

CITY OF MELBOURNE  
SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

FISCAL YEARS COVERED  
2010-2011  
2011-2012  
2012-2103

Prepared by Staff of the  
Housing & Community Development Department

Approved by Melbourne City Council  
on April 27, 2010  
Resolution No. 3125

# Table of Contents

<b>SECTION I. PROGRAM DESCRIPTION:</b> .....	<b>1</b>
A. <u>NAME OF THE PARTICIPATING LOCAL GOVERNMENT:</u> .....	1
B. <u>PURPOSE OF THE PROGRAM:</u> .....	1
C. <u>FISCAL YEARS COVERED BY THE PLAN:</u> .....	1
D. GOVERNANCE.....	1
E. LOCAL HOUSING PARTNERSHIP .....	1
F. LEVERAGING.....	1
G. PUBLIC INPUT .....	1
H. ADVERTISING AND OUTREACH .....	1
I. DISCRIMINATION: .....	2
J. SUPPORT SERVICES AND COUNSELING.....	2
K. PURCHASE PRICE LIMITS .....	2
L. INCOME LIMITS, RENT LIMITS AND AFFORDABILITY .....	2
M. WELFARE TRANSITION PROGRAM.....	2
N. MONITORING AND FIRST RIGHT OF REFUSAL .....	2
O. ADMINISTRATIVE BUDGET .....	3
P. PROGRAM ADMINISTRATION:.....	3
Q. ESSENTIAL SERVICE PERSONNEL .....	3
R. GREEN BUILDING PRINCIPLES AND STORM RESISTANT CONSTRUCTION.....	3
<b>SECTION II. LHAP HOUSING STRATEGIES.....</b>	<b>3</b>
A. HOMEOWNERSHIP - HOUSING REHABILITATION.....	3
B. HOMEOWNERSHIP - PURCHASE ASSISTANCE.....	5
C. HOMEOWNERSHIP - PURCHASE ASSISTANCE WITH SWEAT EQUITY .....	7
D. HOMEOWNERSHIP - HURRICANE HARDENING.....	9
E. HOMEOWNERSHIP - DISASTER RELIEF. ....	9
F. RENTAL – TENANT ASSISTANCE .....	11
G. RENTAL – RENTAL DEVELOPMENT .....	12
<b>SECTION III. LHAP INCENTIVE STRATEGIES .....</b>	<b>13</b>
A. EXPEDITED PERMITTING .....	13
B. ONGOING REVIEW PROCESS.....	13
C. TRANSPORTATION IMPACT FEE DEFERMENT .....	14
D. FLEXIBLE DENSITIES FOR AFFORDABLE HOUSING PROJECTS .....	14
E. VARIABLE DESIGN STANDARDS FOR AFFORDABLE HOUSING. ....	14
<b>SECTION IV. EXHIBITS: .....</b>	<b>16</b>
A. ADMINISTRATIVE BUDGET .....	17
B. TIMELINE FOR ENCUMBRANCE AND EXPENDITURE .....	18
C. HOUSING DELIVERY GOALS CHART .....	21
D. CERTIFICATION PAGE.....	24
E. ADOPTING RESOLUTION .....	26
F. PROGRAM INFORMATION SHEET.....	29
G. REPAYMENT POLICIES.....	30

**SECTION I. PROGRAM DESCRIPTION:**

A. Name of the participating local government:

City of Melbourne

Interlocal : Yes \_\_\_\_\_ No  X

B. Purpose of the program:

Creation of the Plan is for the purpose of meeting the housing needs of the very low income, low income and moderate income households, to expand production of and preserve affordable housing, to further the housing element of the City of Melbourne Comprehensive Plan specific to affordable housing.

C. Fiscal years covered by the Plan:

2010-2011

2011-2012

2012-2013

D. Governance:

Cities and Counties must be in compliance with the statutes and rules of the SHIP Program established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37 Florida Administrative Code. The SHIP Program does further the housing element of the City of Melbourne Comprehensive Plan.

E. Local Housing Partnership:

The City of Melbourne SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low income persons and community groups.

