

**RESOLUTION NO. 2022-078**

RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE AFFORDABLE HOUSING ADVISORY COMMITTEE (AHAC) AUTHORIZING THE APPROVAL OF THE FISCAL YEAR 2022 THROUGH FISCAL YEAR 2025 LOCAL HOUSING ASSISTANCE PLAN (LHAP), ATTACHED AS COMPOSITE EXHIBIT "1"; AUTHORIZING AND ADOPTING THE CITY OF HIALEAH LOCAL HOUSING ASSISTANCE PLAN FOR STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM ACT, SECTIONS 420.907-420.9079, FLORIDA STATUTES; AND AUTHORIZING THE MAYOR OR HIS DESIGNEE, AND THE CITY CLERK TO EXECUTE ANY AND ALL NECESSARY CERTIFICATIONS AND TO TRANSMIT THE LHAP TO THE HOUSING FINANCE CORPORATION FOR ITS REVIEW AND APPROVAL.

**WHEREAS**, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, that allocates 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, § 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 (LHAP) 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**, the Administration has prepared a draft for the Fiscal Years 2022, 2023, 2024, pursuant to the requirements of the Act and the SHIP Program Rule, issued by the Florida Housing Finance Corporation (FHFC); and

**WHEREAS**, the Administration has submitted the draft Plan for review to the Affordable Housing Advisory Committee (AHAC); and

**WHEREAS**, the Administration will publish the Plan for public comment from May 29, 2022 to June 27, 2022; and

**WHEREAS**, the City submitted a draft of the LHAP to Florida Housing Finance Corporation on April 28, 2022 in order to comply with deadline mandated by Florida Statute.

RESOLUTION NO. 2022-078

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NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

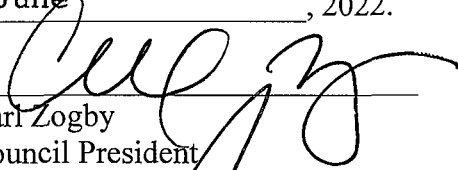
**Section 1:** The foregoing facts and recitations contained in the preamble to this resolution are hereby adopted and incorporated by reference as if fully set forth herein.

**Section 2:** The City of Hialeah, Florida hereby accepts the recommendation of Affordable Housing Advisory Committee to authorize and adopt the City of Hialeah Local Housing Assistance Plan for the State Housing Initiatives Program (SHIP) Act.

**Section 3:** The City hereby authorizes the Mayor, or his designee, and the City Clerk, as an attesting witness, to execute any and all agreements required in furtherance of this Resolution.

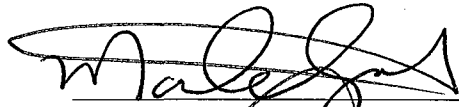
**Section 4:** This Resolution shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

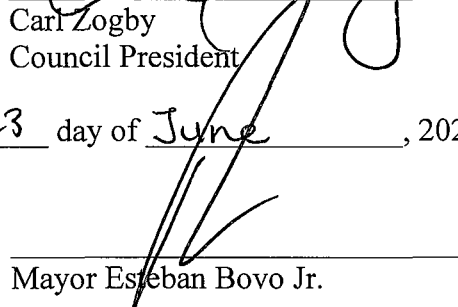
PASSED AND ADOPTED this 14 day of June, 2022.

  
\_\_\_\_\_  
Carl Zogby  
Council President

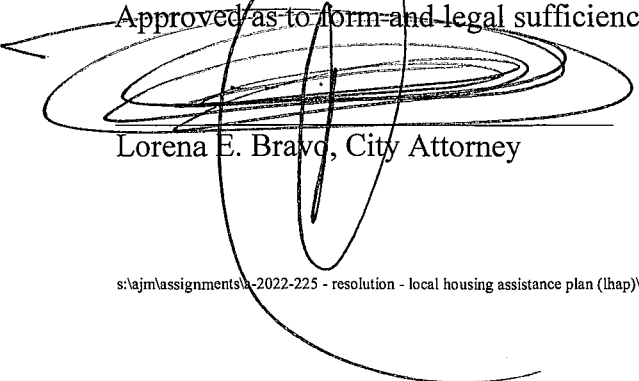
Attest:

Approved on this 23 day of June, 2022.

