

## **Summary of Programs offered through the City of Jacksonville's Housing and Neighborhoods Department**

### **State Housing Initiative Partnership**

*Funded through the William E. Sadowski Affordable Housing Act  
Annual appropriation by the Florida Legislature – approx. \$8 million annually*

### **Owner Occupied Rehabilitation**

Funds are provided for repairs and rehabilitation of substandard owner-occupied single-family units in accordance with the department's Housing Rehabilitation Program Policies and Procedures. The combined total amount of repairs per unit, including funds spent to correct the emergent situation may not exceed \$50,000.00. Households with annual income up to 120% of median income are eligible for assistance under this strategy. For all homeowners receiving assistance, whose total household income is at or below 80% of the area median income, the total repair amount shall be a zero interest deferred loan. Eligible households will be served on a first come first served basis.

### **Construction Loan Fund for Single Family Homeownership**

Funds are provided to non-profits and for profit developers for lot acquisition and construction financing for newly constructed or rehabilitated homes. The maximum per unit loan amount is the lesser of \$247,500 or 100% of the after constructed appraised value. Households with annual income up to 120% of median income are eligible for assistance under this strategy and will be selected on a first come, first served basis. Funds may be provided as a loan with an interest rate of 0% for nonprofit developers and 3% for for-profit developers. Housing Developers compete for funding on an annual basis.

### **Down payment/Closing Costs Assistance with Principal Buy-Down**

Funds are provided to assist potential homebuyers with reducing the total cost of purchasing a home. The maximum per unit award is \$20,000.00 based on the household income levels and property location. Households with annual income up to 120% of median income are eligible for assistance under this strategy. Assistance will be provided as a 0% interest loan on a first come first served basis.

## **Rental Rehabilitation**

SHIP funds are provided to for-profit and non-profit organizations for acquisition, construction and/or rehabilitation of rental housing projects to increase the supply of affordable rental units in Duval County. Households with annual income up to 120% of median income are eligible for assistance. The maximum per unit grant or loan amount shall be the lesser of \$130,000.00, 80% of the after constructed appraised value or the maximum HOME subsidy limits based on bedroom size as amended from time to time. SHIP funds will be provided as a 0% - 3% deferred payment loan. Housing Developers compete for funding on an annual basis.

## **Development Subsidy**

The rehabilitation or new construction of homes to be sold to buyers who intend to use the homes as their primary residence and meet income guidelines. Funding for each project is determined by the gap or "need" demonstrated by the developer through the project budget. The project gap is the difference between the cost to construct (or rehab) the unit and the sales price that the market will bear to sell that unit. Households with annual income up to 120% of median income are eligible. Subsidy is structured as a grant and provided to Housing Developers on a competitive basis.

## **HOME Investment Partnership**

*Funded through the Federal Housing and Urban Development's HOME program  
Annual appropriation from U.S. HUD – approx. \$1 million annually*

## **Headstart to Homeownership (H2H) and American Dream Downpayment Assistance (ADDI)**

The Headstart to HOME Ownership program was created to increase homeownership opportunities for low to moderate income individuals who do not exceed 80% of the median income. The program is funded with HOME money. Applications are requested by either telephone calls or emails from persons interested in the program. Lenders that participate in the program may also provide an application to the individual if they meet the income limits. The City's assistance is a deferred payment loan for 15 years. Any single-family unit, condo, or townhouse may be eligible for purchase. The City's assistance may be used for down payment, closing costs, and principal reduction as a second mortgage to the Lender's first mortgage.

## **Community Development Block Grant – CDBG**

*Funded through the Federal Housing and Urban Development's CDBG program  
Annual appropriation from U.S. HUD – approx. \$4 million*

### **Limited Repair Program**

The Limited Repair Program offers deferred payment loans to assist qualified homeowners whose homes are in need of repair. The applicant must own and occupy their home, mortgage and property taxes must be current, total household income must not exceed 80 percent of the area median income for Duval County as established by the U.S. Department of Housing and Urban Development. The home must be in need of repairs that, if left unattended, could pose a threat to the family's health and safety or the home has been cited by the Property Safety Division. Due to high demand, there is a waiting period. Names will be placed on a waiting list and serviced on a first-come, first-served basis.

