

RESOLUTION NO. 060759

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA APPROVING THE AMENDED LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE AMENDED LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

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WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Sections 1-35, Chapter 92-317, Laws of Florida, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one- to three-year Local Housing Assistance Plan outlining how funds will be used; and

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; The methodology and purchase prices used are defined in the attached Amended Local Housing Assistance Plan; and

WHEREAS, as required by Chapter 420.9075 (6), Florida Statutes . It is found 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. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17) F.S., 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.

WHEREAS, the Community Development Department/Housing Division has prepared a three-year Amended Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

WHEREAS, the City Commission finds that it is in the best interest of the public for the City of Gainesville to submit the Amended Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA that:

Section 1: The City Commission of the City of Gainesville hereby approves the Amended Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420-9079, Florida Statutes, for fiscal years 2005, 2006, and 2007.

Section 2: The Mayor is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Amended Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said program.

Section 3: This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2006.

**Pegeen Hanrahan, Mayor
City of Gainesville**

(CORPORATE SEAL)

ATTEST:

Kurt M. Lannon, Clerk of the Commission

APPROVED AS TO FORM AND LEGALITY:

Marion J. Radson, City Attorney

I. PROGRAM DESCRIPTION Chapter 67-37.005 F.A.C. and Section 420.9072, F.S.

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

Section 420.9072(5),F.S.

City of Gainesville (City) _____

Interlocal : Yes No _____ (**Special Needs Housing Program**)

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

Alachua County

A copy of the Interlocal Agreement is attached as **Exhibit H.**

B. Purpose of the program: Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C.

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, and to further the housing element of the local government comprehensive plan specific to affordable housing and to define essential services personnel. Essential services personnel for this plan shall be defined as, but is not limited to, teachers and educators; school district, community college, and university employees; police; fire emergency services personnel; code enforcement personnel; health care personnel; and skilled building trades personnel. Assistance will be provided to eligible residents within the incorporated areas of the City, except as may otherwise be provided through the Special Needs Housing Program Inter-local Agreement with Alachua County.

C. Fiscal years covered by the Plan: *Chapter 67-37.005,F.A.C.*

2005/2006

2006/2007

2007/2008

D. Governance: *Chapter 67-37.005(3)and(5)(i)F.A.C. and Section 420.9071(14)F.S.*

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37 Florida Administrative Code. The SHIP Program does further the housing element of the City of Gainesville Comprehensive Plan.

E. Local Housing Partnership *Section 420.9072(1)(a), F.S.*

The SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups. The City and Alachua County, in conjunction with partners such as community-based organizations, for-profit housing developers, lending institutions, nonprofit providers of affordable housing, and providers of professional services relating to housing needs shall implement its local housing assistance program. The partnership was jointly created as an informal entity by the City of Gainesville and Alachua County to oversee and assist in the implementation of the housing assistance programs of both jurisdictions. The City may establish a SHIP Steering Committee with the County. The SHIP Steering Committee may assist with the development of program strategies, selection of eligible sponsors for SHIP funds and provide assistance in the administration of housing programs and services.

NEW CONSTRUCTION PROGRAM – ESSENTIAL SERVICE

PERSONNEL/WORKFORCE HOUSING

a) **Summary of the Strategy:** The New Construction Program-Kennedy Homes Redevelopment Project (NCP) will facilitate the construction and development of new homes within the Kennedy Homes Redevelopment Project. The primary goal of the NCP is to provide workforce housing opportunities for essential services personnel within the Kennedy Holmes Redevelopment site. The City will construct new attached and detached homes for sale to very low, low and moderate-income homebuyers. Homes will be constructed within the Kennedy Holmes Redevelopment Project site only. The NCP will address the need to provide decent, safe and affordable homes to very low, low, and moderate-income families. Funds will be used as a subsidy to provide subordinate mortgage financing to make the new homes affordable.

b) **Fiscal Years Covered:** 2005-2007

c) **Income Categories to be served:** Very Low, Low, and Moderate-income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

d) **Maximum Award:** The maximum award \$35,000 per unit.

e) **Term, Recapture and Default:** A mortgage is recorded on the property. The mortgage is a 0% interest rate, 30-year due on sale loan. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on the terms of the mortgage during the 30-year compliance period, then the full balance of the loan shall become due and payable. If the recipient refinances during the compliance period, the full balance of the loan shall become due and payable, except as provided by City policies and procedures.

f) **Recipient Selection Criteria:** Funds are made available based on a first-come, first-ready basis. If funds are not available, then the City may establish a waiting list program. The applicant(s) may be a first-time homebuyer, defined as persons who have not owned a home other than a mobile home or a manufactured (HUD-certified) home during the three year period immediately prior to purchase with SHIP funds, except that the following persons shall not be excluded from consideration as a first-time homebuyer: 1) Single parent, as defined by HUD, 2) Displaced homemaker, as defined by HUD or 3) an applicant(s) who live in a substandard dwelling that is not feasible to rehabilitate to bring into compliance with the local building and housing codes.

g) **Sponsor Selection Criteria:** Not Applicable.

HOUSING REPLACEMENT PROGRAM (HRP)

a) **Summary of the Strategy:** When assessing the condition of a home for Major Rehabilitation Program assistance, it may be determined that it is more cost effective to replace the existing unit with a new unit. In these instances, a homeowner may be eligible for the construction of a replacement home. The Housing Replacement Program (HRP) will address units that are infeasible to rehabilitate due to the major health and safety violations, and the exorbitant cost of repairs required to make these dwellings meet the minimum housing code requirements. Funding for this program will be reserved for homeowners who are already on the City's Rehabilitation waiting list. The HRP program will assist a homeowner with demolishing the existing home and rebuilding a new home on the same site or other equivalent site. The house plans will be provided from the City's Affordable Homes Library. If applicable, the City may provide temporary relocation assistance to a homeowner in accordance with the guidelines of the City's Optional Relocation Policy.

b) **Fiscal Years Covered:** 2005-2007

- c) **Income Categories to be Served:** Very Low and Low-income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.
- d) **Maximum Award:** The maximum award is \$70,000 ~~\$100,000~~ per unit.
- e) **Term, Recapture and Default:** A mortgage is recorded on the property. The mortgage is a 0% interest rate, ~~20-year due on sale loan~~ 30-year due on sale loan forgivable at the end of the compliance period. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on the terms of the mortgage during the 20-year compliance period, then the full balance of the loan shall become due and payable. If the recipient refinances during the compliance period, the full balance of the loan shall become due and payable, except as provided by City policy and procedures.
- f) **Recipient Selection Criteria:** Funds are made available based on a first-come, first-served basis. If funds are not available, then the City may establish a waiting list program.
- g) **Sponsor Criteria:** Not Applicable.