RESOLUTION NO. 160891

PASSED April 6, 2017

A resolution of the City Commission of the City of Gainesville, Florida approving the Local Housing Assistance Plan as required by the State Housing Initiatives Partnership Program Act, Sections 420.907-420.9079, Florida Statutes; and 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 Local Housing Assistance Plan for review and approval by the Florida Housing Finance Corporation; and providing an effective date.

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, 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, Sections 420.907-420.9079, Florida Statutes, and 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 Local Housing Assistance Plan; and

WHEREAS, as required by Section 420.9075, 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 eligible municipalities receiving a local housing distribution of up to $350,000 may use up to 10 percent of program income for administrative costs; and

WHEREAS, the Neighborhood Improvement Department has prepared a three-year 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 Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

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 Local Housing Assistance Plan attached as Exhibit "A" and incorporated hereto, for submission to the Florida Housing Finance Corporation as required by Sections 420.907-420-9079, Florida Statutes, for fiscal years 2014-2015, 2015-2016, and 2016-2017.

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 Local Housing Assistance Plan, including the Certification attached as Exhibit "B" and incorporated hereto, and to do all things necessary and proper to carry out the terms and conditions of said program.

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

PASSED AND ADOPTED this 6th day of April, 2017.

LAUREN POE
MAYOR

Attest:

KURT LANNON
CLERK OF THE COMMISSION

Approved as to form and legality:

NICOLLE M. SHALLEY
CITY ATTORNEY

CITY OF GAINESVILLE
every path starts with passion
FLORIDA

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

LOCAL HOUSING ASSISTANCE PLAN

STATE FISCAL YEARS 2014-2015/2015-2016/2016-2017

LHAP Amendment

Resolution # 160891

Passed April 6, 2017

HCD Housing & Community Development

I. PROGRAM DESCRIPTION:

A. **Name of the participating local government and Interlocal if Applicable: City of Gainesville, Florida.**

Interlocal: Yes _____ No ___X_____

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

1. Interlocal Agreement with Alachua County:
   a. Special Needs Housing Program. A copy of the Interlocal Agreement is attached as **Exhibit H.**

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**:

___✓___2014/2015; ___✓_____2015/2016; ___✓_____2016/2017

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

E. **Local Housing Partnership**
The City of Gainesville continues to encourage public/private partnerships among housing developers, lending institutions, real estate professionals, community-based organizations, housing providers and advocates for low income persons and community groups to promote the development of affordable housing and related housing services.

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 programs, including the U.S. Department of Housing and Urban Development (HUD) programs, Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), other state and local programs and private lending institutions.

Any units or applicants receiving assistance from SHIP and other federal, state or local programs shall be required to comply with any requirements specified by other programs in addition to SHIP Program requirements. In the event the SHIP and other programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on the issue, the program with a regulation on the issue shall apply per Florida Administrative Code 67-37.007(12).

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 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 awarded SHIP funds, the City of Gainesville 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 for at least annually for 15 years or the term of assistance whichever is longer unless as specified above. For those developments that the Florida Housing Finance Corporation provides the same monitoring and determination, the City of Gainesville may rely on such monitoring and determination of tenant eligibility.

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 budgets are presented on an annual basis for each State fiscal year submitted. The City of Gainesville 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."

II. LHAP HOUSING STRATEGIES:

A.	Purchase Assistance Program- Downpayment Assistance Program	Code 2

a. **Summary of the Strategy:** The purpose of the Purchase Assistance Program-New or Existing is to promote homeownership for first-time homebuyers. Funds are provided to assist eligible first-time homebuyers with purchasing a new or existing home (with or without rehabilitation). To qualify, applicants must be able to obtain a mortgage loan from a Purchase Assistance Program certified lender; and select a home for purchase that meets the SHIP Program criteria. Eligible activities under this strategy shall include downpayment assistance and closing costs assistance. The homebuyer must pay a minimum of 2% of the sales price of the home. In accordance with a homebuyer feasibility analysis, only the amount of SHIP subsidy required to close will be awarded. All eligible recipients must complete a homebuyer education and training program, administered by a City of Gainesville approved entity.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Very Low/Low/Moderate**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $10,000.**

e. **Terms, Recapture and Default**: The funds shall be made available in the form of a 0% interest rate, 10-year due upon sale loan, forgivable at the end of the compliance period. A mortgage is recorded on the property. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on any terms of the mortgage and note during the compliance period, then the full balance of the loan shall become due and payable. A subordination of this mortgage will only be approved under the guidelines of the Loan Subordination Policy established by the City of Gainesville.

f. **Recipient Selection Criteria:** Applications for assistance under this program will be reviewed and approved on a first-come, first-qualified, first-serve basis, following receipt of an application, income qualification, first mortgage approval, completion of a City-approved homeownership training program and other criteria as required to determine applicant eligibility.

