

CITY OF CLEARWATER

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2015-2016, 2016-2017, and 2017-2018



ECONOMIC DEVELOPMENT & HOUSING DEPARTMENT

SHIP LHAP – Adopted April 16, 2015
As Amended, October, 2017
APRIL 2015

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I. General Program Description:

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

CITY OF CLEARWATER

Interlocal: Yes _____ No X

If "Yes", name of participating local government(s) in the Interlocal Agreement;

A copy of the Interlocal Agreement must be attached as Exhibit H.

- B. Purpose of the program:

Creation of the Plan is for the purpose of:

1. To meet the housing needs of the very low, low and moderate income households;
2. To expand production of and preserve affordable housing; and
3. To further the housing element of the local government comprehensive plan specific to affordable housing

- C. Fiscal years covered by the Plan: 2015-2016, 2016-2017 and 2017-2018

- D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code.

Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

- E. Local Housing Partnership:

The 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 Plan is 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 with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach:

SHIP funding availability shall be advertised 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, color, religion, sex, national origin, age, handicap, or marital status 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 and Transportation.

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 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:

 X U.S. Treasury Department
 Local HFA Numbers

L. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at www.floridahousing.org.

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, 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, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ 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 and any 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 annually for no less than 15 years or the term of assistance whichever 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 line-item budget of proposed Administrative Expenditures is attached as Exhibit A. City of Clearwater finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.
Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:
“A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, 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.”
Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:
“The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent 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 percent of program income for administrative costs.”
The Clearwater City Council has adopted the above findings in the resolution attached as Exhibit E.

- P. Program Administration:
Administration of the local housing assistance plan will be wholly performed and maintained by the CITY OF CLEARWATER.

- Q. Essential Service Personnel Definition (required): Persons whose household income do not exceed 120% of AMI, as updated annually from the Department of Urban Development and distributed annually by the Florida Housing Corporation and adjusted for family size, including: teachers and educators, other school district and university employees, police and fire personnel; health care personnel, construction industry personnel; Federal, State, County, and local government personnel, information technology industry personnel, food service personnel; service personnel, retail workers, tourism industry personnel; the occupation in demand with the most employees, the occupations in demand gaining the most new jobs according to the Agency of Workforce Innovation (AWI);

- R. Describe efforts to incorporate Green Building and Energy Saving products and processes (required):

The City of Clearwater promotes the use of green housing construction and rehabilitation techniques. The City created a Plan called “Greenprint” to address this citywide.

Below are excerpts from the City’s Comprehensive Plan:

C.1.10 Objective – Recognizing that sustainable building techniques contribute to keeping housing units affordable over the long term by reducing energy consumption, lowering utility bills and decreasing maintenance costs, the City of Clearwater will promote the use of green housing construction and renovation and rehabilitation techniques.

Policies:

C.1.10.1 Encourage affordable housing projects that are constructed consistent with US Green Building Council’s (USGBC) Leadership in Energy and Environmental Design (LEED) principles or Florida Green Building Coalition’s (FGBC) Green Land Development and Building Standards.

C.1.10.2 Encourage construction of efficient and lasting homes by developing Green Building standards, using resources such as those available through Global Green USA.

C.1.10.3 Provide “green building information” to local area housing providers.

C.1.10.4 Work with the local chapter of the USGBC to provide information regarding LEED renovation techniques at Neighborhood Week and other outreach events.

C.1.10.5 Develop prototypical xeriscape plans that can be provided to local area housing non-profits and neighborhood associations.

Community Sustainability Plan

Clearwater Greenprint is a community sustainability plan that identifies a series of tangible actions across eight topic areas that have the potential to reduce energy consumption, pollution and greenhouse gas (GHG) emissions while stimulating the local economy and improving the quality of life. The topic areas include education and awareness, green energy and buildings, transportation, land use and urban form, water resources, waste management, food production, and green business and jobs. Through creating and implementing Clearwater Greenprint, the City of Clearwater government is leading a community-wide effort to understand the challenges of today with a view toward creating a sustainable future. The strategies included in Clearwater Greenprint provide a framework for government, resident and business actions in the short, medium and long term.

In addition to the City’s comprehensive plan, the department applies green principles in all new construction and rehabilitation projects. The City’s specifications for new and existing homes are tailored to meet green standards. Whenever repairs are necessary and performed on a house, green initiatives will be used to include, but not be limited to, low E windows, insulation is minimum R30, exterior doors are insulated, all windows and doors seals are in place, hot water heater is in good condition and operating properly and attic has proper ventilation to better control temperatures.

