CITY OF CAPE CORAL

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)


Adopted April 4, 2016
Resolution 46-16
Table of Contents

<table>
<thead>
<tr>
<th>Description</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section I. Program Details</strong></td>
<td>3</td>
</tr>
<tr>
<td><strong>Section II. Housing Strategies</strong></td>
<td></td>
</tr>
<tr>
<td>A. New Construction</td>
<td>8</td>
</tr>
<tr>
<td>B. Acquisition/Rehabilitation</td>
<td>10</td>
</tr>
<tr>
<td>C. Down Payment/Closing Cost Assistance</td>
<td>11</td>
</tr>
<tr>
<td>D. Owner Occupied Rehabilitation</td>
<td>13</td>
</tr>
<tr>
<td>E. Water and Sewer Connection Program</td>
<td>16</td>
</tr>
<tr>
<td>F. Rental Housing</td>
<td>17</td>
</tr>
<tr>
<td>G. Disaster Relief</td>
<td>18</td>
</tr>
<tr>
<td><strong>Section III. Incentive Strategies</strong></td>
<td></td>
</tr>
<tr>
<td>A. Expedited Permitting</td>
<td>19</td>
</tr>
<tr>
<td>B. Ongoing Review Process</td>
<td>20</td>
</tr>
<tr>
<td>C. Other Strategies</td>
<td>20</td>
</tr>
<tr>
<td><strong>Exhibits</strong></td>
<td></td>
</tr>
<tr>
<td>A. Administrative Budget</td>
<td></td>
</tr>
<tr>
<td>B. Timeline for Estimated Encumbrance and Expenditure</td>
<td></td>
</tr>
<tr>
<td>C. Housing Delivery Goals Chart for Each Fiscal Year Covered in the Plan</td>
<td></td>
</tr>
<tr>
<td>D. Signed LHAP Certification</td>
<td></td>
</tr>
<tr>
<td>E. Signed, dated, witnessed or attested adopting resolution</td>
<td></td>
</tr>
<tr>
<td>F. Other Documents</td>
<td></td>
</tr>
</tbody>
</table>
I. Program Details:

A. Name of the participating local government: City of Cape Coral

Is there an Interlocal Agreement: 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 meet the housing needs of persons with special needs;
3. To preserve and rehabilitate existing housing and neighborhoods;
4. To expand production of and preserve affordable housing; and
5. To further the housing element of the local government comprehensive plan specific to affordable housing.


D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. The strategies delineated within the City’s Local Housing Assistance Plan (LHAP) provide a means for the implementation of the goals, policies and objectives regarding housing opportunities, set forth in the housing element of the City’s Comprehensive Plan.

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups. The City’s previous Housing Assistance Plan partnered with various non-profit sponsor organizations for the development of its housing strategies. This current plan builds on those partnerships and extends its reach to corporate sponsors, social services organizations, the Lee County Continuum of Care, and for-profit and non-profit organizations. In addition, the City is actively involved in various affordable housing interest groups at the State, County, and local levels of government.

The combined resource of these partnerships provides a variety of benefits in the community. These benefits include a reduction in the cost of providing housing, visible improvements to the community’s housing stock and increased opportunity for the disadvantaged.

F. Leveraging: The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

G. Public Input: The City placed an advertisement in the Fort Myers News-Press, on Sunday, March 13, 2016 regarding the availability for public comment and input regarding the formulation of this LHAP. All comments received by the public will be
considered by staff and provided to the Florida Housing Finance Corporation with this document.

H. Advertising and Outreach: SHIP funding availability shall be advertised in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted as well as any established funding priorities. Ranking Priority is as follows:
   1. Special Needs Households
      a. Very-low
      b. Low
      c. Moderate
   2. After Special Needs Set-asides 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: This Housing Assistance Plan provides for support services which assist in the implementation and development of the housing strategies. These support services are provided to both sponsors and beneficiaries of the plan. They include counseling, networking and technical assistance where needed. These services are provided by the sponsor agencies whom the City’s partners with and City staff.

L. Purchase Price Limits: The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.
   The methodology used is:
   X U.S. Treasury Department, as amended from time to time.
   ___ Local HFA Numbers

M. Income Limits, Rent Limits and Affordability: The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at www.floridahousing.org.

Affordable means that monthly rents or mortgage payments including taxes and insurance
do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 F.S. However it is not the intent to limit an individual household’s ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

N. Welfare Transition Program: Should an eligible sponsor be used, the city/county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

O. Monitoring and First Right of Refusal: In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of $10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above.

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

P. Administrative Budget: A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. The City of Cape Coral 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 applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.
Q. Program Administration: Administration of the Local Housing Assistance Plan will be wholly performed and maintained by the City of Cape Coral Department of Community Development. The Housing Coordinator will serve as the SHIP Administrator. Sponsor agencies will be utilized to implement strategies.

R. Project Delivery Costs: Project delivery costs will be provided to sponsor agencies providing services in accordance with the Local Housing Assistance Plan. Project delivery costs will be negotiated as part of the contract with a sponsor agency. No project delivery costs will be paid to salaried City of Cape Coral staff administering the SHIP program. Project delivery costs are to be paid to Sponsor Agencies only and are included in the maximum subsidies established in each strategy. Project delivery costs will be limited to no more than 7% for any strategy delineated below.

S. Essential Service Personnel Definition: The City of Cape Coral defines essential service personnel as: any household earning 120 percent area median income (AMI) or below and, employed in the education system, city or county government, medical and health services, or public safety.

T. Describe efforts to incorporate Green Building and Energy Saving products and processes: The City of Cape Coral has developed minimum rehabilitation standards for the City’s housing programs. “Sustainable design” principles have been incorporated, intended to minimize negative environmental impacts and to promote the health and comfort of the occupants of housing rehabilitated to these standards. The items include measures to reduce consumption of non-renewable resources, minimize waste, and to create healthy productive environments. Standard measures have been incorporated relating to energy conservation, energy efficiency, water conservation, and indoor air quality. The plans also require, whenever possible and practical, use of materials or products that are made from recycled materials (such as fly ash concrete, carpeting or flooring made from recycled materials, etc.) or specify materials and products produced from rapidly renewable materials (such as cork or bamboo). It is also encouraged to the extent possible and practical, avoiding the use of products from non-renewable resources (such as vinyl siding, windows and flooring; asphalt roofing materials; etc.). The standards also state that consideration should be given to having energy audits conducted on all properties to be rehabilitated prior to generating the project specifications (encouraged, not required).

