

RESOLUTION NO. 2010-125

A RESOLUTION MAKING TECHNICAL REVISIONS TO THE LOCAL HOUSING ASSISTANCE PLANS FOR FY 03/04 THROUGH FY 05/06, FY 06/07 THROUGH FY 08/09 AND FY 09/10 THROUGH FY 11/12 TO REVISE CIRCUMSTANCES UNDER WHICH A SUBORDINATION AGREEMENT MAY BE GIVEN.

WHEREAS, the County recognizes that under certain circumstances, refinancing an existing first mortgage may occur in order to make the first mortgage loan more affordable to the homeowner;

WHEREAS, The Local Housing Assistance Plan (LHAP) for FY 09/10, 10/11, and 11/12 requires, “the County may subordinate a second mortgage when the homeowner is refinancing the first mortgage under the following circumstances:

- a) Mortgage lender must provide a written affidavit stating that the borrower shall receive no cash out at closing and the balance of the first mortgage shall not be increased, or alternatively, all cash out funds are to be paid immediately and directly to the County as a principle reduction of the second mortgage.
- b) The SHIP second mortgage loan will remain in second position; and
- c) The borrower is not in breach of any terms of the applicable LHAP, and is not in breach of any terms contained in the Note and Mortgage.”;

WHEREAS, the County recognizes the need to expand upon the circumstances in which a subordination agreement is appropriate when all other terms of the note are being met and the County would not lose its priority through the subordination of its loan.

NOW THEREFORE, this the 9th day of August, 2010, be it resolved by the Board of County Commissioners of Nassau County, Florida to amend the Local Housing Assistance Plans for FY 03/04 through FY 05/06, FY 06/07 through 08/09 and FY 09/10 through FY 11/12 by adding the following provisions:

Notwithstanding in other provision of this Plan or any Promissory Note executed pursuant hereto to the contrary, the County may subordinate a second mortgage when the homeowner is refinancing the first mortgage under the following circumstances:

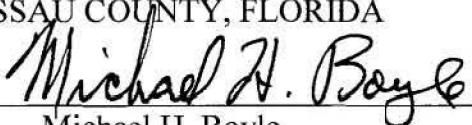
- 1) Mortgage lender must provide a copy of the new First Mortgage and a copy of the settlement statement stating that the borrower shall receive no cash out at closing or alternatively, all cash out funds are to be paid immediately and directly to the County as a principle reduction of the second mortgage.
- 2) The SHIP second mortgage loan will remain in second position.
- 3) The borrower is not in breach of any terms of the applicable LHAP, and is not in breach of any terms contained in the Note and Mortgage; and
- 4) Closing costs may be rolled into the refinancing first mortgage under the following conditions:
 - a) All first mortgage monthly payments must be current.
 - b) The appraised value of the home must be equal to or greater than the outstanding balance on the SHIP Loan plus the balance on the refinanced First Mortgage. Appraised value is determined by:

- 1) An appraisal less than 30 days old if the refinancing institution requires an appraisal; or
- 2) If the First Mortgage lender does not require a new appraisal, the appraised home value will be calculated by dividing the Just Value as listed on the Property Appraiser's current certified tax roll by .85.

In such an event, the County Manager is authorized to execute the Subordination Agreement on behalf of Nassau County Board of County Commissioners. The amended LHAP's shall be filed with the Florida Housing Corporation upon the effective date of this resolution.

BOARD OF COUNTY COMMISSIONERS OF
NASSAU COUNTY, FLORIDA


By:



Michael H. Boyle

Its: Chair

ATTEST:


John A. Crawford
Its: Ex-Officio Clerk

EBK
8/9/10

APPROVED AS TO FORM
BY THE NASSAU COUNTY ATTORNEY:


David A. Hallman

**NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS**



**STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM
LOCAL HOUSING ASSISTANCE PLAN (LHAP)**

Fiscal Year 2009-2010

Fiscal Year 2010-2011

Fiscal Year 2011-2012

Adopted April 27, 2009

~~Revised April 26, 2010~~

Revised August 9, 2010

Nassau County SHIP Program
Local Housing Assistance Plan

FOR FISCAL YEARS
2009-2010; 2010-2011; 2011-2012 and
Retroactive to
2006-2007; 2007-2008; 2008-2009

