

LEVY COUNTY



SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2022-2023, 2023-2024, 2024-2025

Approved by the Levy County Board of County Commissioners on June 7, 2022

Approved by the Levy County Board of County Commissioners on September 19, 2023

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I. Program Details:

A. LG(s)

Name of Local Government	Levy County Board of County Commissioners
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	

B. Purpose of the program:

- To meet 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.

C. Fiscal years covered by the Plan: 2022-2023, 2023-2024, 2024-2025

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, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services and lead agencies of the local continuums of care.

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 meetings with Affordable Housing Advisory Committee. Public input was solicited through the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability in the local newspaper and the County’s website.

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. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time completed applications were submitted as well as any established funding priorities as described in this plan.

The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:

1. Special Needs Households
 - a. Very low
 - b. Low
 - c. Moderate
2. Essential Services Personnel (ESP)
 - a. Very low
 - b. Low
 - c. Moderate
3. After Special Needs Set-asides and ESP goals are met
 - a. Very Low
 - b. Low
 - c. Moderate

- J. 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.
- K. 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, Foreclosure Counseling and Transportation.
- L. 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 average area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

U.S. Treasury Department	X
Local HFA Numbers	

- M. 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.

- N. 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.

- O. 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 periodic 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 \$10,000 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.
- P. Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the moneys deposited in the local housing assistance trust fund are necessary 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(19), 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 applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

- Q. Program Administration:** Administration of the local housing assistance plan will be performed by:

Entity	Duties	Admin. Fee Percentage
Local Government	All phases of the administration of the LAP	10%
Third Party Entity/Sub-recipient		

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*
- S. Project Delivery Costs:** The County will charge a reasonable project delivery cost to cover inspections performed by non-county employees for Rehabilitation and Demolition/Reconstruction projects. This includes but is not limited to an initial inspection, creation of work write up, cost estimates, construction oversight and lead base paint test. The fee will not exceed 2% of the contracted SHIP award and will be included in the amount of the recorded mortgage and note.

T. Essential Service Personnel Definition (ESP): For purposes of SHIP funding, the County considers the following groups as Essential Services to our County: First Responders, Educators in K-12, Health Care Personnel, Active and Reservist Military, skilled building trades personnel, and National Guard stationed in the County.

U. Describe efforts to incorporate Green Building and Energy Saving products and processes:
 Levy County will, when economically feasible, employ the following Green Building requirements on rehabilitation and emergency repairs:

1. Paint and primers that meet the Green Seal G-11 Environmental Standard.
2. Low flow water fixtures in bathrooms
3. Eligible energy star appliances.

V. Describe efforts to meet the 20% Special Needs set-aside:
 The County will advertise about the availability of funds for this special group as well as maintain continuous dialogue with the various civic groups and organizations that have a direct relationship with individuals falling within this classification.

W. Describe efforts to reduce homelessness:
 The County’s efforts to reduce homelessness include but are not limited to:

1. Working with other local partners with rehabilitation of derelict homes throughout the County.
2. Providing the much-needed down payment and closing cost individuals now entering the labor force.
3. Having flexible lot sizes as an incentive for developer of affordable housing.

Section II. LHAP Strategies:

A. Strategy Name: Purchase Assistance with and without Rehab	Code: 1,2
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a. Summary:
 This strategy assist first time homebuyers with down payment and closing cost to purchase a new or existing single-family site built homes (not mobile homes). Funds can also be used to assist eligible applicants with repairs to the existing home being purchased in addition to the down payment and closing cost. Applicants must be able to secure a first mortgage through with a State Certified Lending Institution.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, and 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$30,000
- e. Terms:
 1. Repayment loan/deferred loan/grant: Deferred Payment Loan Agreement (DPL Agreement) secured by a recorded subordinate Mortgage and Note.
 2. Interest Rate: 0%
 3. Years in loan term: 10 years
 4. Forgiveness: Loan will be forgiven prorated at 20% at beginning at the end of the sixth year of the loan.
 5. Repayment: None required as long as the loan is in good standing.