g. **Sponsor Selection Criteria, if applicable**: The City of Gainesville shall administer the Purchase Assistance Program- Downpayment Assistance Program.

h. **Additional Information**: Not Applicable.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/Very Low/Low**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $15,000.**

e. **Terms, Recapture and Default**: The funds shall be made available in the form of a 0% interest rate, 10-year due on sale loan forgivable at the end of the compliance period. A mortgage is recorded on the property. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on any terms of the mortgage and note during the compliance period, then the full balance of the loan shall become due and payable. A subordination of this mortgage will only be approved under the guidelines of the Loan Subordination Policy established by the City of Gainesville.

f. **Recipient Selection Criteria:** Applications for assistance under this program will be reviewed and approved based on a first-come, first-qualified, first-served basis.

g. **Sponsor Selection Criteria, if applicable**: The City of Gainesville shall administer the Housing Rehabilitation-Roof Program.

h. **Additional Information**: Not Applicable.

D. Housing Rehabilitation Program- Minor Rehabilitation Code 3

a. **Summary of the Strategy:** The Housing Rehabilitation Program - Minor Rehabilitation is designed to provide assistance to eligible homeowners to improve the health and safety conditions in the unit to preserve the home. The Housing Rehabilitation Program - Minor Rehabilitation will address the repair of health and safety violations on a home. The program addresses the minor rehabilitation of a home without requiring the issuance of a Code Violation Notice. All code violations may not be addressed. The program will be applied to homes that are in need of deferred maintenance. The repair priorities include, but are not limited to: roof, electrical, heating, plumbing and handicap accessibility, if applicable. Eligible costs include construction costs and related project soft costs (e.g., architectural, engineering, related professional services such as credit reports, recordation and filing fees, appraisal fees, lead based paint inspections, building permits, builders fees). Mobile homes are not eligible to receive assistance from this program.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/Very Low/Low**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $30,000.**

e. **Terms, Recapture and Default**: The funds shall be made available in the form of a 0% interest rate, 10-year due upon sale loan, forgivable at the end of the compliance period. A mortgage is recorded on the property. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on any terms of the mortgage and note during the compliance period, then the full balance of the loan shall become due and payable.
A subordination of this mortgage will only be approved under the guidelines of the Loan Subordination Policy established by the City of Gainesville.

F. Replacement Housing Program — Code 4

a. **Summary of the Strategy**: The Replacement Housing Program (RHP) will address housing units that are infeasible to rehabilitate due to the existing 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 applied to the Housing Rehabilitation Program for assistance and their homes were subsequently determined to be infeasible to rehabilitate. The RHP 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 by the City of Gainesville Housing Division. Eligible costs include construction costs and related project soft costs (e.g., architectural, engineering, related professional services such as credit reports, recordation and filing fees, appraisal fees, survey fees, lead based paint inspections, building permits, builders fees). Mobile homes are not eligible to receive assistance from this program.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/Very Low/Low**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $125,000.**

e. **Terms, Recapture and Default**: The funds shall be made available in the form of a 0% interest rate, 30-year due upon sale loan, forgivable at the end of the compliance period. A mortgage is recorded on the property. The recipient is required to own and occupy the property as a principal residence during the compliance period. If the recipient defaults on any terms of the mortgage and note during the compliance period, then the full balance of the loan shall become due and payable. A subordination of this mortgage will only be approved under the guidelines of the Loan Subordination Policy established by the City of Gainesville.

f. **Recipient Selection Criteria:** Applications for assistance under this program will be reviewed and approved based on a first-come, first-qualified, first-served basis.

g. **Sponsor Selection Criteria, if applicable**: The City of Gainesville staff shall administer the Replacement Housing Program.

h. **Additional Information**: Not Applicable.

G. Mortgage Foreclosure Intervention Program — Code 7

a. **Summary of the Strategy**: The Mortgage Foreclosure Intervention Program (MFI) offers qualified homeowners an opportunity to avoid foreclosure and retain their homes. Funds will be provided to eligible homeowners to assist with bringing their mortgage payments current. Eligible expenses include, but are not limited to: delinquent mortgage payments (principal, interest, taxes and insurance), attorney's fees, late fees and other customary fees, if applicable. Mobile homes are eligible if the residential unit meets the standards of Chapter 553, Florida Statutes for homeownership.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/VeryLow/Low/Moderate**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $5,000.**

h. **Additional Information**: SHIP funds at all times must be used for eligible applicants and eligible housing. SHIP disaster funds may not be used for the purchase or rehabilitation of mobile homes.

I. Housing Counseling Program

a. **Summary of Strategy:** The City of Gainesville Housing Division is a certified HUD Housing Counseling Agency. This certification allows the City of Gainesville to provide comprehensive housing counseling and education programs to the at-large community.

The Housing Counseling Program is designed to expand homeownership opportunities and improve access to affordable housing. The Housing Counseling Program enables any person who wants to (or alqualified does) rent or own housing to obtain the counseling and resources needed for seeking, financing, maintaining, renting, or owning a home to become successful homeowners and responsible renters.

