

# *Indian River County*



## SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

**2024-2025, 2025-2026, 2026-2027**

Adopted by BCC: January 23, 2024 (Resolution 2024-007))

Approved by FHFC:

Effective: July 1, 2024

Technical Revision: September 9, 2024

Plan Amendment: March 11, 2025

Technical Revision: March 10, 2026



Equal Housing Opportunity



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**I. Program Details:**

**A. LG(s)**

Name of Local Government	Indian River County
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	N/A

**B. Purpose of the program:**

- To meet the housing needs of the very low, low, and moderate-income households;
- To expand production of and preserve affordable housing; and
- To further the housing element of the local government's comprehensive plan specific to affordable housing.

**C. Fiscal years covered by the Plan:** 2024-2025, 2025-2026, 2026-2027

**D. Governance:** The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules, and any additional requirements as established through the Legislative process.

**E. Local Housing Partnership:** The SHIP Program encourages building active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services, and lead agencies of the local continuums of care.

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

**G. Public Input:** Public input was solicited through face-to-face meetings with housing providers, social service providers, local lenders, and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

**H. Advertising and Outreach:** SHIP funding availability shall be advertised in a newspaper of general circulation 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. Queue List/Priorities:** A queue list will be established when applicants apply to the county SHIP program. Those households on the queue list will be contacted by staff when their queue number is reached. The queue list will be maintained with applicants listed in an order that is consistent with the time that their preliminary intake forms were submitted. Queue numbers will be assigned based on that order. Adjustments to the queue order will be made to achieve any established funding priorities as described in this plan.



Priorities for funding described herein apply to all strategies unless otherwise stated in the strategy. The county will accept preliminary intake forms during the advertised “Application Period”. All applicants are required to complete the SHIP Preliminary Intake Information Sheet and submit it through SHIP’s Neighborly website in order to receive their queue list number.

Once there is a list of eligible applicants, they will be ranked based on the priorities provided below.

Ranking Priority:

1. Emergency Loans for home repair related to a dire situation that needs to be mitigated immediately to prevent damage to the home or to resolve an immediate health hazard to the occupants.
2. Special Needs Households (until the program’s required percentage has been met)
3. Very low-income and low-income applicants from local Non-profit Affordable Housing Organizations such as Habitat for Humanity and Every Dream Has a Price
4. Other applicants
  - a. Very low income (until the program’s required percentage has been met)
  - b. Low income (until the program’s required percentage has been met)
  - c. Moderate income

**J. Discrimination:** In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.

**K. Support Services and Counseling:** Support services are available from various sources. Available support services may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Foreclosure Counseling, and Transportation.

**L. Purchase Price Limits:** The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be 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 can be lower but may not exceed 90% of the average area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

U.S. Treasury Department	<b>X</b>
Local HFA Numbers	

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

*“Affordable” means that monthly rents or mortgage payments, including taxes and insurance, do not exceed 30 percent of that amount, which represents the percentage of the median annual gross income for the*



households as indicated in Sections 420.9071, F.S. However, it is not the intent to limit an individual household's ability to devote more than 30% of its income to housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

- N. **Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.
- O. **Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.
- P. **Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the money deposited in the local housing assistance trust fund is necessary to administer and implement the local housing assistance plan.

**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:** "A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan."

**Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:** "The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs." The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

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

Entity	Duties	Admin. Fee Percentage
Indian River County	Administer the program	10%

- R. **First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following



definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local, or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*

- S. **Project Delivery Costs:** In addition to the administrative costs listed above, the county will charge a reasonable project delivery cost associated with **Owner Occupied Rehabilitation Loans**, Emergency Repair Loans, and Disaster Mitigation loans not to exceed ~~\$2,750.00 (flat fee)~~ 5% of project cost to cover inspection services, preparation of work write-ups, and construction inspections performed by non-salaried employees and non-county employees for eligible properties..
  
- T. **Essential Service Personnel Definition (ESP):** **ESP includes** teachers and educators, other school districts, community college and university employees, police and fire personnel, health care personnel, county workers, municipal workers and skilled building trades personnel, and technical trade workers.
  
