



**SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)**

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

**First Amended 8/29/2016**

**SECOND AMENDMENT 7/24/2018**

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**I. General Program Description:**

- A. Name of the participating local government and Interlocal if Applicable: City of Orlando  
Interlocal: Yes \_\_\_ No X
- B. Purpose of the Program:
1. To meet the housing needs of the very low, low and moderate income households;
  2. to expand production of and preserve affordable housing; and
  3. to further the housing element of the local government comprehensive plan specific to affordable housing.
- C. Fiscal years covered by the Plan: 2015-2016, 2016-2017 and 2017-2018.
- D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.
- E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, 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 use 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. SHIP funds may leverage other federal, state, and/or local housing programs as well as private financing.
- G. Public Input: Public input was solicited through face-to-face meetings with housing providers, construction contractors, social service providers, local lenders, neighborhood associations, and the Affordable Housing Advisory Committee. Public input was also solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.
- H. Advertising and Outreach: SHIP funding availability shall be advertised in a newspaper of general circulation 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. Throughout the year, Housing and Community Development Staff attend neighborhood and

community association meetings to explain the various programs available to low income individuals and households, and depending on funding availability, individual notices and brochures are mailed to persons that have expressed an interest in the SHIP program. The different programs are also advertised on the HCD Department's website ([www.cityoforlando.net/housing](http://www.cityoforlando.net/housing)).

- 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 applications were submitted as well as any established funding priorities as described in this plan. The following priorities for funding listed below apply to all strategies unless otherwise stated in the strategy:
  - 1. Special Needs Households
    - a. Very Low
    - b. Low
    - c. Moderate
  - 2. Essential Services Personnel
    - 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, Credit Counseling, Tenant Counseling and Foreclosure Counseling are provided by HUD certified counseling agencies. Organizations that offer support services such as pre-purchase and credit counseling are extremely important members of the local partnership.
- 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. The sales price of new and existing units can be lower but may not

exceed 90% of the median area purchase price established by the U.S. Treasury Department.  
The methodology used is:

  X   U.S. Treasury Department

       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](http://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 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.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give first right of refusal to eligible non-profit organizations for purchase at the current market value for continued occupancy by eligible persons.

- P. Administrative Budget: A line-item budget of proposed Administrative Expenditures is attached as Exhibit A.  
The City of Orlando finds that the moneys deposited in the Local Housing Assistance Trust Fund shall be used to administer and implement the Local Housing Assistance Plan.  
**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:** *“A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan.”*  
**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:** *“The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(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 City of Orlando has adopted the above findings in the resolution attached as Exhibit E.
- Q. Program Administration: Administration of the Local Housing Assistance Plan will be wholly performed and maintained by the City of Orlando. The City’s Housing and Community Development Department shall be responsible for administering the SHIP Program including developing the Plan, coordinating public hearings, coordinating the application process, monitoring and implementing the Plan, and all other activities associated with the SHIP Program.
- R. Project Delivery Costs: N/A
- S. Essential Service Personnel Definition (required): For the purposes of SHIP funding, the City considers the following groups as Essential Services to the City: First Responders, Educators in K-12, Nurses, Active Military, and National Guard stationed within the Orlando Metropolitan Statistical Area.
- T. Describe efforts to incorporate Green Building and Energy Saving products and processes (required): Newly constructed projects receive full reimbursement on sewer impact fees for eligible affordable units if they meet the City’s adopted residential green building and energy saving criteria which contains items such as but not limited to requirements regarding erosion control, landscaping, HVAC, water, lighting, air quality, outdoor and indoor durability as well as insulation, appliances, flooring, roof and pest control.
- U. Describe efforts to meet the 20% Special Needs set-aside: The City of Orlando actively

seeks partner organizations that provide services or are a direct link to individuals/households with special needs. The City will partner with social services agencies serving the designated special needs populations to achieve the goal of the special needs set-aside.

- V. Describe efforts to reduce homelessness: In Downtown Orlando, the chronically homeless individuals living on our streets remain a big challenge. Working closely with the Central Florida Commission on Homelessness, the City studied what other cities have done to move homeless individuals off the streets and into housing. These approaches have one common focus: they recognize that many of the disabled and chronically homeless individuals will never get off the streets without community intervention and without a path to permanent housing with supportive services. Known as “Housing First,” this approach places chronically homeless individuals in permanent housing and then surrounds them with needed supportive services including mental health counseling, treatment for addiction, basic medical care and the skills to manage their home. This approach provides a more coordinated effort between the region’s existing service providers. Our community has developed a model that builds the system necessary, including caseworkers and housing specialists, to provide long-term housing for chronically homeless individuals. Additionally, the Homeless Services Network, our lead agency responsible for distributing federal homeless dollars, has extensive experience in working with chronic homelessness to help our region accomplish our goal.

**II. LHAP Strategies:**

<b>A. Purchase Assistance without Rehabilitation</b>	<b>Code 2</b>
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- a. Summary of the Strategy: Purchase Assistance without Rehabilitation is designed as a citywide strategy limited to households who are first time homebuyers (have not owned a home in the prior three (3) year period). The purpose of the program is to provide down payment and closing costs assistance, and the reduction of the mortgage principal for purchasing newly constructed or existing homes. Assistance will not be provided for the acquisition of a mobile home.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Very Low Income, Low Income, Moderate, and households up to 140% of AMI

d. Maximum award:

<b>Income Level</b>	<b>Percent of the Area Median Income</b>	<b>Maximum Award</b>
Citywide Program (Very Low)	Below 50% of AMI	\$35,000
Citywide Program (Low)	Between 51%-80% of AMI	\$25,000
Citywide Program (Moderate)	Between 81%-140% of AMI	\$15,000
Future Parramore Resident (Very Low)	Between 50% of AMI	\$40,000
Future Parramore Resident (Low)	Between 51%-80% of AMI	\$30,000
Future Parramore Resident (Moderate and households up to 140% AMI)	Between 81%-140% of AMI	\$20,000

e. Terms of the award:

1. Funds will be awarded as a deferred loan secured by a recorded mortgage and note.
2. Interest Rate: 0%
3. Years in loan term: 10 years
4. Forgiveness: The funds will be forgiven on a prorated basis so that 10% of the principal is forgiven annually. A satisfaction of mortgage will be recorded once the lien period is complete and the homeowner has complied with all the requirements per the program agreements.
5. Repayment: Not required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occur: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable, upon assumption. In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable. If the home is foreclosed on by a superior mortgage holder, the City will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.



- f. Recipient Selection Criteria: Purchase assistance loans will be provided on a first-qualified, first-served basis. Buyers of properties that are being developed with financial assistance from the City will receive priority.

Under this strategy, there are seven types of households that can qualify as “first time homebuyers”. The seven exceptions are as follows:

- 1) Displaced homemaker – an adult individual who has not worked full time for a full year in the labor force for a number of years but has during such time worked primarily without remuneration to care for the home and family and is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.
- 2) Single parent – an individual who is unmarried and has one or more minor children for whom the individual has custody or joint custody or is pregnant.
- 3) Former Parramore neighborhood homeowner – a household who owned a home in the Parramore neighborhood (area bounded by Colonial Drive to the north, Gore Street to the south, Orange Blossom Trail to the west, and I-4 to the east) and was displaced because of a redevelopment initiative by the City of Orlando.
- 4) Future Parramore neighborhood resident – an individual who is buying a home located in the Parramore neighborhood.
- 5) City of Orlando employee – an individual that is employed full time with the City and has completed probation. Proof of employment is required.
- 6) Teacher/School Administrator – an individual that is employed full time by a public or private school in Orange County with a K-12 curriculum. Participants of this program must provide verification of full-time employment by an Orange County School.
- 7) Public safety personnel – those persons who are full-time employees of police departments, sheriff’s department, correction departments, or other law enforcement agencies or members of local fire departments responsible for at least one of the following: fire suppression, emergency medical response and patient care, fire and injury prevention, arson investigation, hazardous materials incident response and management, and/or response to acts of terrorism. Participants of this program must provide verification of full-time employment.

