied rehabilitation program are as follows:
 - i. All licensed general contractors and sub-contractors who wish to participate in the Nassau County SHIP program must submit a complete application and be approved by the Nassau County SHIP Administrator. This approval is based on qualifications and references. Upon approval contractors will be added to the master list of qualified contractors.
 - ii. The Nassau County SHIP Administrator will contact all qualified contractors on the master list regarding rehabilitation projects available for bid.
 - iii. Sealed bids will be opened formally in the Nassau County Clerk's

Office by the Clerk's staff and the Nassau County SHIP Administrator or their designee will be present for bid opening. The bid documents will be recorded and a copy given to the Nassau County SHIP Administrator or their designee to determine the award. All bid processes will comply with the Nassau County Board of County Commissioners procurement procedure.

- iv. The Nassau County SHIP Administrator will take recommendation of the awards to the Board of County Commissioners for approval and award of the contract.

10:43 Kathy Dennis, Program Administrator for the Northeast Florida Regional Council, addressed the Board regarding two changes to the Local Housing Assistance Plan. The first change was to amend the LHAP language to reduce the down payment and closing cost assistance maximum award to \$21,500 or 10% of the purchase price, whichever is less. The second change would be to amend the Owner Occupied Housing Rehabilitation, to modify the current homeowner rehabilitation strategy to allow any funds requested in the amount of \$25,000 or less be considered a grant and the homeowners insurance requirement be waived. Commissioner Marshall moved, seconded by Commissioner Branan, and unanimously carried to approve and authorize the Chairman to sign Resolution 2007-153 Amending Resolution No. 2006-75, Which Adopted Local Housing Assistance Program (LHAP) for Fiscal Years 2006-2007, 2007-2008, and 2008-2009, with the changes stated above.