Section II. LHAP Strategies:

A.

Strategy Name-NEW CONSTRUCTION	10
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a. Summary of the Strategy:

The City of Clearwater through eligible developers and sub-recipients may use SHIP funds for the development of new housing units. The costs may include acquisition, site improvement and building costs to include innovative design and green principles. The City's specifications for new homes are tailored to meet green standards.

The City may use SHIP funds as a match for the HOME program to loan funds to eligible developers for the construction of new housing units, and in some cases, acquisition of vacant properties and infrastructure costs for new housing development. Assistance will be repaid when the unit is sold to an eligible buyer.

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

This strategy will serve eligible homebuyers with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

For the Developer:

- A deferred payment mortgage and note not to exceed 12 months
- Interest rate 0%

- Full payment is required when the home is sold to an eligible buyer
- The loan becomes due and payable if at the end of the loan term, the home is not sold, or if the home does not have a sales contract.

For the Homebuyer:

Zero percent (0%) subordinate mortgages will be available to eligible homebuyers of the new housing units for down payment and closing costs assistance with the following stipulations:

- The payments are deferred for five (5) years with monthly payments commencing at the end of the deferred period and amortized over ~~fifteen~~ twenty (~~15~~20) years.
- The City's loan term is ~~twenty~~ Twenty five (2025) years.
- The maximum assistance provided under this strategy will be \$22,000; however, the maximum loan amount will not exceed \$20,000.
- Loans will be secured by a Mortgage and Note and recorded in the public records of Pinellas County until satisfied.
- The loan becomes due and payable if one of the following occurs:
 - Death of the borrower(s). In the event the homeowner should die, this strategy allows for assumption by eligible heirs
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted into rental unit
 - Any refinancing with cash out or debt consolidation

In the event of non-payment or other default defined above, the City will follow its "Workout and Foreclosure" Policy. Also, the language below is included in the mortgage note:

The Note Holder shall have the optional right to declare the amount of the total balance hereof to be due and forthwith payable in advance of the Maturity Date upon the occurrence of any Event of Default or failure to perform in accordance with any of the terms and conditions set forth in the Subordinate Mortgage. Upon exercise of this option by the Note Holder, the entire principal shall bear interest at the rate of three percent (3%) per annum. Forbearance to exercise this option with respect to any failure or breach of the Borrower shall not constitute a waiver of the right as to any continuing failure or breach or any subsequent failure or breach.

f. **Recipient Selection Criteria:**

Assistance is provided on a first-qualified, first-served basis while funds remain available. All recipients will be income eligible as defined by the U.S. Department of Housing and Urban Development's median family income limits adjusted for household size. Property purchased must be the primary residence of the buyer. Should funds not be available at any time, a City created "Waiting List" will be utilized and eligible clients will be assisted when funds are available.

To qualify for assistance, an eligible participant must meet the following requirements:

- The applicant is not required to be a First-Time Homebuyer (as defined by the U.S. Department of Housing and Urban Development) to qualify for assistance, but they cannot own a property at the time of closing. In addition, households that have been assisted with any City funds within the past five (5) years are ineligible to receive funding again through any of the Housing Division's Programs, unless there is some form of "hardship" as defined below. Hardship determination will be determined and approved on a case-by-case basis by the Director of the Department. Examples of hardship: Divorce, Permanent layoff, physical or mental disability, fire, flood or disaster, death of a household family member.

g. **Sponsor Selection Criteria and duties, if applicable:**

All program sponsors or sub-recipients will be selected using the City's Consolidated Action Plan Application. Eligible sponsors or sub-recipients that provide assistance under this program will be required to contractually commit and comply with all SHIP program requirements.

Criteria include:

- The not-for-profit corporation must have received a tax-exempt ruling from the Internal Revenue Service (IRS) under section 501 c (3) of the Internal Revenue Code.
- The not-for-profit corporation must be organized and established under the laws of the State of Florida.
- The not-for-profit or for-profit corporation must have financial accountability standards that permit the Economic Development & Housing Department to verify organizational capacity for projects.

- The not-for-profit or for-profit corporation must have experience in providing housing assistance and/or development appropriate to this strategy.

h. Additional Information:

Other state, federal, county, private and homeowners contributions may be leveraged with SHIP funds. Mobile homes are not eligible for assistance.

B.