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

- h. Additional Information:

- i. Applicants must complete a homebuyer educational seminar from a HUD

certified housing counseling agency.

- ii. Applicants must secure a first mortgage by a City certified lender and must provide a minimum of \$1,000 towards the purchase of the property.

<b>B. Owner Occupied Rehabilitation</b>
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<b>Code 3</b>
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- a. Summary of the Strategy: The City supports a strong owner-occupied housing rehabilitation program in response to the growing need to preserve the existing housing stock in the City of Orlando. Eligible homes requiring rehabilitation will be repaired to comply with the Department of Housing and Community Development's Owner-Occupied Rehabilitation Standards.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018.
- c. Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% of AMI
- d. Maximum award: \$75,000
- e. Terms:
  1. Funds will be awarded as a deferred loan secured by a recorded mortgage and note.
  2. Interest Rate: 0%
  3. Years in loan term:

Amount of Assistance	Years in Loan Term
Up to \$10,000	Grant
\$10,001 - \$40,000	10-year lien
\$40,001 +	15-year lien

4. Forgiveness: The mortgage amount will be forgiven at an annual prorated rate based on the amount of assistance and length of lien:  
Assistance provided from \$10,001 to \$40,000 will be forgiven at a rate of 10% per year.  
Assistance provided from \$40,001 and above will be forgiven at a rate of 6.67% per year.  
A satisfaction of mortgage will be recorded once the lien period is complete and the homeowner has complied with all the requirements per the program agreements.
5. Repayment: Not required as long as the loan is in good standing.

6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable. In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable. If the home is foreclosed on by a superior mortgage holder, the City will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.
- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in Section I of this plan.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information:
  - i. All work will be performed by contractors on the City's approved contractor's list.
  - ii. Mobile homes, townhomes, and condominiums are not included in this strategy.
  - iii. If it is determined by HCD staff that the health and safety of the residents requires temporary relocation during the rehabilitation work, funds can be used to cover rental costs, utility charges, relocation and storage costs associated with the provision of temporary housing to the homeowner while the construction work is in progress.
  - iv. An applicant requesting assistance will be required to:
    1. Allow the rehabilitation specialist to access the home for an inspection to determine the need for the repair.
    2. Provide proof of homeowner's insurance policy. If a policy is not in place and the homeowner cannot get insurance due to an item that needs repair, the HCD will evaluate funding the repair under the Repair strategy.
    3. Ensure mortgages, taxes, special assessments are current.

**C. Demolition and Reconstruction****Code 4**

- a. Summary of Strategy: Provides assistance with demolition and reconstruction to qualified homeowners who have completed the intake process for the owner-occupied rehabilitation strategy and the cost to rehabilitate their home is at least 30% beyond the maximum award of \$75,000 for that program, or \$97,500.
- b. Fiscal Years Covered: 2015-2016, 2016-2017, 2017-2018
- c. Income Categories to be served: Very Low Income, Low Income, and Moderate Income
- d. Maximum award: \$225,000
- e. Terms:
  - 1. Funds will be awarded as a deferred loan secured by a recorded mortgage and note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 25 years
  - 4. Forgiveness: Beginning in year 6 of the affordability period (25 years), the loan will be forgiven on a prorated basis so that 5% of the principal is forgiven annually. A satisfaction of mortgage will be recorded once the lien period is complete and the homeowner has complied with all the requirements per the program agreements.
  - 5. Repayment: Not required as long as the loan is in good standing.
  - 6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable. If the home is foreclosed on by a superior mortgage holder, the City will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a

recapture.

- f. Recipient Selection Criteria: Applicants will have been selected through the owner-occupied rehabilitation strategy and a determination made that the rehabilitation of their home is not financially feasible.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information:
  - i. The property may not have an existing mortgage to be eligible for demolition and reconstruction.
  - ii. Mobile homes, condominiums, townhomes and villas are not included in this strategy.
  - iii. Funds will be used to cover rental costs, utility charges, relocation and storage costs associated with the provision of temporary housing to the homeowner while the construction work is in progress but must be included within the maximum award.

<b>D. Disaster Repair</b>
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<b>Code 5</b>
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- a. Summary of Strategy: Provides assistance to eligible owner-occupied applicants in need of home repairs directly caused by a disaster that is declared by an Executive Order of the President or Governor. Repairs may include the following:
  - 1. Immediate threats to health and life safety in cases where the home is still habitable.
  - 2. Imminent residual damage to the home (such as damage caused by a leaking roof) in cases where the home is still habitable.
  - 3. Repairs necessary to make the home habitable.
  - 4. Repairs to mitigate dangerous situations.Funds may also be awarded to pay insurance deductibles for any emergency repairs covered by the homeowner's policy.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018.
- c. Income Categories to be served: Very Low and Low Income
- d. Maximum award: \$10,000
- e. Terms:
  - 1. Funds will be awarded as a grant. No recapture provisions will apply.
  - 2. Interest Rate: 0%

3. Years in loan term: N/A
  4. Forgiveness: N/A
  5. Repayment: N/A
  6. Default: N/A
- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in section I of this plan.
  - g. Sponsor/Developer Selection Criteria: N/A
  - h. Additional Information:
    - i. Funds for disaster repairs will only be allocated from unencumbered funds or additional funds awarded through the Florida Housing Finance Corporation for the disaster.
    - ii. An applicant requesting assistance will be required to:
      1. Allow the rehabilitation specialist to access the home for an inspection to determine the need for the repair.
      2. Homeowner's insurance is not required; however, if there is an insurance policy in place, provide proof of whether or not the owner's insurance will cover any part of the repair.
      3. Ensure all mortgages, taxes and special assessment must be current and paid.

<b>E. Emergency Repair Program</b>	<b>Code 6</b>
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- a. Summary of the Strategy: Funds will be awarded to applicants in need of repairs of their owner-occupied home related to a situation that needs to be mitigated. This includes damaged roofing that is leaking, damaged windows causing exposure to the elements, costs to connect to the City's sewer system, electrical or plumbing problems that could cause damage to the home or is an immediate health hazard to the occupants. Funds may also be awarded to pay insurance deductibles for repairs covered by the homeowner's policy.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018.
- c. Income Categories to be served: Very Low, Low Income and Moderate Income
- d. Maximum award: \$10,000
- e. Terms:

1. Funds will be awarded as a grant. No recapture provisions will apply.
  2. Interest Rate: 0%
  3. Years in loan term: N/A
  4. Forgiveness: N/A
  5. Repayment: N/A
  6. Default: N/A
- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in section I of this plan. Applicants may only receive assistance under this strategy once every 2 years.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information:
- An applicant requesting assistance will be required to:
1. Allow the rehabilitation specialist to access the home for an inspection to determine the need for the repair.
  2. Homeowner's insurance is not required; however, if there is an insurance policy in place, provide proof of whether or not the owner's insurance will cover any part of the repair.
  3. Ensure all mortgages, taxes and special assessment are current and paid.
  4. City Code Sec. 30.02 requires that all homes must be connected to the citywide sewer system. This strategy may be used for existing homes currently on a septic system within the City or homes in areas being annexed into the city. This strategy may be utilized to reimburse the homeowner for the costs associated with connecting to the City's sewer system, dependent upon the income eligibility of the homeowner and the availability of funds.
  5. Mobile homes are not eligible for assistance.