The Housing Counseling program works to prevent homelessness and to promote safe, stable and affordable housing. The Housing Counseling Program offers advice, information and assistance to clients interested in pre- and post-purchase counseling and homeownership training. To meet this goal, the Housing Counseling Program offers one-on-one counseling, as well as counseling over the telephone. In addition, group seminars are conducted to provide general consumer information on the home purchase process, financing options, credit repair, financial literacy and other topics that help meet the goals of homeownership to assist clients with making informed and reasonable decisions regarding their housing needs. The Housing Counseling Program offers, but is not limited to, counseling and training in the following areas:

- *Homebuyer Education and Training;*
- *Homeowner Maintenance Education and Training;*
- *Tenant Education and Training*
- *Mortgage Default Counseling; and*
- *Budget and Credit Counseling.*

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/VeryLow/Low/Moderate**

d. **Maximum Award:** Not Applicable.

e. **Terms, Recapture and Default**: Not Applicable.

f. **Recipient Selection Criteria:** Provide housing counseling services and other support services to extremely low-to-moderate income persons/families within the Gainesville/Alachua County area.

g. **Sponsor Selection Criteria, if applicable**: The City of Gainesville shall administer the Housing Counseling Program. On a limited basis, the City and Alachua County may also partner with Neighborhood Housing Development Corporation, a non- profit housing provider, to provide homebuyer training for the Purchase Assistance- Downpayment Assistance Program.

h. **Additional Information**: Not applicable.

K.	**Rental Construction Program**	**Code 14,15,21**

a. **Summary of the Strategy**: The purpose of the Rental Construction Program is to provide a local government contribution to qualified developers to stimulate the construction of new rental housing and rehabilitation of existing units for income eligible tenant households. Eligible expenses include construction and rehabilitation costs only. Priority may be given to projects that are located in neighborhoods within the City that have no and/or a shortage of affordable rental units available for low-income households. Eligible applicants may include individuals, non-profit corporations, partnerships, for-profit corporations and/or limited liability companies.

b. **Fiscal Years Covered:** **2014/2015, 2015/2016, 2016/2017**

c. **Income Categories to be served:** **Extremely Low/Very Low/Low**

d. **Maximum Award is noted on the Housing Delivery Goals Charts: $100,000.**

e. **Terms, Recapture and Default**: The terms and conditions of the funds used in this strategy will be determined on a case-by-case basis depending on the financial capacity of the rental housing project. SHIP funds may be provided as a loan and/or grant to support the financing structure and/or leveraging of the rental housing project. Funds may also be used as a match for the U.S. Department of Housing and Urban Development HOME Program and other related programs offered by federal, State of Florida and local government to produce and preserve rental housing. When HOME funds are used with SHIP, the most restrictive rules and regulations may apply. Loans may be a combination of deferred, due on sale, zero interest and/or low interest. A mortgage and/or other related instrument will be recorded on the property.

Eligible sponsors assisted under this strategy must reserve rental housing for eligible persons for 15 years or the term of the assistance, whichever period is longer. A subordination of this mortgage will only be approved under the guidelines of the Loan Subordination Policy established by the City of Gainesville.

Eligible sponsors that offer rental housing for sale before 15 years or that have an outstanding loan and/or grant balance under this strategy must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons. However, if the new buyer is eligible for the program, then the terms and conditions of the loan and/or grant may be assumed, as long as, all other SHIP and/or local requirements are met. Rental units constructed, rehabilitated or otherwise assisted from the local housing assistance trust fund must be monitored at least annually for 15 years or the term of assistance, whichever is longer, for compliance with tenant income and affordability requirements. Recapture of any loan and/or grant may be repaid to SHIP, HOME and other related programs based on the percentage of the financing provided to the project, as applicable. For those developments that the Florida Housing Finance Corporation provides the same monitoring and determination, the City may rely on such monitoring and determination of tenant eligibility.

f. **Recipient Selection Criteria:** Applicants must be income eligible under SHIP Program guidelines.

g. **Sponsor Selection Criteria, if applicable**: The City of Gainesville shall administer the Rental Construction program. An eligible developer/sponsor may submit applications at any time for assistance based on funding availability. The criteria to select eligible Sponsors include, but are not limited to the following:

c. **Income Categories to be Served:** **Very-Low**

d. **Maximum Award:** **$7,700***

i. **Rapid Rehousing:**
1. **Rental Subsidies** **$6,000***
2. **Rental Deposits** **$1,700***

ii. **Eviction Prevention:**
1. **Eviction Subsidies:** **$3,000**

e. **Terms, Recapture and Default:**
Funds will be awarded as a grant with no recapture terms.

f. **Recipient Selection Criteria**
Eligible applicants will be approved for assistance subject to funding availability using the following criteria:

- Applicant referrals accepted from the local Continuum of Care (CoC) Coordinated Entry System/Homeless Management Information System (HMIS) to prioritize the provision of services. Exceptions may apply with City of Gainesville administrative approval.
- Applicants must have a Vulnerability Index -Service Prioritization Decision Assistance Tool (VI-SPDAT) score of 5-10. The purpose of using the VI-SPDAT system is to quickly assess the health and social needs of eligible applicants and match them with the most appropriate support and housing interventions that are available within the community. Exceptions may apply with City of Gainesville/Alachua County administrative approval.
- Applicants must meet income eligibility requirements.
- Applicant may not be a college student unless employed 32 hours per week or more.
- For Rapid Rehousing assistance only: Applicants must have: 1) at least one adult household member who is a person with special needs as defined in 420.0004, F.S. or 2) a person who is homeless as defined in 420.621 when the person initially qualified for a rent subsidy.
- Rent Subsidy assistance is limited to twelve (12) months of rent.
- For Rapid Rehousing assistance only: Rental Security and Utility Deposit assistance is one-time only; applicants must not have been previously assisted.
- Eviction Prevention assistance, including rent arrears, is limited to six (6) months of rent.
- Applicants assisted under this strategy must lease, for at least one year (12 months), a dwelling unit which meets applicable U.S. Department of Housing and Urban and Development (HUD) Habitability Standards.
- Applicant must be the primary tenant of the dwelling unit to be leased, exceptions may apply for extenuating circumstances such as illness, death, divorce and/or other related hardship as determined by City of Gainesville/Alachua County administrative approval).
- Applicants must complete a housing stability evaluation to determine affordable monthly rents.
- Monthly rents may not exceed maximum rents, as established by the Florida Housing Finance Corporation's annual Rent Schedule
-

III. LHAP INCENTIVE STRATEGIES

The City offers several incentives as recommended by the City's SHIP Affordable Housing Advisory Committee and adopted by the Gainesville City Commission in efforts to encourage and facilitate development of affordable housing in the City of Gainesville:

1) **Incentive: The processing of approvals of development orders or permits, as defined in s.163.3164 for affordable housing projects is expedited to a greater degree than other projects.**

The City's Fast Track Permitting Process was developed to make the option of requesting a faster permitting process available to applicants, including contractors, developers and homeowners, when applying for a building permit. If applicants pay an additional fee, this program provides them with faster permit review. Housing developments that qualify as affordable are provided with the fast track service for no additional fee by the Building Department, although they do pay for building permits. Housing developments funded by SHIP, CDBG, HOME or associated programs are qualified as affordable. In order to receive expedited permitting, applicants in the City may apply to the Housing & Community Development Division for a Certificate of Housing Affordability. The City also offers the affordable housing concept review and approval process to assist all certified affordable housing developments in meeting the State of Florida Low-Income Housing Tax Credit Program application requirements. The review process notifies applicants as to problems and objections pertaining to proposed developments. The money saved by developers through the reduced expenditures in the development of detailed engineered plans is meant to result in the delivery of housing at a lower cost than it would have been without these savings.

The AHAC also considered a variety of proposals to simplify regulatory compliance for all development, including affordable housing. Staff indicated they are already pursuing better indexing and simplification of the Land Development Code (LDC), for which the AHAC is supportive.

Recommendation: In the interest of integrating affordable and market-rate housing, provide automatic fee waived Fast Track review for projects that include at least 10% affordable units. Any project that meets this standard shall receive priority processing under Fast Track review.

2) **Incentive: Modification of impact fee requirements including reduction or waiver of fees and alternative methods of fee payment.**

The City does not currently require the payment of impact fees for new development. Connection fees for water and wastewater services, however, can be expensive. The City's Connect Free Program can reduce or eliminate connection fees for some existing and new affordable housing units.

The City Commission established the Connect Free Program by Resolution #030223 on July 28, 2003; and amended by Resolution #050601 on November 14, 2005 authorizing GRU to collect a 25 percent surcharge on connection charges for customer connection to the water and wastewater system outside of the City limits. The Connect Free Program is funded from one-half of the surcharge monies collected. The Connect Free Program funding is used to extend water, wastewater and reclaimed water services within the City.

- even in the City's highest density zoning district, providing affordable housing would result in only a small density increase—less than 2 units per acre.

For these reasons, the City, as part of a larger LDC update, is studying how to revise the density bonus system to increase its usage.

Recommendation: Increase the value (density bonus points) for providing affordable housing; and use a sliding scale where the number of points awarded increases (or decreases) as the number of affordable units provided increases (or decreases). If the LDC update results in the elimination of the density bonus points system, the City should retain some type of simple direct density bonus, such as more units or more height, for the provision of affordable housing.

4) Reservation of infrastructure capacity for housing for very-low income persons, low-income persons, and moderate-income persons.