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I. PROGRAM DESCRIPTION

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

Nassau County Board of County Commissioners, Florida

Interlocal : Yes _____ No ☒ _____

Name of participating local government(s) in the Interlocal Agreement;

N/A

B. Purpose of the program:

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

C. Fiscal years covered by the Plan:

<u>X</u>	<u>2009/2010</u>
<u>X</u>	<u>2010/2011</u>
<u>X</u>	<u>2011/2012</u>

Retroactive years covered by the Plan:

<u>X</u>	<u>2006/2007</u>
<u>X</u>	<u>2007/2008</u>
<u>X</u>	<u>2008/2009</u>

D. Governance:

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

E. Local Housing Partnership:

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

F. Leveraging:

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

G. Public Input:

Public input was solicited through face to face meetings and the local newspaper through advertising. The new plan was discussed and reviewed by County staff, the Affordable Housing Advisory Committee (AHAC) and the County Commission with technical assistance provided by the Florida Housing Coalition staff. The Local Housing Assistance Plan (LHAP) for the Nassau County SHIP program was approved by vote on Monday, April 27, 2009 at 7:00 p.m. during a public meeting of the Board of County Commissioners.

H. Advertising and Outreach:

The county or eligible municipality or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required. If the waiting list is exhausted and funds remain unencumbered, the county shall advertise as required.

I. Discrimination:

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

J. Support Services and Counseling:

In order to make home ownership a successful experience, it will be necessary to provide support services for the residents. Support services are available from various community partners including the University of Florida/IFAS County Extension Services Office. Available support services may include but are not limited to: Financial Assistance Programs, Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Educational Workshops and Gardening and Horticulture.

K. Purchase Price Limits:

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

The methodology used is:

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

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

L. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in

Sections 420.9071 (19), (20) and (28), F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program:

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

N. Monitoring and First Right of Refusal:

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

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

O. Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**. These are presented on an annual basis for each State fiscal year submitted.

The Nassau County Board of County Commissioners finds that the monies deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. The Nassau County Board of County Commissioners has determined that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. Therefore by Resolution 2009 – 93, attached as **Exhibit E**, the Board of County will use 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund to administer the local housing assistance plan in accordance with Chapter 67-37, Florida Administrative Code.

Program income is defined as proceeds derived from interest earned on or investments of the local housing distribution and other funds deposited into the local housing trust fund, such as proceeds from loan repayments, recycled funds, loan interest collected, service fees, late penalties, proceeds from the sale of or refinancing of the home, or other transfer of home ownership including foreclosure, and any other source of income derived from use of funds deposited into the local housing trust fund. It does not include recaptured funds. Recaptured Funds are funds recouped which were not used for assistance to an eligible household for an eligible activity.

P. Program Administration:

Administration of the local housing assistance plan is the responsibility of the county. A third party entity or consultant is not being used to administer any part of the administrative or other functions of the program.

Q. Essential Service Personnel:

Essential Service Personnel is defined as persons in need of affordable housing who are employed in the following occupations or professions; teachers and educators; police and fire personnel; health care personnel; and skilled building trades personnel.

II. LHAP HOUSING STRATEGIES

Provide Description:

A. Down payment and Closing Cost Assistance (Homeownership):

- Summary of the Strategy: The down payment and closing cost assistance strategy assists eligible homebuyers by providing funds to be used for down payment and closing costs when purchasing a newly constructed and/or existing single-family home or condominium.
- Fiscal Years Covered: The down payment and closing cost assistance (homeownership) strategy will be funded for the State Fiscal Years 2009-2010, 2010-2011, and 2011-2012.
- 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 as defined by Florida Statutes 420.9071 (20) and who have secured primary financing through a lending institution recognized by the Nassau County SHIP program.
- Maximum award is noted on the Housing Delivery Goals Chart: Down payment and closing costs assistance shall be provided up to a maximum of \$40,000.
- Terms, Recapture and Default: A deferred payment loan at a zero percent (0%) annual interest rate will be secured by a second mortgage and note that is forgivable at the end of 10 years. This loan requires no monthly payments, however, this loan is due and payable if during the 10 year affordability period, the property is sold or becomes non-homesteaded in the County's Property Appraiser's records. In the event that the home is sold or non-homesteaded 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 as program income.
- The County shall not accelerate and call due the Note on the basis of a change in ownership of the subject property under the following circumstances:
 - Ownership of the property remains with at least one of the original applicants, or the spouse, ex-spouse, or surviving spouse of one of the original applicants, so long as that applicant occupies the premises as his or her primary residence.
 - Ownership of the property transfers by testate or intestate succession to a person who meets the financial qualifications of the then current LHAP for Down Payment Assistance Program.
 - The County may subordinate a second mortgage when the homeowner is refinancing the first mortgage under the following circumstances:
 - Mortgage lender must provide a copy of the new First Mortgage and a copy of the settlement statement ~~written affidavit~~ stating that the borrower shall receive no cash out at closing ~~and the balance of the first mortgage shall not be increased~~, or alternatively, all cash out funds are to be paid immediately and directly to the County as a principle reduction of the second mortgage.
 - The SHIP second mortgage loan will remain in second position.
 - The borrower is not in breach of any terms of the applicable LHAP, and is not in breach of any terms contained in the Note and Mortgage.
 - Closing costs may be rolled into the refinancing first mortgage under the following conditions:
 - a) All first mortgage payments must be current
 - b) The appraised value of the home must be equal to or greater than the outstanding balance on the SHIP Loan plus the balance on the refinanced First Mortgage. Appraised value is determined by:
 - 1) An appraisal less than 30 days old if the refinancing institution requires an appraisal; or
 - 2) If the First Mortgage lender does not require a new appraisal, the appraised home value will be calculated by dividing the Just Value as listed on the Property Appraiser's current certified tax roll by .85.
 - In such an event, the County ~~Coordinator~~ Manager is authorized to execute the Subordination Agreement on behalf of Nassau County Board of County Commissioners.
 - Recipient Selection Criteria:
 - Eligible participants must not own a home at the time of closing on the SHIP assisted home.
 - The eligible participant must qualify for a mortgage loan to receive down payment and closing cost assistance.
 - Assistance will be provided on a first-come, first-ready basis by income category.
 - To be considered for inclusion in this program the applicant must not have a contract to purchase a home prior to receiving an award letter from Nassau

- County.
 - Should a waiting list develop for this strategy, then new eligible applicants will be added to the waiting list by income category for future consideration.
 - The home to be purchased must be located within Nassau County jurisdiction.
 - The purchase price for the home must not exceed the maximum allowed sales price as noted on the Housing Delivery Goals Chart.
 - The applicant must contribute a minimum of \$500 towards the purchase of the home.
 - The applicant must reside within the home being assisted within 60 days after closing.
 - The applicant must homestead the home with the County's Property Appraiser's Office within 60 days after closing and maintain homestead designation throughout the 10 year affordability period.
 - Applicant must not have received assistance from the County's SHIP program within the past 10 years prior to applying for assistance.
- Sponsor Selection Criteria: Not applicable
- Additional Information: The eligible applicant may purchase an eligible single family house or condominium. The purchase of a mobile home is not allowed.

B. Owner Occupied Housing Rehabilitation

- Summary of the Strategy: Owner Occupied Housing Rehabilitation provides assistance for repairs necessary for general renovation of the housing stock and to correct code violations. This strategy is intended to extend the life of the housing stock.
- Fiscal Years Covered: The owner occupied housing rehabilitation strategy will be funded for the State Fiscal Years 2009-2010, 2010-2011, and 2011-2012.
- Income Categories to be served: Assistance will be provided to eligible applicants whose household income is at or less than 80% of the area median income as defined by Florida Statute 420.9071 (19).
- Maximum award is noted on the Housing Delivery Goals Charts: The maximum award for housing rehabilitation is \$65,000. When the cost to rehabilitate the existing home and correct all code violations exceeds \$65,000, the home will not be eligible for the SHIP Rehabilitation Program. If the home is not eligible, the SHIP Coordinator will assist the homeowner in researching other housing program opportunities.
- Terms, Recapture and Default: Rehabilitation projects costing \$25,000 or less will be disbursed in the form of a one time non-recaptured grant. For Rehabilitation costing greater than \$25,000, a deferred payment loan at a zero percent (0%) annual interest rate will be secured by a mortgage and note that is forgivable at the end of 7 years. This loan requires no monthly payments, however, this loan is due and payable if during the 7 year affordability period, the property is sold or becomes non-homesteaded in the County's Property Appraiser's records. In the event that the home is sold or non-homesteaded during the 7 year affordability period then 100% of the subsidy is due and payable in full to the Nassau County Board of County Commissioners as program income.
- The County shall not accelerate and call due the Note on the basis of a change in