Strategy Name- ACQUISITION OF EXISTING HOMES WITH REHABILITATION	1
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a. Summary of the Strategy:

The City of Clearwater through eligible developers and sub-recipients may use SHIP funds to acquire, rehabilitate and resell single-family housing units. The costs may include acquisition, rehabilitation (to include innovative design and green principles) and other costs associated with the resale of the single-family unit.

The City may use SHIP funds as a match for the HOME program to loan funds to eligible developers and sub-recipients for the acquisition and rehabilitation of existing housing units. Assistance will be repaid when the unit is sold to an eligible buyer.

Under this strategy, Community Land Trust principles may be utilized. The community land trusts become the stewards of land and maintain it permanently beginning with a ninety-nine year, renewable ground lease. Developers may purchase homes to be placed in a Community Land Trust. The homebuyers only own their home and sign a long-term lease on the land their home sits on. This ensures the affordability of the home because the homebuyer only obtains a mortgage on the structure.

For the Homebuyer:

The City of Clearwater through its housing programs and through its sub-recipients may use SHIP funds to provide down payment and closing costs assistance to eligible very-low to moderate-income homebuyers of existing rehabilitated homes. To qualify for assistance, applicants must be able to obtain a first mortgage from a

licensed lending institution. This first mortgage cannot exceed a term of 30 years with a fixed-rate. ~~The Buyer must contribute a minimum of two percent (2%) of the purchase price of the home or a combination of borrower's sweat equity and contribution. This must be the Buyer's own funds and cannot be from a gift or from costs paid by the Seller.~~ All Buyers must have completed at least eight (8) hours of homebuyer education through a HUD-approved housing counseling agency.

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

This strategy will serve eligible homebuyers with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on the Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

For the Developer:

- A deferred payment mortgage and note not to exceed 12 months
- Interest rate is 0%
- Full payment is required when the home is sold to an eligible buyer
- The loan becomes due and payable if at the end of the loan term, the home is not sold, or if the home does not have a sale contract.

For the Homebuyer:

Zero percent (0%) subordinate mortgages will be available to eligible homebuyers for down payment and closing costs assistance with the following stipulations:

- The payments are deferred for five (5) years with monthly payments commencing at the end of the deferred period and amortized over ~~fifteen~~ Twenty (~~15~~20) years.
- The City's loan term is not to exceed twenty-~~five~~ (~~25~~0) years

- Loans will be secured by a Mortgage and Note and recorded in the public records of Pinellas County, Florida until satisfied
- The loan becomes due and payable if one of the following occurs:
 - Death of a borrower(s). In the event the homeowner should die, this strategy allows for assumption by eligible heirs
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted into a rental unit
 - Any refinancing with cash out or debt consolidation
 - In the event of non-payment or other default defined above, the City will follow its “Workout and Foreclosure” Policy

Also, the language below is included in the mortgage note:

The Note Holder shall have the optional right to declare the amount of the total balance hereof to be due and forthwith payable in advance of the Maturity Date upon the occurrence of any Event of Default or failure to perform in accordance with any of the terms and conditions set forth in the Subordinate Mortgage. Upon exercise of this option by the Note Holder, the entire principal shall bear interest at the rate of three percent (3%) per annum. Forbearance to exercise this option with respect to any failure or breach of the Borrower shall not constitute a waiver of the right as to any continuing failure or breach or any subsequent failure or breach.

f. Recipient Selection Criteria:

Assistance is provided on a first-qualified, first-served basis while funds remain available. All recipients will be income eligible as defined by the U.S. Department of Housing and Urban Development’s median family income limits adjusted for household size. Property purchased must be the primary residence of the buyer. Should funds not be available at any time, a City created “Waiting List” will be utilized and eligible clients will be assisted when funds are available.

To qualify for assistance, an eligible buyer must meet the following requirements:

- The applicant is not required to be a First-Time Homebuyer (as defined by

the U.S. Department of Housing and Urban Development) to qualify for assistance, but they cannot own a property at the time of closing.

- In addition, households that have been assisted with any City funds within the past five (5) years are ineligible to receive funding again through any of the Housing Division's Programs, unless there is some form of "hardship" Hardship determination will be determined and approved on a case-by-case basis by the Director of the Department. Examples of hardship include: divorce, permanent layoff, physical or mental disability, fire, flood or natural disaster or the death of a family member.

g. Sponsor Selection Criteria and duties, if applicable:

All program sponsors or sub-recipients will be selected using the City's Consolidated Action Plan Application. Eligible sponsors or sub-recipients that provide assistance under this program will be required to contractually commit and comply with all SHIP program requirements.

