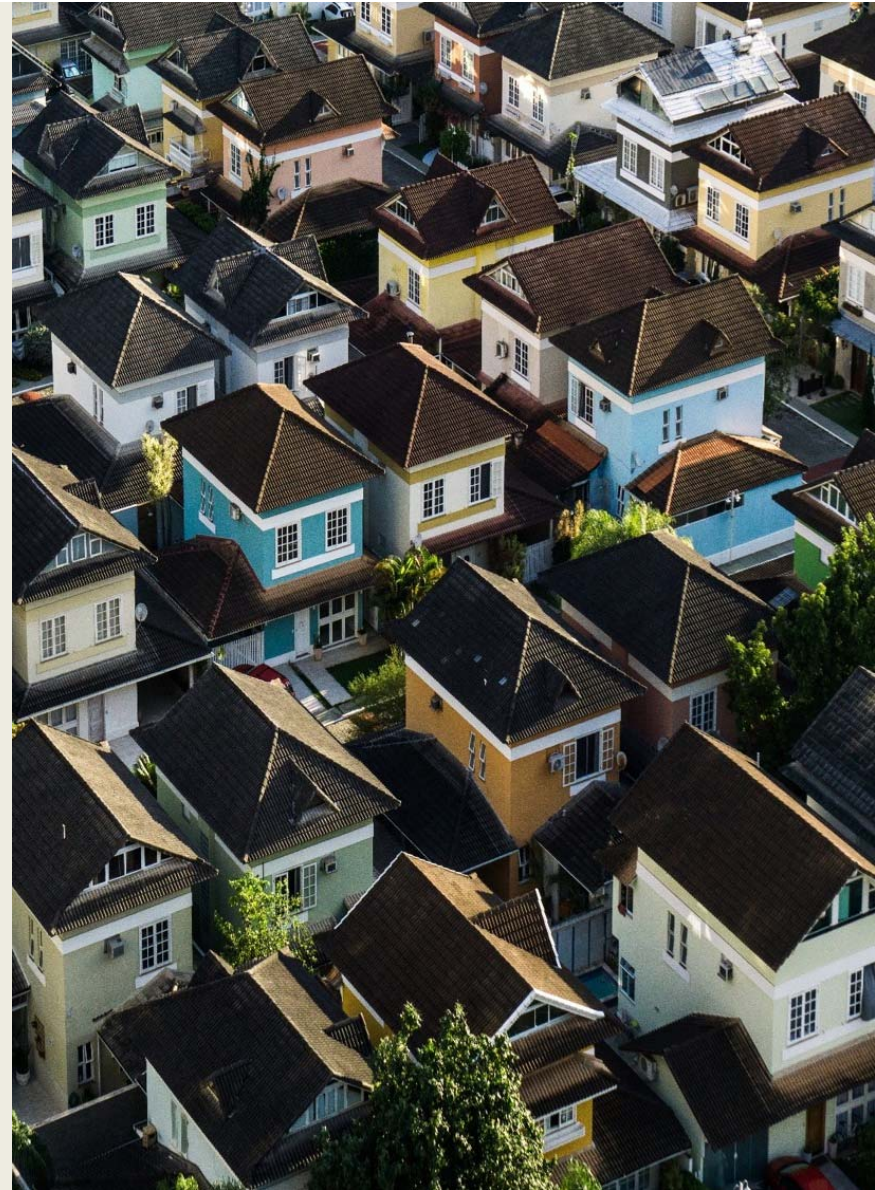


LHAP Strategy Design and Amendments

Sponsored by the
Florida Housing Finance Corporation's
Affordable Housing *Catalyst Program*

Presented By:
Aida Andujar
Technical Advisor
Florida Housing Coalition
andujar@flhousing.org

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Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

**Sponsored by the Florida Housing
Finance Corporation**



we make housing affordable™

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Webinar Logistics

- Participants are muted
- Enter your questions in the box in your webinar panel
- Forgot to ask a question or want to ask privately?

Email me at andujar@flhousing.org

- This webinar is being recorded and will be available at www.flhousing.org
- A survey will immediately follow the webinar; ***please*** complete it! Thanks!

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Catalyst Training Schedule



Fine Tune Your SHIP Program
REGISTER NOW FOR
**CATALYST
TRAINING**

Register Now for SHIP Catalyst Training!