ownership of the subject property under the following circumstances:

- Ownership of the property remains with at least one of the original applicants, or the spouse, ex-spouse, or surviving spouse of one of the original applicants, so long as that applicant occupies the premises as his or her primary residence.
- Ownership of the property transfers by testate or intestate succession to a person who meets the financial qualifications of the then current LHAP for Owner Occupied Housing Rehabilitation.
- **Recipient Selection Criteria:**
 - Assistance will be provided on a first-come, first-ready basis by income category.
 - Should a waiting list develop for this strategy, then new eligible applicants will be added to the waiting list by income category for future consideration.
 - The home to be rehabilitated must be located within Nassau County jurisdiction.
 - The applicant must not be delinquent on any real property tax owed to Nassau County.
 - The home must be homesteaded with the County's Property Appraiser's Office and maintain homestead designation throughout the 7 year affordability period.
 - Applicant must not have received assistance from the County's SHIP program within the past 10 years prior to applying for assistance.
- **Sponsor Selection Criteria:** Not applicable.
- **Additional Information:** Rehabilitation of a mobile home, rental unit, or condominium is not allowed.

C. Disaster Mitigation

- **Summary of the Strategy:** Nassau County is a coastal county that has in the past been adversely affected by presidential, state or local natural disasters that were not necessarily associated with the hurricane season. Some of the residents affected by these disasters have had limited viable resources to assist them with recovery in these events.
- This Disaster Mitigation strategy is not intended to be limited to hurricane events and applies to any emergency or natural disaster event that is declared as such by a presidential, local, or state Executive Order. The total amount of funds allowed for this strategy will depend upon the amount of unencumbered funds pursuant to Chapter 420, Florida Statutes. Funds will be used for protecting owner occupied homes from further damage through temporary measures such as but not limited to, tree removal, roof coverage preceding repair, or use of plastic sheeting preceding window replacement. Deductible charges for Homeowners Insurance may be paid with Disaster Mitigation Funds.
- **Fiscal Years Covered:** The Disaster Mitigation strategy will be funded for State Fiscal Years 2009-2010, 2010-2011 and 2011-2012.
- **Income Categories to be served:** Assistance will be provided to eligible applicants whose household income is at or less than 80% of the area median income as defined

by Florida Statute 420.9071 (19).

- Maximum award is noted on the Housing Delivery Goals Charts: Disaster Mitigation shall be provided up to a maximum of \$5,000.
- Terms, Recapture, and Default: Funds for the Disaster Mitigation strategy will be disbursed as a one time non-recaptured grant.
- Recipient Selection Criteria: Assistance will be provided to eligible very low and low-income homeowners on a first ready, first served basis following the declaration of “natural disaster” or “state of emergency.”
- Sponsor Selection Criteria: Not applicable.
- Additional Information:
 - This strategy will only be implemented in the event of a natural disaster declaration and will only utilize unencumbered SHIP funds.
 - Mobile homes and rentals are not eligible for assistance.
 - Disaster Self-Certification of Income Form will be used to expedite the approval process.

