

H. MULTI-FAMILY NEW CONSTRUCTION/REHABILITATION	Code 14, 21
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a. Summary: This strategy is designed to assist in the new construction or rehabilitation of existing rental developments.

b. Fiscal Years Covered: 2023-2024, 2024-2025, 2025-2026

c. Income Categories to be served: Extremely low, very low and low income.

d. Maximum award: \$50,000.00 maximum per rental unit with a per development maximum of \$400,000.00. Awards greater than \$150,000 require Board of County Commissioner approval.

e. Terms:

1. Loan or Deferred Loan: Awards to non-profit developers are in the form of deferred loan. Awards to for-profit developers are in the form of repayable loan.

2. Interest Rate:

a. For-profit developments = 3%

b. Non-profit developments = 0%

c. Competitive RFP (e.g. LGAO) = 0% – 3% based on selected developer proposal, Charlotte HOME Review Committee and/or Affordable Housing Advisory Committee (AHAC) recommendation, and approval by the Board of County Commissioners.

3. Years in loan term: Minimum 20 years. To be determined at time of loan commitment(s). The following will be applied to all loans:

a. Loan amount will be determined by development type;

b. Term of loan to be determined by development financial feasibility;

c. Monthly payment schedule, as appropriate;

d. Amortizing or non-amortizing, but amortizing preferred, if applicable;

e. Loan due in full in balloon payment at end of loan period if not already amortized, if applicable.

4. Forgiveness: Non-profit affordable housing developers are eligible for deferred loan, forgiven at the end of the term.

5. Repayment: Assistance provided in the form of a loan is payable as indicated in the recorded mortgage, note and LURA. Options include, but are not limited to: monthly payment; annual payment; annual payment based on cash flow (soft pay); payment in full at term; etc.

6. Default: If the mortgagor vacates, transfers, assigns, sells, refinances, mortgages or in any manner encumbers or disposes of all or a portion of, or any interest in the premises without the approval of the Charlotte County Housing Division before the maturity date of the mortgage, the outstanding balance secured by the Mortgage and any applicable penalty shall become immediately due and payable; Therefore defined in the recorded

Mortgage and Note and/or LURA. Sponsors that fail to comply with applicable statutes and rules will be required to pay back the funds.

7. Sponsors that fail to comply with the SHIP Statute and Rule will be required to pay back the funds. The terms of default are defined in the mortgage, promissory note, and Land Use Restriction Agreement (LURA).
- f. Recipient/Tenant Selection Criteria: All applicants for residence in an assisted unit will be assisted on a first-qualified, first-served basis and must meet income qualifications of the program and reported by the developer's management company for development.
- g. Sponsor/Sub-recipient Selection Criteria:
Applications are received from Sponsors year-round, and are reviewed by Housing Division staff for County preferences and development needs, and availability of funds per set aside requirements. Applications in response to a local Request for Applications (RFA) or in conjunction with a Florida Housing Finance Corporation (FHFC) Multi-family Programs RFA, will be ranked in accordance with specific scoring criteria based on County preferences and development needs. Scoring will be based on the experience of the developer, project readiness, community need, green or universal design features, and willingness to employ local labor. The application will reflect local preferences for housing for elderly households, special needs and extremely low-income households.
- h. Additional Information: Multi-family projects funded under this strategy will have a minimum affordability period of twenty (20) years. Charlotte County shall be responsible for the annual monitoring of all assisted/funded affordable multi-family housing units as outlined in Florida Statute 420.907 – 420.9079.