The Coalition is Florida's affordable housing training and technical assistance provider.

Hotline: 1-800-677-4548

The Florida Housing Coalition is commonly acknowledged as the foremost authority in Florida on affordable housing, community development and related issues, as a clearinghouse for information, a provider of training and technical assistance, and an advocate at the state and national levels for people in need of affordable housing.

www.flhousing.org

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Register for Upcoming Training



[about](#) [our expertise](#) [training](#) [advocacy](#) [publications](#) [resources](#) [🔍](#)

OCTOBER 2018

WORKSHOP- Rental Housing Preservation

October 2 - 9:00 am - 5:00 pm

Habitat for Humanity of Greater Orlando Training Center, 4116 Silver Star Rd
Orlando, FL 32808 United States

REGISTER Even while there is a need for thousands of new rental units, several thousand affordable housing rental units are at risk of being lost as affordability periods expire, with a very acute need for rentals affordable to very-low and extremely-low income households. Preservation is crucial to meeting the need for affordable rental housing. This workshop will explore factors and strategies for preservation, including planning for the end of affordability at the beginning of project development, targeting properties for acquisition...

[Find out more »](#)

WORKSHOP- LHAP Preparation and Strategy Design

October 17 - 9:00 am - 5:00 pm

Marion County Growth Management Training Center, 2710 E Silver Springs Blvd.
Ocala, Florida 34470

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Catalyst Trainings

TRAINING CALENDAR

If you would like to search by Workshops or Webinars, please use the search tool below. Click to view categories. For questions, please contact the Florida Housing Coalition at 850-878-4219 or [info@fhc.org](#)

[Calendar](#)

[Conference](#)

[E-Learn](#)

[Past Trainings](#)



Upcoming Events

EVENTS FROM

Date

SEARCH

Keyword

FIND EVENTS

VIEW AS

 List



[« Previous Events](#)

August 2019

‘Past Catalyst Trainings’

The 3 Year Cycle of LHAPs

- Updated LHAP is required to receive future funding
- SHIP Statute 420.9075:
LHAP requirements
- May 2, 2020 is a Saturday, so May 1, 2020:
31 LHAPs due



New LHAP Governs Funds Received Starting July 1, 2020

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Two Entities must Approve LHAP

- City or County Commission
- Florida Housing Finance Corporation
 - LHAP Review Committee Members
 - FHFC Review may take 45 Days

Options for Submitting LHAP

- **Formal Review:** provide all documents including executed certification and resolution
- **Conditional Review:** provide all but certification and resolution



Deadlines and Responsibilities in the LHAP Approval Process

- Initial submission procedures
- Courtesy reviews no longer available
- Begin now and submit by February

Initially Emailing the LHAP

- Submit documents electronically in their current file format (word, excel)
- No underline/strikethrough format
- Email robert.dearduff@floridahousing.org Subject Line: LG Name, LHAP 2020-2023
- State: "Please find attached the LHAP for Fiscal Years 2020-2023. This plan is being submitted for review."

Outcomes from the LHAP Review Committee

- Approved with no comments
- Conditional Approval with Comments and/or Pending Document Submission
 - Correct, email and state “Please find attached the revised approved LHAP incorporating comments”.
 - Explain review committee recommendations not accepted.
- Approval Withheld

Final Submission

- Combine all into one PDF document
- Do not place cover letter or resolution first
- Certifications & Resolution include signatures and witnesses or “attest” seal.
- All underline/strikethrough removed. Incorporate all changes



www.floridahousing.org



NEW TEMPLATE: "LHAPs submitted on out-of-date forms or in incorrect format will be rejected"

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State Housing Initiatives Partnership (SHIP) Program

Local Housing Assistance Plan (LHAP) Procedures

Purpose

This procedures document is intended to provide assistance to local government (LG) staff that with the process of developing and submitting an LHAP for approval by Florida Housing Finance Corporation (FHFC).

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Elements of the LHAP

Section I. Program Details

Section II: Housing Strategies

Section III: Incentive Strategies

Section IV: Exhibits

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Section I. Program Details

A. Local Government Information

- Interlocal Agreement: Two LG's operating under one LHAP

B. Purpose of Program

C. Fiscal Year Covered by Plan

D. Governance

E. Local Housing Partnership

- Are there other partners not listed?

F. Leveraging

- Other sources?