<b>F. Impact Fees – Homeownership</b>	<b>Code 8</b>
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- a. Summary of the Strategy: Depending upon availability, SHIP funds will be used to pay all or a portion of sewer and school impact fees for income-eligible, owner-occupied single-family units that are sold at or below the City's maximum sales price rates to income eligible buyers. The units must be certified through the City of

Orlando's Affordable Housing Certification Process.

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018.
- c. Income Categories to be served: Very Low, Low Income and Moderate Income
- d. Maximum award: \$9,700  
Sewer Impact Fee: up to \$2,538  
School Impact Fee: up to \$2,196  
Park Impact Fee: up to \$4,966
- e. Terms of the award:
  - 1. Funds will be awarded in the form of a grant. No recapture provisions will apply.
  - 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 Selection Criteria: Applicants assisted on first qualified, first served basis.
- g. Sponsor/Developer Selection Criteria: Assistance is awarded on a first qualified, first-served basis to developers interested in building affordable housing depending upon availability of funds. Pursuant to the City of Orlando Affordable Housing Certification Process, Certification as an affordable housing project is required to participate in the impact fee program. Evidence of the fulfillment of this requirement is the issuance of a Certification Letter.
- h. Additional Information:
  - i. The Impact Fee Home Owner strategy is used as an incentive for developers to build affordable housing. When building permits are obtained, the developer shall be required to pay the total sewer and school impact fees for all housing units. When the units are completed, the developer shall be required to submit proof of sale of units to qualified beneficiaries at or below the City's adopted maximum sales price to receive a refund of the impact fee costs. Following approval of this documentation and depending on funding availability, the City will provide the developer with either one-hundred percent (100%) reimbursement of sewer and park impact fees from SHIP funds for eligible affordable units if they meet the City's adopted residential green building criteria for affordable housing projects; or



seventy-five percent (75%) reimbursement of sewer and park impact fees if they do not meet the City's adopted residential green building criteria. In addition, the developer may receive twenty-five percent (25%) reimbursement of school impact fees from SHIP funds for eligible single-family affordable housing units.

- ii. The developer will be required to pass at least 50% of the total amount of impact fee reimbursements on to the buyer. This can be accomplished by reducing the sales price and/ or paying a portion of the buyer's closing costs.

<b>G. Acquisition and Rehabilitation for Homeownership</b>
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<b>Code 9</b>
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- a. Summary of the Strategy: The Acquisition and Rehabilitation strategy is designed to stabilize and encourage economic diversity in the City's neighborhoods.

The City or a selected developer may acquire and rehabilitate existing housing in order to increase the number of quality affordable housing units in the City. If acquisition is not needed, the City or selected developer may rehabilitate existing housing on property the City or a selected developer already own. After rehabilitation, the housing must be made available for eligible households to purchase.

- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% of AMI
- d. Maximum award: \$225,000
- e. Terms:

Developer:

1. Deferred Loan secured by a recorded mortgage and note.
2. Interest Rate: 0%
3. Years: up to 24 months
4. Forgiveness: Upon sale to an eligible homebuyer, the deferred loan and Restrictive Use Covenant will be satisfied.
5. Repayment: Once the developer has completed and sold the house to an income eligible buyer, and if all conditions are met, the City will release property or satisfy our mortgage.
6. During the term of the loan, repayment of the outstanding balance will be due upon the occurrence of one or more of the

following events:

1. If any part of the property or any interest in it is sold or refinanced, transferred, gifted or possession is otherwise conveyed to another person, without prior City approval and consistent with City policies, whether by voluntary act, involuntarily, by operation of law or otherwise.
2. If the property is not sold to an eligible homebuyer within 24 months.

- Homebuyer:
1. Deferred Loan secured by a recorded mortgage and note.
  2. Interest Rate: 0%
  3. Years: up to 25 years
  4. Forgiveness: The mortgage amount will be forgiven at an annual prorated rate over the term of the loan and a satisfaction of mortgage will be recorded once the lien period is completed and the homeowner has complied with all requirements per the program agreements.
  5. Repayment: Not required as long as the loan is in good standing.
  6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable. If the home is foreclosed on by a superior mortgage holder, the City will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a

first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in Section I of this plan.

- g. Sponsor/Developer Selection Criteria: Selection of projects and the amount of funding awarded will be based on recommendations from the Housing Review Committee (HRC). Applications from developers are submitted to the Housing and Community Development Department and will be evaluated on factors such as economic feasibility, developer experience and financial strength, the location of the project, and that the proposed project is consistent with the City's policies and objectives. Applications are then distributed to the HRC for review. If the HRC recommends the project to the Orlando City Council for funding and approval, and Council subsequently approves their recommendation, the City will enter into a loan agreement with each award recipient. The agreement will specify conditions that must be met for the developer to receive the SHIP loan.
- h. Additional Information:
  - i. Mobile homes, condominiums, townhomes and villas are not included in this strategy.

<b>H. New Construction for Homeownership</b>
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<b>Code 10</b>
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- a. Summary of the Strategy: This construction strategy is designed to increase the stock of affordable housing by creating a Capital Loan Fund (CLF) to be used for land acquisition, pre-development cost, and vertical construction of single-family affordable homes. The loan funds will be for non-profit affordable housing developers. HCD will use the services of a non-profit lender with experience in administering a loan fund for affordable housing.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% of AMI
- d. Maximum award: \$225,000
- e. Terms:
  - Developer:
    - 1. Developers will be required to enter into an agreement with our non-profit lender administering the CLF. HCD will specify the terms and conditions under which SHIP funds will be provided which will include a loan secured with a mortgage and

note requiring repayments at a minimal interest rate. Developer will be required to pay a loan application fee (\$1,000 minimum), origination fee (1 percent of the loan amount), and a 1 percent interest rate on the loan itself. Other expenses related to the loan such as appraisal, title insurance and Doc stamps will be paid by the developer.

2. Interest Rate: 1% (paid monthly)

3. Years: up to 24 months

4. Security: First lien mortgage will have “due on demand” maturity language.

5. Repayment: Once the developer has completed and sold the house to an income eligible buyer, the proceeds from the sale of the property will be used to pay off 100 percent of the developer’s loan for that property. A reasonable profit/fee (not to exceed 15% of project costs) to the nonprofit developer will be determined by HCD. If all conditions are met, the City will release property or satisfy our mortgage.

6. Default: A default will occur if the developer fails to meet program requirements, loan terms, and sell the house to income eligible buyer. The City of Orlando and its lender will not release or satisfy the City’s mortgage interest unless the buyer is eligible, and documentation has been verified. If the Developer remains in default, the City through its lender will foreclose on the property, take ownership and handle any remaining construction and sale through another nonprofit or real estate agent to an income qualified buyer.

Homebuyer:

1. Deferred Loan secured by a recorded mortgage and note.

2. Interest Rate: 0%

3. Years: up to 25 years

4. Forgiveness: The mortgage amount will be forgiven at an annual prorated (4%) rate over the term of the loan and a satisfaction of mortgage will be recorded once the lien period is completed and the homeowner has complied with all requirements per the program agreements.

5. Repayment: Not required as long as the loan is in good standing.

6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

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

may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable. If the home is foreclosed on by a superior mortgage holder, the City will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Sponsor Selection Criteria: Selection of projects and the amount of funding awarded will be based on recommendations from the Housing Review Committee (HRC). Applications from developers are submitted to the HCD and will be evaluated based on criteria to include but not limited to: developer experience and financial strength, the location of the project, and that the proposed project is consistent with the City's policies and objectives.