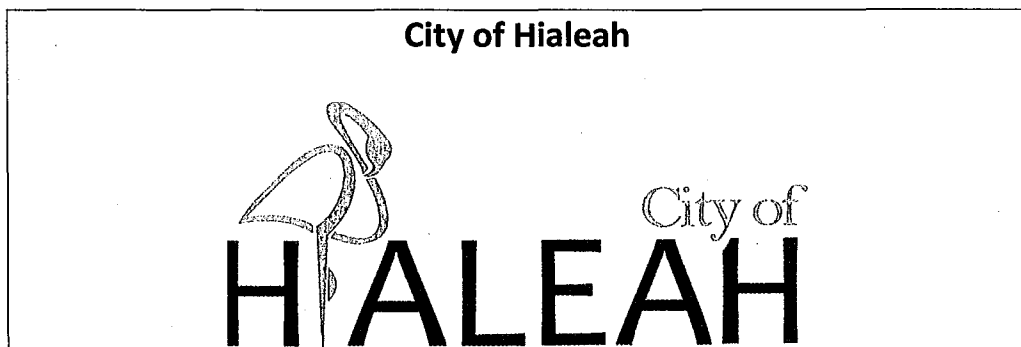
  
\_\_\_\_\_  
Marbelys Fatjo, City Clerk

  
\_\_\_\_\_  
Mayor Esteban Bovo Jr.

Approved as to form and legal sufficiency:

  
\_\_\_\_\_  
Lorena E. Bravo, City Attorney

Resolution was adopted by 6-0-1 vote with Councilmembers Calvo, Garcia-Roves, Casáls-Muñoz, Rodriguez, Tundidor, and Zogby voting "Yes" and with Council Vice President Perez absent.



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

**2022-2023, 2023-2024, and 2024-2025**



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D. Signed LHAP Certification	
E. Signed, dated, witnessed or attested adopting resolution	
F. Ordinance: (If changed from the original creating ordinance)	
G. Interlocal Agreement	



**I. Program Details:**

**A. LG(s)**

Name of Local Government	City of Hialeah
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 City's very low-, low- and moderate-income households;
- To expand the production and preservation of affordable housing within the City; and
- To further the Housing Element of the City's *Comprehensive Plan* specific to affordable housing.

**C. Fiscal years covered by the Plan: 2022-2023, 2023-2024, and 2024-2025**

**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 match 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 and 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. 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 completed applications were submitted as well as any established funding priorities as described in this Plan.

The following priorities for funding (very low-income, Special Needs, etc.) described/listed here apply to all



strategies unless otherwise stated in an individual strategy in Section II:

The City maintains a Waiting List a hard-copy log that is backed up digitally in the City's computer files to ensure consistency and accuracy. The City gives priority for households with Special Needs and very-low and low-income elderly.

- J. **Discrimination:** In accordance with the provisions of §.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 Award), 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 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 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 for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.*

- N. **Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards 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 of Hialeah** finds that the moneys deposited in the local housing assistance trust fund are 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
City of Hialeah	<ul style="list-style-type: none"> <li>• Income certification and eligibility screening of applicants</li> <li>• Program compliance/ administration and fiscal management</li> <li>• Marketing &amp; outreach</li> </ul>	100%

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: **A first-time homebuyer is defined as 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.**

- S. Project Delivery Costs:** The City will assess a five (5%) percent delivery cost to the homeowner which will be reflected on the property lien. The City will issue a Request For Proposals (RFP) for contractors and inspectors to perform this task.