Section I. Program Details

G. Public Input

- Make sure this is accurate

H. Advertising and Outreach

- Other outreach methods?

I. Waiting List/Priorities

J. Discrimination

- Local ordinances?

New: Waiting List / Priorities

Waiting List

- Only when no funds are available
- Explain in clear detailed language how the waiting list will be kept
- Should be a list that cannot be compromised
- Track case status on waiting list
- Save your list for the monitors

Ranking Order Example

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

Section I. Program Details

K. Support Services and Counseling

Confirm that this template language is accurate for your community. Housing Counseling includes:

- Pre-purchase Classes
- Review Committee: Credit Counseling is needed
- Foreclosure prevention 1 on 1 sessions or classes
- Rehabilitation – home maintenance instruction
- Post-purchase Classes
- Rental Housing Counseling

Section I. Program Details

L. Purchase Price Limits

- Do not state actual dollar amount (can change) Unless you have a more restrictive amount
- Methodology

M. Income Limits, Rent Limits and Affordability

N. Welfare Transition Program

- Don't forget this under sponsor selection

O. Monitoring and First Right of Refusal

- "to the extent another governmental entity provides periodic monitoring.... may rely on such monitoring"

Section I. Program Details

P. Administrative Budget: 5 or 10%?

- Exhibit A

Q. Program Administration

- City/County staff or third-party entity
 - Must specify duties and Admin fee % **(NEW)**

Administrative Costs

- Advertising
- Outreach and Pre-screening
- Applications and Eligibility Determination
- Office space, Utilities, Copier, Computers
- Tracking and Reporting
- LHAP Work
- Prep for the Monitor

R. First Time Homebuyer:

“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.

Section I. Program Details

S. Project Delivery Costs

- Template: "State the percentage or dollar amount per applicant and which strategies are covered"
- They must be reasonable related to the cost of the project as well as the type of strategy.

No “Double Dipping” for Government Employee

- Government employee work should be detailed on timesheet.
- Pay SHIP program funds for Project Delivery Costs.
- Remainder of salary paid by Administrative Budget

Project Delivery Cost Examples

Rehabilitation:

- Initial Inspection
- Work Write Up/Cost Estimate
- Construction inspections/oversight

Outsource to 3rd Party:

- Service Delivery Fee

Purchase Assistance:

- Housing Counseling
- Inspection



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Section I. Program Details

T. Essential Service Personnel

- Should not be generic or too large a group
- Avoid “not limited to” or “other groups determine to be essential”
- Some AHACs have an ESP Representative

Section I. Efforts

Get an “A” For Effort

U. **Efforts** to incorporate Green Building and Energy Saving Product and Processes

V. **Efforts** to meet the 20% Special Needs set-aside
Which Strategies Mainly?

W. **Efforts** to reduce homelessness

Any Strategies?

W. Efforts to Reduce Homelessness

- Each SHIP Office is encouraged to develop a strategy for reducing homelessness.
- Mention Rent deposits or Eviction prevention SHIP strategy.
- Communicate with lead agency of continuums of care.
- Identify sources other than SHIP (including ESG or CDBG)
- Website floridahousingsearch.org



Section II. Housing Strategies

Confirm Strategy
Title Corresponds
with Code

Homeownership Codes

Code	Description
1	Purchase Assistance with Rehab
2	Purchase Assistance without Rehab
3	Owner Occupied Rehabilitation
4	Demolition/Reconstruction
5	Disaster Repair/Mitigation
6	Emergency Repair
7	Foreclosure Prevention
8	Impact Fees
9	Acquisition/Rehabilitation
10	New Construction
11	Special Needs

Rental Codes

Code	Description
12	Special Needs
13	Rental Assistance (Tenant)
14	Rehabilitation
15	Demolition/Reconstruction
16	Disaster Repair/Mitigation
17	Emergency Repair
18	Foreclosure Prevention
19	Impact Fees
20	Land Acquisition
21	New Construction
23	Security and/or Utility Deposits
26	Rapid Re-Housing
27	Disaster/Direct Assistance

Section II. Housing Strategies

a. Summary of Strategy

- Concise and clear description – A few sentences
- Describe type of activity – ***One activity***
- Do not include loan terms, selection, income categories, etc. required in other sections