Criteria include:

- The not-for-profit corporation must have received a tax-exempt ruling from the Internal Revenue Service (IRS) under section 501 c (3) of the Internal Revenue Code
- The not-for-profit corporation must be organized and established under the laws of the State of Florida
- The not-for-profit or for-profit corporation must have financial accountability standards that permit the Economic Development & Housing Department to verify organizational capacity for project
- The not-for-profit or for-profit corporation must have experience in providing housing assistance and/or development appropriate to this strategy.

h. Additional Information:

All properties being purchased must meet the HUD livability standards. An inspection is required to verify that the property meets applicable safety/code requirements. If repairs are required to bring a property to HUD livability standards and the cost for the repairs exceed \$1,000.00, the property will be coded as "down payment and closing costs with rehabilitation". If the seller can provide

documentation to show that the property had repairs over \$1,000.00 completed within the past twelve (12) months, the property will also be coded as "down payment and closing costs assistance with rehabilitation".

Other state, federal, county, private and homeowners contributions may be leveraged with SHIP funds. Mobile homes are not eligible for assistance.

C.

Strategy Name-DOWN PAYMENT AND CLOSING COSTS ASSISTANCE FOR EXISTING HOMES WITHOUT REHABILITATION	2
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a. Summary of the Strategy:

The City of Clearwater through its housing programs and through its sub-recipients will use SHIP funds to provide down payment and closing costs assistance to eligible very-low to moderate-income homebuyers of existing homes. To qualify for assistance, applicants must be able to obtain a first mortgage from a licensed lending institution. This first mortgage cannot exceed a term of 30 years with a fixed-rate.

~~The Buyer must contribute a minimum of two percent (2%) of the purchase price of the home or a combination of borrower's sweat equity and contribution.~~

~~This must be the Buyer's own funds and cannot be from a gift or from costs paid by the Seller.~~

All Buyers must have completed at least eight (8) hours of homebuyer education through a HUD-approved housing counseling agency.

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

This strategy will serve eligible homebuyers with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on the Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

Zero percent (0%) subordinate mortgages will be available to eligible homebuyers for down payment and closing costs assistance with the following stipulations:

- The maximum assistance provided under this strategy will be \$22,000; however, the maximum loan amount will not exceed \$20,000.
- The payments are deferred for five (5) years with monthly payments commencing at the end of the deferred period and amortized over ~~fifteen~~ Twenty (1520) years.
- The City's loan term is twenty five (~~2025~~) years
- Loans will be secured by a Mortgage and Note and recorded in the public records of Pinellas County, Florida until satisfied
- The loan becomes due and payable if one of the following occurs:
 - Death of a borrower(s). In the event the homeowner should die, this strategy allows for assumption by eligible heirs
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted into a rental unit

In the event of non-payment or other default defined above, the City will follow its "Workout and Foreclosure" Policy. Also, the language below is included in the mortgage note:

The Note Holder shall have the optional right to declare the amount of the total balance hereof to be due and forthwith payable in advance of the Maturity Date upon the occurrence of any Event of Default or failure to perform in accordance with any of the terms and conditions set forth in the Subordinate Mortgage. Upon exercise of this option by the Note Holder, the entire principal shall bear interest at the rate of three percent (3%) per annum. Forbearance to exercise this option with respect to any failure or breach of the Borrower shall not constitute a waiver of the right as to any continuing failure or breach or any subsequent failure or breach.

f. Recipient Selection Criteria:

Assistance is provided on a first-qualified, first-served basis while funds remain

available. All recipients will be income eligible as defined by the U.S. Department of Housing and Urban Development's median family income limits adjusted for household size. Property purchased must be the primary residence of the buyer. Should funds not be available at any time, a City created "Waiting List" will be utilized and eligible clients will be assisted when funds are available.

To qualify for assistance, an eligible participant must meet the following requirements:

- The applicant is not required to be a First-Time Homebuyer (as defined by the U.S. Department of Housing and Urban Development) to qualify for assistance, but they cannot own a property at the time of closing.
- In addition, households that have been assisted with City funds within the past five (5) years are ineligible to receive funding again through any of the Housing Division's Programs, unless there is some form of "hardship" as defined below. Hardship determination will be determined and approved on a case-by-case basis by the Director of the Department. Examples of hardship: divorce, permanent layoff, physical or mental disability, fire, flood or natural disaster, or the death of a family member.

g. Sponsor Selection Criteria and duties, if applicable:

All program sponsors or sub-recipients will be selected using the City's Consolidated Action Plan Application. Eligible sponsors or sub-recipients that provide assistance under this program will be required to contractually commit and comply with all SHIP program requirements.