- U. **Green Building:** The county will, when economically feasible as determined by cost comparison by the assigned housing inspector, employ the following Green Building requirements on rehabilitation repairs, emergency repairs, and new construction:
  - 1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
  - 2. Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
    - a. Toilets: 1.6 gallons/flush or less;
    - b. Faucets: 1.5 gallons/minute or less; and
    - c. Showerheads: 2.2 gallons/minute or less.
  - 3. Energy Star-qualified refrigerator (for new construction);
  - 4. Energy Star-qualified dishwasher (for new construction);
  - 5. Energy Star-qualified washing machine (for new construction) if provided in units;
  - 6. Energy Star-qualified exhaust fans in all bathrooms; and
  - 7. Air conditioning: Minimum SEER of 14 (or higher if required by code).
  
- V. **Special Needs:** The county will inform social service agencies serving the designated special needs populations of available SHIP assistance to achieve the 20% goal of the special needs set-aside. The goals will be met through all loan assistance strategies.



**W. Describe efforts to reduce homelessness:** The Treasure Cost Homeless Services Council (TCHSC) provides a continuum of care to the homeless population within Indian River County. County staff works with the TCHSC staff to apply for grants, exchange information, and provide assistance as needed.

TCHSC administers the Homeless Management Information System (HMIS). TCHSC provides shelters, rental and utility assistance, supportive services for veteran families, and manages affordable rental properties.

**X. Total assets** (cash or non-cash items that can be converted to cash), not including IRA, Keogh, similar retirement savings accounts, and dedicated college savings accounts of an eligible household applying for SHIP assistance, shall not exceed twenty thousand dollars (\$20,000.00).

**Y.** The maximum active SHIP loans on any property shall not exceed \$100,000, except when utilization of disaster and/or emergency funds is necessary.

**Section II. LHAP Strategies:**

<b>A. Owner Occupied Rehabilitation Loans</b>	<b>Code 3</b>
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a. Summary of Strategy: SHIP funds will be awarded to owner-occupied households in need of repairs to correct health and safety issues and code violations related to electrical, plumbing, roofing, windows, and other structural items, as well as hurricane hardening activities. A detailed list of rehabilitation work activities allowed or not allowed is included in the Indian River County Guidelines and Procedures for Implementing Strategies of Local Housing Assistance Plan document.

b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027

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

d. Maximum award: \$ \$100,000.00

e. Terms:

1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
2. Interest Rate: 0%.
3. Years in Loan term: 10 years (5 years if used in conjunction with CDBG funding).
4. Forgiveness: The entire loan amount will be forgiven after 10 years of occupancy (only rehabilitation loans in conjunction with CDBG funding will be forgiven in 5 years or upon the death of the homeowner, whichever comes first).



5. Repayment: Not required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs during the 10 or 5-year loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence, or refinancing with cash out. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term (for loans that are not used in conjunction with CDBG funds), the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

7. Property shall not be eligible to re-apply until after the expiration of a 10-year rehab loan, except when utilization of disaster and/or emergency rehabilitation funds is necessary.

- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on the timing that preliminary intake information is received with the priorities as described in section I of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: All work must be performed by licensed and insured contractors.

Applicants applying for rehabilitation assistance loans must also provide a copy of the deed to their home. A complete application and all required documents must be submitted to the SHIP office when an applicant's queue number is reached and contacted by SHIP staff. Provided funding is available, more than one applicant will be pulled from the que list at the same time so that multiple applications can be processed and assistance provided at the same time.

- i. Residential Constriction Mitigation (RCMP):

The county will match SHIP funds with My Safe Florida Home Funds for hurricane-resistant retrofit improvements to owner-occupied site-built homes to reduce potential future hurricane damage. When available, the county shall advertise the availability of My Safe Florida Home funds and accept applications from very low, low, and moderate-income homeowners with homestead exemptions for homes that have insured values not exceeding \$400,000. Applications will be reviewed on a first-qualified, first-served basis.