U. Describe efforts to meet the 20% Special Needs set-aside: The City of Cape Coral’s will utilize at least 20% of funding to assist persons meeting the State of Florida definition of special needs. Prioritization of funding will be for the rehabilitation of owner occupied homes of persons with special needs. Outreach for clients will include marketing to a variety of agencies, including but not limited to, Agency for Persons with Disabilities, The City of Cape Coral Special Populations Program, United Cerebral Palsy, etc. Additionally, advertisements in publications of general circulation may also be used. Should efforts to attract special needs clients under this strategy not produce the amount necessary to reach the set aside, persons meeting the definition of special needs may be assisted with other approved LHAP strategies and counted towards the set-aside.

V. Describe efforts to reduce homelessness: The City supports the efforts of the Lee County
Continuum of Care (CoC) to simplify and broaden outreach and assessment efforts for homeless persons in Lee County. Much of the outreach to homeless persons is conducted at community events such as the Point in Time Count and the Stand Down/Service Day. There are also specific special events held for the homeless, including an annual candlelight vigil in memory of the homeless who have died in that past year, which is held annually in December. Additionally, outreach is conducted by the many caseworkers at community agencies, the Lee County Homeless Coalition, schools, and other entities that encounter the homeless during other service delivery or during their regular course of business. Needs are assessed during these points of contact, and referrals are made as appropriate. The City of Cape Coral will support programs and resources to allow formerly homeless and at-risk-of homelessness residents to access to affordable permanent housing. The City’s local resources include the federal CDBG and the state SHIP funds.

Section II. LHAP Strategies:

A. New Construction

<table>
<thead>
<tr>
<th>New Construction</th>
<th>10, 11</th>
</tr>
</thead>
</table>

a. Summary of Strategy: This strategy provides for the new construction of homes by non-profit sponsor agencies. Newly constructed homes will be made available to income eligible homebuyers. SHIP funds provide 100% of financing to acquire and build the home. At the sale of the property, the proceeds of the first mortgage will be returned to the City as program income. The remaining funds will be left as a subsidy to the income qualified buyer.


c. Income Categories to be served: Very Low, Low

d. Maximum award: Very Low $70,000, Low $65,000

e. Terms:

1. Loan/deferred loan/grant: Deferred Loan secured by a recorded Mortgage and Note
2. Interest Rate: 0%
3. Term: 15 years
4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven at the end of the term as long as default/recapture provisions are not triggered.
5. Default/Recapture: Homeowner
   The mortgage will be recaptured upon any of the following events occurring prior to the end of the 15-year term:
   - The property ceases to be the primary residence of the recipients, as evidenced by homestead exemption.
• Sale and/or relinquishing of interest in the assisted property or transfer of title of the assisted property. Upon the death of all SHIP program recipients, the sale/transfer of the property to an income eligible heir is allowed. However, all other conditions of the mortgage must be met.
• Refinance of the original first mortgage with cash out on the assisted property for any reason.

**Sponsor Agency**
SHIP awards are provided to sponsor agencies through an annual contract and disbursed on a reimbursement basis with the possibility of extensions in compliance with SHIP Statute and Rule. Non-profit sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back 100% of the SHIP funds upon demand of the City of Cape Coral or Florida Housing Finance Corporation.

f. Recipient Selection Criteria: Applicants, who have met the initial financial assessment and are determined income eligible, will be placed on a waiting list in accordance to the priorities set forth in Section 1.I.

g. Sponsor/Developer Selection Criteria: All sponsors assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process which includes criteria to be used for evaluation and a formal award through a written contract. All eligible sponsors will at a minimum, meet the following criteria.

• Organizations will be a non-profit community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months.
• Organizations will be required to operate and maintain an office within Lee County, which is accessible to the general public and provides reasonable accommodations for persons requesting assistance.
• Organizations will have experience constructing and/or rehabilitating homes.
• Organizations will be required to provide evidence of its ability to construct or otherwise deliver a completed project within a timetable determined by staff.
• Preference will be given to non-profit organizations, which hire personnel from Welfare Transition Program, Workforce Development Initiatives and other employment assistance programs.
• Organizations must have an established outreach program to assist income groups and disadvantaged citizens targeted for assistance by this Housing Assistance Plan.
• Sponsor agencies will be required to have an established program of support services including post-delivery referral services to assist clientele.

h. Additional Information: The City of Cape Coral maintains lender guidelines and in no case can the first institutional mortgage lender exceed the front/back end ratios
within these guidelines. These ratios are as follows: 33% front end recommended (may be no less than 20%), will consider up to 36% on case-to-case basis; 45% back end. All strategies are restricted to units within the City of Cape Coral. The construction of homes on waterfront properties is prohibited. Clients purchasing a home through this strategy must attend first-time homebuyer counseling.

Based on substantiated documentation, program administrators/proper authorities will investigate all suspected cases of program eligibility fraud. Clients that have been found guilty of violating Florida Statute 817 shall require full repayment of SHIP funds loaned/granted under the City of Cape Coral SHIP program.

B. Acquisition/Rehabilitation

a. Summary of Strategy: This strategy provides for the purchase and rehabilitation of existing single family homes by sponsor agencies. For the purpose of this strategy, single-family homes include: free standing single-family homes, condominium units, and duplexes that have a separate strap and fee simple ownership. Rehabilitated homes will be made available to income eligible homebuyers. SHIP funds provide 100% of financing to acquire and build the home. At the sale of the property, the proceeds of the first mortgage will be returned to the City as program income. The remaining funds will be left as a subsidy to the income qualified buyer.


c. Income Categories to be served: Very Low, Low

d. Maximum award: Very Low $70,000, Low $65,000

e. Terms:
   1. Loan/deferred loan/grant: Deferred Loan secured by Mortgage and Note
   2. Interest Rate: 0%
   3. Term: 15 years
   4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven at the end of the term as long as default/recapture provisions are not triggered.
   5. Default/Recapture: Homeowner
      The mortgage will be recaptured upon any of the following events occurring prior to the end of the 15-year term:
      
      • The property ceases to be the primary residence of the recipients, as evidenced by homestead exemption.
      • Sale and/or relinquishing of interest in the assisted property or transfer of title of the assisted property. Upon the death of all SHIP program recipients, the sale/transfer of the property to an income eligible heir is allowed. However, all other conditions of the mortgage must be met.

- 9 -
• Refinance of the original first mortgage with cash out on the assisted property for any reason.

Sponsor Agency
SHIP awards are provided to sponsor agencies through an annual contract and disbursed on a reimbursement basis with the possibility of extensions in compliance with SHIP Statute and Rule. Non-profit sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back 100% of the SHIP funds upon demand of the City of Cape Coral or Florida Housing Finance Corporation.

f. Recipient Selection Criteria: Applicants, who have met the initial financial assessment and are determined income eligible, will be placed on a waiting list in accordance to the priorities set forth in Section 1.I.

g. Sponsor/Developer Selection Criteria: All sponsors assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process which includes criteria to be used for evaluation and a formal award through a written contract.

