



# ALACHUA COUNTY HOUSING FINANCE AUTHORITY

FY 2017-2018, 2018-2019, AND 2019-2020


HOUSING ASSISTANCE PLAN

## **PROPOSED HOUSING ASSISTANCE PLAN FOR 2017-20**

Adopted Housing Finance Authority: December 4, 2017

*STEPHEN WEEKS*

COMMUNITY SUPPORT SERVICES  
218 SE 24th Street Gainesville, Florida 32641



## OUR MISSION

Our Mission is to stimulate the construction and rehabilitation of affordable housing in Alachua County by providing public financing that will increase the opportunities for lower income households, elderly and disabled persons to maintain decent, safe and sanitary housing

## OUR OPERATING VISION

WE ARE TO FACILITATE THE JOINING OF RESOURCES AND PARTNERSHIPS CREATING GREATER ACCESS TO HOUSING AND COMMUNITY SERVICES.

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# THE ALACHUA COUNTY HOUSING FINANCE AUTHORITY'S 2017-2020 HOUSING FINANCE PLAN

## Plan Overview

The Authority uses its Housing Finance Plan as our strategic planning document rather than undertaking the development of a different five year strategic plan. Annually, we adjust our long term strategic directions at the boards planning sessions, believing that process will allow the Housing Finance Plan to better reflect and respond to the rapid rate of change and the practicalities of operating in the current market and housing environments. The annual work program and budget for the Authority provide business objectives and an allocation of resources to meet our objectives.

The Board of County Commissioners of Alachua County, Florida (the "Board") duly enacted on August 25, 1981, Ordinance No. 8 1-7, (Chapter 32 of the Alachua County Code), creating the Alachua County Housing Finance Authority and provided for the membership, powers and duties of said Authority; and

### Membership; appointment of members; compensation of members.

The Authority shall be composed of five (5) members appointed by resolution of the Board, one of whom shall be designated Chairman. Not less than three (3) of the members shall be knowledgeable in one of the following fields: labor, finance, or commerce. The terms of the members shall be four (4) years each, except that the terms of the initial members shall be as follows: two (2) members shall serve a term of one (1) year; one (1) member shall serve a term of two (2) years; one (1) member shall serve a term of three (3) years; and one (1) member shall serve a term of four (4) years. A member of the Authority shall hold office until his successor has been appointed and has qualified. Each vacancy shall be filled for the remainder of the unexpired term. A certificate of the appointment or reappointment of any member of the Authority shall be filed with the Clerk of the Circuit Court of Alachua County and the certificate shall be conclusive evidence of the due and proper appointment of the member. A member shall receive no compensation for his services, but shall be entitled to necessary expenses, including travel expenses, incurred in the discharge of his duties.

### Conflict of interest of members or employees.

No member or employee of the Authority shall acquire any interest, direct or indirect, in any qualifying housing development or in any property included or planned to be included in such a development, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any qualifying housing development. If any member or employee of the Authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any qualifying housing project, he shall immediately disclose the same in writing to the Authority. Such disclosure shall be entered upon the minutes of the Authority. Failure to disclose such interest shall constitute misconduct in office.

## Powers and duties generally.

The Authority shall constitute a public body corporate and politic, exercising the public and essential governmental functions set forth in the Act and this chapter and shall exercise its power to borrow only for the purpose as provided herein. The authority shall have the following powers:

1. To sue and be sued, to have a seal and to alter the same at pleasure, to have perpetual succession, to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Authority, and to make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with the Act and this ordinance, to carry into effect the powers and purposes of the Authority;
2. To own real and personal property acquired through the use of surplus funds or through public and private partnerships provided that the obligations of the Authority are limited to project revenues and that no less than 50 percent of the units owned by the Authority shall benefit very-low-income families or low-income families. For the purposes of this subsection, a "very-low-income family" means a family whose income does not exceed 50 percent of the median family income for the area, and the term "low-income family" means a family whose income does not exceed 80 percent of the median family income for the area. Family income levels shall be adjusted for family size. Notwithstanding the other provisions of this subsection, the Authority may acquire real and personal property to house and equip its facilities and staff:
3. To purchase or make commitments to purchase or to make loans for such purpose, and to take assignments of, from lending institutions acting as a principal or as an agent of the Authority, mortgage loans and promissory notes accompanying such mortgage loans, including federally insured mortgage loans or participations with lending institutions in such promissory notes and mortgage loans for the construction, purchase, reconstruction, or rehabilitation of a qualifying housing development or portion thereof, provided that the proceeds of sale or equivalent monies shall be reinvested in mortgage loans;
4. To borrow money through the issuance of bonds for single-family housing and qualified housing developments, to provide for and secure the payment thereof, and to provide for the rights of the holders thereof:
5. To make loans to lending institutions under terms and conditions requiring the proceeds thereof to be used by such lending institutions for the making of new mortgages for any qualifying housing development, or portion thereof, located wholly or partially within Alachua County. Prior to making a loan to a lending institution which makes such loans or provides such financing, the lending institution must agree to use the proceeds of such loan within a reasonable period of time to make loans or to otherwise provide financing for the acquisition, construction, reconstruction, or rehabilitation of a housing development or portion thereof, and the Authority must find that such loan will assist in alleviating the shortage of housing and of capital for investment in housing within Alachua County;
6. To invest, at the direction of the lending institution, any funds held in reserves or sinking funds or any funds not required for immediate disbursement in property or securities in which lending institutions may legally invest funds subject to their control; and
7. Such other powers and duties as are set forth in the Act.