F. Leveraging:

The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

G. Public Input:

A public input hearing specific to this Plan was conducted at a special meeting of the Affordable Housing Advisory Committee, prior to development of this Plan. Invitations were issued to housing providers, social service providers, lenders, and neighborhood associations and the hearing was advertised in the local newspaper. Both the Citizens Advisory Board and the Affordable Housing Advisory Committee reviewed the proposed Plan. A Notice of availability of the Plan for public comments was advertised in the local newspaper and a final public hearing on the Plan was advertised and held.

H. Advertising and Outreach:

The City of Melbourne shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the Application period. If no funding is available due to a waiting list, no notice of funding availability is required.

- I. Discrimination:  
In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.
- J. Support Services and Counseling:  
Support services are available from various providers. Available support services include but are not limited to: Homeownership Counseling, Credit Counseling, Child Care Services, Transportation, Healthcare Services, and Tenant Counseling.
- K. Purchase Price Limits.  
The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- Independent Study (copy attached)
- U.S. Treasury Department
- Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts

- L. Income Limits, Rent Limits and Affordability:  
The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or 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 Sections 420.9071 F.S.  
  
However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.
- M. Welfare Transition Program:  
Should a eligible sponsor be used, the city/county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.
- N. Monitoring and First Right of Refusal:  
In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual

monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance which ever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

O. Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

The City of Melbourne finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. The cost to administer the plan may not exceed the five percent (5%) limitation, unless its governing body finds, by resolution, that five percent (5%) of the local housing distribution plus five percent (5%) of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed ten percent (10%) of the local housing distribution plus five percent (5%) of program income deposited into the trust fund, except that small counties, as defined in §120.52(17), F.S. and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to ten percent (10%) of program income for administrative costs.

The City of Melbourne has adopted the above findings in the attached resolution, Exhibit E.

P. Program Administration:

Administration of the local housing assistance plan is the responsibility of the City of Melbourne.

Q. Essential Service Personnel.

"Essential services personnel", defined in accordance with Chapter 67-37.002(8) and 67-37.005(10) F.A.C., and Section 420.9075(3), F.S. means all persons who contribute to the growth and well being of the City. This includes but is not limited to any person employed by educational, governmental and human service agencies; health care personnel; public safety personnel; any skilled building trades personnel and food service personnel.

R. Green Building Principles and Storm Resistant Construction.

The City of Melbourne will reduce long term costs relative to maintenance, utilities and insurance by prioritizing green building principles in its Housing Rehabilitation strategy and by providing funding for storm resistance through adoption of a Hurricane Hardening strategy.

## SECTION II. LHAP HOUSING STRATEGIES.

### A. HOMEOWNERSHIP - Housing Rehabilitation.

1. Summary of the Strategy. This strategy provides for the repair of existing homes which are in substandard condition and may include demolition and reconstruction if a home is beyond financial feasibility to repair. Repairs must be prioritized in the following order: (i) to address code violations, and (ii) to incorporate energy efficiency and green housing-related repairs for sustainability and to promote greater affordability, including but not limited to: window and door sealing/repair/replacement,

HVAC repair/replacement, water saving fixtures, energy-star appliances, and use of environmentally safe paints and primers. The strategy may also provide for handicap accessibility improvements or modifications in dwellings in standard condition.

2. **Fiscal Years Covered.** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below 120 percent (120%) of median income (very low income, low income and moderate income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program.

4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$75,000

Reconstruction	\$75,000
Repair	\$60,000
Accessibility Improvements	\$5,000

5. **Terms of the award; Repayment and Default.** Assistance to homeowners served under this strategy will be in the form of a forgivable 0% interest loan secured by a lien on the property and forgiven in accordance with the following schedule:

Level of Assistance	Lien Period	Amortization
≤ \$15,000	5 years	20% per year
> \$15,000 to \$40,000	10 years	10% per year
> \$40,000 to \$60,000	15 years	6.7% per year
> \$60,000	20 years	5% per year

The portion of the SHIP award used to pay the project delivery fees shall constitute a grant to the homeowner and shall not be included in the lien against the property.

If at any time prior to the end of the lien period, the property ceases to be the principal residence of the homeowner or title is transferred, direct assistance (secured by the assisted property) to the homeowner will be recovered or transferred in accordance with City repayment policies in effect at the time of non-compliance (see attached Exhibit G). Assistance for accessibility improvements only will be provided in the form of a grant and will not be subject to repayment. Any repayments under this strategy shall be considered program income.