- T. Essential Service Personnel Definition (ESP):** In compliance with Rule Chapter 67-37.002(8) F.A.C., Chapter 67-37.005(10), F.A.C. and section 420.9075(3), F.S., the City of Hialeah has defined essential personnel as state-certified teachers and sworn fire and police personnel.
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:**  
Energy conservation and other green feature strategies will be implemented into all Rehabilitation and Reconstruction projects. This includes, but is not limited to:
1. Low-or No-VOC paint for all interior walls (low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
  2. Low-flow water fixtures in bathrooms- WaterSense-labeled products or the following specifications:
    - \* Toilets: 1.28 gallons/ flush or less;
    - \* Urinals: 0.5 gallons/ flush;
    - \* Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate; and
    - \* Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
  3. Energy-Star certified appliances;
  4. Energy-Star certified ventilation fan in all bathrooms;
  5. Water heater minimum efficiency specifications:
    - Residential Electric:
      - Up to 55 gallons= .95 EF or .92 UEF; or
      - More than 55 gallons= Energy Star certified; or
      - Tankless= Energy Star certified;
  6. Energy Star-certified ceiling fans with lighting fixtures in bedrooms;
  7. Air conditioning:
    - ≥8.5 HSPF/ ≥15 SEER/ ≥12.5 EER for split systems
    - Central Air Conditioners- Energy Star certified:  
≥15 SEER/ ≥12.5 EER for split systems
  8. Efficient lighting on both the interior and exterior of homes;
  9. Caulk, weather-strip, or otherwise seal all holes, gaps, cracks, penetrations and electrical receptacles in building envelope; and
  10. Insulate heating and cooling system ducts and seal airtight in accordance with §403.29 of the Florida Building Code - Energy Conservation.
- V. Describe efforts to meet the 20% Special Needs set-aside: (describe which strategies and how Special Needs are prioritized for funding as well as agency partners working in this area)**  
The City utilizes a variety of outreach tools to engage Special Needs residents within the City. The City has an active collaboration with Spinal Cord Living Assistance Development, Inc. (SCLAD) and Citrus Health Network, which are funded City providers serving primarily disabled populations. The City also partners with the Alliance for Aging to provide services directly to our elder residents. Furthermore, the City operates four (4) adult centers serving adults aged 55 and older and a Special Population Center located within Bucky Dent Park that serves adults with developmental disabilities. Finally, the City utilizes social media, paid print advertisement, local area media providers and community outreach to announce its available resources to residents.





**W. Describe efforts to reduce homelessness:** *(describe which strategies and how Special Needs are prioritized for funding as well as agency partners working in this area)*

The City is a member of the area Continuum of Care managed by the Miami Dade Homeless Trust. Through the CoC, the City has contracted directly with various member providers to offer homeless prevention and Rapid Rehousing services to our residents funded by a variety of funding sources. City Hall currently serves as an intake location for households at-risk of homelessness because of rent arrears and has been approved for ongoing Emergency Rental Assistance Program (ERAP) funds for an additional three (3) years in addition to Managing an annual Emergency Solutions Grant (ESG) allocation that funds homeless prevention and Rapid-Rehousing services.

Local area street outreach is conducted by the City of Miami which serves as one of the two approved outreach teams for Miami-Dade County. In addition, the City’s Police Department and Victim’s Advocacy team work with the Grants and & Human Services Department to divert victims of domestic violence and human trafficking who are at imminent risk of homelessness through priority intake with the City’s funded Rapid Rehousing providers.

**Section II. LHAP Strategies**

<b>A. Owner-Occupied Rehabilitation</b>	<b>Code 3</b>
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<p>a. <b>Summary:</b> Rehabilitation of owner-occupied, single-family homes which serve as the owner’s primary residence. The average median year for homes built in the City is 1974. This program assists homeowners to comply with the Florida Building Code and prepare their homes for changing environments and living conditions by addressing issues with structural, electrical, mechanical, plumbing and roofing components or upgrading systems for energy efficiency and resiliency.</p>
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b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025

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

d. **Maximum award:** \$125,000.00

e. **Terms**

1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinated (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenant, delineating the recapture period and terms.
2. **Interest Rate:** 0%
3. **Loan Term:** Fifteen (15) years
4. **Forgiveness:** The loan will be forgiven at the end of the term.
5. **Repayment:** No repayment is needed as long as the loan is in good standing.
6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall

become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to an approved Program eligible heir); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms) without the written consent of the City's Mayor, or (b) borrower/owner fails to occupy the property as a primary home. Once due, the total loan amount shall accrue interest at the rate of twelve percent (12%) per annum ("Default Interest Rate") from the due date until paid. The Declaration of Restrictive Covenants survives any proceedings in foreclosure, bankruptcy probate or any other proceedings at law or in equity.

In the event that a foreclosure proceeding is commenced against the property by a senior mortgage holder, the City will seek to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

If the owner sells or transfers the property during the Affordability Period, the City shall be given the first right to purchase the property based upon the same material terms being offered to the owner (the "Right of First Refusal").