All eligible sponsors will at a minimum, meet the following criteria.

• Organizations will be a non-profit community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months.
• Organizations will be required to operate and maintain an office within Lee County, which is accessible to the general public and provides reasonable accommodations for persons requesting assistance.
• Organizations will have experience constructing and/or rehabilitating homes.
• Organizations will be required to provide evidence of its ability to construct or otherwise deliver a completed project within a reasonable timetable determined by staff.
• Preference will be given to non-profit organizations, which hire personnel from Welfare Transition Program, Workforce Development Initiatives and other employment assistance programs.
• Organizations must have an established outreach program with the intent of assisting income groups and disadvantaged citizens targeted for assistance by this Housing Assistance Plan.
• Sponsor agencies will be required to have an established program of support services including post-delivery referral services to assist clientele.

h. Additional Information: The City of Cape Coral maintains lender guidelines and in no case can the first institutional mortgage lender exceed the front/back end ratios within these guidelines. These ratios are as follows: 33% front end recommended (may be no less than 20%), will consider up to 36% on case-to-case basis; 45% back
end. All strategies are restricted to units within the City of Cape Coral. Acquisition of properties on waterfront lots is prohibited. Acquisition of properties with pools/spas is prohibited. All clients purchasing a home through this strategy must attend first-time homebuyer counseling. Program administrators/proper authorities will investigate all suspected cases of program eligibility fraud. Clients that have been found guilty of violating Florida Statute 817 shall require full repayment of SHIP funds loaned/granted under the City of Cape Coral SHIP program.

C. **Down Payment/Closing Cost Assistance**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Summary of Strategy: The City of Cape Coral will provide down payment/closing cost assistance to homebuyers purchasing existing, eligible housing. For the purpose of this strategy, eligible housing includes: free standing single-family homes, condominium units, and duplexes that have a separate strap and fee simple ownership.</td>
</tr>
<tr>
<td>c.</td>
<td>Income Categories to be served: Moderate Income</td>
</tr>
<tr>
<td>d.</td>
<td>Maximum award: $20,000</td>
</tr>
<tr>
<td>e.</td>
<td>Terms:</td>
</tr>
<tr>
<td></td>
<td>1. Loan/deferred loan/grant: Deferred Loan secured by Mortgage and Note</td>
</tr>
<tr>
<td></td>
<td>2. Interest Rate: 0%</td>
</tr>
<tr>
<td></td>
<td>3. Term: 10 years</td>
</tr>
<tr>
<td></td>
<td>4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven at the end of the term as long as default/recapture provisions are not triggered.</td>
</tr>
<tr>
<td></td>
<td>5. Default/Recapture: The mortgage will be recaptured upon any of the following events occurring prior to the 10-year term:</td>
</tr>
<tr>
<td></td>
<td>• The property ceases to be the primary residence of the recipients, as evidenced by homestead exemption.</td>
</tr>
<tr>
<td></td>
<td>• Sale and/or relinquishing of interest in the assisted property or transfer of title of the assisted property. Upon the death of all SHIP program recipients, the sale/transfer of the property to an income eligible heir is allowed. However, all other conditions of the mortgage must be met.</td>
</tr>
<tr>
<td></td>
<td>• Refinance of the original first mortgage with cash out on the assisted property for any reason.</td>
</tr>
<tr>
<td>f.</td>
<td>Recipient Selection Criteria: Applicants will be assisted on a first-qualified, first-ready basis. Applicants will be income certified in the order in which applications are received. Income qualified applicants that have a completed lender referral package (including lender approval and signed real estate contract) are deemed first ready. Income certification does not guarantee funding.</td>
</tr>
</tbody>
</table>
g. Sponsor/Developer Selection Criteria: The delivery of this strategy will be limited to one sponsor agency. The sponsor agency assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process which includes criteria to be used for evaluation and a formal award through a written contract.

Eligible sponsor will at a minimum, meet the following criteria.

- Sponsor agency will be a non-profit, community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months.
- Preference will be given to non-profit organizations, which hire personnel from Welfare Transition, Workforce Development Initiatives and other employment assistance programs.
- Sponsor agency must have an established outreach program with the intent of assisting income groups and disadvantaged citizens targeted for assistance by this Housing Assistance Plan.
- Sponsor agency will be required to have an established program of support services including post-delivery referral services to assist clientele.
- Sponsor agency must agree to deliver services in accordance with the City of Cape Coral Owner Occupied Rehabilitation Guidelines.

h. Additional Information: The City of Cape Coral maintains lender guidelines and in no case can the first institutional mortgage lender exceed the front/back end ratios within these guidelines. All strategies are restricted to units within the City of Cape Coral. All clients purchasing a home through this strategy must attend first-time homebuyer counseling. All homes must have a full inspection performed by a licensed home inspector. Clients assisted through this strategy will not be eligible for the Owner Occupied Strategy for a period of five years from closing. Based on substantiated documentation, program administrators/proper authorities will investigate all suspected cases of program eligibility fraud. Clients that have been found guilty of violating Florida Statute 817 shall require full repayment of SHIP funds loaned/granted under the City of Cape Coral SHIP program.

D. Owner Occupied Rehabilitation

| 3, 6, 11 |

a. Summary of Strategy: The City of Cape Coral will provide financial assistance to income eligible city residents, whose single-family homes are in need of rehabilitation through this strategy. For the purpose of this strategy, single-family homes include: free standing single-family homes, condominium units, and duplexes that have a separate strap and fee simple ownership. This strategy allows for established homeowners, who reside within city limits, and are income eligible to receive financial assistance through an established program operated by a sponsor organization. Rehabilitation will be limited to repairs or improvements that are needed for safe or sanitary habitation, correction of
substantial code violations, to meet the minimum rehabilitation standards adopted by the City of Cape Coral and/or barrier removal for accessibility by physically challenged individuals. Under this strategy, funding assistance may also be provided for emergency repairs, including but not limited to, repairs performed by existing service providers under weatherization assistance programs under §409.509 - 409.5093 Florida Statute.


c. Income Categories to be served: Very Low, Low, Moderate

d. Maximum award:
   - Very Low - $50,000
   - Low - $40,000
   - Moderate - $20,000

For applicants assisted with this program that meet the definition of special needs and are reported as such to meet legislative set-aside requirements, the maximum assistance level regardless of income level is $65,000.

e. Terms:
   1. Loan/deferred loan/grant: Deferred Loan secured by Mortgage and Note
   2. Interest Rate: 0%
   3. Term: 10 years
   4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven at the end of the term as long as default/recapture provisions are not triggered.
   5. Default/Recapture: The mortgage will be recaptured upon any of the following events occurring prior to the 10-year term.

