

RESOLUTION NO. 2024- 106

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA MAKING TECHNICAL REVISIONS TO THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR FY 24/25, 25/26, 26/27 TO REVISE PROGRAM DETAILS FOR DISASTER ASSISTANCE AND RENTAL HOUSING DEVELOPMENT ASSISTANCE; TO ADD THE INADVERTENTLY OMITTED STRATEGY FOR NEW CONSTRUCTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Local Housing Assistance Plan (LHAP) for FY 24/25, 25/26, 26/27 was adopted on April 22, 2024 by Resolution 2024-086; and

WHEREAS, the LHAP was subsequently transmitted to Florida Housing Finance Corporation (Florida Housing) for their review, comment, and approval; and

WHEREAS, Florida Housing has reviewed the LHAP and issued a conditional approval pending certain revisions to the LHAP based on their comments; and

WHEREAS, Florida Housing commented that the strategy for Purchase Assistance without Rehabilitation (Code 2) included reference to Code 1, which corresponds to Purchase Assistance with Rehabilitation and is not an adopted strategy; and

WHEREAS, Florida Housing also commented that the strategy for Disaster Mitigation (Code 5), which allowed a maximum award of up to \$125,000, would not be allowed as a grant and recommended reducing the grant amount; and

WHEREAS, Florida Housing further commented on the strategy for Rental Housing Development Assistance (Code 14, 21), asking whether there was a per unit maximum award and whether there was a reason for a discrepancy between the loan term (45 years) and affordability period (15 years); and

WHEREAS, Florida Housing made additional minor comments and proposed revisions for word choice and clarity; and

WHEREAS, in addition to the proposed revisions in response to Florida Housing's comments, it was discovered that one of the strategies, New Construction, which had been previously approved on November 27, 2023 in Resolution 2023-206 for inclusion in the prior LHAP, had been inadvertently omitted from the LHAP transmitted to Florida Housing; and

WHEREAS, the proposed revisions require the need for a technical revision to the LHAP.

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. Under Section II, LHAP Strategies, Section A., Purchase Assistance without Rehabilitation, the reference to "Code 1, 2" is amended to only refer to Code 2. Code 1 corresponds to the code for Purchase Assistance with Rehabilitation, which is not a County-adopted strategy at this time and was inadvertently referenced.

SECTION 2. Under Section II, LHAP Strategies, Section D., Disaster Assistance, the Maximum Award allowed under subsection d. is amended from \$125,000 to \$20,000, as Florida Housing commented that only a maximum award of \$20,000 or less would be allowed as a grant.

SECTION 3. Under Section II, LHAP Strategies, Section E., Emergency Repair, is amended to remove language regarding the goal of “general renovation of housing stock” to more accurately reflect the purpose of this strategy per comments from Florida Housing. This Section E is further amended to remove language requiring homeowners’ insurance per comments from Florida Housing, as the funding is being provided as a grant and not a loan.

SECTION 4. Under Section II, LHAP Strategies, Section F is amended to include the strategy for New Construction, which will include the following:

| | |
|----------------------------|---------|
| F. New Construction | Code 10 |
|----------------------------|---------|

a. Summary: The New Construction strategy will be used to assist with the construction of homes sold by developers to homebuyers. This strategy will provide a loan 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.

- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be Served: Very Low, Low and Moderate
- d. Maximum Award: \$150,000 per Unit (Developer)
 - 2 Bedroom..... \$50,000
 - 3 Bedroom..... \$100,000
 - 4 Bedroom..... \$150,000
- e. Terms:
 1. Repayment Loan/Deferred Loan/Grant: Deferred payment loan secured by a recorded mortgage and a note (Homebuyer and Sponsor).
 2. Interest Rate: 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 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.

f. Recipient/Tenant Selection Criteria:

1. Applicants will be assisted on a first-qualified, first-served basis.
2. The housing debt including an allowance for taxes and insurance must meet the affordability criteria according to the Nassau County LHAP (see section M. Income Limits, Rent Limits and Affordability).
3. Applicants must successfully complete an 8-hour HUD Certified First Time Homebuyers Class (applicant must provide a copy of certificate).
4. Owner occupancy/principal residency required.
5. Applicants must be willing to execute all necessary documents on a timely basis.
6. 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.

g. Sponsor Selection Criteria:

1. 501(c) (3) agencies that build or repair affordable homes.
2. Funds will be awarded on a competitive basis.
3. Criteria for awards may include, but not limited to:
 - i. Agency’s capacity and history of developing affordable housing.

- ii. Ability to obtain necessary financing through local lenders or ability to generate donations and/or grant funding.
 - iii. Financial history of organization.
 - iv. Affordability of homes being built.
 - v. Long term affordability of assisted homes.
- h. Additional Information:
1. The County will be added as an additional lien (silent second) holder on any applicable mortgage documents between not-for-profit and homebuyer.
 2. The home will be deed restricted for affordability.
 3. 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. Section II, LHAP Strategies is amended to move Rental Housing Development Assistance (Code 14, 21) from Section F to newly-created Section G.

SECTION 6. Under Section II, LHAP Strategies, Section G, Rental Housing Development Assistance, the maximum award in subsection d. is amended to remove any restriction on the units being designated for very low/low income, and instead reference the calculated per unit maximum award of \$83,333 (i.e., maximum award of \$500,000 for a minimum of 6 units).

SECTION 7. Under Section II, LHAP Strategies, Section G, Rental Housing Development Assistance, the affordable period referenced in subsection h.1. is amended from 15 years to 45 years in order to match the 45-year loan term.

SECTION 8. Exhibit C, Housing Delivery Goals Chart is amended to add New Construction (Code 10) as one of the Strategies under the Homeownership portion of the chart and to include all fiscal years.

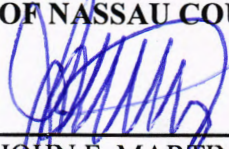
SECTION 9. Table of Contents is amended to move Section F, Rental Housing Development Assistance, to newly-created Section G, and add New Construction as Section F, and further revise the page number designations as appropriate.

SECTION 10. The amended LHAP shall be filed with the Florida Housing Finance Corporation upon the effective date of this Resolution.

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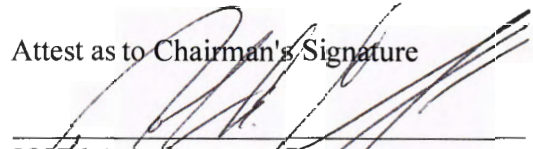
DULY ADOPTED this 24th this day of June, 2024.

**BOARD OF COUNTY COMMISSIONERS
OF NASSAU COUNTY, FLORIDA**



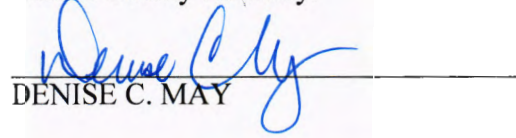
JOHN F. MARTIN, MBA
Its: Chairman

Attest as to Chairman's Signature



JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney:



DENISE C. MAY