### **Utility Tap-In Program**

The Utility Tap-In Program (UTIP) offers deferred payment loans to assist low- to moderate-income residents citywide with water and sewer line connection fees, associated plumbing costs and septic tank, drain field and well repairs or replacement. The applicant must own and occupy their home, mortgage and property taxes must be current and total household income must not exceed 80 percent of the area median income for Duval County as established by the U.S. Department of Housing and Urban Development.

### **Lead Hazard Control Grant Program**

The Lead Hazard Control Grant Program is designed to assist low- to moderate-income homeowners and property owners who rent to low- to moderate-income tenants to make their pre-1978 housing safe from lead-based paint hazards. Hazards may include peeling, flaking, chipping and chalking lead-based paint, lead dust that settles on floors and windowsills and lead in bare soil around the perimeter of the building. Owner-occupied housing must be occupied by one or more children under the age of six years old. Applicants may still be eligible if one or more children under the age of six years old spend a "significant amount of time" visiting. Rental property owners must give priority to renting assisted units to families with children under the age of six for no less than three years following the completion of lead remediation activities.

## **Single Family Mortgage Revenue Bond Program**

*Funds provided through the sale of tax exempt bonds as approved by the Jacksonville Housing Finance Authority (JHFA)  
Current bond pool for 2006 series is \$12 million*

Eligible homebuyers apply for low interest financing through approved lenders. The homebuyers must be able to qualify for 1<sup>st</sup> mortgage financing using credit underwriting criteria as approved by Fannie Mae, Freddie Mac, or FHA. Homebuyers must contribute \$1,000 towards the purchase of the home and attend a mortgage readiness class as approved by the JHFA prior to closing. The program is targeted to first time homebuyers or to persons who have not had an ownership interest in a home within the last three years. The program provides for a first mortgage at a 5.6% interest rate for up to 80% of the sales price of the home, 30 year fixed, and a second mortgage at either 1% or 3% (depending on income) of up to 20% of the sales price. Borrowers who participate in this program cannot have incomes that exceed 115% of area median, unless purchasing in one of the target areas. The maximum annual income in a non-target area for a family of 1-2 persons is \$60,300, and is \$69,346 for a family of 3 or more. The maximum sales price in a non-target area is \$247,500.

Target areas are defined by the IRS and include the following census tracts in Jacksonville: 4, 10, 13, 15, 16, 17, 18, 26, 29.01, and 115. The first-time buyer requirement is waived for purchasers of housing in these census tracts, and the maximum sales price is \$302,500. The maximum annual household income in target areas is \$72,360 for a 1-2 person family and \$84,420 for a family of 3 or more.

## **Multifamily Mortgage Revenue Bond Program**

*Funds provided through the sale of tax exempt bonds as approved by the Jacksonville Housing Finance Authority (JHFA)  
Anticipated bond pool for 2007 is \$30 million*

Funds are available through a competitive application process to developers of affordable housing developments which serve persons up to 140% of area median income. At least 20% of the units in a funded project must serve persons at or below 50% of area median income. Developers must provide a guaranteed funding commitment for permanent financing at the time of application. Developers who participate in the JHFA bond program are eligible to receive 4% housing credits from the State of Florida. Developers must have site control and appropriate zoning at the time of application, and must have a proven track record of experience with similar developments.

## **Florida Housing Finance Corporation Housing Credit Program**

*Funding available as of June 2006 – approx. \$40 million*

*The Housing Credit program is governed by the U.S. Department of Treasury under Section 252 of the Tax Reform Act of 1986 and Section 42 of the Internal Revenue Code, as amended. Each year, the U.S. Department of Treasury awards each state an allocation authority consisting of the per capita amount of \$1.75 times the state population plus the state's share of the national pool (unused credits from other states). Starting in 2003, the per capita amount will be adjusted annually for inflation.*

The Housing Credit (HC) program provides for-profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition and substantial rehabilitation, substantial rehabilitation, or new construction of low and very low income rental housing units. Eligible development types and corresponding credit rates include: new construction, nine percent (9%); substantial rehabilitation, nine percent (9%); acquisition, four percent (4%); and federally subsidized, four percent (4%). A Housing Credit allocation to a development can be used for 10 consecutive years once the development is placed in service.

Qualifying buildings include garden, high-rise, townhouses, duplexes/quads, single family or mid-rise with an elevator. Ineligible development types include hospitals, sanitariums, nursing homes, retirement homes, trailer parks, and life care facilities. This program can be used in conjunction with the HOME Investment Partnerships program, the State Apartment Incentive Loan program, the Predevelopment Loan program, or the Multifamily Mortgage Revenue Bonds program.