6. Default: Default of the loan occurs, and the outstanding principal amount of the DPL will be due and payable, if the borrower no longer resides in the home as the principal residence or if any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if borrower is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if the First Mortgage on the Property (as defined in the Mortgage) is satisfied or refinanced, or upon failing to meet any condition of the Mortgage securing the Note or the DPL Agreement, or if the Property is leased or rented. Default also occurs, and the entire principal amount of the DPL will be due and payable immediately, if the borrower is found to have given materially false or inaccurate information or statements to the County (or failed to provide the County with any material information) in connection with the DPL or the DPL application.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan is forgiven.

f. Recipient/Tenant Selection Criteria:

Applicants meeting the requirements below will be served on a first qualified, first served basis. However, should more applications be received than funding allows, names will be placed on a waiting list based on time and date received. Applicants will be ranked for assistance with the priorities for Special Needs, Essential Services Personnel and income groups as described in this plan.

1. Have successfully completed a HUD approved homebuyer's education class.
2. Be extremely low, very low, low or moderate income under applicable U.S. Department of Housing and Urban Development income guidelines, as dated and distributed annually by the Florida Housing Finance Corporation.
3. Be pre-approved for a first mortgage through a lending institution, as evidenced by a complete lender's approval form (Exhibit 1 and Exhibit L included in the Lenders' Pre-Approval Package to the SHIP Application), which allows participant to submit SHIP application.
4. Contribute a minimum of \$1,000 towards any prepaid cost.
5. Applicants may reapply for assistance 10 years after the first time receiving SHIP assistance but may only use SHIP funds twice within a lifetime. This excludes any assistance received under the Disaster Repair/Mitigation strategy.
6. Mobile or manufactured homes are ineligible for this strategy.
7. Applicant agrees to maintain homeowner insurance on the Property for the full replacement value of the purchased or rehabilitated unit. Said property insurance shall be maintained during the duration of the DPL and shall list Levy County, a political subdivision of the State of Florida, as a mortgage holder in the loss-payable provision thereof as its interest may appear.

g. Sponsor Selection Criteria: N/A

h. Additional Information: N/A

B. Strategy Name: Owner Occupied Rehabilitation	Code: 3
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<p>a. Summary: SHIP funds will be awarded for rehabilitation defined as repairs or improvements that are needed for safe or sanitary habitation, correction of code violations, and the creation of additional living space to meet HQS standards. Other items may be included on rehabilitation projects if funds are available after completing all required repairs listed above. Should project bids exceed maximum allowance, the scope of the project will be reassessed and narrowed where possible or the project will be rejected.</p>

- b. Fiscal Years Covered: 2022-2023, 2023-2024, and 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$30,000
- e. Terms:
 - 1. Repayment loan/deferred loan/grant:
Deferred Payment Loan (DPL) secured by a recorded Mortgage and Note.
 - 2. Interest Rate: 0% interest
 - 3. Years in loan term: 10 years
 - 4. Forgiveness: Loan will be forgiven prorated at 20% at beginning at the end of the sixth year of the loan.
 - 5. Repayment: None required as long as loan is in good standing.
 - 6. Default: Default of the loan occurs, and the entire principal amount of the DPL will be due and payable, if the borrower no longer resides in the home as the principal residence or if any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if borrower is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if the First Mortgage on the Property (as defined in the Mortgage) is satisfied or refinanced, or upon failing to meet any condition of the Mortgage securing the Note or the DPL Agreement, or if the Property is leased or rented. Default also occurs, and the entire principal amount of the DPL will be due and payable immediately, if the borrower is found to have given materially false or inaccurate information or statements to the County (or failed to provide the County with any material information) in connection with the DPL or the DPL application.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan is forgiven.