As stated in the Local Housing Assistance Plan, City policy is to reserve a portion of existing infrastructure capacity for affordable housing in the future.

At the present, GRU maintains sufficient water and wastewater capacity, while stormwater retention capacity is met on a site-by-site basis. The Transportation Mobility Program Area (TMPA) covers a large portion of the City and allows for development such as urban redevelopment and infill development to occur along roads that are over their traffic capacity.

Although the development may be allowed, the exemption does not relieve the developer from various improvements stated in the Transportation Mobility Element of the Comprehensive Plan.

Recommendation: Continue to reserve infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons; Study the possibility of reserving a portion of the Feed In Tariff capacity for Affordable Housing.

5) Allowance of affordable accessory residential units in residential zoning districts.

Accessory residential units (ARU) were historically an effective means to provide mixed-income housing widely dispersed throughout the City. ARUs can provide affordable housing at little government cost, in neighborhoods where it is otherwise costly or impractical to create new affordable housing. ARUs can also generate a revenue stream to existing homeowners, making their home ownership more affordable and funding better property maintenance. Many ARUs currently exist in successful older single family residential neighborhoods, but new ones are generally not allowed by City's current LDC. By comparison, in the unincorporated part of Alachua County, the County does allow "Accessory Living Units" in all single family residential zoning districts. There are concerns about the impacts of ARUs on neighborhood quality of life.

Those concerns are greatest in the neighborhoods north of the University of Florida, where it is anticipated that the demand for ARUs would be the greatest. These neighborhoods have already been impacted by the conversion of owner occupied units to rental units.

These concerns have been addressed, with varying degrees of success, in Alachua County and around the country in a variety of ways, including one or more of the following:

- Limiting the number of ARUs to one per lot;
- Limiting the size of ARUs;
- Limiting the number of parking spaces;
- Requiring owner-occupancy of the primary residence;

9) **Establishment of a process by which the City considers before adoption policies, procedures, ordinances, regulations or plan provisions that increase in the cost of housing.**

Review Synopsis: The City has implemented an ongoing review of local policies, ordinances, regulations and comprehensive plan provisions that impact the cost of housing. Through this process, new regulations are reviewed to determine potential impact on affordable housing, and negative impacts are mitigated, when appropriate and feasible.

As part of this process, the City reviews and evaluates zoning and other housing regulations to ensure that they do not limit housing opportunities for lower-income groups within the City. Petitions that regulate land use are required to include a fiscal impact statement regarding the impact of proposed development on affordable housing in the City.

Recommendation: On-going.

10) **Preparation of a printed inventory of locally owned public lands suitable for affordable housing.**

An inventory of public lands available for affordable housing is currently maintained by the City.

Recommendation: On-going.

11) **Support of affordable housing development near transportation hubs and major employment centers and mixed use developments.**

The City's implementation of Special Area Plans in the College Park, University Heights, S.W. 13th Street as well as other areas is an example of Gainesville's commitment to development near many employment centers as well as transit routes.

Recommendation: Coordinate with the University of Florida's Shimberg Center for Affordable Housing and/or other similar agencies, to create a high quality Geographic Information System map comparing the existing location of transportation hubs; major employment centers (grouped by ¼ mile radius); mixed use development; and existing affordable housing.

IV. Additional Recommendations

Other affordable housing incentives identified by the advisory committee.

- Energy Efficiency: Currently GRU offers many energy saving programs to property owners, including landlords, and renters.
  Recommendation: Find effective means to encourage energy efficiency upgrades to rental units. Further study required.

  Recommendation: Evaluate how bundled rebates are effective at encouraging most cost-effective upgrades, and in particular how often they are used by rental property owners (as opposed to homeowners, builders or others). Further study required.

  Recommendation: Explore ways that private investors could install energy efficiency upgrades in affordable rental or homeowner housing, while tapping Federal tax incentives, state incentives, and local/GRU incentives and also reducing total housing costs. Further study required.

IV. EXHIBITS

A. Administrative Budget for each fiscal year covered in the Plan. **Exhibit A**.

B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005, F.A.C.* 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, witnessed or attested adopting resolution is attached as **Exhibit E.**

F. Program Information Sheet: Completed program information sheet is attached as **Exhibit F.**

G. Ordinance: If changed from the original ordinance, a copy is attached as **Exhibit G.**

H. Interlocal Agreement: Special Needs Program . A copy of the Interlocal Agreement if applicable is attached as **Exhibit H.**