6. **Recipient Selection Criteria.** Eligible applicants will be approved for assistance on a first qualified, first assisted basis subject to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5)(e)(2). In compliance with established City policy, other selection criteria are as follows:
  - As and when necessary, applicants must be able to demonstrate the ability to pay property taxes, insurance, utilities, and mortgage payments if applicable.
  - First time applicants will be given priority over previously assisted persons. Exceptions may be made for Eligible Property Owners in cases where living conditions threaten the personal health and safety of the household.

- Applicants must be in good standing with the City (e.g. city utility accounts and property taxes must be current and property must be free of code enforcement liens or any other assessments unless owner is engaged in process of paying off any such obligations).
- Applicants must own and occupy the assisted home as their primary residence as evidenced by a homestead exemption (or eligibility for homestead exemption) on the assisted property.
- Repair assistance applicants with household incomes over 80% and up to 120% of median family income must contribute at least \$1 for every \$10 of assistance from the City;
- Repair assistance applicants with household incomes over 50% and up to 80% of median family income must contribute at least \$1 for every \$20 of assistance from the City;
- Repair assistance applicants with household incomes over 30% and up to 50% of the median family income must contribute at least \$1 for every \$40 of assistance from the City.
- Repair assistance applicants with household incomes at or below 30% of median family income and reconstruction assistance applicants are exempt from the owner contribution requirement. However, when necessary, reconstruction assistance applicants must be able secure an affordable mortgage from an institutional first mortgage lender or be able to provide sufficient cash resources with which to pay for the reconstructed home.
- Accessibility improvement and modification assistance applicants are exempt from making an owner contribution regardless of income.
- Reconstruction assistance applicants must participate in and complete a City approved homebuyer education class.

7. **Sponsor Selection Criteria and duties, if applicable.**

Repair and Reconstruction will be administered by the City of Melbourne Housing and Community Development Department according to SHIP rules and statutes.

One (1) eligible sponsor will be selected to implement the Accessibility Improvement Program using criteria such as, but not limited to, the following:

- Eligible sponsors must be a not-for-profit organization, whose primary purpose is the provision of independent living services to persons with disabilities.
- Eligible sponsors must have the demonstrated capacity and experience to administer the program.
- Eligible sponsors who employed personnel from the Welfare Transition Program will be given priority over those sponsors that have not employed personnel from those programs.

The duties of the eligible sponsor may include, but are not limited to application intake, income certification, property inspection, work-write up, contractor or subcontractor selection, and project oversight.

8. **Additional Information.** SHIP funds will be leveraged with any rebates available for green initiatives, as well as the homeowner's required contribution.

**B. HOMEOWNERSHIP - Purchase Assistance.**

1. **Summary of the Strategy.** The Purchase Assistance Strategy provides down payment, closing costs, and housing rehabilitation funds to homebuyers purchasing homes within the city limits of Melbourne.

2. **Fiscal Years Covered.** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below 120 percent (120%) of median income (very low income, low income and moderate income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program.

4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$15,000

Income Level	Maximum Award for Down Payment & Closing Costs	Additional Award for Home Needing Rehab	Total Maximum Award
<b>Very Low income</b> (0-50% MFI)	\$10,000	\$5,000	\$15,000
<b>Low income</b> (51-80% MFI)	\$7,500	\$5,000	\$12,500
<b>Moderate income</b> (81-120% MFI)	\$5,000	\$5,000	\$10,000

5. **Terms of the award; Repayment and Default.** Assistance to homebuyers served under this strategy will be in the form of a forgivable 0% interest loan secured by a lien on the property and forgiven at the rate of twenty percent (20%) per year for a period of five (5) years.

The portion of the SHIP award used to pay the sponsor's project delivery fee shall constitute a grant to the homebuyer and shall not be included in the lien against the property. Direct assistance to the buyer will be recovered or transferred in accordance with City Repayment policies in effect at the time of the event of non-compliance, if at any time prior to the end of the lien period, the property ceases to be the principal residence of the owner or title is transferred. Any repayments under this strategy shall be considered program income.