Do Not Combine Several Strategies
Example: Rehab and Demo/Reconstruction

Strategy Tips

- Strategies must be self contained (do not reference other strategies)
- Avoid obscure language and terms
- Use consistent language between strategies

Housing Strategies:

b. Fiscal Years Covered

List all years covered. Do not use “all years”

**All plans should cover:
2020-2021, 2021-2022, 2022-2023**

Housing Strategies:

c. Income Categories to be Served

- List one or all the defined income categories “very low, low and moderate”
- Do not use “all income groups”
- If not funding a specific group leave it off
- Consistent with Housing Delivery Goals Chart
- Do not include ELI, it is not a defined income category
- Be specific about serving **121-140% AMI**

Housing Strategies:

d. Maximum Award

- List by income category, consistent with HDGC
- Maximum award includes all hard, soft and **delivery cost**
- Grants: usually \$10K or less and limited to disaster, rent subsidies, emergency repair, or foreclosure prevention
- Rental Development: include 'maximum per rental unit' as well as 'maximum for entire development'

e. Terms of the Award – Must be in Your Lien Documents

1. Repayment loan/deferred loan/grant
2. Interest Rate
3. Years
4. Forgiveness
5. Repayment
6. Default

Terms 1. Loan or Grant

Loan, deferred loan or grant

- Loans: “secured by a recorded mortgage & note”
- State ‘subordinate mortgage’, not 2nd mortgage

Variations Available

- Deferred Payment Loans of Various Terms
- Direct Payment Loans at Various Terms
- Direct/Deferred Payment Loans at Various Terms
- Grants

Grants must be approved by FHFC

- Usually limited to disaster/emergency repair, rental assistance, foreclosure prevention, barrier removal

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Terms 2. Interest Rate

- Include interest rate for SHIP assistance if any
 - Avoid a range of rates (0% - 5%)
 - Be specific about why different recipients are charged different rates
- If none state 0%. For grants, state N/A
- Recorded document must be consistent with LHAP

Terms 3. Years in Loan Term

- State number of years loan is secured
- For grants, state N/A
- Put maturity date on the RECORDED LOAN.
- Consistency with prior years helps when moving files in the annual report
- What is default # of years of vague mortgage, according to Statute 95.281 (1) (b)?

Terms 4. Forgiveness

State if any portion of the loan will be forgiven

- Some never forgive - repaid at end of term
- Some forgive at end of term
- Some prorate forgiveness annually over the term

Do not refer to default situations in this section

- This section describes what happens when everything goes according to plan

Terms 5. Repayment

- State if payments are required during the term
- Another option: balloon payment at the end of the term
- Some forgive assistance, so no SHIP repayment is ever required.

Example: No repayment required as long as the loan is in good standing

Terms 6. Default

List situations where the loan does not remain in good standing through the term:

- Sale, transfer, loss of homestead
- Conversion to rental,
- Death of homeowner(s).

Use “outstanding balance” rather than “full loan amount” when addressing repayments.

What happens when SHIP recipient dies?

Repayment or eligible heirs?

Housing Strategies: Recipient Selection Criteria

- Only for applicants, not developers
- At a minimum state “first-qualified, first-served”
- Do not include priorities already stated in Section I, waiting list/priority section. Reference to this section.
- Add any special conditions, priorities for selection specific to the strategy.



Housing Strategies: Sponsor/Developer Selection

- A sponsor is an entity to which an award of funds has been made.
- If this is done by an RFA process, please provide a general overview of that process and give a summarized list of requirements



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Sponsor Selection Criteria

- Experience
- Financial capacity
- Leveraged funds for project
- Availability of land
- Etc.

Housing Strategies: Additional information

- Use this section to detail anything that is not covered in a section above.
- Examples: restrictions against assisting mobile homes or households receiving SHIP funds more than one time
- Referencing a separate policy: either summarize the policy in the affected strategies or attach the document as an exhibit

Awards to Developers of Rental Units

- Maximum Award per Unit and also per Property
- Monitoring Entity: Local Government, Landlord/Management Company, or Other
- How does the benefit flow from the sponsor to the end user?
- Be clear if properties will be acquired or they are owned by the developer



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Exhibits

- A. Administrative Budget (3 years)
- B. Timeline (3 years)
- C. Housing Delivery Goals Chart **New Format**
- D. Certification
- E. Resolution
- F. Ordinance (if changed)
- G. Interlocal Agreement
- H. Other, including referenced policies

Exhibit A: Budget

NEW: Configured to automatically calculate your admin percentage and let you know if it is:

- "Over Budget," or
- "OK"



A hand holding a pen points to a budget spreadsheet. A blue calculator is visible on the left. The spreadsheet shows a table with columns for percentages and dollar amounts.

