Exhibit I

ALACHUA COUNTY/CITY OF GAINESVILLE SHIP PROGRAM SPECIAL NEEDS HOUSING PROGRAM

PROGRAM GUIDELINES FOR CONTRACTS DATED AFTER APRIL 12, 2005

- I. GENERAL PURPOSE
- A. Project Area and Purpose

Through an inter-local agreement, the City of Gainesville (City) and Alachua County (County) will sponsor a fund pool targeted to the construction and rehabilitation of temporary, transitional or long-term rental housing addressing the following housing needs: persons who have Special Housing Needs means individuals because of particular social, economic, or health related circumstances, may have greater difficulty acquiring or maintaining affordable housing. Such persons may have, for example, encountered resistance to their residing in particular communities, and may have suffered increased housing costs resulting from their unique needs and high risk of institutionalization. Such persons may include, but are not limited to, persons with developmental disabilities; persons with mental illnesses or chemical dependency; persons with Acquired Immune Deficiency Syndrome ("AIDS") and Human Immunodeficiency Virus ("HIV") disease; runaway and abandoned youth; the elderly; and disabled adults.

- B. This Program shall be operated in accordance with all applicable rules and regulations of the County, City, State of Florida and Florida Housing Finance Corporation.
- II. FUNDING SOURCE

The funding source shall be the SHIP Special Needs Housing Program as allocated in the City and County Local Housing Assistance Plans (LHAP) respectively.

III. ELIGIBLE PROGRAM SPONSORS

An eligible program sponsor must meet the following key eligibility criteria in order to participate:

- Sponsor organizations must be a quasi-governmental agency or a non-profit entity with current 501 (c) (3) tax exempt status;
- Sponsor organizations must demonstrate success in providing Special Needs Housing secured services during the previous three (3) consecutive years from date of application for Special Needs Housing Program funds.
- Sponsor organizations must demonstrate that other funds and financing are available before SHIP funds
 will be committed and must certify that all assisted individuals must qualify as very low and low-income
 households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by
 the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP
 Program. Housing projects must meet income certification guidelines as provided by City and/or County
 Special Needs Income Certification Plan & Monitoring Strategy.
- Sponsor organizations must have applicable federal, state and/or local license(s) as required to operate an entity within the City and/or the County.

• To the extent funds are available; Sponsor organizations must make the assisted housing and related services available to all eligible persons regardless of jurisdiction of residence within Alachua County prior to or at the time of request or referral for services.

ELIGIBLE SPONSOR SELECTION CRITERIA

The following selection criteria and measures will be used to evaluate applications for funds submitted by an eligible sponsor:

SELECTION CRITERIA MEASURES

Overall Capacity of Organization to Fulfill Project Proposal; Experience with similar housing construction activities, Financial resources and systems in place, Ability to Proceed and Expedite in a Timely Manner, Site Control, Zoning, Land Use Plan, Site Suitability, Engineering, Architectural, Management System for Effective Production, Cost, Quality and Control, Staffing, Operation Procedures, Project personnel availability, Staff/Agency Experience, Board Experience, Financial Management and Resources, a Pro forma, Project budget, Documented Cost Estimates, Audit Reports, AdequateCash Flow, Basic Underwriting Principles, Previous/Current Contract Compliance, Findings, Completions of other Projects funded, Experience with support services (i.e. special needs and/or homeownership programs and education), Training required or provided, WAGES and Workforce Development Initiatives Program participants (if applicable), Developer Fee, and Appropriate for Level of Work Involved.

The following documents may be requested as a part of the competitive application process:

Approved site plan, Letters of commitment for other funding, Evidence of site control, three years of tax returns, three years financial statements, Interim financial statements, Project description, Company history, Resumes of all company principals, Application form, Survey and other documentation as may be required.

ELIGIBLE PROGRAM RECIPIENTS

An eligible recipient must meet the following key eligibility criteria in order to occupy a SHIP funded unit or receive assistance from eligible program sponsors:

- 2 Must be in one of the special needs groups listed in I (A); and
- Assisted individuals must qualify as very low and low-income households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

VI. ELIGIBLE PROPERTY

An eligible property for which SHIP Special Needs Housing Program Funds can assist must meet the following key eligibility criteria:

- Eligible properties shall be located in Alachua County, including the incorporated limits of the City of Gainesville;
- Rental units constructed, rehabilitated or otherwise assisted from the local housing assistance trust fund
 must be monitored at least annually for 15 years or the term of assistance, whichever is longer, for
 compliance with tenant income and affordability requirements, as otherwise exempted from Florida

Statue 420.9075 (3) (e). In determining the maximum allowable rents, "Affordable" means that monthly rents or monthly 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 Section 420.9071 (2), subsection

- (1) and subsection (28), Florida Statutes. The rent limit chart is provided by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.
 - Mobile homes shall not be assisted.
 - FORM OF OWNERSHIP

Ownership types include the following:

- Fee simple title in a single-family or multi-family attached or detached unit;OR
- Long-term lease for a minimum duration of the period of construction/rehabilitation plus the income compliance period.
- o Proof of ownership shall consist of a copy of a recorded deed and of an executed recorded mortgage instrument (ifapplicable) showing that title to the property has been conveyed to the sponsor organization and containing a legal description of the property. Proof of long-term lease shall consist of copy of the lease agreement.