In the event that title to the property is transferred by the death of the owner(s) to a surviving heir, and said heir occupies the property as a principal residence, within six (6) months from the date of the owner's death and meets the SHIP Program eligibility requirements, as determined by the City's Mayor, in his reasonable discretion, the City will approve the transfer.

- f. **Recipient Selection Criteria:** Applicants will be processed on a first qualified, first served basis. Priority will be given to persons with Special Needs as defined in 420.0004 (13), F.S. and elderly very low and low income households.
- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** Mobile homes and trailers, are not eligible for this strategy. Assisted properties must be located within the City of Hialeah. The owner will be allowed to refinance a senior mortgage without having to pay off the City's loan, so long as the new loan amount does not exceed the then outstanding balance of the senior mortgage (without additional cash out) and will serve to lower the mortgage payment and/or interest rate. In the event that title to the property is transferred by the death of the owner to a surviving heir, and said heir occupies the property as a principal residence, within six (6) months from the date of the owner's death and meets the SHIP Program eligibility requirements, as determined by the City's mayor, in his reasonable discretion, the City will approve the transfer. If the eligibility requirements are not met, the loan immediately becomes payable in full.

If the assisted property is sold or transferred within the first five (5) years after assistance is provided, the City shall be paid ten (10) percent of the assisted amount – in addition to the full repayment of assistance.



<b>B. Purchase Assistance with Rehabilitation</b>	<b>Code 1</b>
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a. **Summary:** Down payment, closing cost and rehabilitation assistance for the purchase of new or existing housing and the rehabilitation of those properties for first-time homebuyers. A first-time homebuyer is defined as a purchaser that has not owned a home in the last three (3) years.

b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025

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

d. **Maximum award:** \$150,000.00 and awarded as noted below:

1. \$50,000 (Moderate-Income Household)
2. \$100,000 (Low and Very Low-Income Households)
3. \$150,000 (Extremely Low-Income Households)

e. **Terms:**

1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and Declaration of Restrictive Covenants, delineating the recapture period and terms.

2. **Interest Rate:** 0%

3. **Loan Term:** Twenty (20) years

4. **Forgiveness:** The loan will be forgiven at the end of the term.

5. **Repayment:** None required as long as the loan is in good standing.

6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms), or (b) borrower/owner fails to occupy the property as a primary home. Upon the occurrence of a default, the total loan amount shall become due and owing and shall accrue interest at the rate of twelve percent (12%) per annum ("Default Interest Rate") from the due date until paid. The Declaration of Restrictive Covenants survives any proceedings in foreclosure, bankruptcy probate or any other proceedings at law or in equity.

If the owner sells or transfers the property during the Affordability Period, the City shall be given the first right to purchase the property based upon the same material terms being offered to the owner (the "Right of First Refusal"). If the City exercises its Right of First Refusal, the home must remain affordable in perpetuity to subsequent households through a land use restriction, partnership with a Community Land Trust (CLT) or similar mechanism. If the City does not exercise

the Right of First Refusal within 15 days, the owner may proceed to sell the property. Upon the sale or transfer of the property, the owner will be required to pay the City the balance of the loan amount plus a share of the appreciation realized from the sale or transfer of the property ("Appreciation Recapture Provision"). If the sale or transfer occurs before the end of the twentieth year of the loan term, the City shall be paid a percentage of the appreciation, as follows: If the sale or transfer occurs before the end of the fifth year of the loan term, the City shall receive fifty percent (50%) of the appreciation, if the sale or transfer occurs starting the sixth year of the loan term and before the end of the tenth year of the loan term, the City shall be paid forty percent (40%) of the appreciation; and if the sale or transfer occurs starting the eleventh year of the loan term and before the end of the twentieth year of the loan term, the City shall be paid twenty-five percent (25%) of the appreciation. In the event there is no Net Appreciation or Net Appreciation is a negative number, the balance of the loan amount will still be due and payable.

In the event that a foreclosure proceeding is commenced against the property by a senior mortgage holder, the City will seek to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment. The owner will be allowed to refinance a senior mortgage without having to pay off the City's loan, so long as the new loan amount does not exceed the then outstanding balance of the senior mortgage (without additional cash out) and will serve to lower the mortgage payment and/or interest rate.