## Exercise of powers; quorum; legal counsel; employees.

The powers of the Authority shall be vested in the members of the Authority in office from time to time. Three (3) members shall constitute a quorum, and action may be taken by the Authority upon vote of the majority of the

members present. The Authority may employ its own legal counsel and such other agents and employees, permanent or temporary, as it may require and shall determine the qualifications, duties, and compensation of such persons. The Authority may delegate to an agent or employee such powers and duties as it may deem proper.

### Limitation of Powers.

- (1) The Authority shall not finance the acquisition, construction, reconstruction, or rehabilitation of any qualifying housing development for its own profit or as a source of revenue to the state or any local governmental unit.
- (2) The Authority shall not have the power to acquire any real property by the exercise of the power of eminent domain.
- (3) Each qualifying housing development shall be subject to the planning, zoning, health, and building laws, ordinances, and regulations applicable to the place in which such qualifying housing development is situate.

### Issuance of bonds authorized.

The Authority may issue its revenue bonds from time to time in the discretion of the Authority for the purposes set forth in the Act and this chapter. The Authority may also issue refunding bonds for the purpose of paying, retiring, or refunding bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including taxable or tax-exempt bonds, provided that the principal and interest on such bonds are payable solely and only from:

- (1) The repayment of any loans made by the Authority pursuant to the provisions of F.S. 5 159.608 and section 32.06 of this chapter, or purchased by the authority pursuant to F.S. 5 159.608 and section 32.06 of this chapter; or
- (2) The sale of any housing loans or commitments to purchase housing loans which are purchased pursuant to F.S. 5 159.608 and section 32.06 of this chapter.

Any bonds issued pursuant to the provisions of the Act and this ordinance shall be secured by a mortgage or other security device. In no event shall any such bonds be payable from the general revenues of the Authority. Neither the members of the Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds issued pursuant to the provisions hereof, and the bonds shall so state on their face, shall not be debt of the county or of the state, or of any political subdivision thereof; and neither the county nor the state or political subdivision thereof shall be liable thereon; nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of the Authority.

## CONSIDERATION SHOULD BE GIVEN TO THE FOLLOWING:

We should take these things into consideration when developing our plan, we should look to direct available resources to different programs to address various issues to meet the need of our community

1. The use of funds for single family and multifamily housing;
2. The use of funds for new construction, rehabilitation, including refinancing of existing debt, and home purchases;
3. The housing needs of low income and moderate income persons and families, and of elderly or mentally or physically handicapped persons;
4. The use of funds in coordination with federal, state, and local housing programs for low -income persons;
5. The use of funds within the county;
6. The use of financing assistance to stabilize and upgrade declining neighborhoods; areas of minority concentration, reservations, and in mortgage deficient areas;
7. The use of financing assistance for implementation of cost effective energy efficiency measures in dwellings;
8. The use of funds to increase the supply of affordable and decent housing throughout Alachua County;

Additional consideration should also be given to:

### THE BUILT ENVIRONMENT

1. Through the Community Encourage energy conservation and energy-efficient design in the built environment of Alachua County.
2. The land development regulations shall provide, and encourage the use of, energy efficient design techniques such as passive solar design for streets and houses, sustainable landscaping, and techniques identified in Objective 5.1 of the Conservation and Open Space Element and Policy 2.2.5 of the Housing Element.
3. Work with the community to develop an incentive program to encourage new structures and retrofits to exceed the required minimum energy and water efficiency standards of the Florida Building Code.
4. As one incentive, the County shall develop a program where the efficiency rating of a structure, such as the Energy Performance Level (EPL) rating for residential structures or the equivalent for non-residential structures, can be used as a basis for recognition of buildings exceeding a defined threshold for efficiency.
5. Owners of recognized structures shall be encouraged to participate in a performance monitoring program to track the energy usage of the buildings over time, as an indicator of success in achieving reductions.
6. The incentive program shall be evaluated periodically to determine whether adjustments to the established threshold are warranted.
7. Alachua County shall work with other local governments and local groups and organizations to develop a community weatherization program to improve the energy efficiency of existing structures

### Purpose of the Plan:

The purpose of the Alachua County Housing Finance Authority Housing Assistance Plan shall be to allocate public funds for the rehabilitation of affordable housing multi- family units thereby furthering the Housing Element of the Alachua County Comprehensive Plan. Policies in the Housing Element support the allocation of public funds for the creation and rehabilitation, of affordable units for extremely low and very low income households, (as defined by

the U.S. Department of Housing and Urban Development (HUD) Income Limits for Gainesville MSA,) to maintain decent, safe, and sanitary housing. The Plan will be in effect for three county fiscal years and may be renewed at the 3rd year anniversary of its initial approval. Periodic reports will be provided to the Alachua County Housing Finance Authority regarding the implementation of this program.

## Funding

The Alachua County Housing Finance Authority Housing Assistance Plan shall be funded by revenues generated by housing related sources: annual administrative fees charged to developers which have participated in Multi-Family Mortgage Revenue Bond Issues and interest earned on those revenues.

## Partnership and Leveraging

The use of these funds will be maximized through leveraging opportunities, particularly those with not for profit housing providers, which may contribute volunteer labor or other resources. Alachua County may make other home repair funds available for use with this funding source.

## Plan Implementation:

Implementation of the HFA housing assistance plan as well as administrative function performed in behalf of the Alachua County Housing Finance Authority shall be the responsibility of the Department of Community Support Services of Alachua County. A notice of funding availability will be advertised and distributed to developers and applicable parties of multi-family affordable housing units. Proposals will be submitted by interested developers and applicable parties of multi-family affordable housing units to the Housing Programs Office and will be due by the advertised submittal deadline. Recommendations for awards will be presented to the Alachua County Housing Finance Authority for review and consideration for funding.

## Multi-Family Unit Repair Program

### Summary of the Strategy

This program is designed to provide essential repairs to multi-family affordable housing units for extremely low and very low income households located in Alachua County outside the City Limits of Gainesville.

### Unit Eligibility

- Units must be in need of one or more of the following eligible repairs.
- Roof repair/replacement
- Electrical hazards that pose an immediate health and safety threat.
- Accessibility repairs for units designated as special needs units
- Damage caused by wood destroying organisms
- Code violations
- Update plumbing that poses an immediate health and safety threat
- Upgrade kitchen and bathrooms
- Repair/replace windows and doors



- Repair/replace smoke and carbon monoxide detectors
- Units needing extensive repairs beyond the scope of this program will be denied assistance.

## Loan Terms

Funding will be provided to eligible units in the form of a zero-interest deferred mortgage and a Land Use Restrictions Agreement (LURA), forgiven after fifteen years. No payments will be required as long as the units continue to qualify as affordable housing. A minimum of 40% of the units will need to be qualify as affordable housing at the time of application, with a minimum of 40% to remain as affordable housing thought out the term of the mortgage and LURA. The mortgage shall be due on sale, upon refinance or transfer of the property from the original owner. All repayments from this program shall be considered program income and will be deposited into the Alachua County Housing Finance Authority Fund.

## Multi Family Project Election Criteria

Developers and applicable parties of multi-family affordable housing units will be eligible to apply to implement this program.

1. Organizational capacity to and history of providing home repair services.
2. Expertise, certifications, and demonstrated skills of staff.
3. Direct program experience in providing home repair services.
4. Proposed fee, rates, and level of service in relation to proposed fees.
5. Proposed fee per unit shall not exceed 10% of project costs and must be included as part of the maximum award. If circumstances allow, the Housing Programs Manager shall have the discretion to approve a higher fee.
6. Ability to leverage other funding sources or volunteer resources.
7. Ability to adhere to manage and disburse funds on a timely basis.
8. Developers/builders will be required to invest their own funds in an amount equal to or greater than the award amount.

## Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each county fiscal year submitted. A reserve of \$40,000 will be retained each year.

## Alachua County Housing Finance Authority FY 2017-18, 2018-19, 2019-20

<b>Alachua County Housing Finance Authority FY 2017-18</b>	<b>Budget</b>
Legal Advertising	\$1,000.00
Membership Fee (State Association of Local Housing Finance Authorities)	\$1,500.00
Out of County Travel (HFA training)	\$3,000.00
Other current obligations	
Program Coordinator Salary (existing position)	\$10,000.00
Program Coordinator Benefits	
Office Supplies	\$600.00
Postage	\$200.00
Reserve	\$40,000.00
Sub-total	\$56,300.00
Repairs/ Investment	
NSP1	\$37,900.00
NSP3	\$14,251.33
Bond	\$73,597.00
Investment Total	\$69,448.33

<b>Alachua County Housing Finance Authority FY 2018-19</b>	<b>Budget</b>
Legal Advertising	\$1,000.00
Membership Fee (State Association of Local Housing Finance Authorities)	\$1,500.00
Out of County Travel (HFA training)	\$3,000.00
Other current obligations	
Program Coordinator Salary (existing position)	\$10,000.00
Program Coordinator Benefits	
Office Supplies	\$600.00
Postage	\$200.00
Reserve	\$40,000.00
Sub-total	\$56,300.00
Repairs/ Investment	
NSP1	\$37,900.00
NSP3	\$14,251.33
Bond	\$113,597.00
Investment Total	\$109,448.33

<b>Alachua County Housing Finance Authority FY 2019-2020</b>	<b>Budget</b>
Legal Advertising	\$1,000.00
Membership Fee (State Association of Local Housing Finance Authorities)	\$1,500.00
Out of County Travel (HFA training)	\$3,000.00
Other current obligations	
Program Coordinator Salary (existing position)	\$10,000.00
Program Coordinator Benefits	
Office Supplies	\$600.00
Postage	\$200.00
Reserve	\$40,000.00
Sub-total	\$56,300.00
Repairs/ Investment	
NSP1	\$37,900.00
NSP3	\$14,251.33
Bond	\$113,597.00
Investment Total	\$109,448.33

<b>Alachua County Housing Finance Authority FY 2017-18</b>	<b>Budget</b>
Legal Advertising	\$1,000.00
Membership Fee (State Association of Local Housing Finance Authorities)	\$1,500.00
Out of County Travel (HFA training)	\$3,000.00
Other current obligations	
Program Coordinator Salary (existing position)	\$10,000.00
Program Coordinator Benefits	
Office Supplies	\$600.00
Postage	\$200.00
Reserve	\$40,000.00
Sub-total	\$56,300.00
Repairs/ Investment	
NSP1	\$37,900.00
NSP3	\$14,251.33
Bond	\$73,597.00
Investment Total	\$69,448.33

## Advertising and Outreach

Alachua County shall advertise the notice of funding availability in a newspaper of general circulation or newspapers serving ethnic and diverse neighborhoods, before the beginning of the application period. In addition, press releases may be used to advertise the program as well as correspondence to notify interested parties of available funding. Pre-screening applications will be accepted for 30 days after the advertised date of funding availability. The Housing Programs Office will accept and screen applications to generate a pool of qualified applicants. Pre-screened applicants will then be referred to agencies who have been awarded funding for this program.

### Discrimination:

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, age, sex, marital status, familial status, national origin or disability, sexual orientation or gender identity or expression in the award application process for eligible housing.

### Income Limits, Rent Limits and Affordability:<sup>1</sup>

The Income and Rent Limits used in the SHIP Program / CDBG are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount

which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if in the case of rental housing, does not exceed those rental limits adjusted for bedroom size.

### Monitoring and First Right of Refusal:

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance whichever is longer unless as specified above.

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.

## EXHIBITS:

### Adopting Resolution

1

HUD released 4/14/2017 2017 Income Limits and Rent Limits												
FHFC Posted : 4/17/2017 Florida Housing Finance Corporation												
SHIP Program												
		Percentage	Persons									
County		Category	1	2	3	4	5	6	7	8	9	10
Alachua County		30%	13,650	16,240	20,420	24,600	28,780	32,960	37,140	41,320		
		50%	22,750	26,000	29,250	32,450	35,050	37,650	40,250	42,850	45,430	48,026
Median	\$65,200.00	80%	36,350	41,550	46,750	51,900	56,100	60,250	64,400	68,550	72,688	76,842