



Cover Memorandum/Staff Report

File #: 19-744

Agenda Date: 8/20/2019

Item #: 7.B.

TO: Mayor and Commissioners
FROM: David Weatherspoon, Interim Director, Neighborhood and Community Services
THROUGH: Chief Neal de Jesus, Interim City Manager
DATE: August 20, 2019

STATE HOUSING INITIATIVES PARTNERSHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)
FY2019-2022

RECOMMENDATION:

Motion to authorize and approve the revised Local Housing Assistance Plan (LHAP) for Fiscal Years 2019-2022, pursuant to Title 67-37 of the Florida Administrative Code.

BACKGROUND:

For the past twenty-seven (27) years, the City has received funds under the State Housing Initiatives Partnership (SHIP) Program. SHIP funds are generated from a portion of documentary stamp taxes collected throughout the State and held in the State's Housing Trust Fund for the development and maintenance of affordable housing. The State requires a Local Housing Assistance Plan (LHAP) outlining how the City plans to administer the SHIP funds once they are received. On February 23, 1993, under Ordinance #2-93, the City Commission established a Local Housing Assistance Program created the Local Housing Trust Fund and created the Affordable Housing Advisory Committee to comply with various sections of Title 67 of the Florida Administrative Code. The Neighborhood Services Division staff administers the program and under the approved plans, has assisted Delray Beach residents with homeownership, housing rehabilitation, and foreclosure prevention opportunities.

The following strategies were recently approved in the attached Local Housing Assistance Plan for 2019-2022:

1) Purchase Assistance; 2) Owner-Occupied Rehabilitation Assistance; 3) Land Acquisition; 4) Disaster Relief Assistance; 5) Sub-Recipient Housing Partnership Program (Community Land Trust); 6) Foreclosure Prevention; 7) Rapid Rehousing (Rental Assistance), as well as several incentives within the LHAP, that may be implemented during the next three years. The LHAP is based on the current year's annual allocation of \$399,336 per year for the three-year period.

The above noted strategies include the following changes:

1. Increase of the maximum amount expended through the housing rehabilitation program from \$45,000 to \$60,000
2. Change of lien terms within rehabilitation due to increase
3. Increase to assist individuals/households up to 140% of the area median income
4. Clarification of process if recipient dies
5. Clarification of the types of transfers allowed through qualifying events

6. Inclusion of one-year term under rental assistance strategy

After submittal of the Plan, State staff has recommended the removal of the Land Acquisition strategy. This strategy has been unfunded for several years due to limited funding and accomplishment requirements that a home be built and occupied within a year of acquisition. No other major changes were made to the Plan. All changes have been made due to an increase in need either by task force recommendation, inspector review, and requests made by the community in the past two years.

STRATEGIC POLICY PRIORITY:

Strategic policy this item advances: Priority 2: Implement Development; The City of Delray Beach in its Family/Workforce Housing policy adopts and maintains its provision to facilitate the program and for the purpose of increasing the supply of affordable housing in agreement and as determined by the City's Local Housing Assistance Plan and the Florida Housing Finance Corporation and to ensure continued affordability, ownership and maintenance of the property.

CITY ATTORNEY REVIEW:

Approved as to form and legal sufficiency.

FISCAL IMPACT/FUNDING SOURCE

State Housing Initiatives Partnership (SHIP) funds budgeted in the FY19-20 budget.