D. Rental Housing Development Assistance

- Summary of the Strategy: The Rental Housing Development Assistance strategy will be used to provide gap financing for the construction or rehabilitation of affordable rental units. Eligible expenses are those hard costs, which are typically, or customarily treated as construction costs by institutional lenders, payment of impact fees, infrastructure expenses typically paid by the developer; construction soft costs such as engineering studies and appraisals if directly related to housing construction or rehabilitation.
- Fiscal Years Covered: The rental housing development assistance strategy will be funded for State Fiscal Years 2009-2010, 2010-2011 and 2011-2012.
- Income Categories to be served: Assistance will be provided to eligible applicants whose household income is at or less than 80% of the area median income as defined by Florida Statute 420.9071 (19).
- Maximum award is noted on the Housing Delivery Goals Charts: The maximum amount of the award is subject to the development and will comply with the statutory provisions of Chapter 67-37.007 Florida Administrative Code, regarding distribution of funds for both home ownership and rental housing activities.
- Terms, Recapture, and Default: Rental Housing Development assistance is in the form of a zero (0%) interest, fifteen (15) year deferred payment loan. Throughout the 15 year affordability period, the rental unit must continue to serve eligible persons pursuant to SHIP program requirements. Rental units assisted with SHIP funds shall be monitored, in accordance with the requirements of the funding program, on an annual basis during the period of affordability for tenant income and maximum rents, as established by the most restrictive funding program. In the event a rental unit is offered for sale prior to the end of the 15-year loan period, the rental unit shall be subject to right of first refusal for purchase at the current market value by eligible nonprofit organizations that would continue occupancy by eligible persons.
- Recipient Selection Criteria: Preference is given to those non-profit agencies that can demonstrate that they employ personnel from the Welfare Transition Program.

Selection will include but not be limited to the following criteria:

- Experience in development of affordable housing.
- Financial capacity to undertake the project, including the ability to secure other funds and financing necessary to complete the project.
- Consistency with the appropriate municipal zoning code, and land use and development regulations.
- Sponsor Selection Criteria: Not applicable
- Additional information: Not applicable

E. Emergency Repairs

- Summary of the Strategy: Emergency repairs are minor repairs to owner occupied housing in Nassau County necessary to correct health and safety concerns such as but not limited to, construction of wheelchair ramps, septic tank repair or replacement, heating and air conditioning repair. Repairs will include minor work necessary to provide general renovation of the housing stock and to correct code violations.
- Fiscal Years Covered: The emergency repair strategy will be funded for the State Fiscal Years 2009-2010, 2010-2011, and 2011-2012.
- Income categories served: Assistance will be provided to eligible applicants whose household income is at or less than 80% of the area median income as defined by Florida Statute 420.9071 (19).
- Maximum award is noted on the Housing Delivery Goals Charts: The Maximum award for Emergency Repairs is \$10,000.
- Terms, Recapture, and Default: Funds for the Emergency Repair strategy will be disbursed as a one time non-recaptured grant.
- Recipient Selection Criteria:
 - Assistance will be provided on a first-come, first-ready basis by income category and evaluation of urgency and safety.
 - The home to be repaired must be located within Nassau County jurisdiction.
 - The applicant must not be delinquent on any real property tax owed to Nassau County.
 - The home must be homesteaded with the County's Property Appraiser's Office.
 - The applicant must not have received assistance from the County's SHIP program within the past 10 years prior to applying for assistance.
- Sponsor Selection Criteria: Not applicable.
- Additional Information: Repairs to a mobile home, rental unit, or condominium is not allowed.

F. Florida Homebuyer Opportunity Program

- Summary of the Strategy: This strategy is designed in response to the legislative proviso requiring SHIP local governments to expend 2009-2010 funds to ensure that residents of the state derive the maximum possible economic benefit from the federal first time

homebuyer tax credit created through The American Recovery and Reinvestment Act of 2009 by providing subordinate down payment assistance loans to first time homebuyers for owner occupied primary residences that can be repaid by the income tax refund the homebuyer is entitled to under the First Time Homebuyer Credit. The state program shall be called the "Florida Homebuyer Opportunity Program."