Eligible retrofit improvement work activities include the following:

1. Improving the strength of the roof deck attachment



2. Creating a secondary water barrier to prevent water intrusion
3. Improving the survivability of the roof covering
4. Bracing gable-ends in the roof framing
5. Reinforcing roof-to-wall connections
6. Upgrading exterior wall opening protections
7. Upgrading exterior doors

<b>B. Purchase Assistance with Rehabilitation Loans</b>	<b>Code 1</b>
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a. Summary of Strategy: SHIP funds will be awarded for down payment and closing costs as well as principal reduction to households to purchase an existing home. An existing home must be in need of rehabilitation.

- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award:

Income Category	Purchase Assistance Portion	Rehab Portion	Max. Total
Very Low	\$ 85,000	\$ 20,000	<b>\$ 105,000</b>
Low	\$ 65,000	\$ 20,000	<b>\$ 85,000</b>
Moderate	\$ 45,000	\$ 20,000	<b>\$ 65,000</b>

- e. Terms:
  1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  2. Interest Rate: 0%.
  3. Years in Loan term: 20 years for the Purchase Assistance Portion and 10 Years for the Rehabilitation Portion.
  4. Forgiveness: The entire loan amount will be forgiven after 20 years of occupancy for the Purchase Assistance Portion and 10 years of occupancy for the Rehabilitation Portion.
  5. Repayment: Not required as long as the loan is in good standing.
  6. Default: The loan will be determined to be in default if any of the following occurs during the loan term (20 years for Purchase Assistance Portion and 10 years for Rehabilitation Assistance Portion): sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence or refinancing with cash out. If any of these



occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs income groups as described in section I of this plan.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: Applicants for purchase assistance loans must provide a 1<sup>st</sup> mortgage pre-qualification letter from a lender in order to participate in the County program. Applicants must secure a first mortgage from an approved lender.
- i. For additional information, please see the Indian River County Guidelines and Procedures for Implementing Strategies of the Local Housing Assistance Plan.
- j. No existing SHIP mortgage will be subordinated to a refinanced first mortgage unless the following requirements are met:

Requirements for a Refinanced First Mortgage			
Maximum Term Allowed	Maximum Interest Rate Allowed	Maximum First Mortgage Amount Allowed	Maximum Points Allowed
30 Years	It must be a fixed-rate loan, and the interest rate must be lower than the existing first mortgage interest rate.	Not to exceed the original first mortgage amount. Any available equity up to the original mortgage amount may be used for closing costs associated with the refinancing.  No cash out to an applicant	For purchase assistance loans, up to 1 point allowed  For other loans, up to 2 points allowed

<b>C. Purchase Assistance without Rehabilitation Loans</b>	<b>Code 2</b>
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a. Summary of Strategy: SHIP funds will be awarded for down payment and closing costs as well as principal reduction to households to purchase a newly constructed home. A newly constructed home must have received a certificate of occupancy within the last twelve months.
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- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award:
  - Very Low: \$ 85,000
  - Low: \$ 65,000
  - Moderate: \$ 45,000
- e. Terms:
  - 1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  - 2. Interest Rate: 0%.
  - 3. Years in Loan term: 20 years.
  - 4. Forgiveness: The entire loan amount will be forgiven after 20 years of occupancy.
  - 5. Repayment: Not required as long as the loan is in good standing.
  - 6. Default: The loan will be determined to be in default if any of the following occurs during the 20-year loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence or refinancing with cash out. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.
- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs income groups as described in section I of this plan.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: Applicants must secure a first mortgage from a lender.  
Applicants for purchase assistance loans must also provide a pre-qualification letter from a lender.
- i. For additional information please see the Indian River County Guidelines and Procedures for Implementing Strategies of the Local Housing Assistance Plan.
- j. No existing SHIP mortgage will be subordinated to a refinanced first mortgage unless the following



requirements are met:

Requirements for a Refinanced First Mortgage			
Maximum Term Allowed	Maximum Interest Rate Allowed	Maximum First Mortgage Amount Allowed	Maximum Points Allowed
30 Years	It must be a fixed-rate loan, and the interest rate must be lower than the existing first mortgage interest rate.	Not to exceed the original first mortgage amount. Any available equity up to the original mortgage amount may be used for closing costs associated with the refinancing.  No cash out to an applicant	For purchase assistance loans, up to 1 point allowed  For other loans, up to 2 points allowed