In the event that title to the property is transferred by the death of the owner to a surviving heir, and said heir occupies the property as a principal residence, within six (6) months from the date of the owner's death and meets the SHIP Program eligibility requirements, as determined by the City Manager, in his reasonable discretion, the City will approve the transfer.

- f. **Recipient Selection Criteria:** Applicants will be processed on a first qualified, first served basis; from a waiting list. Priority will be given to households with Special Needs, followed by very low- and low-income persons including the elderly.
- g. **Sponsor Selection Criteria:** N/A
- i. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Assisted properties must be located within the City of Hialeah.

If the sale or transfer of the assisted property occurs between the first and fifth year, the City shall be paid a percentage of the profit, based upon the percentage of the City's contribution to the purchase of the property; to wit: if the sales price for the property was \$100,000 and the City provided a \$50,000 mortgage, the City shall be paid 50% of the profit; If the sale or transfer occurs between the fifth and tenth year, the City shall be paid fifty percent (50%) of the profit; and if the sale or transfer occurs between the eleventh and fifteenth year, the City shall be paid twenty-five percent (25%) of the profit.



<b>C. Disaster Repair/Mitigation</b>	<b>Code 5</b>
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a. **Summary:** Assistance to resident households following a disaster as declared by Executive Order of the President of the United States or Governor of the State of Florida. This strategy will only be implemented in the event of a disaster using any funds that have not yet been encumbered or additional disaster funds issued by Florida Housing Finance Corporation. Funds will be used to fund emergency storm-related repairs including but not limited to: purchase emergency supplies, weatherproof homes, repairs to avoid further damage, repairs to make the housing unit habitable, and post disaster assistance with noninsured repairs and rehabilitation.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025
- c. **Income Categories to be served:** Very low, low and moderate
- d. **Maximum award:** \$20,000.00
- e. **Terms:**
  - 1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.
  - 2. **Interest Rate:** 0%
  - 3. **Loan Term:** Ten (10) years
  - 4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.
  - 5. **Repayment:** None required as long as loan is in good standing.
  - 6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms), without prior City approval; or (b) borrower/owner fails to occupy the property as a primary home. Upon the occurrence of a default, the total loan amount shall become due.
- f. **Recipient/ Tenant Selection Criteria:** Applicants will be processed on a first qualified, first served



basis from a waiting list. Priority will be given to households with Special Needs and then very-low and low-income households including the elderly.

- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy.

If the assisted property is sold or transferred within the first five (5) years after assistance is provided, the City shall be paid five (5) percent of the assisted amount – in addition to the full repayment of assistance.

<b>D. Special Needs Barrier Removal</b>	<b>Code 11</b>
a. <b>Summary:</b> Assistance to Special Needs households of owner-occupied units with modifications needed to ensure housing safety and aging in place, i.e. accessibility modifications such as ramps, safety rails, etc.	

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025
- c. **Income Categories to be served:** Very low, low and moderate
- d. **Maximum award:** \$20,000.00
- e. **Terms:**
  1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.
  2. **Interest Rate:** 0%
  3. **Loan Term:** Ten (10) years
  4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.
  5. **Repayment:** None required as long as loan is in good standing.
  6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise),



mortgaged or refinanced (except as to a senior mortgage, for improved payment terms), without prior City approval; or (b) borrower/owner fails to occupy the property as a primary home. Upon the occurrence of a default, the total loan amount shall become due.

- f. **Recipient/Tenant Selection Criteria:** Applicants will be processed on a first qualified, first served basis from a waiting list. Priority will be given to households with Special Needs and then very-low and low-income households including the elderly.
- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy.

<b>E. Foreclosure Prevention</b>	<b>Code 7</b>
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a. **Summary:** Assistance for qualified homeowners preventing foreclosure action of their first mortgage by providing mortgage payment assistance. Applicants must be delinquent at least two, monthly mortgage payments and in receipt of a letter from the mortgage notifying the applicant of delinquency and/or intent to foreclose. Eligible expenses include delinquent mortgage payments (principal, interest, taxes and insurance), special assessment fees from condominium and/or neighborhood associations, late fees and other customary fees associated with delivery costs (but excluding brokerage fees).