Each development must set aside a minimum percentage of the total units for eligible low or very low income residents for the duration of the compliance period, which is a minimum of 30 years with the option to convert to market rates after the 14th year. At least 20 percent of the housing units must be set aside for households earning 50 percent or less of the area median income (AMI), or 40 percent of the units must be set aside for households earning 60 percent or less of the AMI.

Housing need is assessed annually based on current statewide market studies and public input, and funds are distributed annually to meet the need and demand for targeted housing in large, medium, and small-sized counties throughout Florida. Additionally, housing credits are sometimes reserved for affordable housing that addresses specific geographic or demographic needs, including the elderly, farmworkers and commercial fishing workers, urban infill, the Florida Keys Area, Front Porch Florida communities, or developments funded through the U.S. Department of Agriculture Rural Development.

## **COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)**

*The 2006 Florida Legislature passed House Bill 1363 (Ch. 2006-69, s. 27, Laws of Fla.), a housing bill focused on addressing some of the affordable housing challenges the State currently faces. HB 1363 includes \$50 million for an affordable housing pilot program called the Community Workforce Housing Innovation Pilot Program (CWHIP). Florida Housing will administer CWHIP, and these funds will be awarded on a competitive basis through a Request for Proposals (RFP) process to public-private entities seeking to build affordable housing for Florida's workforce.*

### **CWHIP Facts:**

- CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers.
- CWHIP encourages the pooling of local resources, local regulatory incentives, including land use strategies and non-traditional sources of local funding.
- CWHIP partnerships must involve at least one public sector entity and one private sector for-profit or nonprofit entity.
- CWHIP will provide flexible funding toward the construction or rehabilitation of housing in the form of loans with interest rates of one percent to three percent, which may be forgivable if the housing meets long term affordability requirements.
- CWHIP provides that any plan amendments certified by the local government as CWHIP amendments will receive 30-day expedited review by the Florida Department of Community Affairs (DCA), and may proceed straight to adoption rather than through the multi-step process now required by DCA.

### **Eligible Residents:**

- At least 50 percent of the affordable housing units built using CWHIP funds should be set aside for essential services personnel. Essential services personnel will be defined by local governments in their State Housing Initiatives Partnership (SHIP) program plans, however, they could include teachers, educators, police and fire personnel, health care workers, skilled building trades personnel, and others.
- 80 percent of the units built using CWHIP funds should be available to households earning incomes up to 140 percent of area median income (AMI). This program may serve a broad range of incomes up to 140 percent of AMI.

### **Eligible Counties:**

- High cost counties (relative cost to purchase home compared to incomes).
- High growth counties.

- Counties willing to make regulatory changes and financial investments to encourage development of affordable housing.

**Eligible Developments:**

- Homeownership and rental housing, which may be in a mixed use and/or scattered site setting.
- Developments that have at least 15 percent of the total development costs granted or donated.
- Developments in neighborhoods close to employers, services and transportation.

Effective March 8, 2006

**Multifamily Rental Programs and SHIP Income Limits for Jacksonville MSA**

**2006 Income Limits Adjusted To Household Size by Household Size**

**Number of Persons in Household**

| Percentage | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 30%        | 12,650 | 14,500 | 16,300 | 18,100 | 19,550 | 21,000 | 22,450 | 23,900 |
| 50%        | 21,100 | 24,100 | 27,150 | 30,150 | 32,550 | 34,950 | 37,400 | 39,800 |
| 80%        | 33,800 | 38,600 | 43,450 | 48,250 | 52,100 | 55,950 | 59,850 | 63,700 |
| 120%       | 50,640 | 57,840 | 65,160 | 72,360 | 78,120 | 83,880 | 89,760 | 95,520 |

Median: \$60,300 (family of 4)

**Maximum Rents by Number of Bedrooms in Unit**

| Percentage | 0    | 1    | 2    | 3    | 4    |
|------------|------|------|------|------|------|
| 30%        | 316  | 339  | 407  | 470  | 525  |
| 50%        | 527  | 565  | 678  | 783  | 873  |
| 80%        | 845  | 905  | 1086 | 1254 | 1398 |
| 120%       | 1266 | 1356 | 1629 | 1881 | 2097 |