<b>D. Emergency Repair Loans</b>	<b>Code 6</b>
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a. Summary of Strategy: Funds will be awarded to applicants in need of rehabilitation of their home related to a dire situation that needs to be mitigated immediately. This includes replacement HVAC systems, damaged roofing when there is a recently active leak, the insurance company is requesting roof replacement to maintain insurance, damaged windows causing exposure to the elements, or electrical or plumbing, including septic tank problems, that could cause damage (fire) to the home or is an immediate health hazard to the occupants. As well as retrofitting bathrooms, walkways, and ramps for ADA compliance for applicants with disabilities. This strategy may be used in cases where the health department, a jurisdiction’s building official, or the SHIP administrator determines that a home is in such a condition that it jeopardizes the occupant’s health and safety.

- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award: \$ 35,000
- e. Terms:
  - 1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  - 2. Interest Rate: 0%.
  - 3. Years in Loan term: 10 years.
  - 4. Forgiveness: The entire loan amount will be forgiven after 10 years of occupancy, or upon the death of the homeowner, whichever comes first.
  - 5. Repayment: Not required as long as the loan is in good standing.



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

In cases where the qualifying homeowner(s) die(s) during the 10-year loan term the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient Selection Criteria: Applicants will be selected on a first-qualified, first-served basis with the priorities as described in Section I of this plan.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: An applicant requesting an emergency repair will be required to:
  - 1. Allow the health department inspector, building department inspector, or rehabilitation specialist to access the home for an inspection to determine the need for the repair.
  - 2. Provide proof of homeowner’s insurance policy if it is available, any proof of whether or not the insurance will cover any part of the repair, and if applicable, insurance award to be completed prior to SHIP award.
  - 3. When an applicant is assisted with emergency repairs, they will not lose their place on the queue list. However, the amount of funds expended for the emergency repairs will be counted towards the maximum award if the applicant receives subsequent assistance through the rehabilitation strategy. Funds may also be awarded to pay insurance deductibles for any emergency repairs covered by the homeowner’s policy.
- i. For additional information, please see the Indian River County Guidelines and Procedures for Implementing Strategies of Local Housing Assistance Plan document.

<b>E. Disaster Mitigation Loans</b>	<b>Code 5</b>
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- a. Summary of Strategy: Funds will be awarded to applicants in need of home repairs directly caused by a disaster that is declared by an Executive Order of the President or Governor. Repairs will be prioritized as follows:
  - 1. Immediate threats to health and life safety (such as sewage, damaged windows, roofing) in cases

where the home is still habitable.

2. Imminent residual damage to the home (such as damage caused by a leaking roof) in cases where the home is still habitable.
3. Repairs necessary to make the home habitable.
4. Repairs to mitigate dangerous situations (such as exposed wires).

b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027

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

d. Maximum award: \$ 30,000

e. Terms:

1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
2. Interest Rate: 0%
3. Years in loan term: 10 years.
4. Forgiveness: The entire loan amount will be forgiven after 10 years of occupancy.
5. Repayment: Not required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs during the 10-year loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence or refinancing with cash out. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

7. If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

f. Recipient Selection Criteria: Applicants will be assisted on a first-qualified, first-served basis with the priorities for Special Needs income groups as described in section I of this plan.



1. Proof of homeowner’s insurance if available.
  2. Must file for and use proceeds from insurance as the first option.
  3. Must file for FEMA, SBA, and other assistance available prior to applying to SHIP.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: Funds for disaster mitigation will only be allocated from unencumbered funds or additional funds awarded through Florida Housing Finance Corporation for the disaster.
- i. For additional information, please see the Indian River County Guidelines and Procedures for Implementing Strategies of Local Housing Assistance Plan document.

<b>F. Impact Fee / Capacity Charge Loans</b>	<b>Code 8</b>
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a. Summary of the Strategy: To assist income-eligible persons with the cost of impact fees and/or water and sewer capacity charges for owner-occupied housing units anywhere in Indian River County.

- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low, and moderate (in conjunction with PA loan only)
- d. Maximum award: \$ 20,000
- e. Terms :
1. Deferred Payment Loan (DPL); Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  2. Interest Rate: 0%.
  3. Years in loan term: 10 years.
4. Forgiveness: The entire loan amount will be forgiven after 10 years of occupancy or upon the death of the homeowner, whichever comes first.
5. Repayment: Not required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs during the loan term, sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence or refinancing with cash out. If any of these occur, the outstanding balance will be due and payable.



- 7. In cases where the qualifying homeowner(s) die(s) during the loan term (for loans not used in conjunction with CDBG funds), the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.
- 8. If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.
- f. Recipient Selection Criteria: Applicants will be assisted on a first-qualified, first-served basis with the priorities for Special Needs income groups as described in Section I.
- g. Additional Information: Impact Fee Capacity Charge loans will be based on the actual amount of impact fees/capacity charges charged by the county.
- h. For additional information, please see the Indian River County Guidelines and Procedures for Implementing Strategies of the Local Housing Assistance Plan.

<b>G. New Construction (Federal or State Programs Matching Loans)</b>	<b>Code 21</b>
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a. Summary of the Strategy: To assist non-profit organizations, and for-profit developers with matching funds needed to obtain federal or state housing programs funding for development of rental affordable housing projects.
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- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award: \$ 100,000 per unit, and \$500,000 per project
- e. Terms:
  - 1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  - 2. Interest Rate 3%
  - 3. Term 15 years
  - 4. Forgiveness: the entire loan amount and interest accumulated will be forgiven after 15 years of compliance with federal and state housing program requirements.
  - 5. Repayment: Not required as long as the project is constructed and meets the federal or state housing program requirements for occupancy by very low, low, and/or moderate-income



households.

6. Default: When the assisted housing has changed to a market rate prior to 15 years. In that case, the entire original loan and accumulated interest amount is due and payable.
7. Developer Selection Criteria: Non-profit organizations or for-profit developers eligible to participate in the local housing assistance program must submit a federal or state housing funding application to the appropriate agency to qualify. Assistance will be provided to projects which receive an award of funds from a federal or state housing programs. Factors that may be considered in selecting the sponsor/developer may include, but are not limited to:
  - a. Capacity and Capability to Carry out Project
  - b. Scale of Project/Utilization of Density Bonuses
  - c. Experience in Completing Similar Projects
  - d. Use of Personnel from Wages and Workforce Development Programs
  - e. Leveraging
  - f. Site Control
  - g. Neighborhood Compatibility with Area Redevelopment Plan
  - h. Creation of Mixed-Income Communities
  - i. Recapture Provisions
  - j. Incorporation of Partnerships with Local Employers, Institutions, Hospitals and Schools
  - k. Incorporation of Transit-Oriented Design
  - l. Attractiveness of Design
  - m. Multistory Buildings Must Have Elevators and be ADA Compliant
  - n. Use of Green Building Techniques
- f. Tenant Selection: Management of the development will select potential renters for the SHIP-assisted units on a first-qualified, first-served basis. All applicants for residence in a SHIP-assisted unit must meet the income qualifications of the program as determined and reported by the developers' management company for the development.
  - g. Additional Information: The compliance period for developments receiving SHIP funds as a match for any federal and/or state funds will be consistent with applicable federal and state fund requirements. Monitoring of these developments will be done through the appropriate federal or state programs.

Developers receiving assistance from both SHIP and from the Low-Income Housing Tax Credit (LIHTC) program shall be required to comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from SHIP and other federal, state, or local programs shall be required to comply with any requirements specified by the other program in addition to SHIP program requirements. In the event that both programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on an issue, the program with a regulation on the issue shall apply. 67-37.007(12) F.A.C.



- h. For additional information please see the Indian River County Guidelines and Procedures for Implementing Strategies of Local Housing Assistance Plan document.