- Fiscal Years Covered: 2009/2010 until expiration of the Florida Homebuyer Opportunity Program Tax Credit.
- Income Categories to be served: Up to \$75,000 for single taxpayers or \$150,000 for joint filers. There is no requirement to reserve 30 percent of the funds for awards to very-low-income persons or 30 percent of the funds for awards to low-income persons; and there is no requirement to expend 75% of funds for construction, rehabilitation or emergency repair.
- Maximum award shall not exceed 10% of the purchase price or \$8,000 whichever is less.
- Terms, Recapture and Default: The homebuyer shall be expected to use their federal income tax refund to fully repay the loan. If the homebuyer fails to fully repay the loan within the earlier of 18 months or 10 days after the receipt of their federal income tax refund, the loan amount shall be increased by a penalty of 10% of the balance. If the loan has a remaining balance after 18 months, the loan shall begin to accrue interest at a rate of 2% per annum. If the county receives repayment from the homebuyer within 18 months after the closing date of the loan the loan shall not accrue any interest charges. All funds repaid to a county or eligible municipality shall be considered "program income" as defined in s. 420.9071 (24).
- Recipient Selection Criteria: Recipients must meet the requirements of the following:
 - Assistance will be provided on a first-come, first-ready basis.
 - The maximum income limit shall be Adjusted Gross Income of \$75,000 for single taxpayer households or \$150,000 for joint-filing taxpayer households which is equal to that permitted by the American Recovery and Reinvestment Act of 2009.
 - Applicant must meet the eligibility requirement for the first time homebuyer tax credit (not a homeowner in the previous 3 years) created through the "American Recovery and Reinvestment Act of 2009".

G. Demolition/New Construction

- Summary of the Strategy: Demolition/New Construction provides construction of a new, safe structure for homeowners when the Owner Occupied Housing Rehabilitation strategy is not economically sufficient to correct code violations and meet local Building Department requirements.
- Fiscal Years Covered: The Demolition/New Construction strategy will be funded for the State Fiscal Years, 2009-2010, 2010-2011, and 2011-2012.
- Income Categories to be served: Assistance will be provided to eligible applicants whose household income is at or less than 80% of the area median income as defined

by Florida Statute 420.9071 (19).

- Maximum award is noted on the Housing Delivery Goals Charts: The maximum award for the Demolition/New Construction housing strategy is \$100,000.
- Terms, Recapture and Default: A deferred payment loan at a zero percent (0%) annual interest rate will be secured by a mortgage and note that is forgivable at the end of 7 years. This loan requires no monthly payments, however, this loan is due and payable if during the 7 year affordability period, the property is sold or becomes non-homesteaded in the County's Property Appraiser's records. In the event that the home is sold or non-homesteaded during the 7 year affordability period then 100% of the subsidy is due and payable in full to the Nassau County Board of County Commissioners as program income.
- The County shall not accelerate and call due the note on the basis of a change in ownership of the subject property under the following circumstances:
 - Ownership of the property remains with at least one of the original applicants, or the spouse, ex-spouse, or surviving spouse of one of the original applicants, so long as that applicant occupies the premises as his or her primary residence.
 - Ownership of the property transfers by testate or intestate succession to a person who meets the financial qualifications of the SHIP Program and the then current LHAP.
- Recipient Selection Criteria:
 - When an applicant has been approved for Rehabilitation and unforeseen circumstances cause the cost to exceed \$65,000, the home will be eligible for the SHIP Demolition/New Construction Housing Strategy with the recommendation of the SHIP Coordinator and approval of the County Manager.
 - Assistance will be provided on a first-come, first-ready basis by income category
 - Should a waiting list develop for this strategy, then new eligible applicants will be added to the waiting list by income category for future consideration.
 - The home must be located within Nassau County jurisdiction.
 - The applicant must not be delinquent on any real property tax owed to Nassau County.
 - The home must be homesteaded with the County's Property Appraiser's Office and maintain homestead designation throughout the 7 year affordability period.
 - Applicant must not have received assistance from the County's SHIP program within the past 10 years prior to applying for assistance. The applicant will not be considered for future SHIP assistance after the new home is constructed.
- Sponsor Selection Criteria: Not applicable.
- Additional Information: Mobile homes, rental units, and condominiums are not eligible.