Homeowner
   • The property ceases to be the primary residence of the recipients, as evidenced by homestead exemption.
   • Sale and/or relinquishing of interest in the assisted property or transfer of title of the assisted property. Upon the death of all SHIP program recipients, the sale/transfer of the property to an income eligible heir is allowed. However, all other conditions of the mortgage must be met.
   • Refinance of the original first mortgage with cash out on the assisted property for any reason.

Sponsor Agency

SHIP awards are provided to sponsor agencies through an annual contract and disbursed on a reimbursement basis with the possibility of extensions in compliance with SHIP Statute and Rule. Non-profit sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back 100% of the SHIP funds.

f. Recipient Selection Criteria: Applicants, who have met the initial financial assessment and are determined income eligible, will be placed on a waiting list in
accordance to the priorities set forth in Section 1.I. Applicants with immediate needs for situations that immediately threaten life, health, or safety will receive immediate assistance. The following guidelines are utilized to determine immediate assistance:

- The roof system has failed which resulted in water infiltration into the home. Water dripping from the ceiling during heavy rains satisfies this criterion.
- Exposed electrical wires are present within the home or property. Exposed wires are those not contained in conduit, have no wire caps on the ends, and are accessible to the inhabitants.
- The toilet, water heater, and/or sink are leaking water into the home. This includes broken pipes, deteriorated water heater and/or broken valve stems.

g. Sponsor/Developer Selection Criteria: The delivery of this strategy will be limited to one sponsor agency. The sponsor agency assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process which includes criteria to be used for evaluation and a formal award through a written contract.

Eligible sponsor will at a minimum, meet the following criteria.

- Sponsor agency will be a non-profit, community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months.
- Sponsor agency will have an established record of constructing and/or rehabilitating homes.
- Sponsor agency will be required to provide substantial evidence of its ability to construct or otherwise deliver a completed project within a reasonable timetable.
- Preference will be given to non-profit organizations, which hire personnel from Welfare Transition, Workforce Development Initiatives and other employment assistance programs.
- Sponsor agency must have an established outreach program with the intent of assisting income groups and disadvantaged citizens targeted for assistance by this Housing Assistance Plan.
- Sponsor agency will be required to have an established program of support services including post-delivery referral services to assist clientele.
- Sponsor agency must agree to deliver services in accordance with the City of Cape Coral Owner Occupied Rehabilitation Guidelines.

h. Additional Information: All strategies are restricted to units within the City of Cape Coral. Properties are required to be owner occupied as evidenced by homestead exemption. The homeowner must be current on monthly mortgage payments and maintain homeowners and flood insurance (if applicable).
E. Water and Sewer Connection Program

a. Summary of Strategy: The City of Cape Coral will provide financial assistance to income eligible city residents, whose single-family homes are in need of rehabilitation through this strategy. Rehabilitation will be limited to the connection of the owner occupied home to City water and/or sewer. Assistance will be limited to the connection from the street to the home, the septic abandonment fee, and the water meter fee.


c. Income Categories to be served: Very Low, Low

d. Maximum award: Very Low - $3,500, Low - $3,500

e. Terms:
   1. Loan/deferred loan/grant: Grant
   2. Interest Rate: NA
   3. Term: NA
   4. Forgiveness/Repayment: NA
   5. Default/Recapture: Homeowner: N/A
      Sponsor Agency: SHIP awards are provided to sponsor agencies through an annual contract and disbursed on a reimbursement basis with the possibility of extensions in compliance with SHIP Statute and Rule. Non-profit sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back 100% of the SHIP funds.

f. Recipient Selection Criteria: Applicants, who have met the initial financial assessment and are determined income eligible, will be placed on a waiting list in accordance to the priorities set forth in Section 1.I.

g. Sponsor/Developer Selection Criteria: The delivery of this strategy will be limited to one sponsor agency. The sponsor agency assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process which includes criteria to be used for evaluation and a formal award through a written contract.

Eligible sponsor will at a minimum, meet the following criteria:

- Sponsor agency will be a non-profit, community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months.
- Sponsor agency will have experience constructing and/or rehabilitating homes.
• Sponsor agency will be required to provide evidence of its ability to construct or otherwise deliver a completed project within timetable.
• Preference will be given to non-profit organizations, which hire personnel from Welfare Transition, Workforce Development Initiatives and other employment assistance programs.
• Sponsor agency must have an established outreach program with the intent of assisting income groups and disadvantaged citizens targeted for assistance by this Housing Assistance Plan.
• Sponsor agency will be required to have an established program of support services including post-delivery referral services to assist clientele.
• Sponsor agency must deliver services in accordance with the City of Cape Coral Owner Occupied Rehabilitation Guidelines.

h. Additional Information:
All strategies are restricted to units within the City of Cape Coral. Properties are required to be owner occupied as evidenced by homestead exemption. The homeowner must be current on monthly mortgage payments and maintain homeowners and flood insurance (if applicable). Applicants may not have assets in excess of $20,000 cash value (excluding requirement accounts).

F.

Rental Housing

a. Summary of Strategy: The City of Cape Coral will provide assistance to eligible sponsor organizations for the production of affordable rental housing. This strategy will provide for partnering with for-profit affordable housing developers and non-profit sponsor agencies for the construction/rehabilitation of rental units to serve income qualified residents within the City. The units assisted in this strategy will comply with all resale provisions and applicable monitoring requirements including those set forth in Section 420.9075(3)(e) and (4)(f) F.S.

b. Fiscal Years Covered: 2016-2017 and 2018-2019

c. Income Categories to be served: Very Low, Low

d. Maximum award: $30,000/unit

e. Terms:
   1. Loan/deferred loan/grant: Deferred Loan secured by Mortgage and Note
   2. Interest Rate: 0%
   3. Term: 15 years
   4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven as long as default/recapture provisions are not triggered.
   5. Default/Recapture: The mortgage will be recaptured upon any of the following events occurring prior to the 15-year term. If the property is transferred before the fifteen-year affordability period, the sponsor agency must return the funds to the City for deposit in the Local Housing Assistance Trust Fund, in accordance with SHIP program guidelines established under
420.9075(5) Florida Statutes. If the new buyer is eligible for the program, the mortgage may be assumed so long as all other SHIP requirements are met. All SHIP assisted rental properties offered for sale prior to 15 years or the term of assistance, whichever is longer, must be subject to a right of first refusal for purchase at the current market value less the amount of the SHIP subsidy, by eligible nonprofit sponsor organization who would provide continued occupancy by eligible persons. An annual report of tenants and income certification is required for the 15 year period.

f. Recipient Selection Criteria: Recipients under this strategy will be served on a first qualified, first served basis.

g. Sponsor/Developer Selection Criteria: All sponsors assisting the City with implementing this plan will be selected through a publicly advertised competitive application process. This process involves a thirty (30) day public notification of the availability of funding, a written application delineating program requirements, a request for proposal (RFP), an open and objective evaluation process and a formal award through a written contract. Sponsor selection outside of the advertised competitive application may be encumbered by the local government at their discretion when funding is being requested as a match for Florida Housing Finance Corporation or Federal competitive cycles.