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025
- c. **Income Categories to be served:** Very low, low
- d. **Maximum award:** \$10,000.00
- e. **Terms:**
  1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.
  2. **Interest Rate:** 0%
  3. **Loan Term:** Five (5) years
  4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.
  5. **Repayment:** None required as long as loan is in good standing.
  6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the



property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms), without prior City approval; or (b) borrower/owner fails to occupy the property as a primary home. Upon the occurrence of a default, the total loan amount shall become due.

- f. **Recipient/Tenant Selection Criteria:** Applicants will be processed on a first qualified, first served basis from a waiting list. Priority will be given to households with Special Needs and then very-low and low-income households including the elderly. Please note that this strategy will be performed on an expedited basis to ensure housing stability for assisted households.
- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** Up to three (3) months' mortgage assistance can be provided. Assistance is provided directly to the mortgage company. Mobile homes and trailers are not eligible for this strategy. Assisted properties must be located within the City of Hialeah.

<b>F. Rental Preservation</b>	<b>Code 14</b>
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a. **Summary:** Assistance for the preservation of affordable rental developments (including developments owned and managed by the City of Hialeah). Funds will be used to address life safety, promote energy efficiency, and ensuring decent, safe and sanitary conditions for tenants.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025
- c. **Income Categories to be served:** Very low
- d. **Maximum award:** \$500,000 per project/building, with a maximum of \$30,000 per unit
- e. **Terms:**
  1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.
  2. **Interest Rate:** 0%
  3. **Loan Term:** Twenty (20) years
  4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.



**5. Repayment:** None required as long as loan is in good standing.

**6. Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) utilized for a purpose other than affordable rental housing to eligible tenants; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms. Upon the occurrence of a default, the total loan amount shall become due and owing and shall accrue interest at the rate of twelve percent (12%) per annum (“Default Interest Rate”) from the due date until paid. The Declaration of Restrictive Covenants survives any proceedings in foreclosure, bankruptcy probate or any other proceedings at law or in equity.

If the owner, other than the City, sells or transfers the property during the Affordability Period, the City shall be given the first right to purchase the property based upon the same material terms being offered to the owner (the “Right of First Refusal”). If the City does not exercise the Right of First Refusal within thirty (30) days, the owner may proceed to sell the property. Upon the sale or transfer of the property, the owner will be required to pay the City a share of the profit realized from the sale or transfer of the property (“Profit Recapture Provision”), as follows:

In the event that a foreclosure proceeding is commenced against the property by a senior mortgage holder, the City will seek to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment. The owner will be allowed to refinance a senior mortgage without having to pay off the City’s loan, so long as the new loan amount does not exceed the then outstanding balance of the senior mortgage (without additional cash out) and will serve to lower the mortgage payment and/or interest rate.

- f. **Recipient/Tenant Selection Criteria:** All tenants must meet income qualifications of the SHIP program and should be drawn
- g. **Sponsor Selection Criteria:** For profit and non-profit property owners seeking rental preservation funds will be required to apply through a Request For Qualifications (RFQ)/ Request For Proposals (RFP) process when opened by the City. The RFQ/RFP will require: evidence that the property owner has experience in managing rental housing; evidence of financial capacity to undertake the project and maintain units as affordable throughout the affordability period; evidence of site control including compliance with all licenses, taxes and insurance and being in good standing at the time of application and throughout the Affordability Period; and the owner’s ability to proceed with the proposed scope of work including due diligence and statutory requirements.
- h. **Additional Information:** Property owners will be required to meet compliance reporting requirements to meet the statutory requirements for monitoring of SHIP rental units. For City owned property, the City may rely on monitoring reports from other federal or state monitoring reports.



The City reserves the right to select developments that meet all the above requirements and:

1. Properties that need rehabilitation including disaster mitigation, green building, and universal design improvements;
2. Repairs that will preserve and improve existing units; and
3. Leverage funding for rehabilitation improvements.

All funding awards will be subject to closing on other funding sources, if applicable.

