

RESOLUTION NO. 2023-206

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, MAKING TECHNICAL REVISIONS TO THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR FY 21/22, 22/23, 23/24 TO REVISE PROGRAM DETAILS FOR EMERGENCY REPAIRS ASSISTANCE; TO REVISE THE RENTAL HOUSING DEVELOPMENT STRATEGY; TO REVISE PURCHASE ASSISTANCE WITH OR WITHOUT REHABILITATION; TO ADD A NEW STRATEGY FOR NEW CONSTRUCTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Local Housing Assistance Plan (LHAP) for FY 21/22 through FY 23/24 was adopted on April 26, 2021, by Resolution 2021-058 and subsequently amended on November 28, 2022, by Resolution 2022-213; and

WHEREAS, the adopted LHAP provides an obsolete emergency repairs assistance maximum award; and

WHEREAS, the adopted LHAP provides an obsolete rental housing development assistance maximum possible award, number of units designated and years in loan term and forgiveness; and

WHEREAS, the adopted LHAP has inaccurate language regarding the purchase price of the home cannot exceed 90% of the Median Home Sold Price for the last 12 month period and provides obsolete criteria for home purchase applicants that must not have a contract to purchase in place prior to receiving an award letter from Nassau County in the purchase assistance with or without rehabilitation strategy; and

WHEREAS, the Florida Housing Finance Corporation has approved the language for Median Home Sold Price for the last 12 month period to average purchase price, the elimination of the criteria stating a contract cannot be in place prior to receiving an award letter from Nassau County and adding the New Construction (Not-For-Profit) Strategy; and

WHEREAS, on July 19, 2023, the Essential Housing Advisory Committee recommended to the Nassau County Board of County Commissioners a revision to the LHAP increasing the Rental Housing Development Assistance Strategy to the maximum possible award and modifying the number of units designated, and years in loan term and forgiveness; and

WHEREAS, the increase in the Emergency Repairs Assistance Maximum Award is a technical revision that does not need Florida Housing Finance Corporation pre-approval or the Essential Housing Advisory Committee approval; and

WHEREAS, the recommended revisions require a need for a technical revision to the LHAP; and

WHEREAS, the Nassau County Board of County Commissioners approves the recommendation as being in the public interest for Nassau County residents.

NOW THEREFORE, be it resolved by the Board of County Commissioners of Nassau County, Florida, that the LHAP shall be amended to reflect the following technical revisions:

SECTION 1. Section II, LHAP Strategies, at A., Purchase Assistance with or without Rehabilitation (Code 1, 2) shall be amended as follows:

- a. To revise c., Maximum award, providing that the purchase price of the home cannot exceed 90% of the average area purchase price.
- b. To delete in its entirety e. 4. which required that in order 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.

SECTION 2. Section II, LHAP Strategies, at D., Rental Housing Development Assistance (Code 14,21) shall be amended as follows:

- a. To revise c., Maximum award, to increase the maximum award from \$52,497 to \$500,000 and reducing the number of the units designated for Low/Very Low Income from at least 8 units to at least 6 units;
- b. To revise d.3., revising the years in the loan term from 15 years to 45 years; and
- c. To revise d.4., providing for loan forgiveness for non-profits in that the loan is forgiven on a prorated basis beginning in year thirty-six (36) so that 10% of the loan is forgiven annually from years 36 through 45.

SECTION 3. Section II, LHAP Strategies, at E., Emergency Repairs (Code 6) shall be amended as follows:

- a. To revise c., in order to increase the maximum award from \$10,000 to \$20,000

SECTION 4. Section II, LHAP Strategies, creating a completely new section G. entitled New Construction (Code 10) strategy which shall read as follows:

Summary: This **Not-for-Profit Homebuyer** strategy will assist with the construction of homes sold by non-profit developers to Homebuyers. This strategy will provide a subsidy to eligible sponsors to pay development costs. Eligible development costs include fees charged by governmental entities in conjunction with residential construction (impact fees, building permits, utility fees, etc.), wells, septic and site preparation. Any funds not used for the payment of development costs may be used to offset the cost of construction or rehabilitation of an acquired eligible housing unit.