Eligible sponsors will at a minimum, meet the following criteria.

- Eligible sponsors will be a non-profit, community based organization, having obtained official designation as 501(c)(3) and in operation for more than 12 months or a for profit corporation organized and established under the laws of the State of Florida.
- Non-profit community based organizations will be required to operate and maintain an office within Lee County, which is easily accessible to the general public and provides reasonable accommodations for persons requesting assistance.
- Eligible sponsors will have an established record of construction and/or rehabilitation of affordable housing.
- Eligible sponsors will be required to provide substantial evidence of its ability to construct or otherwise deliver a completed project within a reasonable timetable.
- Preference will be given to non-profit and for-profit organizations, which hire personnel from Welfare Transition, Workforce Development Initiatives and other employment assistance programs.
- The non-profit or for-profit corporation must have financial accountability standards that permit the Department of Community Development to account for and audit SHIP funds.

h. Additional Information: All assisted units must be rented at affordable rates (i.e. rents will not exceed those limits adjusted for number of bedrooms published by HUD and distributed by the Florida Housing Finance Corporation) to qualified occupants for a period of fifteen
Summary of Strategy: This strategy will remain unfunded until such time as the City of Cape Coral deems it necessary to reallocate or request additional SHIP funds to aid in the recovery of a disaster with severe, negative impact to local housing. This strategy will be used in the wake of a disaster should an Executive Order be issued by the President or Governor. In such an event, the City of Cape Coral will implement the required processes to implement this strategy.

Upon this funding reallocation, Sponsor Agencies will provide assistance to income eligible households for the purpose of repairing or rebuilding housing directly affected by a disaster. This assistance will be limited to eligible participants and households, which meet established guidelines as very low and low income who may not be eligible for other types of assistance or who are under insured. This assistance may include the purchase of emergency supplies and repairs to waterproof and/or protect homes and private property of eligible participants from the elements, including interim repairs to avoid further damage, tree and debris removal and post disaster assistance with non-insured repairs.

SHIP funds will not be used for repairs or for the purchase of mobile homes, but may be used to remove a mobile home destroyed in a disaster. All assistance will be limited to eligible residents within the City of Cape Coral, for eligible housing as defined in 420.9071(8) and Chapter 553, utilizing and repairing property within city limits. Program participation will be determined on a case-by-case basis in accordance with procedures established in the Residential Rehabilitation program.


Income Categories to be served: Very Low, Low

Maximum award: $20,000

Terms:
1. Loan/deferred loan/grant:$5,000-20,000 = Deferred Loan/<$5,000 = Grant
2. Interest Rate: 0%/NA
3. Term:  10 years /NA
4. Forgiveness/Repayment: The deferred loan requires no monthly payment and is forgiven at the end of the term as long as default/recapture provisions are not triggered. No Repayment for Grant.
5. Default: The mortgage will be recaptured upon any of the following events occurring prior to the 10-year term.

Homeowner
• The eligible client fails to maintain homestead exemption status as provided by the Lee County Property Appraisers Office.
• Sale and/or relinquishing of interest in the assisted property or transfer of title of the assisted property.
• Refinance of the original first mortgage with cash out on the assisted property for any reason.
• The property ceases to be the primary residence of the recipient(s).
• Upon the death of all SHIP program recipients.
• Based on substantiated documentation, program administrators/proper authorities will investigate all suspected cases of program eligibility fraud. Clients that have been found guilty of violating Florida Statute 817 shall require full repayment of SHIP funds loaned/granted under the City of Cape Coral SHIP program.

**Sponsor Agency**
SHIP awards are provided to sponsor agencies through an annual contract and disbursed on a reimbursement basis with the possibility of extensions in compliance with SHIP Statute and Rule. Non-profit sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back 100% of the SHIP funds.

f. **Recipient Selection Criteria:**
Applicants, who have met the initial financial assessment and are determined income eligible, will be placed on a waiting list in accordance to the priorities set forth in Section 1.I.

g. **Sponsor Selection Criteria:** Due to the emergency nature of this strategy, sponsors will be chosen by the City from sponsor agencies with current SHIP contracts at the time of the disaster declaration.

h. **Additional Information:** N/A

**III. LHAP Incentive Strategies**

A. **Name of Strategy: Expedited Permitting**
Description of policies and procedures:
Permits as defined in s.163.3164 (7) and (8) for affordable housing projects are expedited to a greater degree than other projects. The City developed and implemented a system of identifying and expediting affordable housing permits, plan reviews and related actions. The expedited permitting process continues to work well and provides a valuable service to contractors developing affordable housing projects within the City.

The system works by identifying affordable housing projects and assigning an expediter, which move helps the project move through the approval and permitting process. These projects are assigned a priority status and are reviewed in an expeditious manner.

Status: Expedited permitting is currently available.
B. Name of Strategy: Ongoing Review Process
Description of policies and procedures:
The impact of City policy and actions on affordable housing is addressed in the Comprehensive Plan’s Housing Element, the Consolidated Plan and in City procedures. The Housing Element of the Comprehensive Plan provides for the review of all development, codes, regulations, policy and ordinances. The City through its annual reporting requirements to the Florida Housing Finance Corporation includes a certification for implementation of regulatory reform activities in accordance with s. 163.3164(7) and (8) of the Florida Statutes. Proposed actions of the City Council are reviewed in this context.

Status: This incentive is currently in place.

C. Other Incentives Strategies Adopted

Name of Strategy: Provisions for Transfer of Development Rights
Description of policies and procedures:
The transfer of development rights provisions was established through the adoption of the Land Use Development Regulations on February 12, 1990. This remains a viable option for affordable housing although, to date, they have not been utilized.

Status: This incentive is currently in place.

Name of Strategy: Flexible Density for the Provision of Affordable Housing
Description of policies and procedures:
The City of Cape Coral currently offers a density incentive program for specific zoning districts. In these districts, the South Cape (SC) zoning district and the Marketplace Residential (MR) zoning district, developers will be eligible for increased density by utilizing choices from a number of categories, including affordable housing. Currently, affordable housing is one of nine (9) categories, of four (4) required, that developers may choose to increase density within projects.

Status: Flexible density is currently available for the provision of affordable housing within specific zoning districts.