<b>G. Rental Development</b>	<b>Code 14, 21</b>
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a. **Summary:** Assistance to promote and develop affordable housing opportunities for very-low and low-income families and individuals. SHIP Program funds designated for this strategy will be used to assist not-for-profit and for-profit housing developers including the City. SHIP funds for this strategy will be utilized by the City to finance the project costs associated with site development, hard and construction financing and permanent financing associated with the development of affordable housing units.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025
- c. **Income Categories to be served:** Very low, and low
- d. **Maximum award:**
  - \$80,000.00 per unit for developments of less than 50 units
  - \$125,000.00 per unit for developments of 50 or more units
  - \$500,000 Maximum Project Award
- e. **Terms:**
  1. **Loan/ Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.
  2. **Interest Rate:** 0%
  3. **Loan Term:** Twenty (20) years
  4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.
  5. **Repayment:** None required as long as loan is in good standing.
  6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) utilized for a purpose other than affordable rental housing to eligible tenants; (ii)

sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms. Upon the occurrence of a default, the total loan amount shall become due and owing and shall accrue interest at the rate of twelve percent (12%) per annum (“Default Interest Rate”) from the due date until paid. The Declaration of Restrictive Covenants survives any proceedings in foreclosure, bankruptcy probate or any other proceedings at law or in equity.

If the owner, other than the City, sells or transfers the property during the Affordability Period, the City shall be given the first right to purchase the property based upon the same material terms being offered to the owner (the “Right of First Refusal”). If the City does not exercise the Right of First Refusal within 60 days, the owner may proceed to sell the property. Upon the sale or transfer of the property, the owner will be required to pay the City a share of the profit realized from the sale or transfer of the property (“Profit Recapture Provision”), as follows:

In the event that a foreclosure proceeding is commenced against the property by a senior mortgage holder, the City will seek to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment. The owner will be allowed to refinance a senior mortgage without having to pay off the City’s loan, so long as the new loan amount does not exceed the then outstanding balance of the senior mortgage (without additional cash out) and will serve to lower the mortgage payment and/or interest rate.

- f. **Recipient/Tenant Selection Criteria:** Applicants will be processed on a first qualified, first served basis; from a waiting list.
- g. **Sponsor Selection Criteria:** Selection of projects and the amount of funding awarded will be presented to the City of Hialeah's City Council for funding and approval. The City will enter into a loan agreement with each award recipient after receiving approval from City Council. The agreement will specify conditions that must be met for the developer to receive the SHIP loan. The City of Hialeah intends to administer this program through an RFP process for contractors and inspection companies.
- h. **Additional Information:** The City of Hialeah will annually monitor the assisted units throughout the affordability period, which is no less than twenty (20) years. Monitoring will ensure compliance with tenant income and affordability requirements as described in the restrictive covenant. The covenant and restrictions shall run with the land and shall be binding on future owners of the property for the affordability period. If the developer/owner fails to meet the income or rental rate requirements, the loan will be subject to full recapture from the developer/owner.

The City has policies in place for determining the level of risk factor for each sub-recipient. If a sub-recipient is found to be high risk, annual on-site monitoring may be required. Low risk sub-recipients may be subject to annual desk reviews.



<b>H. Hazard Mitigation</b>	<b>Code 5</b>
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a. **Summary:** Assistance for owner-occupied residences for the acquisition or replacement of hazard mitigation improvements (such as shutters and hurricane-impact windows) to build resilience and durability.

b. **Fiscal Years Covered:** 2022-2023, 2023-2024, and 2024-2025

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

d. **Maximum award:** \$20,000.00

e. **Terms:**

1. **Loan/Deferred Loan/ Grant:** Funds will be awarded as a deferred payment loan, evidenced by a Note, and secured by a subordinate (unless the City is the sole lender) Mortgage and a Declaration of Restrictive Covenants, delineating the recapture period and terms.

2. **Interest Rate:** 0%

3. **Loan Term:** Ten (10) years

4. **Forgiveness:** The loan will be forgiven at the end of the Affordability Period.

5. **Repayment:** None required as long as loan is in good standing.

6. **Default:** Pursuant to the Declaration of Restrictive Covenants, the total loan amount shall become due and payable if any of the following occurs during the Affordability Period: (a) the property is: (i) rented; (ii) sold or transferred, by operation of law or otherwise (except as to a Program eligible heir residing on the property); or (iii) encumbered (voluntary or otherwise), mortgaged or refinanced (except as to a senior mortgage, for improved payment terms), without prior City approval; or (b) borrower/owner fails to occupy the property as a primary home. Upon the occurrence of a default, the total loan amount shall become due.

f. **Recipient/Tenant Selection Criteria:** Applicants will be processed on a first qualified, first served basis; from a waiting list. Priority will be given to households with Special Needs as defined in Rule Chapter 67-37.002 (21) FAC and then elderly very low- and low -income households.

g. **Sponsor Selection Criteria:** N/A

- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy.