<b>H. Foreclosure Prevention</b>	<b>Code 7</b>
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a. Summary of the Strategy: To assist income-eligible applicants to prevent foreclosure. This is a one-time assistance only. Applicants requesting assistance must be able to prove that their financial situation is temporary and is due to a change in the family status, including but not limited to serious medical illness, divorce or separation, death in the family, unforeseen home repair bills, a reduction in the number of scheduled work hours, or a job loss that was not the fault of the recipient.
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- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, low
- d. Maximum award: \$ 8,000
- e. Terms:
  - 1. Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  - 2. Interest Rate: 0%.
  - 3. Years in Loan term: 2 years
  - 4. Forgiveness: The entire loan amount will be forgiven after 2 years of occupancy.
  - 5. Repayment: Not required as long as the loan is in good standing.
  - 6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as a primary residence or refinancing with cash out. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the 2-year loan term (for loans not used in conjunction with CDBG funds), the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.



- f. Recipient/Tenant Selection Criteria: Selection Criteria: Applicants will be selected on a first-qualified, first-served basis with the priorities as described in Section I of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information:
  - 1. Property taxes and homeowner’s insurance must be paid current unless these amounts were being escrowed as part of the mortgage payment.
  - 2. The property shall have no other liens other than the first mortgage or previous SHIP, CDBG, or NSP liens.
  - 3. No assistance will be provided to any property owner whose home is in the process of foreclosure or who has delinquent tax liens or other liens, with the exception of a previous SHIP, CDBG, or NSP lien against it.

4.

<b>I. Demolition/Reconstruction</b>	Code 4
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a. Summary: This strategy is designed to assist eligible homeowners with the demolition and reconstruction of the home when the cost of repairs exceeds the maximum level for assistance under the rehabilitation strategy and/or the condition of the home (health, safety, code issues) necessitates replacement (75% damaged). Structures that will be demolished and rebuilt are single family properties that are beyond repair and unsafe for human habitation as deemed by the County’s Building Official. The property must meet the definition of an unsafe structure as defined by the Florida Building Code. Loans for reconstruction assistance may include costs related to all eligible construction hard and soft costs associated with the project, short-term relocation costs, temporary storage, closing costs, and costs for inspections and work write-ups.

- b. Fiscal Years Covered: 2024-2025, 2025-2026, 2026-2027
- c. Income Categories to be served: Very low, and low
- d. Maximum award: \$380,000.00
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred Payment Loan (DPL): Funds will be awarded as a deferred payment loan secured by a recorded subordinate mortgage and note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 20 years
  - 4. Forgiveness: The entire loan amount will be forgiven after 20 years of occupancy
  - 5. Default: The loan will be determined to be in default if any of the following occurs during the 20-year loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; failure to occupy the home as a primary residence; foreclosure or refinancing with



cash out. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term (for loans that are not used in conjunction with CDBG funds), the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

6. Property shall not be eligible to re-apply until after the expiration of a 20-year lien period, except when utilization of disaster and/or emergency rehabilitation funds is necessary.
- f. Recipient/Tenant Selection Criteria: Applicants will be ranked for assistance based on the timing that preliminary intake information is received with the priorities as described in section I of this plan.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: The property must be eligible as defined in 420.9071 (9) FS.

### III. LHAP Incentive Strategies

In addition to the **required Incentive Strategy A and Strategy B**, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

A. Name of the Strategy: **Expedited Permitting**

Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects. (Housing Element policies 1.5 & 1.6)

- Housing Element Policy 1.5

POLICY 1.5: By 2000, the county shall assess its existing permit processing procedure and, if warranted, establish a full one-stop permitting process.

- Housing Element Policy 1.6

POLICY 1.6: The County shall take all necessary steps to eliminate delays in the review of affordable housing development projects. In order to define delay, the county hereby establishes the following maximum timeframes for approval of projects when an applicant provides needed information in a timely manner:

- Administrative approval - 5 days;
- Minor site plan - 5 weeks;
- Major site plan - 6 weeks; and
- Special exception approval - 13 weeks.

Whenever these review times increase by 150% or more due to the workload of the review staff, the county will



begin prioritizing the review of affordable housing development project applications. In prioritizing affordable housing development project applications, staff will schedule affordable housing project applications for review before other types of project applications to ensure that maximum review timeframes are not exceeded for affordable housing projects.