An owner disposing of an assisted unit prior to expiration of the lien period will also be required to pay the City a share of the net proceeds (if any) from the sale, proportional to the original amount of SHIP assistance received based on the following formula:

**Percentage of Proceeds Due City:**

City Subsidy ÷ Sale Price at time of assistance x 100%

e.g. City Subsidy: \$ 12,500  
 Sale Price of Home at time of assistance: \$125,000  
 Percentage of Proceeds Due: \$ 12,500/125,000 x 100% = 10%

Amount of Proceeds Due City when assisted property is sold

e.g. New Sale Price of assisted property \$150,000  
 Proceeds from sale \$ 25,000  
 Pro-rata Share of Proceeds Due City \$ 25,000 x 10% = \$2,500

6. **Recipient Selection Criteria.** Eligible applicants will be approved for assistance on a first qualified, first assisted basis subject to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5)(e)(2). Housing counseling and completion of a City approved homebuyer education class

is a requirement for all applicants of purchase assistance. Also, in adherence to established City policy, preference will be given to first-time homebuyers. Very low income households must contribute at least \$1,000. Low income households must contribute at least \$1,500. Moderate income households must contribute at least \$2,000.

7. **Sponsor Selection Criteria and duties, if applicable.** One (1) eligible sponsor will be selected to implement the Purchase Assistance Program using criteria such as, but not limited to, the following:

- Eligible sponsors must be not-for-profit organizations whose primary purpose is the provision of affordable housing.
- Eligible sponsors must have the demonstrated capacity and experience to administer the program.
- Eligible sponsors must be able to operate the program from an office site located so as to be convenient to Melbourne residents.
- Eligible sponsors who employed personnel from the Welfare Transition Program will be given priority over those sponsors that have not employed personnel from those programs.
- Eligible sponsors who are also Community Housing Development Organizations (CHDO's) will be given priority over those that are not CHDOs.

The duties of the eligible sponsor may include, but are not limited to application intake, income certification, homebuyer counseling/education, preparation of security instruments and other closing documents, property inspection, work-write up, contractor or subcontractor selection, and project oversight.

8. **Additional Information.** SHIP funds will be leveraged with institutional first mortgage lender financing and the homebuyer's private sources of funding. To complement the Purchase Assistance Strategy, the City or an eligible sponsor will offer a **Housing Counseling/Homebuyer Education Program**. Mandatory one-on-one counseling will include subjects such as credit report review, determination of housing and debt ratios and what price house an applicant can afford, as well as post-purchase counseling. A City approved homebuyer education course is also mandatory for receipt of assistance under the Purchase Assistance Strategy.

### C. **HOMEOWNERSHIP - Purchase Assistance with Sweat Equity**

1. **Summary of the Strategy.** The Purchase Assistance with Sweat Equity Strategy provides funds for the acquisition and rehabilitation of existing homes within the city limits of Melbourne for sale to very low income and low income homebuyers for which the first mortgage is held by a non-profit, non-institutional mortgage lender and the homebuyer is required to contribute sweat equity\* (at least 250 hours, unless special circumstances require alternate arrangements that are acceptable to the sponsor and approved by the City) to the deal.
2. **Fiscal Years Covered.** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below 80 percent (80%) of median income (very low and low income households) as defined in Section 420.9071 F.S., which limits are published annually

---

\* Sweat equity is equity in a housing unit that is created or earned through an investment of time and labor instead of money.

and distributed by the Florida Housing Finance Corporation for use in the SHIP program.

4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$25,000
5. **Terms of the award; Repayment and Default.** Assistance to Sponsor for acquisition and rehabilitation of the unit will be in the form of a forgivable 0% interest loan secured by a lien on the property and forgiven upon conveyance of the property to an eligible homebuyer. Assistance to homebuyers served under this strategy will be in the form of a forgivable 0% interest loan secured by a lien on the property and forgiven in accordance with the following schedule:

Level of Assistance	Lien Period	Amortization
≤ \$15,000	5 years	20% per year
> \$15,000 - \$25,000	10 years	10% per year

Direct assistance to the homebuyer will be recovered or transferred in accordance with City Repayment policies in effect at the time of the event of non-compliance, if at any time prior to the end of the lien period, the property ceases to be the principal residence of the owner or title is transferred. Any repayments under this strategy shall be considered program income.