Name of Strategy: Reduction in Street Width Requirements for affordable single family subdivisions
Description of policies and procedures: Affordable single-family subdivisions shall be eligible for an administrative deviation to the minimum street width requirements in the City’s Engineering Design Standards to the applicable State of Florida minimum street width.

Status: This incentive is currently in place.

Name of Strategy: Zero-lot Line Configuration
Description of policies and procedures: The City currently allows zero-lot line development for affordable and market rate housing through the Planned Development Process. Policy 1.2 of the Housing Element of the City’s Comprehensive Plan states the City will maintain criteria for implementation of the City’s Land Use and Development Regulations, pursuant to S.163.3202, F.S., for activities such as, zero lot line development, townhouse development,
and transfer of development rights to encourage residential developments to include a wide mix of housing types and designs at a variety of allowable housing densities and intensities.

Status: This incentive is currently in place.

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

**Description of policies and procedures:** Section 166.0451, Florida Statutes states the following related to the disposition of municipal property for affordable housing: by July 1, 2007 and every 3 years thereafter, each county and municipality must prepare an inventory list of all real property within its jurisdiction to which the county or municipality holds fee simple title that is appropriate for use as affordable housing. The City of Cape Coral Affordable Housing Advisory Committee will review all city owned surplus property on a triennial basis and make recommendations to the City Council of which properties would be suitable for affordable housing in accordance with Section 166.0451.

Status: This incentive is currently in place.
IV. EXHIBITS:

A. Administrative Budget for each fiscal year covered in the Plan
B. Timeline for Estimated Encumbrance and Expenditure
C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan
D. Signed LHAP Certification
E. Signed, dated, witnessed or attested adopting resolution
F. Other Documents Incorporated by Reference
**Exhibit A**

**LHAP 2009-001**

**Exhibit A**

Revised: 6/2015

City of Cape Coral

<table>
<thead>
<tr>
<th><strong>Fiscal Year: 2016-2017</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Allocation for Calculating:</td>
<td>$1,052,741.00</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>$81,274.00</td>
</tr>
<tr>
<td>Office Supplies and Equipment</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Travel Per diem Workshops, etc.</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Advertising/Recording Fees</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Other*</td>
<td>$15,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$105,274.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fiscal Year: 2017-2018</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Allocation for Calculating:</td>
<td>$1,052,741.00</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>$81,274.00</td>
</tr>
<tr>
<td>Office Supplies and Equipment</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Travel Per diem Workshops, etc.</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Advertising/Recording Fees</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Other*</td>
<td>$15,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$105,274.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fiscal Year 2018-2019</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Allocation for Calculating:</td>
<td>$1,052,741.00</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>$81,274.00</td>
</tr>
<tr>
<td>Office Supplies and Equipment</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Travel Per diem Workshops, etc.</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Advertising/Recording Fees</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Other*</td>
<td>$15,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$105,274.00</td>
</tr>
</tbody>
</table>

*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document.*

Details: Cost Allocation to General Fund in Accordance with City Financial Policies and Counseling. Estimated Budget - Line Item Budget Subject to City Council Approval.
Exhibit B

Timeline for SHIP Expenditures

The City of Cape Coral affirms that funds allocated for these fiscal years will meet the following deadlines:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Encumbered</th>
<th>Expended</th>
<th>1st Year AR</th>
<th>2nd Year AR</th>
<th>Classar AR</th>
</tr>
</thead>
</table>

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

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Funds Not Encumbered</th>
<th>Funds Not Expended</th>
<th>2nd Year AR Not Submitted</th>
<th>2nd Year AR Not Submitted</th>
<th>Classar AR Not Submitted</th>
</tr>
</thead>
</table>

Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 30 of the year in which funds are required to be expended. The extension request shall be emailed to robert.dearte@floridahousing.org and terry.laurie@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.laurie@floridahousing.org when you are ready to "submit" the AR.

Other Key Deadlines:

AHAC reports are due for each local government by December 31 of the year prior to the local government's SHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.
### State: Title

**FLORIDA HOUSING FINANCE CORPORATION**

**Housing Delivery Goals Chart**

- **New Plan:** [Handwritten 3910-3917]
- **Amendment:** [Handwritten]
- **Revised:** 7/2015

#### Strategy & From Plan Test

<table>
<thead>
<tr>
<th>Strategy &amp; From Plan Test</th>
<th>HOUSE OWNERSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STRATEGIES (strategies and others are the title used in this table)</td>
</tr>
<tr>
<td></td>
<td>V1</td>
</tr>
<tr>
<td>A</td>
<td>08-11</td>
</tr>
<tr>
<td>B</td>
<td>08-11</td>
</tr>
<tr>
<td>C</td>
<td>08-11</td>
</tr>
<tr>
<td>D</td>
<td>08-11</td>
</tr>
</tbody>
</table>

**Subtotal 1 (House Owning)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>5</td>
<td>$399,530</td>
<td>40%</td>
<td>6</td>
<td>$385,530</td>
<td>40%</td>
<td>6</td>
</tr>
</tbody>
</table>

#### Rental

<table>
<thead>
<tr>
<th>PHA</th>
<th>Residential</th>
<th>V1</th>
<th>Max. GHP</th>
<th>LJ</th>
<th>Min. GHP</th>
<th>LF</th>
<th>Min. GHP</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>08-11</td>
<td>Rental Housing</td>
<td>2</td>
<td>$94,000</td>
<td>2</td>
<td>$65,900</td>
<td>$350,200</td>
<td>39%</td>
<td>4</td>
<td>$345,200</td>
<td>39%</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal 2 (Max Home Ownership)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>2</td>
<td>$350,200</td>
<td>39%</td>
<td>4</td>
<td>$345,200</td>
<td>39%</td>
<td>4</td>
</tr>
</tbody>
</table>

**Subtotal 3 (Max Home Owning)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>2</td>
<td>$350,200</td>
<td>39%</td>
<td>4</td>
<td>$345,200</td>
<td>39%</td>
<td>4</td>
</tr>
</tbody>
</table>

**Admin. Program Income**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$15,774</td>
<td>10%</td>
<td>6</td>
<td>$15,774</td>
<td>10%</td>
<td>6</td>
</tr>
</tbody>
</table>

**Admin. Program Income**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$15,774</td>
<td>10%</td>
<td>6</td>
<td>$15,774</td>
<td>10%</td>
<td>6</td>
</tr>
</tbody>
</table>

**URBAN TOTAL**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$1,085,120</td>
<td>30%</td>
<td>6</td>
<td>$1,085,120</td>
<td>30%</td>
<td>6</td>
</tr>
</tbody>
</table>

**Subtotal 4 & 5, plus Admin. & HO Counseling**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1</td>
<td>$399,530</td>
<td>40%</td>
<td>6</td>
<td>$385,530</td>
<td>40%</td>
<td>6</td>
</tr>
</tbody>
</table>

**Percentage Construction/Rehab**

- Calculate Costs/Rehab Percent, by adding Grand Total Columns A&B, then divide by Annual Allocation Amount.