- f. Recipient/Tenant Selection Criteria:
 - 1. Applicants meeting the following threshold requirements will be served on a first qualified, first served basis. However, should more applications be received than funding allows, names will be placed on a waiting list based on time and date received. Applicants will be ranked for assistance with the priorities for Special Needs, Essential Services Personnel and income groups as described in this plan.
 - 2. Applicants must own and occupy the assisted property as a principal residence.
 - 3. Applicants may reapply for assistance 10 years after the first time receiving SHIP assistance but may only use SHIP funds twice within a lifetime. This excludes any assistance received under the Disaster Repair/Mitigation strategy.
 - 4. Mobile or manufactured homes constructed after June 30, 1994 are eligible for this strategy. However only households within the very low and low income categories owning such units can be assisted.
 - 5. Applicant shall maintain homeowner insurance on the Property for the full replacement value of the rehabilitated unit. Said property insurance shall be maintained during the duration of the DPL and shall list Levy County, a political subdivision of the State of Florida, as a mortgage holder in the loss-payable provision thereof as its interest may appear.
 - 6. All property taxes/assessments must be current, there may not be any judgments or liens and any first mortgage must be current on said property.
 - 7. Maximum property values shall not exceed maximum purchase price for new or existing single family housing as established by the Housing Delivery Goals chart.
- g. Sponsor Selection Criteria: N/A

h. Additional Information: Eligible applicants must have homestead exemption for this property.

c. Strategy Name: Demolition/Reconstruction	Code: 4
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a. Summary:
SHIP funds will provide for the demolition of uninhabitable or dilapidated houses or mobile homes and the construction of a replacement house (site built only) where the cost of rehabilitation of the home is fifty one percent (51%) or more that the existing market value of the home as listing on the County's Property Appraiser's website. The home must be owner occupied with a clear title. Assistance will be tailored to the individual affordability and financing needs of the recipient family. However, each family shall only receive the minimum level of assistance required to enable the construction of a new home.

b. Fiscal Years Covered: 2022-2023, 2023-2024, and 2024-2025

c. Income Categories to be served: Very low, low and moderate

d. Maximum award: \$170,000

e. Terms:

1. Repayment loan/deferred loan/grant:
Deferred Payment Loan (DPL) secured by a recorded Mortgage and Note.
2. Interest Rate: 0% interest
3. Years in loan term: 15 years
4. Forgiveness: Loan will be forgiven prorated at 10% at beginning at the end of the sixth year of the loan.
5. Repayment: None required as long as loan is in good standing.
6. Default: Default of the loan occurs, and the entire principal amount of the DPL will be due and payable, if the borrower no longer resides in the home as the principal residence or if any part of the Property or any interest in it is sold, transferred, gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if borrower is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if the First Mortgage on the Property (as defined in the Mortgage) is satisfied or refinanced, or upon failing to meet any condition of the Mortgage securing the Note or the DPL Agreement, or if the Property is leased or rented. Default also occurs, and the entire principal amount of the DPL will be due and payable immediately, if the borrower is found to have given materially false or inaccurate information or statements to the County (or failed to provide the County with any material information) in connection with the DPL or the DPL application.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan is forgiven.

f. Recipient/Tenant Selection Criteria:

1. Applicants meeting the following threshold requirements will be served on a first qualified, first served basis. However, should more applications be received than funding allows, names will be placed on a waiting list based on time and date received. Applicants will be ranked for assistance with the priorities for Special Needs, Essential Services Personnel and income groups as described in this plan.
2. Applicants must own and occupy the assisted property as a principal residence.
3. Applicants may only apply for this type of assistance once within a lifetime.

4. Applicant shall maintain homeowner insurance on the Property for the full replacement value of the new unit. Said property insurance shall be maintained during the duration of the DPL and shall list Levy County, a political subdivision of the State of Florida, as a mortgage holder in the loss-payable provision thereof as its interest may appear.
5. All property taxes/assessments must be current, there may not be any judgments or liens and any first mortgage must be current on said property.
6. Maximum property values shall not exceed maximum purchase price for new or existing single family housing as established by the Housing Delivery Goals chart.

g. Sponsor Selection Criteria: N/A

h. Additional Information: Eligible applicants must have homestead exemption for this property.