- a. Fiscal Years Covered: 2021-2022, 2022-2023 and 2023-2024
- b. Income Categories to be served: Very Low, Low and Moderate
- c. Maximum award: \$150,000 per Unit (Developer)
 - 2 Bedroom \$50,000
 - 3 Bedroom \$100,000
 - 4 Bedroom \$150,000
- d. Terms:
 - 1. Repayment loan/deferred loan/grant: Deferred Loan secured by a recorded note and mortgage. (Homebuyer and Sponsor)
 - 2. Interest 0% (Homebuyer and Sponsor)
 - 3. Years in loan term: 2 Years (Sponsor). Once the loan is transferred to the buyer, sponsor loan is assumed by the Homebuyer for a term of 20 years. Such assumption of the loan shall be reflected as an offset or credit for the purchase of the home and reflected in such final purchase price,
 - 4. Forgiveness: Forgiven at the end of the term (Homebuyer and Sponsor)
 - 5. Repayment: None required if loan is in good standing (Homebuyer and Sponsor)
 - 6. Default: Developer - If termination for default is affected by the local government, no amount shall be allowed for anticipated profit on unperformed services or other work and any payment due to the contractor at the time of termination may be adjusted to cover any additional costs to the local government because of the contractor's default. The loan is in default if home is not sold to a SHIP eligible buyer within two-year term.

Homebuyer - The loan will be determined to be in default if any of the following occurs during the 20-year loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

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

If the home is foreclosed on by a superior mortgage holder, the County will try to recapture funds through the legal process if it is determined that

adequate funds may be available to justify pursuing a repayment.

e. Recipient Selection Criteria: Applicants will be assisted on a first-qualified, first-served basis and:

1. The housing debt including an allowance for taxes and insurance must meet the affordability criteria according to the Nassau County LHAP (see Section I. Program Details, subsection M. Income Limits, Rent Limits and Affordability)
2. Applicants must successfully complete an 8-hour HUD Certified First Time Homebuyers Class (applicant must provide a copy of certificate).
3. Owner Occupancy/Principal Residency required.
4. Applicants must be willing to execute all necessary documents on a timely basis.
5. Client selection will be made by the Not-for-Profit agency and approved by the SHIP Administrator by signing the Florida Housing Resident Income Certification for Home Ownership.

f. Sponsor/Developer Selection Criteria: 501(c) (3) agencies that build or repair affordable homes. Funds will be awarded on a competitive basis. Criteria for awards may include, but not limited to:

1. Agency's capacity and history of developing affordable housing
2. Ability to obtain necessary financing through local lenders or ability to generate donations and/or grant funding
3. Financial History of Organization
4. Affordability of homes being built
5. Long term affordability of assisted homes

g. Additional Information:

The County will be added as an additional lien (silent second) holder on any applicable mortgage documents between not-for-profit and homebuyer. The home will be deed restricted for affordability. Any home or homeowner who has received assistance under this strategy shall not be eligible for the Owner-Occupied Housing Rehabilitation Program or assisted again from this strategy.

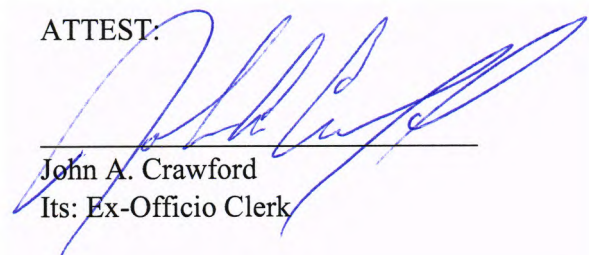
SECTION 5. The amended LHAP shall be filed with the Florida Housing Finance Corporation upon the effective date of this Resolution.

ADOPTED THIS 27th DAY OF November, 2023, BY THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA.

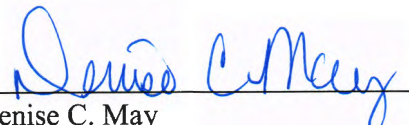
BOARD OF COUNTY COMMISSIONERS
OF NASSAU COUNTY, FLORIDA

By: 
KLYNT A. FARMER
Its: Chair

ATTEST:


John A. Crawford
Its: Ex-Officio Clerk

APPROVED AS TO FORM
BY THE NASSAU COUNTY ATTORNEY:


Denise C. May