Criteria include:

- The not-for-profit corporation must have received a tax-exempt ruling from the Internal Revenue Service (IRS) under section 501 c (3) of the Internal Revenue Code
- The not-for-profit corporation must be organized and established under the laws of the State of Florida
- The not-for-profit or for-profit corporation must have financial accountability standards that permit the Economic Development & Housing Department to verify organizational capacity for project
- The not-for-profit or for-profit corporation must have experience in

providing housing assistance and/or development appropriate to this strategy.

h. Additional Information:

All properties being purchased must meet the HUD livability standards. An inspection is required to verify that the property meets applicable safety/code requirements.

Other state, federal, county, private and homeowners contributions may be leveraged with SHIP funds. Mobile homes are not eligible for assistance.

D.

Strategy Name OWNER-OCCUPIED REHABILITATION	Code 3
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a. Summary of the Strategy:

The City of Clearwater will provide funds for the rehabilitation of owner-occupied single-family residences located within the city limits of Clearwater. The City will award funds for the rehabilitation of owner-occupied, income-eligible households on a first-qualified, first-served basis. Funds for assistance may be used by the homeowner for housing rehabilitation such as, but not limited to, the following:

- Correct housing code deficiencies
- Adapt the residence to meet accessibility needs of a disabled family member

In cases where the health, safety and welfare of the household are in jeopardy, they shall receive priority and the Housing Manager shall evaluate the situation to determine if the work may be done as emergency repairs. Such things that are considered “emergency repairs” are:

- Structural components that show signs of imminent collapse
- Inoperable heating systems during the winter months
- Water leaks in walls or foundation
- Roof leaks causing electrical hazards, ceiling collapse or structural damage
- Inoperable exterior doors and/or windows, preventing emergency egress
- Falling ceiling
- Lead-based paint
- ADA modifications of an immediate nature

Priority will be given to special needs and elderly household homes that need renovations to allow them to remain independent in their homes, and prevent them from

having to move into an assisted living type arrangement. Improvements may include things as:

- Wheel chair ramps
- Widening of doorways
- Lowering of cabinets
- Installation of grab-bars
- Visual guiding systems for the hearing impaired

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

The strategy will serve all eligible recipients with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on the Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

The award will be either a thirty-year zero percent deferred loan or a twenty-year zero percent payment loan.

To qualify for a thirty-year zero percent deferred loan, eligible recipients must meet the following criteria:

- The recipient's household income must be at or below thirty percent (30%) of the Area Median Income (AMI)
- The recipient's current housing debt exceeds thirty five percent (35%) of their gross monthly income

The deferred loan is satisfied at the end of thirty (30) years, if no default occurs.

Twenty-year Zero Percent Payment Loans.

All eligible recipients with household income above thirty percent (30%) of the (AMI), and current housing debt below thirty five percent (35%) of their gross monthly income

will repay the rehabilitation assistance at zero percent with the following stipulations:

- The payments are deferred for 120 days from the note date with monthly payments commencing at the end of the deferred period and amortized over twenty (20) years
- Loans will be secured by a Mortgage and Note and recorded in the public records of Pinellas County, Florida until satisfied

The loan becomes immediately due and payable if one of the following occurs:

- Death of a borrower(s). In the event the homeowner should die, this strategy allows for assumption by eligible heirs
- Upon sale or transfer of title
- Property is vacated and no longer the primary residence of the borrower
- Property is converted into rental unit
- Any refinancing with cash out or debt consolidation

In the event of non-payment or other default defined above, the City will follow its “Workout and Foreclosure” Policy. Also, the language below is included in the mortgage note: The Note Holder shall have the optional right to declare the amount of the total balance hereof to be due and forthwith payable in advance of the Maturity Date upon the occurrence of any Event of Default or failure to perform in accordance with any of the terms and conditions set forth in the Mortgage Documents. Upon exercise of this option by the Note Holder, the entire principal shall bear interest at the rate of three percent (3%) per annum. Forbearance to exercise this option with respect to any failure or breach of the Borrower shall not constitute a waiver of the right as to any continuing failure or breach or any subsequent failure or breach

f. Recipient Selection Criteria:

Assistance is provided on a first-qualified, first-served basis while funds remain available. All recipients will be income eligible with priority given to the special needs and elderly household homes that need renovations to help them remain independent in their homes. Should funds not be available at any time, a City created “Waiting List” will be utilized and eligible clients will be assisted when funds are available. In addition, households that have been assisted through the rehabilitation strategy with City funds within the past Ten (10) years are ineligible to receive funding again through this strategy, unless there is some form of “hardship”

as defined below. Hardship determination will be determined and approved on a case-by-case basis by the Director of the Department. Examples of hardship: Divorce, Permanent layoff, physical or mental disability, fire, flood or disaster, death of a household family member.

g. Sponsor Selection Criteria and duties, if applicable: N/A

h. Additional Information:

The City will incorporate energy-efficient improvements to reduce energy costs and hurricane standards will be used when replacing windows and doors based on funding availability. Specific improvements include, but are not limited to:

- Installation of energy-efficient doors and windows
- Replacement of heating and/or cooling systems with high energy-efficiency units
- Installing R30 insulation
- Energy star appliances and water heater
- Low consumption toilets and faucets
- Bracing and strapping

Mobile homes are not eligible for assistance.

E.

Strategy Name-MULTI-FAMILY HOUSING	14
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a. Summary of the Strategy:

Funds may be provided as loans to support the acquisition, rehabilitation and or new construction of multi-family housing, including single-room occupancy, transitional housing, or the housing portion of a mixed-use facility and or mixed-income projects. Funds may be used as a match for U.S. Department of Housing and Urban Development's HOME program and various other programs offered by the federal government and the State of Florida to construct and preserve multi-family housing.

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

This strategy will serve all eligible recipients with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

Recapture will be in compliance with the SHIP Program requirements to ensure affordability. When HOME funds are used with SHIP funds, the City will use the recapture provision for the repayment of the loan should the Borrower not abide with the affordability period or any other default provision in the mortgage, note or the restrictive covenant.

In accordance with the City's policy, the terms of the City's funding for multi-family acquisition, rehabilitation or new construction developments will vary from project to project, depending on the economics of the development.

Loans for eligible rental housing constructed, rehabilitated or otherwise assisted under this strategy must be reserved for eligible persons for at least the term of the assistance. A restrictive covenant will be recorded to ensure that units remain affordable for the prescribed period of time. The City, eligible sponsor or appointed designee, shall annually monitor and determine tenant eligibility throughout the compliance period. For those developments that Florida Housing Finance and other approved entities provide the same monitoring and determination, the City may rely on such monitoring and determination of tenant eligibility.

Eligible sponsors that offer rental housing for sale before the end of the compliance period or that have remaining mortgages funded under this strategy must give a right of first refusal to the City for purchase at the current market value for the continued occupancy of eligible persons.

Also, the language below is included in the mortgage note:

The Note Holder shall have the optional right to declare the amount of the total balance hereof to be due and forthwith payable in advance of the Maturity Date upon the occurrence

of any Event of Default or failure to perform in accordance with any of the terms and conditions set forth in the Subordinate Mortgage. Upon exercise of this option by the Note Holder, the entire principal shall bear interest at the rate of _ percent (%) per annum. Forbearance to exercise this option with respect to any failure or breach of the Borrower shall not constitute a waiver of the right as to any continuing failure or breach or any subsequent failure or breach.

f. Recipient Selection Criteria:

The SHIP-assisted units in a rental housing project will be occupied only by households that are verified as very-low to moderate-income families. Maximum monthly rent limits will be those established annually by HUD.

g. Sponsor Selection Criteria and duties, if applicable

Eligible sponsors will be selected using the City's Consolidated Action Plan

Application. Eligible persons, sponsors or sub-recipients that provide assistance under this program will be required to contractually commit and comply with all SHIP program requirements.

Criteria include:

- The not-for-profit corporation must have received a tax-exempt ruling from the Internal Revenue Service (IRS) under section 501 c (3) of the Internal Revenue Code
- The not-for-profit corporation must be organized and established under the laws of the State of Florida
- The not-for-profit or for-profit corporation must have financial accountability standards that permit the Economic Development & Housing Department to verify organizational capacity for the project

The not-for-profit corporation must have experience in development appropriate to this strategy

h. Additional Information: None

F.