30	815,073,273	30	1,21
30	549,630,000	30	92
31	384,741,000	30	54
1	1,076,839,5	30	1,31
	677,850,6	30	66
	591,625,9		
	395,67		
	540		

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Exhibit B: Timeline

Exhibit B
Timeline for SHIP Expenditures

_____ affirms that funds allocated for these fiscal years will
(local government)
meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 st Year AR	2 nd Year AR	Closeout AR
2020-2021	6/30/2022	6/30/2023	9/15/2021	9/15/2022	9/15/2023
2021-2022	6/30/2023	6/30/2024	9/15/2022	9/15/2023	9/15/2024
2022-2023	6/30/2024	6/30/2025	9/15/2023	9/15/2024	9/15/2025

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:

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 st Year AR Not	2 nd Year AR Not	Closeout AR Not
-------------	----------------------	--------------------	-----------------------------	-----------------------------	-----------------

Exhibit C: Housing Delivery Goals Chart

FLORIDA HOUSING FINANCE CORPORATION											
HOUSING DELIVERY GOALS CHART											
2019-2020											
Name of Local Government:											
Estimated Funds (Anticipated allocation only):			\$	-							
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	
	Homeownership										
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	
									\$0.00	\$0.00	

- Chart shows Set-Aside Compliance and more
- Strategy titles within the plan text should match here
- Maximum awards should be consistent with plan text

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Revised Housing Delivery Goals Chart

- All cells marked in green can be filled out
- No access to white shaded cells
- All calculations will be made automatically for proper set-aside tracking
- Goals chart is based on anticipated allocation **ONLY**, not program income or recaptured funds

Exhibit C:

Does Not Have to Balance

LHAP Exhibit C 2019

FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2020-2021												
Name of Local Government:												
Estimated Funds (Anticipated allocation only):			\$ -									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0

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Exhibits

D. Certification

- 12. Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S. shall be provided

E. Resolution

F. Ordinance (if changed)

- Creates trust fund
- Establishes LHAP
- Designates who implements SHIP
- Creates Affordable Housing Advisory Committee

Exhibit G: Interlocal Agreement

- See definition for “Interlocal Entity” in SHIP Rule
- Interlocal Agreement is when two Local Governments that receive SHIP Funds operate under one LHAP



Affordable Housing Advisory Committee (AHAC)

AHAC members may assist in many ways:

- Review new strategies
- Enhance existing strategies
- Community Outreach and Feedback
- Help create SHIP Procedures

If LHAP is due May 2020, best practice is to present the recommendations of the committee to the City/County Commissioners and submit to FHFC by December 2019.

AHAC Report is due if your jurisdiction receives more than \$350,000 of SHIP

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LHAP Includes Incentive Strategies

(list all Incentive Strategies on Annual Report)

Expedited Permitting: • *“The processing of expedited permits or development orders to a greater degree than other projects for affordable housing.”*

• **Purpose:** Time is Money

**Oversight:
(Ongoing Review)** • *“A local government considers, before adoption: policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.”*

• **Purpose:** Oversight may help minimize additional development costs.