III. LHAP INCENTIVE STRATEGIES

A. Incentive: *Processing approvals of development orders or permits, as defined in Fla. Stat. §163.3164(7) and (8), for affordable housing projects in expedited manner to a greater degree than other projects.*

The Building Department and Growth Management Department proceeds with a process by which applications related to affordable housing projects receive higher priority than non-affordable housing applications. Permits as defined in s. 163.3164(7) and (8) for affordable housing projects that serve very low, low and moderate as defined by FS 420.9071 are expedited to a greater degree than other projects. Affordable housing projects may be single and multi-family attached or detached residential and planned or mixed developments. For the purpose of the expedited permit process, affordable housing projects are identified as those projects assisted with state or federal housing funds. The procedure for expedited permitting is for the organization to request expedited permitting from the Growth Management Department. The Growth Management Department requests the SHIP Office to verify compliance with affordability requirements. Upon affordability verification, the Growth Management Department affixes a form in substantially the same format as set forth in **Exhibit "A"** hereto to the front of the application denoting Expedited Status. All departments and staff ensure that applications with this Expedited Status are processed first in each step of the development review and permit processes.

B. Incentive: *The reduction of parking and setback requirements for affordable housing.*

Subject to development review and site plan approval, as necessary, the County shall allow a reduction in the parking and setback requirements for affordable housing so long as said reductions are otherwise consistent with the Land Development Regulations and comply with the Comprehensive Plan.

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

Subject to development review and site plan approval, as necessary, the County shall allow flexible lot configurations, including zero-lot-line configurations for affordable housing so long as said reductions are otherwise consistent with the Land Development Regulations and comply with the Comprehensive Plan.

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

The Nassau County 2010 Comprehensive Plan (Housing Policy) addresses ongoing review of policies, procedures, ordinances, regulations or plan provisions in Objective 3.08 titled HOUSING AFFORDABILITY.

3.08.01 All codes, ordinances, regulations, policies and procedures regarding residential development review and construction shall be reviewed by the Growth Management Department Staff to determine their impact on housing development costs. Those components which unnecessarily increase the cost of housing without impairing the health, sanitation, fire safety, structural integrity and maintenance requirements shall be eliminated.

Growth Management will notify the Affordable Housing Advisory Committee of policy proposals or procedures that impact the cost of housing and quantify the impact of such proposals and procedures to the best extent possible. The quantitative analysis determined by Growth Management shall be reported to the Office of Management and Budget in order to complete the required report for Florida Housing Finance Corporation. The Affordable Housing Advisory Committee may make a recommendation on these proposals and procedures to the Board of County Commissioners.

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

The County Coordinator shall cause to be generated annually a printed inventory of locally owned public lands reasonably suitable for affordable housing which list shall be made available to the SHIP Coordinator and the Affordable Housing Advisory Committee.

F. Incentive: *Modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.*

The Nassau County 2010 Comprehensive Plan (Housing Policy); and the Code of Ordinances provide for impact fee modification (waiver/credits/deferrals). The County shall continue its current policy related to modification of impact-fee requirements in order to provide an incentive to affordable housing.

G. Incentive: *The allowance of flexibility in densities for affordable housing.*

The Nassau County 2010 Comprehensive Plan (Housing Policy) 3.01.01 provides density bonuses. Land Development Regulations shall provide a process including incentives which encourage the use of Planned Unit Developments (PUDs) and mixed use developments, and which will offer a variety of housing types. The LDRs shall include an affordable housing density bonus provision for planned development projects, allowing eligible affordable housing projects to receive a density bonus based on the following table.

Density Bonuses for Affordable Housing

The County will allow an increase in a proposed development's density if the development provides affordable housing, as per the following:

% units in a proposed development that are

% density bonus in the overall

density of the priced or otherwise made available to low and very low income households	proposed development
If the development provides 0% affordable housing, the County will allow:	0% density bonus
If the development provides between 10% and 15% affordable housing, the County will allow:	3% density bonus
If the development provides over 15%, but less than 20% affordable housing, the County will allow:	5% density bonus
If the development provides over 20% affordable Housing, the County will allow:	10% density bonus

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.**
- B. Timeline for Encumbrance and Expenditure:**
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.
- 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 is attached as Exhibit D.
- E. Adopting Resolution:** Original signed, dated, attested adopting resolution is attached as Exhibit E.
- F. Program Information Sheet:** Completed program information sheet is attached as Exhibit F.