EXHIBIT B

TIME TABLE FOR STATE FISCAL YEAR
CITY OF GAINESVILLE

FISCAL YEAR	2014/2015	2015/2016	2016/2017
FUNDS RECEIVED	JULY 2014	JULY 2015	JULY 2016
NOFA	JULY 2014	JULY 2015	JULY 2016
APPLICATION PERIOD (On-going)	AUGUST 2014	AUGUST 2015	AUGUST 2016
ANNUAL REPORT	SEPTEMBER 2015	SEPTEMBER 2016	SEPTEMBER 2017
MID-YEAR PLAN REVIEW	JANUARY 2015	JANUARY 2016	JANUARY 2017
END OF YEAR PLAN REVIEW	JUNE 2016	JUNE 2017	JUNE 2018
FINAL PROGRAM REVIEW	JUNE 2017	JUNE 2018	JUNE 2019
FUNDS ENCUMBERED	JUNE 2016	JUNE 2017	JUNE 2018
FUNDS EXPENDED	JUNE 2017	JUNE 2018	JUNE 2019

EXHIBIT C

Housing Delivery Goals Chart
FY 2015-2016

FLORIDA HOUSING FINANCE CORPORATION
HOUSING DELIVERY GOALS CHART FY 2015-2016

Please check applicable box, & if Amendment, enter number	
New Plan:	X
Amendment:	
Fiscal Yr. Closeout:	2017

Name of Local Government: City of Gainesville

Available Funds:	$622,618.00

HOMEOWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A New Construction SHIP Dollars	B Rehab/Repair SHIP Dollars	C Without Construction SHIP Dollars	D TOTAL SHIP Dollars	E TOTAL Percentage	F TOTAL Units
Housing Rehabilitation-Major	3	$50,000	5	$50,000				$355,650		$355,650	57.12%	8
Housing Rehabilitation-Minor	4	$30,000		$30,000				$118,964		$118,964	19.11%	4
Replacement Housing	1	$125,000		$125,000				$50,000		$50,000	8.03%	1
Purchase Assistance-Downpayment Assistance		$10,000	9	$10,000	1	$10,000			$80,000	$80,000	12.85%	10
Subtotal 1 (Homeownership)	**8**		**14**		**1**		**$ -**	**$524,614**	**$80,000**	**$604,614**	**97.11%**	**23**

RENTAL STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	TOTAL SHIP Dollars	TOTAL Percentage	TOTAL Units
Subtotal 2 (Non-Homeownership)	**0**		**0**		**0**		**$ -**	**$ -**	**$ -**	**$ -**	**0.00%**	**0**
Administration Fees										**$61,450**	**9.87%**	
Admin. From Program Income										**$549**	**0.0%**	
Home Ownership Counseling										**$2,500**	**0.40%**	
GRAND TOTAL Add Subtotals 1 & 2, plus all Admin. & H.O. Counseling	**8**		**14**		**1**		**$0**	**$524,614**	**$80,000**	**$669,113**	**107.38%**	**23**
Percentage Construction/Rehab	Calculate Constr./Rehab by adding Grand Total columns A&B, then divide by Annual Allocation Amt.										**84.26%**	
Maximum Allowable Purchase Price:							**New**	**$228,000**	**Existing**	**$157,000**		

Allocation Breakdown	Amount	%
Very-Low Income	$100,000	14.95%
Low Income	$270,964	40.50%
Moderate Income	$233,650	34.92%
TOTAL	**$604,614**	**90.36%**

Projected Program Income	$46,494.67	Max Amount Program Income/Admin:	5.0%
Projected Recaptured Funds:			
Distribution:	$622,618.00		
Total Available Funds:	**$669,112.67**		

EXHIBIT D

CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION

Name of Local Government: **CITY OF GAINESVILLE**

(1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.

(2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, religion, color, age, sex, familial or marital status, handicap, or national origin.

(3) A process for selection of recipients for funds has been developed.

(4) The eligible municipality or county has developed a qualification system for applications for awards.

(5) Recipients of funds will be required to contractually commit to program guidelines.

(6) The Florida Housing Finance Corporation will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions the plan.

(7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.

(8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.

(9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation within 21 days after adoption.

(10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.

(11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.

(12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.

13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.

(14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.

(15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.

(16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.

(17) Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)

(18) The Plan meets the requirements of Section 420-907-9079 FS, and Rule Chapter 67-37 FAC, and how each of those requirements shall be met.

(19) The provisions of Chapter 83-220, Laws of Florida ____***has or*** ___*X*___ ***has not*** been implemented.

_____ Witness

_____ Chief Elected Official or designee

_____ Witness

Lauren Poe, Mayor- City of Gainesville

_____ Date

OR

_____ Attest:
(Seal)

WHEREAS, the Neighborhood Improvement Department has prepared a three-year 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 Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

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 Local Housing Assistance Plan attached as Exhibit "A" and incorporated hereto, for submission to the Florida Housing Finance Corporation as required by Sections 420.907-420-9079, Florida Statutes, for fiscal years 2014-2015, 2015-2016, and 2016-2017.

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 Local Housing Assistance Plan, including the Certification attached as Exhibit "B" and incorporated hereto, and to do all things necessary and proper to carry out the terms and conditions of said program.

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

PASSED AND ADOPTED this _____ day of _____, 2017.