**VoluntaryAllocate**

- **Purchase Price**
  - New: $359,900
  - Renting: $359,900

**Income Breakdown**

- **Total Available Funds:** $1,085,120.50

| Income Source | Amount | % | Projected Program Income | Max Annual Program Income As % of AMI | Total Available Funds:
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Vary by Income Level</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$1,085,120.50</td>
</tr>
<tr>
<td>Low Income</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$1,085,120.50</td>
</tr>
<tr>
<td>Moderate Income</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$65,200,00</td>
<td>67.76</td>
<td>$1,085,120.50</td>
</tr>
</tbody>
</table>

**TOTAL**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
<th>Award</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$1,085,120</td>
<td>30%</td>
<td>6</td>
<td>$1,085,120</td>
<td>30%</td>
<td>6</td>
</tr>
<tr>
<td>Code</td>
<td>STRATEGIES</td>
<td>LJ</td>
<td>Max. SHIP</td>
<td>HI</td>
<td>Max. SHIP</td>
<td>New Construction</td>
<td>Rehab/Repair</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
<td>---</td>
<td>-----------</td>
<td>---</td>
<td>-----------</td>
<td>------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>4 1 1</td>
<td>Non-Occupation 1</td>
<td>2</td>
<td>56,000</td>
<td>2</td>
<td>65,000</td>
<td>$147,200</td>
<td>$130,000</td>
</tr>
<tr>
<td>4 1 2</td>
<td>Purchase/Revitalization</td>
<td>1</td>
<td>75,000</td>
<td>1</td>
<td>60,000</td>
<td>$120,000</td>
<td>$110,000</td>
</tr>
<tr>
<td>2</td>
<td>Short Painting/Remodeling</td>
<td>1</td>
<td>90,000</td>
<td>5</td>
<td>25,500</td>
<td>$125,500</td>
<td>$110,000</td>
</tr>
<tr>
<td>3</td>
<td>Home Owner Occupied Rehabilitation</td>
<td>1</td>
<td>80,000</td>
<td>2</td>
<td>60,000</td>
<td>$140,000</td>
<td>$130,000</td>
</tr>
<tr>
<td>9</td>
<td>Water and Sewer Connection</td>
<td>0</td>
<td>3,500</td>
<td>5</td>
<td>3,000</td>
<td>$75,000</td>
<td>$65,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>11</strong></td>
<td><strong>5</strong></td>
<td><strong>$357,420</strong></td>
<td><strong>$337,220</strong></td>
<td><strong>$110,000</strong></td>
</tr>
</tbody>
</table>

**Total Home Ownership:**

- **$357,420**
- **$337,220**
- **$110,000**
- **$100,000**
- **10%**
- **12**

**Re catal 2 (Non-Owner Occupancy):**

- **$0**
- **0.0%**
- **0**
- **0.0%**
- **0**
- **0.0%**
- **0**
- **0.0%**
- **0**

**Grand Total:**

- **$357,420**
- **$337,220**
- **$110,000**
- **$100,000**
- **10%**
- **12**

**Percentage Calculation:**

Calculate Construct/ Rehab Cost Percent, by adding Grand Total Columns A-J. Then divide by Annual Allocation Amo., %

<table>
<thead>
<tr>
<th>Projected Allocation Total</th>
<th>Annual Allocation</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$357,420</td>
<td>$337,220</td>
<td>95</td>
</tr>
<tr>
<td>$110,000</td>
<td>$100,000</td>
<td>91</td>
</tr>
</tbody>
</table>

**Total:**

- **10.0%**
<table>
<thead>
<tr>
<th>HOME OWNERSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>3 11</td>
</tr>
<tr>
<td>3 11</td>
</tr>
<tr>
<td>3 11</td>
</tr>
<tr>
<td>3 11</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>Subtotal 1 (Home Ownership)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RENTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>STRATEGIES</td>
</tr>
<tr>
<td>VJU</td>
</tr>
<tr>
<td>3 29</td>
</tr>
<tr>
<td>3 29</td>
</tr>
<tr>
<td>Subtotal 2 (Income Voucher)</td>
</tr>
<tr>
<td>Administration Fees</td>
</tr>
<tr>
<td>Subtotal 3 (Income Voucher)</td>
</tr>
</tbody>
</table>

| Percentage Construction/Rehab | Calculate Comb/Rehab Percent. by adding Grand Total Construction A&B, then divide by Total Allocation Amt. |

<table>
<thead>
<tr>
<th>Minimum Allocation</th>
<th>Purchase Price</th>
<th>New Available</th>
<th>Existing Available</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$2,056,691</td>
<td>$2,056,691</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Allocation Breakdown</th>
<th>Amount</th>
<th>%</th>
<th>Projected Program Income</th>
<th>Max Program Income For Jails</th>
<th>$2,500.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low Income</td>
<td>$196,000.00</td>
<td>30.30%</td>
<td>$90,000.00</td>
<td>$90,000.00</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Low Income</td>
<td>$276,000.00</td>
<td>40.70%</td>
<td>$138,000.00</td>
<td>$138,000.00</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Moderate Income</td>
<td>$112,000.00</td>
<td>18.70%</td>
<td>$56,000.00</td>
<td>$56,000.00</td>
<td>$2,500.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$584,000.00</td>
<td>99.70%</td>
<td>$284,000.00</td>
<td>$284,000.00</td>
<td>$2,500.00</td>
</tr>
</tbody>
</table>
CERTIFICATION TO

FLORIDA HOUSING FINANCE CORPORATION

Local Government: City of Cape Coral

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

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

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

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

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

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

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

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

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

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

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

(12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.
13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.

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

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

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

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

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

19) The provisions of Chapter 83-220, Laws of Florida has not been implemented.

Witness
Kelley Fernandez

Witness
Pamela DeMarco

Date
4/21/16

OR

Attest:
(Seal)
RESOLUTION 46 - 16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPE CORAL, FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES, AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE, AUTHORIZING THE DEPARTMENT OF COMMUNITY DEVELOPMENT TO MAKE CHANGES TO THE HOUSING DELIVERY GOALS CHARTS UPON RECEIVING THE ACTUAL SHIP ALLOCATION FROM THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

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

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

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

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

WHEREAS, as required by Section 420.9075(7), F.S., it is found that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to $350,000 may use up to 10 percent of program income for administrative costs.

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

WHEREAS, the Department of Community Development has estimated the allocation levels for the City of Cape Coral; and

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

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CAPE CORAL, FLORIDA THAT:

Section 1: The City Council of the City of Cape Coral hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420.9079, Florida Statutes, for fiscal years 2016-2017, 2017-2018, 2018-2019.