### 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.

*Provide a description of the procedures used to implement this strategy:*

Affordable housing developers wishing to avail themselves of this strategy will meet with the Director of the City's Grants & Human Services Department to present the scope and outcomes for the eligible property to ensure it meets the City's guidelines for affordable housing. Once the project is verified for eligibility, an affordable housing expeditor will be identified by the Director and assigned to serve as liaison between the project developer and the City's relevant development departments including but not limited to: Development Services Department, Fire Department, and Public Works Department. The City provides a form, with a priority number assigned, to identify and certify the affordable housing status of an application for a development order. The liaison will act as an affordable housing expeditor charged with the responsibility of ensuring a consistent, expedited review of the project. The liaison will also act as an advocate and access person for developers of affordable housing projects if they encounter unexplained delays or problems. The Building Department will perform expedited reviews within ten (10) working days for affordable housing residential projects.

The Grants & Human Services Department liaison and/or certified inspection company engaged by the Department shall conduct pre-application site inspections of applications for building permit for renovations, including interior changes, roof and facade alterations but excluding renovations involving structural repairs.

- 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.

*Provide a description of the procedures used to implement this strategy:*

Any proposed policies, procedures, ordinances, regulations, or plan provisions that impact the cost of housing development are reviewed by the Planning and Zoning Board. Written

comments will be solicited and received from the Department of Grants and Human Services regarding the specific impact on affordable housing with respect to the application under review and consideration. The Department of Grants and Humans Services will in return submit its impact statement to the committee for consideration. This incentive is functioning as intended.

**C. Name of the Strategy: Impact Fees Exemption**

The City currently provides exemptions of Park, Recreation and Open Space Impact Fees for affordable housing properties developed and owned by the City of Hialeah. (See HIALEAH, FLA., CODE§ 98-2530(5)). For eligible projects, the Grants & Human Services Department provides Notice to the Planning and Zoning advising of appropriate project exemption(s). This incentive is functioning as intended.

**D. Name of the Strategy: Expansion of Expedited Final Decisions**

The Planning and Zoning Board along with the City Council, has the authority to review limited nonuse variances which have no relation to change of use of property and which relating only to matters concerning setback requirements, landscaping requirements, sign regulations, floor area requirements, yard requirements, lot coverage, parking space requirements, height, width and length limitations for structures of buildings and spacing requirements between principal and accessory buildings. The review of the Planning and Zoning Board and City Council is limited to variance requests on qualified developed individual lots except that the Board and City Council may review requested variances and Final Decisions of undeveloped individual lots intended for development of affordable housing: See HIALEAH, FLA., CODE§ 98-258. This incentive is functioning as intended.

**E. Name of the Strategy: Revision of Parking Requirements for Downtown Development**

Required off-street parking areas are generally required to be located on the same lot, parcel or premises as the use to be served. However, in Commercial-Residential {CR} zoning districts, the maximum distance limitation for off -street parking was extended to a 600-foot radius of the main entrance of the mixed commercial-residential use served. In the Central Business District (CBD) zoning districts, the maximum distance limitation was extended to a 900-foot radius of the main entrance of the mixed commercial-residential use served. This incentive is functioning as intended.

**F. Name of the Strategy: Expanded Criteria for Granting Adjustments, Variances and Special Use Permits**

Zoning variances, adjustments and special use permits are judged by the same criteria that includes a determination based on whether the development is in harmony with the general purpose and intent of the zoning code and the City's *Land Development Code* and *Comprehensive Plan* and whether the development will provide substantial justice, not be contrary to the public interest and adversely affect the use and development of neighboring properties. This incentive is functioning as intended.



**G. Name of the Strategy: Development Near Transportation Hubs and Major Employment Centers and Mixed-use Developments.**

The City will support the possible development of affordable housing near transportation hubs, major employment centers and mixed-use developments, when land is available to do so. Any possible development will require the developer to get in contact with the Director of Planning and Zoning for a project analysis and determine what assistance the City can provide in the creation of eligible affordable housing, such as Variances or zoning changes. This incentive is functioning as intended

**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.