D. Strategy Name: Disaster Assistance	Code: 5, 16
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Summary:

The Disaster Assistance strategy provides funds to households following a disaster or emergency declared by the President of the United States or Governor of the State of Florida. SHIP disaster funds may be used for items such as, but not limited to:

- I. purchase of emergency supplies for eligible households to weatherproof damaged homes;
- II. interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;
- III. construction of wells or repair of existing wells where public water is not available;
- IV. payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies;
- V. security deposit for eligible recipients that have been displaced from their homes due to disaster;
- VI. rental and utility assistance for eligible applicants.
- VII. mortgage and utility payment assistance for eligible applicants.
- VIII. Strategies included in the approved LHAP that benefit applicants directly affected under the Executive Order.
- IX. Other eligible activities as proposed to and approved by Florida Housing.
- X. Payment of one year of flood insurance
- XI. Payment of one year of homeowners insurance

b. Fiscal Years Covered: 2022-2023, 2023-2024, and 2024-2025

c. Income Categories to be served: Extremely Low, Very low, low and moderate

d. Maximum award: \$15,000

e. Terms:

1. Repayment loan/deferred loan/grant: Grant
2. Interest Rate: N/A
3. Years in loan term: N/A
4. Forgiveness: N/A
5. Repayment: N/A
6. Default: N/A

- f. Recipient/Tenant Selection Criteria:
 1. Applicants meeting the following threshold requirements will be served on a first qualified, first served, however, should more applications be received than funding allows, names will be placed on a waiting list based on time and date received. Applicants will be ranked for assistance with the priorities for Special Needs, Essential Services Personnel and income groups as described in this plan.
 2. Applicants must own and occupy the assisted property as a principal residence.
 3. Mobile or manufactured homes constructed after June 30, 1994 are eligible for this strategy.
 4. All property taxes/assessments must be current, there may not be any judgments or liens and any first mortgage must be current on said property.
 5. Maximum property values shall not exceed maximum purchase price for new or existing single family housing as established by the Housing Delivery Goal chart.
 6. If home is uninhabitable or dilapidated and homeowner does not have alternative housing or financial resources to alleviate the situation, the homeowner may apply for the assistance under another strategy.

- g. Sponsor Selection Criteria: N/A

- h. Additional Information:
 1. Homeowner must provide proof of homeowner's insurance
 2. Homeowner must file for and use proceeds from insurance as first option.

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.

Levy County provides expedited permitting to affordable single and multifamily, attached or detached residential and planned or mixed developments that include affordable housing. The Development Department Director will shepherd applications through each level of review with affordable housing projects coversheet affixed to the application. For the purpose of expedited permit processes, affordable housing projects are identified as those projects assisted with state or federal housing funds. Applications for affordable projects are forwarded to the SHIP Administration and/or County Coordinator for a determination as to meeting these criteria.

Currently, Levy County has established policies and procedures, which waive fifty percent (50%) of building permit fees for new construction affordable housing projects assisted with SHIP funding, which benefit very low, low and moderate income households. Levy County staff monitors and gives priority to these applications on a first come first serve basis. All home rehabilitation projects or home repairs made with SHIP funds are given a fifty percent (50%) reduction of permit fees or a maximum charge of \$50.00, whichever is less.

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.

To determine if a locally proposed policy, procedure, ordinance, regulation or plan provision (proposal) increases the cost of housing, a copy of the proposal must be submitted to the SHIP Administrator by the County department processing or making the proposal. This policy allows the SHIP Administrator to provide comments and raise concerns prior to the passage or implementation of the policy, procedure, ordinance, regulation or plan provision by the Board of County Commissioners.

C. Name of the Strategy: **Flexible lots for affordable housing**

As a means of reducing land and infrastructure costs for affordable housing projects, the following shall apply:

1. The minimum lot size is reduced to 3,000 square feet for construction in a single-family residential districts, with a commensurate reduction in lot width to 30 feet and lot depth of 70 feet, provided the property is located within a Municipal Service District and that both central water and sewer is available; and
2. There is no minimum lot size for affordable housing constructed in single-family residential districts.

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

The printed inventory of locally owned public lands suitable for affordable housing is kept by the County's Board Administration Office and is created and regularly reviewed and updated in consultation with the relevant County departments responsible for planning, zoning, building and development.

IV. EXHIBITS:

Required

- 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 LHAP Certification.
- E. Signed, dated, witnessed or attested adopting resolution.

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement (Required if applicable).
- H. Other Documents Incorporated by Reference.