_____
LAUREN POE
MAYOR

Attest:

_____
KURT LANNON
CLERK OF THE COMMISSION

Approved as to form and legality:

_____
NICOLLE M. SHALLEY
CITY ATTORNEY

EXHIBIT G

NOT APPLICABLE.

ALACHUA COUNTY/CITY OF GAINESVILLE INTERLOCAL AGREEMENT FOR THE ADMINISTRATION OF S.H.I.P. SPECIAL HOUSING NEEDS CONTRACTS DATED AFTER APRIL 12, 2005

THIS INTERLOCAL AGREEMENT (Agreement), entered into this 12 day of April, 2005, by and between Alachua County, a charter county and political subdivision of the State of Florida, acting by and through its Board of County Commissioners (County), and the City of Gainesville, a municipal corporation created and existing under the laws of the State of Florida, acting by and through its City Commission (City):

WITNESSETH:

WHEREAS, the parties hereto previously entered into an Interlocal Agreement dated May 28th, 1996, for the provision of Special Needs Housing Program services, recorded in the public records in Alachua County, Florida; and

WHEREAS, the City and County desire to enter into a new Interlocal Agreement wherein the City and County administer each Special Needs Housing project individually yet jointly perform some preliminary functions; and

WHEREAS, the City and County are authorized by the Florida Interlocal Cooperation Act, Section 163.01, et seq., Florida Statutes, to enter into interlocal agreements and thereby cooperatively utilize their powers and resources in the most efficient manner possible; and

WHEREAS, the William E. Sadowski Affordable Housing Act, Chapter 92-137, Laws of Florida, created the State Housing Initiatives Partnership (SHIP) Act, Section 420.907, Florida Statutes, which authorizes distribution of monies in the Local Government Housing Trust Fund for the purpose of providing funds to counties and

this agreement. All projects awarded funds under the terms of the agreement dated May 28th, 1996, shall continue to be governed by the terms of that agreement.

Section #2. The Alachua County/City of Gainesville Special Needs Housing Program (Program) is hereby established for the purpose of providing and administering funding pursuant to the requirements of the SHIP Act to provide for transitional housing needs of persons who have special housing needs, including, but not limited to, persons with developmental disabilities; persons with mental illnesses or chemical dependency; persons with Acquired Immune Deficiency Syndrome ("AIDS") and Human Immunodeficiency Virus ("HIV") disease; runaway and abandoned youth; public assistance recipients; migrant and seasonal farm workers; refugees and entrants; the elderly; and disabled adults.

Section #3. Unless terminated earlier pursuant to Section 6.e. of this Agreement, the term of this Agreement shall begin on the date first above-written and run for the period of implementation of all Program years for which funding is contractually awarded to eligible program sponsors. The period of implementation shall include the term of monitoring established by the SHIP Act for each Program year.

Section #4. Funding for the Program shall consist of that portion of the funds allocated to the Program by approved City LHAP and County LHAP, respectively and contractually awarded to eligible sponsors pursuant to applicable provisions of the SHIP Act, SHIP rule and adopted program guidelines.

Section #5. The Program shall be administered consistent with the Alachua County/City of Gainesville SHIP Special Needs Housing Program Guidelines, attached hereto and incorporated herein by this reference as Attachment I to the Agreement, as the same may be amended as applicable, by mutual agreement of the parties.

Section #7. The City agrees as follows:

a. To enter into an agreement with each approved sponsor applicant for which City's funding is awarded through the Program for the purpose of implementing the Program.

b. Each party shall be solely responsible for the negligent or wrongful acts of its officers and employees. Nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of §768.28, Florida Statutes.

c. To assist the County with any aspect of the Program which is its responsibility under the terms of this Agreement upon request.

Section #8. The County agrees as follows:

a. To enter into an agreement with each approved sponsor applicant for which County's funding is awarded through the Program for the purpose of implementing the Program.

b. Each party shall be solely responsible for the negligent or wrongful acts of its officers and employees. Nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of §768.28, Florida Statutes.

c. To assist the City with any aspect of the Program which is its responsibility under the terms of this Agreement upon request.

IN WITNESS WHEREOF the parties hereto have caused the execution hereof by their duly authorized officials on the dates stated below.

ALACHUA COUNTY, FLORIDA

By: _____
Cynthia Moore Chestnut, Chair
Board of County Commissioners
4/26/05

ATTEST:

_____
J.K. "Buddy" Irby, Clerk
(SEAL)

CITY OF GAINESVILLE

By: _____
Pegeen Hanrahan
Mayor City of Gainesville

ATTEST:

_____
Kurt M. Lannon, Clerk of the City Commission

Approved As To Form

_____
Robert Livingston
Assistant Alachua County Attorney

Approved As To Form and Legality

_____
Marion J. Radson
City Attorney

- ✓ Sponsor organizations must demonstrate that other funds and financing are available before SHIP funds will be committed and must certify that all assisted individuals must qualify as 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. Housing projects must meet income certification guidelines as provided by City and/or County Special Needs Income Certification Plan & Monitoring Strategy.