Strategy Name- DISASTER MITIGATION STRATEGY	5
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a. Summary of the Strategy:

In the case of natural or man-made disasters, priorities will need to be changed to meet emergency conditions. This strategy will only be used if a declaration by the State of Florida and/or federal government of a disaster is issued. SHIP funds will be used to leverage available federal, state and insurance funds to provide assistance to eligible households for the purpose of repairing eligible housing. Use of funds would be available for the following activities:

- Purchase of emergency supplies to waterproof damaged homes
- Interim repairs to avoid further damage, such as tree and debris removal
- Payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies

b. Fiscal Years Covered:

2015-2016, 2016-2017 and 2017-2018

c. Income Categories to be served:

This strategy will serve all eligible recipients with income at or below 120% of the area median income, adjusted for family size as published annually by the United States Department of Housing and Urban Development (HUD) and distributed by Florida Housing Finance Corporation.

d. Maximum award:

Maximum award is noted on the Housing Delivery Goal Charts.

e. Terms of the award: Interest Rate, Repayment (hard pay, forgiveness), Recapture and Default.

Assistance provided under this strategy will be in the form of a grant.

f. Recipient Selection Criteria:

Applicants must own and occupy the property as principal residence. The residence must have been damaged in a declared natural or man-made disaster. Applicants must be income-eligible, and will be served on a first-qualified, first-served basis

while funds remain available. The property must be located within the City limits of Clearwater. Applicants must be current on mortgage secured by the property, property taxes and homeowners insurance.

g. Sponsor Selection Criteria and duties, if applicable:

Eligible sponsors will be selected using the City's Consolidated Action Plan Application or any method(s) that the City may develop to expedite the Selection of Eligible Sponsor during a disaster.

h. Additional Information: None

This strategy will be implemented only in the event of a natural or man-made disaster declaration using any SHIP funds that have not been encumbered.

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: Expedited Permitting

Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

The Planning and Development Department expedites the review of any site plan, land use amendment, rezoning, or annexation application for an affordable housing project within the City of Clearwater. According to the City's Development Code, an affordable housing project (rehabilitation or new construction), can be approved through the City's Development Review Committee Process. If a public hearing is needed, the project is scheduled for the immediate next session of the Community Development Board (CDB). Some affordable housing projects (rehabilitation or new construction) are approved administratively; otherwise the project goes to the immediate next session of the Community Development Board.

Provide a description of the procedures used to implement this strategy:

Expedited Permitting. For Building Permit Applications, the City has a "Request for Expedited Processing for Affordable Housing Activity Form" available through the Economic Development and Housing Department. This form allows the application to be expedited through the review process.

B. Name of the Strategy: Ongoing Review Process

An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

The City has a process in place by which it considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Provide a description of the procedures used to implement this strategy:

The Senior Executive Team of the City of Clearwater meets every two weeks to discuss and review upcoming agenda items on the City Council's meeting schedule. As part of this meeting, the City Clerk reviews with each department Director proposed items on the agenda, which includes policies, procedures, ordinances, resolutions and plan provisions for action by the City Council. Any actions that have the potential to affect the cost of housing are addressed as part of this process. Any determinations made by the Economic Development and Housing Department and the affected Department will be included as part of the agenda summary to the City Council on that particular item. The City Council agenda summary and all supporting materials are available on the City's website at www.myclearwater.com.

C. Name of the Strategy: **The allowance of flexibility densities for affordable housing.**

The City encourages flexible densities for affordable housing development in both the Future Land Use Element and the Housing Element of the City's Comprehensive Plan.

Provide a description of the procedures used to implement this strategy.

"Policy A.2.2.7 – The City will provide density bonuses for affordable housing developments that demonstrate that a minimum of 15% of the total units are reserved as affordable housing units. Such bonuses shall not exceed 50% of the density permitted by the Future Land Use Map and shall not include properties located in the Coastal Storm Area. The density bonus shall be established by ordinance in the Community Development Code".

The City grants flexibility in densities to developers through the City's Community Development Code, which establishes flexibility criteria for specific uses requiring additional development review.

D. Name of the Strategy: **The reduction of parking setback requirements for affordable housing**

The City encourages the reduction of parking and setback requirements for affordable housing in the Housing Element of the City's Comprehensive Plan.

Provide a description of the procedures used to implement this strategy

The following policies in the Housing Element support the reduction of parking and setback requirements for affordable housing:

"Policy C.1.9.2 – Allow flexibility with regard to off-street parking to accommodate density bonuses associated with affordable housing developments provided the project design does not detract from the established or emerging character of immediate vicinity."