Applications are then distributed to the HRC for review. If the HRC recommends the project to the Orlando City Council for funding and approval, and Council subsequently approves their recommendation, the City will require the developers to enter into an agreement with our non-profit lender administering the CLF. HCD will specify the terms and conditions under which SHIP funds will be provided which will include a loan secured with a mortgage and note requiring repayments at a minimal interest rate. Each developer must have experience building affordable housing for low to moderate-income households.

The lender selected to participate in the program will be evaluated based on criteria to include:

- Financial and organizational capacity
- Experience in implementing similar programs
- Financial audits verifying control system are in place
- Organizational documents, board members, and resumes

Developers will be selected on a first come, first qualified basis.

Buyers must meet all the program requirements including the income criteria. The homeownership units will be provided on a first qualified, first served basis.

- g. Additional Information:

HCD will collaborate with a non-profit lender and Community Development Financial Institution (CDFI) organization to administer the loans.

Eligible expenses are hard and soft cost such as the cost of land, cost to acquire structure and land, demolition cost, professional service fees such as environmental

phase one, engineering, survey, appraisal, and architectural drawings. Also allowed are infrastructure directly related to the project, including streets, roadways, parking, sidewalks, pathways, storm drainage, water, sewer and sanitary systems, sewer connections, hydrants, meters, utilities and utility easements for telephone, cable, electric lines, right-of-way's and other acceptable fees. Eligible soft cost are plat reviews, recording fees, permits, environmental reviews and impact studies, land use amendment reviews.

Upon the completion and sale of the homes to income eligible buyers, the proceeds from the sales will be used to satisfy the loans provided to the developer. The developer will sell the properties at or below the appraised value. The buyers must qualify and obtain a first mortgage.

<b>I. Special Needs – Rental</b>	<b>Code 12</b>
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- a. Summary of the Strategy: Provides assistance to local non-profits and for profits with the acquisition, new construction or rehabilitation of existing single family or multi-family rental units or group homes housing persons with special needs as defined under 420.0004(13)F.S.
- b. Fiscal Years Covered: 2015-2016, 2016-2017, 2017-2018.
- c. Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% AMI
- d. Maximum award: \$50,000 per housing unit
- e. Terms:
  - 1. Funds will be awarded as a deferred loan secured by a recorded mortgage and note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 15 years minimum
  - 4. Forgiveness: Assistance provided will be forgiven upon maturity of the loan.

A satisfaction of mortgage will be recorded once the lien period is complete and the property owner has complied with all the requirements per the program agreements.

5. Repayment: Not required as long as the loan is in good standing.

6. Default: The loan will be determined to be in default if the organization receiving the funds fails to comply with the terms and conditions as set forth in the agreement(s). The City of Orlando will annually monitor the assisted units for the length of the affordability period, which is no less than 15 years. Monitoring will ensure compliance with tenant income and affordability requirements as described in the restrictive covenant. The restrictive covenant will remain in effect for the entire affordability period (a minimum of 15 years). If the developer/owner fails to maintain the income or the rental rate requirements for the entire affordability period, the funds used to acquire and rehabilitate the project will be subject to full recapture from the developer.

- f. Recipient Selection Criteria: The units assisted under this strategy must be rented to income eligible persons who meet the definition of special needs as defined under 420.0004(13) F.S on a first-qualified, first-served basis.
- g. Sponsor Selection Criteria and duties: Non-profit housing providers and for-profit organizations are eligible to apply for assistance. Selection criteria will include previous experience and demonstrated performance in the development, management and operation of providing housing for special needs population and a long-term commitment to assist individuals or families with special needs. Selection of projects and the amount of funding awarded will be based on recommendations from the Housing Review Committee (HRC). Applications for funding can be submitted throughout the year. If the HRC recommends the project to the Orlando City Council for funding and approval, the City will enter into a loan agreement with each award recipient after receiving approval from City Council. The agreement will specify conditions that must be met for the developer to receive the SHIP loan.
- h. Additional Information:
  - i. Mobile homes, condominiums, townhomes and villas are not included in this strategy.
  - ii. Operational costs after initial funding shall be the responsibility of the property owner.
  - iii. If other funding sources are used for the same project, the most restrictive

affordability period required by these sources will apply to the project.

**J. Rehabilitation – Rental**

**Code 14**

- a. Summary of the Strategy: This strategy is designed to address the preservation of the affordable rental housing stock by improving its condition. Funds may be used for the rehabilitation of single-family or multifamily rental projects Citywide. Funds awarded under this strategy may also be used as a local contribution by developers participating in the Florida Housing’s Low-Income Tax Credit Program or any other federal, state, or local funding program that targets the rehabilitation of affordable multifamily rental housing projects in the City.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018
- c. Income Categories to be served: Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% of AMI
- d. Maximum award:  
\$100,000 for the rehabilitation of less than 12 units  
\$200,000 for the rehabilitation of 12 or more units
- e. Terms:

- 1. Funds will be awarded as a deferred loan secured by a recorded mortgage and note.
- 2. Interest Rate: 0%
- 3. Years in loan term:

<b>Amount of Assistance</b>	<b>Years in Loan Term</b>
Up to \$100,000	15-year lien
\$100,001+	TBD on a case by case basis (minimum 20-year lien)

- 4. Forgiveness: Assistance provided will be forgiven upon maturity of the loan. A satisfaction of mortgage will be recorded once the lien period is complete and the property owner has complied with all the requirements per the program agreements.
- 5. Repayment: Not required as long as the loan is in good standing.
- 6. Default: The units rehabilitated under this strategy must be rented to income eligible persons at or below the maximum rental rates, adjusted for bedroom size, established by the Florida Housing Finance Corporation.



The City of Orlando will annually monitor the assisted units for the length of the affordability period, which is no less than 15 years. Monitoring will ensure compliance with tenant income and affordability requirements as described in the restrictive covenant. The restrictive covenant will remain in effect for the entire affordability period. The covenant and restrictions shall run with the land and shall be binding on future owners of the property for the affordability period. If the developer/owner fails to meet the income or rental rate requirements, the funds used to acquire and rehabilitate the project will be subject to full recapture from the developer/owner.

- f. Recipient Selection criteria: The units rehabilitated under this strategy must be rented to income eligible persons on a first qualified, first served basis with preferences as described in section 1. I.
- g. Sponsor Selection Criteria: Selection of projects and the amount of funding awarded will be based on recommendations from the Housing Review Committee (HRC). Applications for funding can be submitted throughout the year. Applications from developers are submitted to the Housing Department and will be evaluated on factors such as economic feasibility, developer experience and financial strength, the location of the project, and that the proposed project is consistent with the City's policies and objectives. Applications are then distributed to the HRC for review. If the HRC recommends the project to the Orlando City Council for funding and approval, the City will enter into a loan agreement with each award recipient after receiving approval from City Council. The agreement will specify conditions that must be met for the developer to receive the SHIP loan.
- h. Additional Information:
  - i. Mobile homes are not included in this strategy.