In 2019, after a recommendation from the Affordable Housing Advisory Committee (AHAC), the County revised the permit expediting process to make identification of affordable housing permits more identifiable. For hardcopy permit application submissions, the new process uses a bright neon green affordable housing permit expediting form and a similarly colored permit review folder to designate the permit as a permit that must be expedited.

More recently, in 2020, in response to the COVID-19 health crisis, the Community Development Department implemented an electronic permit e-mail application process for all building permits. The process is currently being changed over to a permanent process. While not specific to affordable housing, the electronic permit application process will eliminate the time it takes to produce paper copies and have them delivered. With this process, applicants may request that the permit be expedited in the subject line of the e-mail and provide a copy of the neon green permit expediting form.

B. Name of the Strategy: **Ongoing Review Process**

An ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption (Housing Element Policy 1.7).

- Housing Element Policy 1.7

POLICY 1.7: As part of the adoption process for any county regulations that could affect housing development, county planning staff shall prepare a Financial Impact Statement to assess the anticipated impact of the proposed regulation on the cost of housing. When proposed regulatory activities are anticipated to increase the estimated cost per unit projection. The financial impact statement then will be reviewed by the Professional Services Advisory Committee, the Planning and Zoning Commission, and, if possible, the Affordable Housing Advisory Committee. Those groups shall consider the regulation's effect on housing costs in making their recommendation to the Board of County Commissioners. The Board of County Commissioners will consider the financial impact statement in making its final decision on the adoption of any proposed regulations.

C. **Other Incentive Strategies Adopted:**

1. Regulations providing up to a 20% density bonus for affordable housing development projects (housing element policy 2.5, Land Development Regulations Section 911.14(4)(a)).
2. Regulations allowing for small lot subdivisions with reduced setbacks, lot size, and lot width requirements for Workforce or Affordable Housing subdivision projects (Land Development Regulations, Chapter 911 and section 971.41(9)).
3. Regulations allowing for accessory single-family dwelling units in all agricultural and residential zoning districts (Land Development Regulations, Chapter 911 and Section 971.41(10)).



4. Regulations allowing multi-family dwelling units in conjunction with commercial development, such as apartments over commercial buildings (Land Development Regulations Section 911.10 and Section 971.41 (6)).
5. Policies for expedited permit processing (Housing Element policies 1.5 and 1.6).
6. Policy for review of proposed local policies or regulations, which may increase the cost of housing (Housing Element policy 1.7).
7. Inventory of all surplus county owned land (Housing Element policy 2.4).
8. Policy for financing impact fees or payment of impact fees (Housing Element policy 4.3 and policy 4.4).
9. New single-family housing impact fee reduction/waiver categories added to County impact fee schedule; reducing or eliminating impact fees for certain sized housing units occupied by households with household incomes below 80% of the Area Median Income.
10. Policy for expediting permits for housing projects utilizing new construction technology (green building, Energy Star Program) (Housing Element policy 1.8).
11. Policy for support of development near transportation hubs or major employment centers (Housing Element policy 1.9).
12. Policy for assistance to non-profit housing organizations to establish CLTs (Housing Element policy 4.10).
13. Policy for assistance to non-profit organizations to establish CDCs (Housing Element policy 4.11).
14. Policy for assistance to employers for establishing employer assisted housing programs (Housing Element policy 4.12).
15. Policy for establishing a private/public housing trust fund (Housing Element policy 4.13).
16. Regulations allowing zero lot line subdivisions (Land Development Regulations Section 915.15).
17. Establishment of a Local Housing Assistance Program, allowing the county to utilize State Housing Initiatives Partnership (SHIP) program funds for the provision of affordable housing (Local Housing Assistance program, Local Housing Assistance plan, Housing Element policies 2.7, 3.6, 4.4, 4.6, 4.7, 4.9, and 9.1).



**IV. EXHIBITS:**

Required

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

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement (Required if applicable).
- H. Other Documents Incorporated by Reference.
- I. Guidelines and Procedures for Implementing Strategies of the Local Housing Assistance Plan