"Policy C.1.9.3 – Allow flexibility with regard to off-street parking for projects containing affordable housing units located within 1,000 feet of a transit stop."

The City currently allows flexibility in parking and setback requirements for affordable

housing through the City's Community Development Code, which establishes flexibility criteria for specific uses requiring additional development review.

E. Name of the Strategy: The allowance of flexible lot configurations, including zero-lot-line configuration for affordable housing

The City currently allows for site plan flexibility through the development review process, as supported by the City's Community Development Code and article 2, which establishes flexibility criteria for specific uses requiring additional development review.

Such criteria may allow for more flexible site plan configurations, but may also require an improved site plan to document how the flexibility will result in better design and/or appearance. For example, the flexibility criteria tied to residential infill projects within the High Density Residential (HDR") District include:

Provide a description of the procedures use to implement is strategy

The City currently allows for site plan flexibility through the development review process, as supported by the City's Community Development Code and Article 2. Zoning Districts therein establish flexibility criteria for specific uses. Such criteria may allow for more flexible site plan configurations, but may also require an improved site plan to document how the flexibility will result in better design and/or appearance.

The allowance of flexible site plan configurations, including zero-lot line configurations for affordable housing, must be sensitive to the character and context of existing neighborhoods. To this end, the City's incentives for affordable housing include compatibility criteria in conjunction with the density bonus as follows:

Article 3, Division 9, Section 3-920.A.3.c.i. Compatibility Criteria -

- b. Proportionality and scale of the proposed development shall be consistent with the community character of the immediate vicinity of the parcel proposed for development.
- c. The overall aesthetics of the proposed development shall be compatible with or an improvement to the community character as determined by the community development coordinator.

F. Name of the Strategy: The preparation of a printed inventory of locally-owned public lands suitable for affordable housing.

The City maintains an inventory of locally-owned public lands suitable for affordable housing.

Provide a description of the procedures use to implement is strategy:

The City of Clearwater on February 21, 2008 adopted Resolution 08-01, which established the affordable housing inventory list per statutory requirements. To facilitate affordable housing projects, the City maintains an inventory of publicly-owned land suitable for affordable housing titled, "Affordable Housing Inventory List", which is published on the City's website. The last triennial update was done in 2016, by City Resolution #16-14 (June 16, 2016).

Additionally, the City's Economic Development & Housing Department has a procedure in place to make publicly-owned land available to prospective developers and non-profit agencies to construct affordable housing.

G. Name of Strategy: The support of development near transportation hubs, and major employment centers and mixed-used developments.

The City promotes areas suitable for affordable housing through the Future Land Use Element (FLUE) of the Comprehensive Plan. The FLUE contains a number of policies related to activity centers and transit hubs as part of the City's overall design structure.

Provide a description of the procedures use to implement is strategy:

Policy A.2.2.2 – Residential land uses shall be sited on well-drained soils, in proximity to parks, schools, mass transit and other neighborhood-serving land uses.

Policy A.5.4.4 –The creation of affordable housing and mixed-use development should be supported, and lot consolidation and streetscape improvements should be encouraged. [Activity Center]

Policy A.5.4.7 – South Fort Harrison Avenue from A Street to E Street. Amendments to the Future Land Use Plan and Zoning Atlas may be considered to promote affordable housing, mixed-use development, and to support the emerging character of the area and Morton Plant Hospital. [Activity Center]

Policy A.6.8.7 – Create mixed-use, high density, livable communities through design, layout and use of walkability techniques within existing and proposed transit corridors, including proposed TBARTA lines and stations.

The Housing Element of the Comprehensive Plan also supports the location of assisted housing near major activity centers:

Policy C.1.4.2 – Assisted housing should be located in close proximity to employment centers, mass transit services, parks, and commercial centers. Additionally, both the City's Comprehensive Plan and Community Development Code allow flexibility in parking for affordable housing projects if located near a transit stop (see Housing Element Policy C.1.9.2 and Policy C.1.9.3 as well as Community Development Code Article 3, Division 9, Section 3-920.B. for the City's "affordable housing parking incentive").

IV. EXHIBITS:

- 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 Certification.
- E. Signed, dated, witnessed or attested adopting resolution.
- F. Program Information Sheet.
- G. Ordinance: (If changed from the original creating ordinance).
- H. Interlocal Agreement: N/A