<b>K. New Construction – Rental</b>
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<b>Code 21</b>
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- a. Summary of the Strategy: SHIP funds may be used to construct new rental units. The City may designate sites to implement this strategy or the City may consider sites proposed by developers.
- b. Fiscal Years Covered: 2015-2016, 2016-2017 and 2017-2018

- c. Income Categories to be served: Very Low Income, Low Income, Moderate Income, and households up to 140% AMI
- d. Maximum award:  
\$125,000 for developments of less than 12 units  
\$250,000 for developments of 12 or more units
- e. Terms:
  - 1. Funds are as a deferred loan secured by a recorded mortgage and note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term:

Amount of Assistance	Years in Loan Term
Below \$100,000	15-year lien
\$100,000+	TBD on a case by case basis (minimum 20-year lien)

- 4. Forgiveness: Assistance provided will be forgiven upon maturity of the loan. A satisfaction of mortgage will be recorded once the lien period is complete and the property owner has complied with all the requirements per the program agreements.
  - 5. Repayment: Not required as long as the loan is in good standing.
  - 6. Default: The units constructed under this strategy must be rented to income eligible persons at or below the maximum rental rates, adjusted for bedroom size, established by the Florida Housing Finance Corporation.
- The City of Orlando will annually monitor the assisted units for the length of the affordability period, which is no less than 15 years. Monitoring will ensure compliance with tenant income and affordability requirements as described in the restrictive covenant. The restrictive covenant will remain in effect for the entire affordability period. The covenant and restrictions shall run with the land and shall be binding on future owners of the property for the affordability period. If the developer/owner fails to meet the income or rental rate requirements, the loan used to develop the project will be subject to full recapture from the developer/owner.
- f. Recipient Selection criteria: Applicants served on a first qualified, first served basis with preferences as described in section 1. I
- g. Sponsor Selection Criteria: Selection of projects and the amount of funding awarded

will be based on recommendations from the Housing Review Committee (HRC). Applications for funding can be submitted throughout the year. Applications from developers are submitted to the Housing and Community Development Department and will be evaluated on factors such as economic feasibility, developer experience and financial strength, the location of the project, and that the proposed project is consistent with the City's policies and objectives. Applications are then distributed to the HRC for review. If the HRC recommends the project to the Orlando City Council for funding and approval, the City will enter into a loan agreement with each award recipient after receiving approval from City Council. The agreement will specify conditions that must be met for the developer to receive the SHIP loan.

h. Additional Information:

- i. Mobile homes are not included in this strategy.
- ii. The City may use a portion of the SHIP allocation as part of the Local Government Contribution or Match when participating in such programs as the Florida Housing Finance Corporation Housing Tax Credit (HTC) and Florida State Apartment Incentive Loan (SAIL), as they apply to the development of new construction and/or rehabilitation of affordable rental housing developments.

<b>L. Impact Fees – Rental</b>	<b>Code 19</b>
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- a. Summary of the Strategy: Depending upon availability, SHIP funds will be used to pay all or a portion of sewer and school impact fees for income eligible, single family and multi-family rental units. The units must be certified through the City of Orlando's Affordable Housing Certification Process. Mobile homes, condos, townhomes and villas are not eligible for assistance
- b. Fiscal Years Covered:  
2015-2016, 2016-2017 and 2017-2018.
- c. Income Categories to be served:  
Very Low-Income Households  
Low Income Households  
Moderate Income Households

- d. Maximum award per unit: \$3,890  
Sewer Impact Fee: up to \$1,929  
School Impact Fee: up to \$1,961
- e. Terms of the award:  
Funds will be awarded in the form of a grant. No recapture provisions will apply. To receive full reimbursement of sewer impact fees the units must meet the City's adopted residential green building criteria for affordable housing rental projects. The criteria are included in the Affordable Housing Certification Process
- f. Recipient Selection Criteria:  
The funds awarded under the strategy shall be available on a first qualified, first-served basis to developers interested in building affordable rental housing. Certification as an affordable housing project, pursuant to the City of Orlando Affordable Housing Certification Process, is required to participate in the impact fee program. Evidence of the fulfillment of this requirement is the issuance of a Certification Letter.
- g. Sponsor Selection Criteria and duties, if applicable: N/Ah.
- h. Additional Information:  
The impact fee grant program is used as an incentive for developers to build affordable housing. When building permits are obtained, the developer shall be required to pay the total sewer and school impact fees for all housing units. When the units are completed, the developer shall be required to submit proof of payment of impact fees and submit to the HCD Department for a refund of the impact fee costs. Following approval of this documentation and depending on funding availability, the City will provide the developer with either one-hundred percent (100%) reimbursement from SHIP funds for eligible affordable units if they meet the City's adopted green building criteria for affordable housing projects; or seventy-five percent (75%) reimbursement if they do not meet the City's adopted green building criteria. In addition, the developer may receive twenty-five percent (25%) reimbursement of school impact fees from SHIP funds for eligible single family affordable housing rental units, or fifty percent (50%) reimbursement for the eligible multi-family affordable housing rental units.

### 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. Expedited Permitting

**Description:** According to Section 163.3164(7), (8), Florida Statutes, *a permit is a development order, which means any order granting, denying, or granting with conditions an application for a development permit. A development permit includes any building permit, zoning permit, subdivision approval, rezoning, certification, special exception, variance, or any other official action of local government having the effect of permitting the development of land.* In order to receive State Housing Initiatives Partnership (SHIP) funds from the Florida Housing Finance Corporation, local governments are required to do their part to reduce the cost of housing by expediting permits for affordable housing.

**Established policy and procedures:** In 2007 the Housing and Community Development Department, the Planning Division and the Office of Permitting Services came together and discussed the pros and cons of the existing Expedited Permitting Process. As a result, the process was restructured to emphasize efficiency. Under the new Expedited Housing Development Approval Process, the Housing Expediter continues to be the lead staff person responsible for coordinating the City's review of the project to provide consistency with other departments. The Housing Expediter is responsible for the initial review of a project applying for certification to determine whether it meets the income criteria. The Housing Expediter then contacts other City staff in the various departments responsible for the development and building of the project. In addition, the Housing Expediter serves as the key contact person between City staff and the applicant for affordable housing certified projects. The Housing Expediter assists the developer throughout the development review and permitting process, and coordinates with City staff to ensure that any issues are addressed early in the development process. Projects that include residential green building principles receive priority as part of the expedited process.

The Planning Division and Permitting Services Division have each assigned a staff person to serve as an Ombudsman for certified housing projects. If a planning or permitting issue arises, the appropriate Ombudsman is responsible for notifying the Housing Expediter.

#### B. Ongoing Review Process

**Description:** The Florida Statutes require local governments to establish a process by which a local government considers before adoption policies, procedures, ordinances, regulations,

or plan revisions if it increases the cost of housing. Land Development Code (LDC) amendments and Growth Management Plan (GMP) amendments are reviewed by the Planning Division and the Municipal Planning Board. Final review and approval is by City Council. Those responsible for reviewing proposed ordinance and policy amendments consider a variety of issues including the reason(s) why the amendment is being proposed and whether the regulations and policies within the LDC and GMP respectively support the proposed amendment.

**Established policy and procedures:** All LDC and GMP amendments that may impact the development of affordable and attainable housing are reviewed by the Housing Expediter and the Affordable Housing Advisory Committee (AHAC) before submission to City Council for approval. During the review of the proposed policy or regulation, staff performs research on the impacts of that policy or regulation on housing cost in the Technical Review Committee (TRC) Project and Analysis Report. Staff from the initiating department/division discusses the policy impacts with the Housing Expediter. The Housing Expediter then schedules a meeting to present the policy amendment to the AHAC with a Housing Impact Statement detailing the economic impact for the development of affordable or attainable housing. Recommendations by the AHAC regarding the impacts of the proposed regulations or policy on housing costs are included in the MPB report for recommendation to City Council, who makes the final decision.