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

Section 3: The Department of Community Development is authorized to make changes to the Housing Delivery Goals Charts for the applicable years to reflect the actual allocation received from the State of Florida and to submit these documents to the Florida Housing Finance Corporation.

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

ADOPTED BY THE CITY COUNCIL OF THE CITY OF CAPE CORAL AT ITS REGULAR COUNCIL SESSION THIS 44th DAY OF April, 2016.

MARIAN SAWICKI, MAYOR

VOTE OF MAYOR AND COUNCIL MEMBERS:

SAWICKI aye LEON aye
BURCH aye ERBRICK aye
CARJOSCA aye WILLIAMS aye
STOUT aye COSDEN aye

ATTESTED TO AND FILED IN MY OFFICE THIS 12th DAY OF April, 2016.

REBECCA V. DEUTEKON
CITY CLERK

APPROVED AS TO FORM:

DOLORES M. MENENDEZ
CITY ATTORNEY
Exhibit F – Other Documents
CITY OF CAPE CORAL
SUBORDINATION OF MORTGAGE POLICY
PURPOSE AND INTENT

The City of Cape Coral is a recipient of State Housing Initiatives Partnership (SHIP) grant funds. The City has created public/private partnerships with several affordable housing providers in Cape Coral. These partnerships allow the non-profit agencies to implement the City’s affordable housing strategies contained within the Local Housing Assistance Plan (LHAP). When assistance is provided to an eligible client, a mortgage note and mortgage are recorded at the Lee County Clerk of Courts.

During the tenure of homeownership, instances arise which necessitates refinancing of the first mortgage. In most instances, the City and the non-profit agency are listed mortgagees on the mortgage. In order for the lender to create a new loan, they require a subordination of mortgage to make the mortgage inferior to the first. In the event of foreclosure, this procedure allows the first mortgage holder to be paid first, followed by any second or tertiary mortgages. The City has been processing subordination of mortgage requests without a written policy in place. The absence of such policy undermines the City’s decision to approve or deny a subordination request.

The Florida Housing Coalition (FHC) is the City’s technical assistance provider regarding all SHIP related statutes and rules. The FHC has suggested that the City adopt a written policy in order to substantiate a decision regarding subordination of mortgage requests. As such, we have compiled criteria to assist with rendering a decision for subordination of mortgage requests.

Procedures for Consideration

1. All subordination of mortgage requests will commence with a request to the City of Cape Coral Department of Community Development.

2. City Staff will review requests based on the criteria set forth in this policy and make a decision to approve or deny the request.

3. If the City recommends approval of the subordination and the amount of the mortgage held by the City of Cape Coral is $50,000 or less, the City will forward the request to the Mayor for signature and execution.

4. All subordination of mortgages over $50,000 must be considered by City Council.

5. If a party wishes to appeal a denial by city staff, a letter of opposition should be prepared and forwarded to the Director of Community Development. A decision of the appeal will be rendered within 30 days.

Criteria for Consideration

The primary goal of the City of Cape Coral’s Affordable Housing Programs is to maintain homeownership for the purposes of accumulating equity for greater financial stability. The purpose of the program is not to redistribute wealth, but to maintain affordable homeownership. Therefore, the following criteria are taken into account when making a decision regarding subordination of mortgage requests.
1. Subordination of mortgage requests will be limited only to clients assisted by sponsor agencies.

2. All subordination requests must include a good faith estimate delineating the terms and conditions of the refinance from the lender/broker.

3. The loan to value ratio of refinance should not exceed seventy (70) percent. This value is calculated by dividing the mortgage or loan amount by the appraised or assessed value.

4. The City will not approve subordination of mortgages that will enable the client to receive cash out for any purpose, including but not limited to, home improvement loans, bill consolidation loans, lines of credit, future advances, personal loans, medical collections, personal items such as automobiles, motorcycles, or boats, other mortgages or encumbrances or liens. However, the borrower may receive cash payments under a reverse mortgage so long as the mortgage complies with requirement six (6) below.

5. If the new first mortgage is a reverse type mortgage, the maximum lender fees cannot exceed 2% and there must not be any prepayment penalties.

6. The new first mortgage’s origination fee, points, commitment fees, buy down fees and other lender charges do not exceed 2% of the loan amount.

7. The new first mortgage is a permanently fixed rate mortgage with no balloon payments and no pre-payment penalty. Terms may be made for as few as ten years, and may go up to thirty years as applicable based on the original loan balance and the term remaining on the original note.

8. The borrower must have sufficient equity in the home so as not to displace the City of Cape Coral beyond a 95% loan to value ratio.

9. If the borrower has a payment type loan, the account must be current.

10. Property Taxes must not be delinquent.

11. The borrower must submit proof of homeowner’s insurance.

12. If the refinancing results in a lower interest rate and lower monthly payments, thus increasing the affordability for the client, the City will look favorable upon such requests.

13. The interest rate, amount borrowed, the amount of equity the client has amassed in the property and closing costs will be examined by City Staff and will be used to base a decision whether to approve or deny a subordination of mortgage request.
CITY OF CAPE CORAL
LENDER GUIDELINES

- Financing should be by institutional lenders or 501(c)3 not-for-profit agencies whose primary mission is providing affordable housing. Institutional lender is defined as any bank or trust company, mortgage banker, savings bank, credit union, national banking association, savings and loan association, building and loan association or other financial institution or governmental agency authorized to conduct business in this State and which customarily provides service or otherwise aids in the financing of mortgages on real property located in this State.

- No seller financing

- Fixed Interest Rate Loans – No adjustable rate mortgages (ARMS) or balloon payments

- Thirty year (30) maximum amortization

- No prepayment penalties

- Minimum buyer cash contribution is $2,000. This minimum buyer cash contribution can be waived or modified for sponsor agencies that require sweat equity as a condition of participation.

- Gift funds not included in buyers $2,000 cash contribution

- Property taxes and hazard insurance must be escrowed

- Maximum debt ratios: 33% front end recommended (may be no less than 20%), will consider up to 36% on case-to-case basis; 45% back end.

- Interest rate – Fannie Mae 30 Year/60-day RNY plus 4%

- Combined loan-to-value not to exceed 105% the appraised value

- Lender fees not to exceed 3% of the loan value (application fee, closing fee, commitment fee, discount points, document preparation fee, origination fee, processing fee, underwriting fee, partner fee, mortgage broker fee, administration fee)

- Buyers may have a co-signer on loans however, if the co-signer is not a member of the household their income will not be utilized to calculate front and back end ratios for the purpose of compliance with lender guidelines

- Any exceptions to these requirements must be justified and documented to the SHIP Administrator for the City of Cape Coral