

E. Rental Development	Code: 21
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- a. Summary: Funds will be made available to developers/sponsors for development of affordable housing rental units that are awarded construction financing through the State Apartment Incentive Program (SAIL), Low Income Housing Tax Credits (LIHTC), or Florida Housing Finance Corporation (FHFC). The State Housing Initiatives Partnership (SHIP) funding is intended to be used as gap financing and to provide the Local Government Contribution (LGC) required for a state funded project. The LGC will only be provided through the use of SHIP funding. The strategy will not provide funding for direct rental assistance to tenants as it is designed strictly to support the construction of affordable rental developments.
- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low and Low
- d. Maximum award: \$10,000.00 per eligible unit/\$340,000.00 per project
- e. Terms:
1. Repayment loan/deferred loan/grant: Deferred loan secured by a recorded subordinate mortgage and note
 2. Interest Rate: 0%
 3. Years in loan term: Twenty (20) years
 4. Forgiveness: The loan is 100% forgiven at the end of the loan term
 5. Repayment: Not required as long as the loan is in good standing.
 6. Default: For all awards, the loan will be in default and the balance due if any of the following occur:
 - Any part of the property, or any interest in the property is sold, transferred, conveyed, whether voluntary or involuntarily, by operation of law or otherwise.
 - The mortgagee is divested of title by judicial sale, levy, or other legal proceeding, or if foreclosure action is instituted against the property.
 - The SHIP assisted units are leased or rented to other than very low or low-income eligible tenants.
 - Failure to maintain reporting standards for compliance as required by any of the funding sources.
 - The sponsor is in default of the mortgage provision.
 - The sponsor is in default of provisions related to Florida Housing Finance Corporation's funding criteria outlined in the program regulations.
- f. Recipient/Tenant Selection Criteria: All tenant household in the SHIP assisted units must be income eligible and will be selected by the Sponsoring agency on a first-qualified, first-served basis.
- g. Sponsor Selection Criteria: The availability of SHIP funds will be advertised through a Notice of Funding Availability (NOFA). Sponsors will apply to the county through a Request for Qualification (RFQ) process once a year after the publication of the NOFA. Applications will be scored by a selection committee and reviewed by the Affordable Housing Finance Committee (AHAC). All recommendations will be submitted



to the Board of County Commissioners who will approve the final SHIP award. The RFQ will required proof of sponsor's experience in providing affordable rental housing, proof of financial capacity, evidence of site control (or contract for sale), proof of ability to proceed once all funding is closed, and a housing unit design plan that meets the county's housing element in the Comprehensive Plan. The SHIP funding award will be subject to closing on other funding sources. Sponsors that have received a funding award are deemed eligible, first come, first served. The strategy may be used as leverage for applying for FHFC funding for development of affordable housing.

- h. Additional Information: The development will be monitored for the twenty-year duration to ensure that the rental units remain affordable housing. All assisted developments must commit to the HUD published rent limits for the agreement term and the sponsor selected must certify the development meets the minimum percentage of income set asides per FHFC's funding regulations. Units funded with SHIP may not charge rents that exceed the maximum for each income category except in the case of low-income housing tax credits. The sponsor will be required to meet annual compliance reporting requirements on the development necessary to meet the statutory requirements for monitoring of SHIP rental units. The county and sponsor will sign a SHIP rental agreement along with the subordinate mortgage and note. The sponsor is subject to other compliance requirements based on the funding source such as the provision of services, maintaining the units in a safe and sanitary fashion, providing responsible and responsive property management services, and proper financial management.

The County Administrator or the Chairman of the Board of Sumter County Commissioners will execute FHFC's Local Government Verification of Contribution Loan Form. The county serves as the single, unified point of service for workforce housing services in unincorporated areas of the county and within the cities according to the Interlocal Service Boundary Agreement Article IX Workforce Housing Service Delivery Sub-Agreement. In addition, the county is the recipient of the SHIP funding allocation and the sole administrator of the SHIP program.