**C. Affordable Housing Certification Process**

**Description:** The intent of the Affordable Housing Certification Process is to identify those projects that meet the definition of affordable housing. In order to participate in the Affordable Housing Certification Process, a minimum of twenty percent (20%) of the units in the project must meet the definition of very-low, low, and/or moderate income housing. These developments are eligible to receive specific regulatory and financial incentives. The certification process allows the City to more effectively direct its incentives to those projects that will result in the provision of decent, safe and affordable housing. Further, the certification process provides the developer early on information regarding available incentives. Another benefit of the Affordable Housing Certification Process is that certified projects receive expedited services from City departments at all steps in the development review and permitting process.

**Established policy and procedures:** Projects seeking any affordable housing incentives such as SHIP/HOME funds, capacity reservation set-asides, reduced reservation fees, impact fee grants, discounts, or exemptions, reduced Land Development or Growth Management

application fees, or developing a residential project utilizing the Alternative Housing Development standards, must be certified prior to receiving these incentives. The Affordable Housing Certification Process has been amended to include certain incentives for attainable housing developments.

**D. Establishment of a definition for Attainable Housing**

**Description:** In 2006, a task force appointed by Mayor Buddy Dyer addressed the need for attainable housing. Attainable housing was defined by the Task Force as “well designed housing for public employees, public safety employees, teachers, and employees of small and large businesses within the City of Orlando, whose annual income is from 50% to 150% of the area median income.”

**Established policy and procedures:** The City adopted a definition to address attainable rental housing development. The definition states that “*a mixed income development in which no less than 20% of all of the residential units within the project must be occupied by Very Low Income Households, an additional 40% of all of the residential units within the project must be occupied by attainable income households, and the remaining 40% of the residential units must be households earning higher than 150% of the area median income*”. The Affordable Housing Certification Process has been amended to address the new “attainable housing” definition. This provides an opportunity for developments containing attainable housing units to receive certain regulatory incentives.

**E. Impact Fees**

**Description:** The sewer benefit fee and the transportation impact fee are the only two impact fees the City of Orlando charges for new construction. In addition, the Orange County School Board levies a school impact fee for residential development. As an incentive for the production of affordable housing, the City established an Affordable Housing Impact Fee Program that provides a full or partial reimbursement for sewer and school impact fees, and a Transportation Impact Fee Exemption Program that exempts certified developments from the payment of the transportation impact fees for affordable units.

**Established policy and procedures:** To receive reimbursement of the sewer and school impact fees, developers must pay all impact fees when building permits are issued. After the sale of the housing unit at or below the City’s maximum sales price, or after the housing unit is rented at or below the established HUD rents, the impact fees will be reimbursed by the City, provided funding is available. The reimbursement is available on a first-come, first-served basis. Another benefit available to certified affordable housing developments is

the Transportation Exemption Impact Fee Program. The program offers a partial exemption for projects that have received housing certification. Below is a specific description of the available impact fee benefits:

*Reimbursement of sewer impact fees:*

- 100% reimbursement from SHIP funds for eligible affordable units if they meet the City's adopted residential green building criteria for affordable housing projects; or
- 75% reimbursement from SHIP funds for eligible affordable units if they do not meet the City's adopted residential green building criteria for affordable housing projects.

*Exemption of transportation impact fees:*

- 100 % exemption of the transportation impact fees for eligible affordable housing units if the certified housing project meets the City's commuter criteria\*.
- 50% exemption of the transportation impact fees for the eligible affordable housing units if the certified housing project does not meet the City's commuter criteria but is accessible to grocery stores, public schools, pharmacies, medical facilities, financial institutions, or a post office via a public transit stop located within a ¼ mile distance.
- 75% exemption of the transportation impact fees for the eligible affordable housing units in certified attainable housing projects if the certified housing project meets the City's commuter criteria.
- 25% exemption of the transportation impact fees for the eligible affordable housing units in certified attainable housing projects if the certified housing project does not meet the City's commuter criteria but is accessible to grocery stores, public schools, pharmacies, medical facilities, financial institutions, or a post office via a public transit stop located within a ¼-mile distance.

\*To meet the City of Orlando's commuter criteria, a development must be located within a ¼ mile distance to a City-designated Activity Center or a light rail or commuter rail station.

*Reimbursement of school impact fees:*

- 25% reimbursement from SHIP funds for eligible single-family affordable housing units.
- 50% reimbursement from SHIP funds for the eligible multi-family affordable housing units.

**F. Increased Density/Intensity Levels**

**Description:** The City of Orlando operates a voluntary density bonus program. The program offers a density bonus in several residential, office, and commercial districts. In



exchange for more density, the developer must commit to build affordable housing units on-site. However, instead of building affordable units on-site, the developer may choose to provide an in-lieu contribution to the “City of Orlando Trust Fund for Low and Very Low Income Housing.”

**Established policy and procedures:**

**DENSITY BONUSES AVAILABLE IN ORLANDO ZONING DISTRICTS**

<b>District</b>	<b>Intensity</b>		<b>Maximum Bonus</b>		<b>Available Intensity with Bonus</b>
R-3A	12 units/acre	+	3 units/acre	=	15 units/acre
R-3B	21 units/acre	+	5 units/acre	=	26 units/acre
R-3C	30 units/acre	+	10 units/acre	=	40 units/acre
R-3B	75 units/acre	+	15 units/acre	=	90 units/acre
O-1	0.4 F.A.R. *	+	0.075 F.A.R. *	=	0.475 F.A.R. *
O-2	0.7 F.A.R. *	+	0.125 F.A.R. *	=	0.825 F.A.R. *
O-3	1.0 F.A.R. *	+	0.15 F.A.R. *	=	1.15 F.A.R. *
AC-1	0.7 F.A.R. *	+	0.1 F.A.R. *	=	0.8 F.A.R. *
AC-2	1.0 F.A.R. *	+	0.15 F.A.R. *	=	1.15 F.A.R. *
AC-3	1.5 F.A.R. *	+	0.3 F.A.R. *	=	1.8 F.A.R. *
AC-3A	3.0 F.A.R. *	+	0.5 F.A. R. *	=	3.5 F.A.R. *

\* F.A.R. = Floor Area Ratio = building floor area/land area

The Land Development Code requires a Neighborhood Compatibility Review for all developments requesting a density bonus. The purpose of the review is to ensure that the intensity of a development utilizing a density bonus remains compatible with adjacent neighborhoods. All variances, except variances to height requirements, are prohibited within developments that have received density bonuses. If the neighborhood compatibility review is favorable, the applicant is allowed to increase the density of development in accordance with the approval.

In return for the density bonus, the developer is required either to provide on-site affordable housing units equal to the number or additional units permitted by the bonus or to contribute a percentage of the total construction costs to the trust fund at the time of permitting. At the time of building permitting, the Building Official determines the amount of the contribution based on 2% of the total construction costs of the development. The on-site alternatives

require that the affordable units be devoted by deed restriction to low and/or very low income households.

**G. The allowance of flexible lot configurations, including zero lot line configurations:**

**Description:** Flexible lot configurations provide an alternative to conventional development guidelines for small lots. These development standards are intended to allow a number of different building site layout alternatives.

**Established policy and procedures:** The City of Orlando's Land Development Code (LDC) has permitted zero-lot-line development as a design option for one or two family dwellings. Zero-lot-line development is permitted in most residential districts as part of the platting process. With the zero-lot-line standards, the LDC allows the unit to be placed along the rear and/or side property lines, reduces the rear and front setbacks below the minimum yard requirements in the applicable zoning districts, and reduces the minimum lot depth required in the district.