- ✓ Sponsor organizations must have applicable federal, state and/or local license(s) as required to operate an entity within the City and/or the County.

- ✓ To the extent funds are available, Sponsor organizations must make the assisted housing and related services available to all eligible persons regardless of jurisdiction of residence within Alachua County prior to or at the time of request or referral for services.

ELIGIBLE SPONSOR SELECTION CRITERIA

The following selection criteria and measures will be used to evaluate applications for funds submitted by an eligible sponsor:

SELECTION CRITERIA	MEASURES
Overall Capacity of Organization to Fulfill Project Proposal	Experience with similar housing construction activities; Financial resources and systems in place
Ability to Proceed and Expedite in a Timely Manner	Site Control, Zoning, Land Use Plan, Site Suitability, Engineering, Architectural
Management System for Effective Production, Cost, Quality and Control	Staffing, Operation Procedures, Project personnel availability, Staff/Agency Experience, Board Experience.
Financial Management and Resources	Pro forma, Project budget, Documented Cost Estimates, Audit Reports, Adequate Cash Flow, Basic Underwriting Principles
Previous/Current Contract Compliance	Findings, Completions of other Projects funded
Experience with support services such as, special needs and/or homeownership programs and education	Training required or provided
WAGES and Workforce Development Initiatives Program participation	Documentation organization employees WAGES and Workforce Development Initiatives Program participants (if applicable).
Developer Fee	Appropriate for Level of Work Involved

The following documents may be requested as a part of the competitive application process:

Approved site plan, Letters of commitment for other funding, Evidence of site control, Three years of tax returns, Three years financial statements, Interim financial statements, Project description, Company history, Resumes of all company principals, Application form, Survey and other documentation as may be required.

III. AWARD

- ✓ The City and County will jointly review sponsor applications for funding and make recommendations to the City and/or County Commissions, respectively for funding awards in accordance with the SHIP Special Needs Housing Programs.

- ✓ The maximum assistance will be the lesser of up to 50% of the eligible construction project cost or $6,000 per unit. Maximum dollar amounts per unit (per bed for single-room occupancy units, per bedroom for multi-bedroom units, per bed for dormitories) will be based on the number of single or multi-occupancy bedrooms.

- ✓ Funds are provided to sponsor as a due on sale-loan recorded in the public records of Alachua County, Florida. The housing must remain affordable and occupied by income eligible beneficiaries for a period of 15 years. Sponsor organizations shall comply with and provide written certification of income and rent levels for the compliance period of 15 years. All SHIP assisted rental properties offered for sale prior to the 15-year term of affordability must be subject to a right of first refusal for purchases at the current market value, less the amount of the SHIP subsidy, by eligible nonprofit organizations who would provide continued occupancy by eligible persons.

Collateral:

The sponsor organization shall execute a SHIP Mortgage Agreement in the amount of the loan for Special Needs Housing Program Assistance to be recorded in the public records in Alachua County, FL.

IX. ELIGIBLE COSTS

Eligible costs include the following:

Construction or rehabilitation of a unit or building for the purpose of providing temporary, transitional or long term rental housing for eligible households who are included in one of the special needs groups as listed in IA.

X. CONTRACTING

This sets forth requirements and procedures with respect to Special Needs Housing contracts financed through the Special Needs Housing Program.

A. Contract

Repair work done through the Special Needs Housing Program shall be undertaken only through a written contract between the Contractor and the sponsor organization receiving SHIP funds.

B. Sponsor organization shall obtain or prepare the following documents:

- ✓ Scope of Work & Cost Estimate;

D. Use of Proceeds

Use loan proceeds only to pay for eligible costs to carry out the construction or rehabilitation work for which the funding is approved.

E. Compliance Inspection

The Sponsor organization and contractor must allow inspection of the property constructed and/or repaired under this Program by City of Gainesville and/or Alachua County for compliance with applicable City and/or County Building Code and other applicable federal, state and/or local codes and requirements.

F. Completion of Work

Staff will assure that work is carried out promptly and efficiently according to standard construction and rehabilitation program procedures. No payment submission will be made to the sponsor organization until a release of liens from each supplier and subcontractor and general contractor Final Approvals Certificate and warranty papers are received by County/City staff.

CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION

Name of Local Government: **CITY OF GAINESVILLE**

(1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.

(2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, religion, color, age, sex, familial or marital status, handicap, or national origin.

(3) A process for selection of recipients for funds has been developed.

(4) The eligible municipality or county has developed a qualification system for applications for awards.

(5) Recipients of funds will be required to contractually commit to program guidelines.

(6) The Florida Housing Finance Corporation will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions the plan.

(7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.

(8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.

(9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation within 21 days after adoption.

(10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.

(11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.

(12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.

13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.