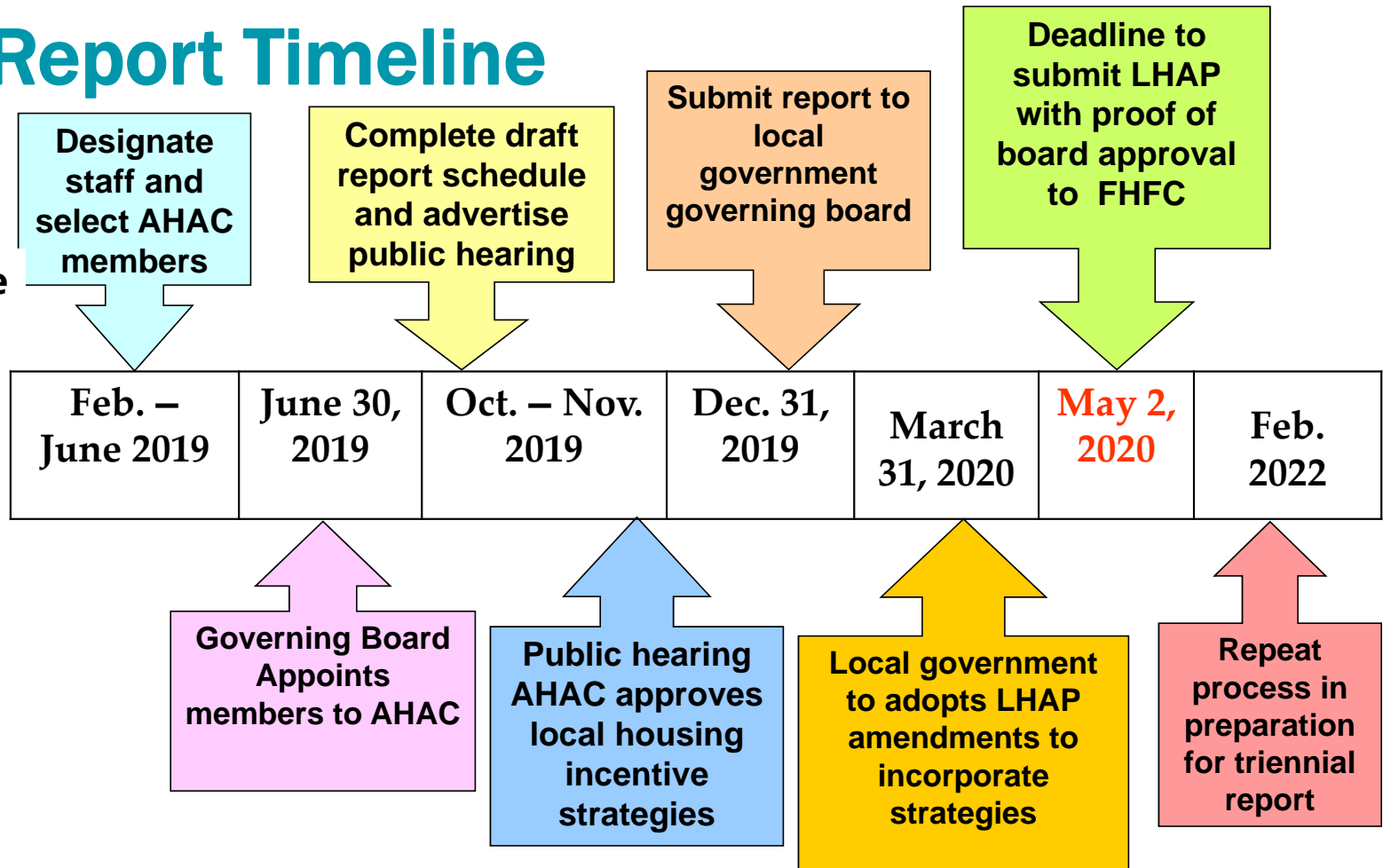
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AHAC Report Timeline

Dates in Black are Recommended Timeline to Meet Deadlines

Dates in Red are Statute or Rule Deadlines.



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Can Be Done At Anytime

Procedures for Amending the LHAP

- Initially submit documents electronically in their current file format (word, excel)
- Use underline/strikethrough for LHAP changes (different than when submitting whole LHAP)
- Email
robert.dearduff@floridahousing.org
Subject: LHAP Amendment & local gov't name
- Send main LHAP document & exhibits affected (Housing Delivery Goals Chart)
- In email, state if this as a **plan amendment** or **technical revision**.

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Amend the LHAP When It's Important

Technical Revision: Save up for several updates to existing strategies

- State SHIP Administrator notifies if approved or that more information is needed

Plan amendment: add or delete a strategy, requiring review committee approval:

- Approved (with no comments)
- Approved with Comments
- Tabled or Approval is Withheld

Remember to update the Housing Delivery Goals Chart



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Amending the LHAP

Technical Revision:

Examples

- Changing SHIP deferred loan from 10 years to 15 years
- Increasing Maximum Award amount

Note: when LHAP is submitted with revisions, complete document is subject to review

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Please complete the evaluation!



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954-593-8988

Technical Assistance Hotline: 1-800-677-4548

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