**H. Disposition of property for affordable housing**

**Description:** According to Section 166.0451, Florida Statutes, each local government must prepare an inventory of all real property within its jurisdiction to which the local government holds fee simple title that is appropriate for use as affordable housing. The inventory must include the address and legal description of each such property and specify whether the property is vacant or improved. The City Council approved the inventory at a public hearing. A resolution that includes the inventory was adopted by City Council. The properties identified as appropriate for use as affordable housing on the adopted inventory may be offered to interested parties for the development of affordable housing.

**Established policy and procedures:** The City of Orlando's inventory is prepared by the City's Real Estate Office (REO) and the Housing and Community Development (HCD) Department. The City owns properties that were obtained through voluntary sales and donations by private individuals, code liens foreclosures, and tax deed sales. The remaining properties in the inventory were divided in three categories:

Category 1: Ready (Lot is platted, can proceed to permitting)

Category 2: Needs variance, determination, and/or replatting

Category 3: Lot not buildable/Parcel acquired through tax deed sales

The properties included under Category 1 and Category 2 are available and ready to use. Properties in Category 3 will be included in the inventory; however, will not be available for disposition right away. New properties will be added to the list as they become available. Properties will be deleted from the list as they are donated to eligible organizations or if their

use for affordable housing is no longer viable. Interested nonprofit as well as for profit organizations may request the donation of the lot(s) by completing a SHIP/HOME Funding Application and the Parcel Selection Addendum.

Properties listed in the City of Orlando's inventory of all real property will be available throughout the year to eligible nonprofit and for profit organizations for the construction of affordable housing used for sale or rent. Land from this program may also be conveyed to a community land trust for the development of long-term affordable housing. The land may be conveyed as a single incentive or part of a housing incentive package, which includes other housing incentives. Either way, the City will require the developer to execute an agreement along with a mortgage, a promissory note, and a restrictive covenant.

#### IV. EXHIBITS:

##### Exhibit A: Administrative Budget

Fiscal Year: 2015-2016		
Estimated Allocation for Calculating:	\$ 1,247,369	
Salaries and Benefits	\$ 124,736.90	
Other	\$	
Total	\$ 124,736 .90	10.00%
Fiscal Year: 2016-2017		
Estimated Allocation for Calculating:	\$ 1,661,844	
Salaries and Benefits	\$ 166,184.40	
Other	\$	
Total	\$ 166,184.40	10.00%
Fiscal Year 2017-2018		
Estimated Allocation for Calculating:	\$ 1,366,912	
Salaries and Benefits	\$ 136,691.20	
Other	\$	
Total	\$ 136,691.20	10.00%

**Exhibit B:** Timeline for Estimated Encumbrance and Expenditure.

**The City of Orlando**, affirms that funds allocated for these fiscal years will meet the following deadlines:

<b>Fiscal Year</b>	<b>Encumbered</b>	<b>Expended</b>	<b>1<sup>st</sup> Year AR</b>	<b>2<sup>nd</sup> Year AR</b>	<b>Closeout AR</b>
<b>2015-2016</b>	6/30/2017	6/30/2018	9/15/2016	9/15/2017	9/15/2018
<b>2016-2017</b>	6/30/2018	6/30/2019	9/15/2017	9/15/2018	9/15/2019
<b>2017-2018</b>	6/30/2019	6/30/2020	9/15/2018	9/15/2019	9/15/2020

If funds allocated for these fiscal years is not anticipated to meet any of the deadlines in the table above, Florida Housing Finance Corporation will be notified according to the following chart:

<b>Fiscal Year</b>	<b>Funds Not Encumbered</b>	<b>Funds Not Expended</b>	<b>1<sup>st</sup> Year AR Not Submitted</b>	<b>2<sup>nd</sup> Year AR Not Submitted</b>	<b>Closeout AR Not Submitted</b>
<b>2015-2016</b>	3/30/2017	3/30/2018	6/15/2016	6/15/2017	6/15/2018
<b>2016-2017</b>	3/30/2018	3/30/2019	6/15/2017	6/15/2018	6/15/2019
<b>2017-2018</b>	3/30/2019	3/30/2020	6/15/2018	6/15/2019	6/15/2020

**Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 15 of the year in which funds are required to be expended. The extension request shall be emailed to [robert.dearduff@floridahousing.org](mailto:robert.dearduff@floridahousing.org) and [terry.auringer@floridahousing.org](mailto:terry.auringer@floridahousing.org) and include:**

1. A statement that “(city/county) requests an extension to the expenditure deadline for fiscal year \_\_\_\_\_.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan of how/when the money will be expended.

*Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended. Please email [terry.auringer@floridahousing.org](mailto:terry.auringer@floridahousing.org) when you are ready to “submit” the AR.*

***Other Key Deadlines:***

AHAC reports are due for each local government the same year as the local government’s LHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.

**EXHIBIT C: 2015-2016**

**FLORIDA HOUSING FINANCE CORPORATION**

**HOUSING DELIVERY GOALS CHART**

**STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2015-2016**

LHAP Exhibit C 2015-2016

Please check applicable box	
New Plan:	
Amendment:	Yes
Fiscal Yr. Closeout:	2016

Name of Local Government: **The City of Orlando**

Estimated Funds: \$1,247,369

CODE	HOME OWNERSHIP  STRATEGIES (strategy title must be same as the title used in plan text.	VL	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F
		Units	Award	Units	Award	Units	Award	New Construction  SHIP Dollars	Rehab/Repair  SHIP Dollars	Without Construction  SHIP Dollars	Total  SHIP Dollars	Total  Percentage	Total  Units
2	Purchase Assistance w/o Rehab	5	\$14,999	0	\$10,000	1	\$5,000	\$0.00	\$0	\$79,995	\$79,995	6.41%	6
3	Owner Occupied Rehabilitation	9	\$75,000	2	\$75,000	1	\$75,000	\$0.00	\$900,000	\$0.00	\$900,000	72.15%	12
4	Demolition/ Reconstruction	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
5	Disaster Repair/ Mitigation	0	\$10,000	0	\$10,000	0	\$10,000	\$0.00	\$0	\$0.00	\$0	0.00%	0
6	Emergency Repair	0	\$10,000	0	\$10,000	0	\$10,000	\$0.00	\$0	\$0.00	\$0	0.00%	0
8	Impact Fee - Home Owner	8	\$4,169	11	\$4,169	0	\$4,769	\$0.00	\$79,206	\$0.00	\$79,206	6.35%	19
9	Acquisition & Rehabilitation	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
10	New Construction Homeownership	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
	Subtotal 1 (Home Ownership)	22		13		2		\$0.00	\$979,206	\$79,995	\$1,059,201	84.91%	37

	RENTAL STRATEGIES	VL	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction	Total	Total	Total
		Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
12	Special Needs - Rental	0	\$50,000	0	\$50,000	0	50000		\$0.00	\$0.00	\$0.00	0.00%	0
14	Rehabilitation - Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
16	Disaster Repair/Mitigation - Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
21	New Construction -- Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
											\$0.00	0.00%	
	Subtotal 2 (Non-Home Ownership)	0		0		0		\$0.00	\$0	\$0	\$0	0.00%	0
	Administration Fees										\$124,737	10.00%	
	Admin. From Program Income										\$1,981	5.00%	
	Home Ownership Counseling											0.00%	

<b>GRAND TOTAL</b>													
Add Subtotals 1 & 2, plus all Admin. & HO Counseling	22			13		2		\$0.00	\$979,206	\$79,995	\$1,185,919	99.91%	37

<b>Percentage Construction/Reh:</b>	Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.										79%	
<b>Maximum Allowable Purchase Price:</b>	\$255,176											
								<b>New</b>	\$255,176	<b>Existing</b>	\$255,176	

Allocation Breakdown	Amount	%
Very-Low Income	\$783,344.84	60.9%
Low Income	\$195,856.03	15.2%
Moderate Income	\$80,000.00	6.2%

Projected Program Income:	39,616.00	Max Amount Program Income For A	\$1,980.80
Projected Recaptured Funds:	\$0.00		
Distribution:	\$1,247,369.00		
Total Available Funds:	\$1,286,985.00		

**EXHIBIT C: 2016-2017**

**FLORIDA HOUSING FINANCE CORPORATION**

**HOUSING DELIVERY GOALS CHART**

**STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2016-2017**

LHAP Exhibit C 2016-2017

Please check applicable box	
New Plan:	
Amendment:	<b>Yes</b>
Fiscal Yr. Closeout:	<b>2017</b>

Name of Local Government: **The City of Orlando**

Estimated Funds \$1,661,844

CODE	HOME OWNERSHIP  STRATEGIES (strategy title must be same as the title used in plan text.)	VL	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F
		Units	Award	Units	Award	Units	Award	New Construction  SHIP Dollars	Rehab/Repair  SHIP Dollars	Without Construction  SHIP Dollars	Total  SHIP Dollars	Total  Percentage	Total  Units
2	Purchase Assistance w/o Rehab	0	\$35,000	4	\$25,000	2	\$15,000	\$0.00	\$0	\$130,000	\$130,000	7.82%	6
3	Owner Occupied Rehabilitation	8	\$75,000	5	\$75,000	2	\$75,000	\$0.00	\$1,125,000	\$0.00	\$1,125,000	67.70%	15
4	Demolition/ Reconstruction	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
5	Disaster Repair/ Mitigation	0	\$10,000	0	\$10,000	0	\$10,000	\$0.00	\$0	\$0.00	\$0	0.00%	0
6	Emergency Repair	1	\$10,000	2	\$10,000	0	\$10,000	\$0.00	\$30,000	\$0.00	\$30,000	1.81%	3
8	Impact Fee - Home Owner	2	\$9,700	1	\$9,700	0	\$9,700	\$0.00	\$29,100	\$0.00	\$29,100	1.75%	3
9	Acquisition & Rehabilitation	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
10	New Construction Homeownership	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
	<b>Subtotal 1 (Home Ownership)</b>	11		12		4		\$0.00	\$1,184,100	\$130,000	\$1,314,100	79.07%	27

	RENTAL STRATEGIES	VL	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction	Total	Total	Total
		Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
12	Special Needs - Rental	0	\$50,000	0	\$50,000	0	50000		\$0.00	\$0.00	\$0.00	0.00%	0
14	Rehabilitation - Rental	0	TBD	2	\$45,000	0	TBD		\$90,000.00	\$0.00	\$90,000.00	5.42%	2
16	Disaster Repair/Mitigation - Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
21	New Construction -- Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
											\$0.00	0.00%	
	<b>Subtotal 2 (Non-Home Ownership)</b>	0		2		0		\$0.00	\$90,000	\$0	\$90,000	5.42%	2
	Administration Fees										\$166,184	10.00%	
	Admin. From Program Income										\$1,088	5.04%	
	Home Ownership Counseling											0.00%	

<b>GRAND TOTAL</b>													
Add Subtotals 1 & 2, plus all Admin. & HO Counseling	11			14		4		\$0.00	\$1,274,100	\$130,000	\$1,571,372	99.53%	29

	Percentage Construction/Reh:					Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.					77%	
	Maximum Allowable		\$255,176									
	Purchase Price:					New	\$255,176	Existing	\$255,176			

Allocation Breakdown	Amount	%
Very-Low Income	\$619,400.00	36.8%
Low Income	\$574,700.00	34.1%
Moderate Income	\$180,000.00	10.7%

Projected Program Income:	<b>21,586.00</b>	Max Amount Program Income For Ad	<b>\$1,079.30</b>
Projected Recaptured Funds:	<b>\$0.00</b>		
Distribution:	\$1,661,844.00		
<b>Total Available Funds:</b>	<b>\$1,683,430.00</b>		

EXHIBIT C: 2017-2018

FLORIDA HOUSING FINANCE CORPORATION

HOUSING DELIVERY GOALS CHART

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2017-2018

LHAP Exhibit C 2018-2019

Please check applicable box	
New Plan:	
Amendment:	Yes
Fiscal Yr. Closeout:	2018

Name of Local Government: The City of Orlando

Estimated Funds \$1,366,912

CODE	HOME OWNERSHIP STRATEGIES (strategy title must be same as the title used in plan text.)	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A	B	C	D	E	F
								New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units
2	Purchase Assistance w/o Rehab	1	\$35,000	2	\$25,000	1	\$15,000	\$0.00	\$0	\$100,000	\$100,000	7.32%	4
3	Owner Occupied Rehabilitation	3	\$75,000	2	\$75,000	0	\$75,000	\$0.00	\$375,000	\$0.00	\$375,000	27.43%	5
4	Demolition/ Reconstruction	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
5	Disaster Repair/ Mitigation	0	\$10,000	0	\$10,000	0	\$10,000	\$0.00	\$0	\$0.00	\$0	0.00%	0
6	Emergency Repair	14	\$10,000	7	\$10,000	6	\$10,000	\$0.00	\$270,000	\$0.00	\$270,000	19.75%	27
8	Impact Fee - Home Owner	1	\$9,700	0	\$9,700	0	\$9,700	\$0.00	\$9,700	\$0.00	\$9,700	0.71%	1
9	Acquisition & Rehabilitation	0	TBD	2	\$75,000	0	TBD	\$150,000.00	\$0	\$0.00	\$150,000	10.97%	2
10	New Construction Homeownership	0	TBD	0	TBD	0	TBD	\$0.00	\$0	\$0.00	\$0	0.00%	0
	Subtotal 1 (Home Ownership)	19		13		7		\$150,000.00	\$654,700	\$100,000	\$904,700	66.19%	39

	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
12	Special Needs - Rental	2	\$50,000	3	\$50,000	0	50000		\$250,000.00		\$250,000.00	18.29%	5
14	Rehabilitation - Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
16	Disaster Repair/Mitigation - Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
21	New Construction -- Rental	0	TBD	0	TBD	0	TBD		\$0.00	\$0.00	\$0.00	0.00%	0
											\$0.00	0.00%	
	Subtotal 2 (Non-Home Ownership)	2		3		0		\$0.00	\$250,000	\$0	\$250,000	18.29%	5
	Administration Fees										\$136,691	10.00%	
	Admin. From Program Income										\$2,334	4.97%	
	Home Ownership Counseling											0.00%	

	GRAND TOTAL												
	Add Subtotals 1 & 2, plus all Admin. & HO Counseling	21		16		7		\$150,000.00	\$904,700	\$100,000	\$1,293,725	99.44%	44

	Percentage Construction/Reh:	Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.									77%	
	Maximum Allowable Purchase Price:	\$255,176										
									New	\$255,176	Existing	\$255,176

	Allocation Breakdown	Amount	%
	Very-Low Income	\$369,700.00	26.1%
	Low Income	\$500,000.00	35.4%
	Moderate Income	\$15,000.00	1.1%

Projected Program Income:	46,993.00	Max Amount Program Income For A:	\$2,349.65
Projected Recaptured Funds:	\$0.00		
Distribution:	\$1,366,912.00		
Total Available Funds:	\$1,413,905.00		



**Exhibit D:** Signed LHAP Certification.

**Exhibit E:** Signed, dated, witnessed or attested adopting resolution.