6. **Recipient Selection Criteria.** Eligible applicants will be approved for assistance by an eligible sponsor on a first qualified, first assisted basis subject to funding availability. Housing counseling and completion of a City approved homebuyer education class is a requirement for all applicants of program assistance. Preference will be given to first-time homebuyers.
7. **Sponsor Selection Criteria and duties, if applicable.** One (1) eligible sponsor will be selected to implement the Purchase Assistance with Sweat Equity Program using criteria such as, but not limited to, the following:
  - Eligible sponsors must be not-for-profit organizations whose primary purpose is the provision of affordable housing.
  - Eligible sponsors must have the demonstrated capacity and experience to administer the program.
  - Eligible sponsors must hold the first mortgage and must require a sweat equity contribution from the homebuyer.
  - Eligible sponsors must be able to operate the program from an office site located so as to be convenient to Melbourne residents.
  - Eligible sponsors who employed personnel from the Welfare Transition Program will be given priority over those sponsors that have not employed personnel from those programs.

The duties of the eligible sponsor may include, but are not limited to identification and acquisition of properties, homebuyer application in-take, income certification, work-write up, supervision of sweat equity contribution; rehabilitation of the acquired property and project oversight.

8. **Additional Information.** SHIP funds will be leveraged with non-profit first mortgage lender financing, the homebuyer's minimum contribution of at least \$500, and the homebuyer's sweat equity.

**D. HOMEOWNERSHIP - Hurricane Hardening.**

1. **Summary of the Strategy.** This strategy is designed to provide for wind mitigation improvements in eligible owner-occupied dwellings in order to reduce the property's vulnerability to hurricane damage. Homes approved for assistance will be hardened as documented in a wind inspection report prepared by a City approved wind inspector or wind inspection agency, with priority given to protecting openings (e.g., windows, doors and garage doors) and to the bracing of gable ends in roofs.
2. **Fiscal Years Covered.** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below 120 percent (120%) of median income (very low income, low income, and moderate income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program.
4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$5,000
5. **Terms of the award; Repayment and Default.** Assistance to eligible applicants under this strategy will be in the form of a grant and will not be subject to repayment, however, the following matching contributions are required:

Income Level	Maximum Award	Match Requirement
Very low income	\$5,000	none
Low income	\$5,000	25%
Moderate income	\$5,000	50%

6. **Recipient Selection Criteria.** Eligible applicants will be approved for assistance on a first qualified, first assisted basis subject to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5)(e)(2).
  - Homes must be single family, site-built residential properties permitted to be built prior to March 1, 2002.
  - Homes must be owner-occupied, homesteaded properties used as primary residences.
  - Homes must have undergone a wind inspection by a City or State approved wind inspector or wind inspection agency.
7. **Sponsor Selection Criteria and duties, if applicable.** This strategy will be administered by the City of Melbourne Housing and Community Development Department according to SHIP rules and statutes.
8. **Additional Information.** SHIP funds will be leveraged with any state programs available for this purpose, as well as the homeowner's required contribution.

**E. HOMEOWNERSHIP - Disaster Relief.**

1. **Summary of the Strategy.** The Disaster Relief Strategy provides an option to City Council that would meet the repair needs of very low income and low income homeowners in the aftermath of an emergency or natural disaster, declared by Presidential, Gubernatorial or local executive order. Generally, such needs may include: purchase of emergency supplies for the eligible household to weatherproof damaged home; interim repairs to avoid further damage; tree and debris removal

required to make individual housing units habitable; and post disaster assistance with non-insured repairs. The Disaster Relief Strategy may also include reconstruction of homes damaged beyond repair and homes so damaged as to require extensive rehabilitation to make them habitable. Homeowners receiving SHIP assistance in excess of \$15,000 for rehabilitation or reconstruction work not covered by insurance or FEMA assistance under this strategy will be subject to the terms and requirements described under the Rehabilitation Strategy in this Plan, except the owner contribution requirements. However, owners will be required to apply any insurance and FEMA proceeds to their projects, or furnish proof that the funds were used to make necessary repairs.

2. **Fiscal Years Covered.** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below eighty percent (80%) of median income (very low income and low income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program

4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$75,000

Emergency (limited scope) repair:	\$15,000
Extensive Rehabilitation (repair):	\$60,000
Reconstruction:	\$75,000

5. **Terms of the award; Repayment and Default.** Assistance will be in the form of a grant or a forgivable 0% interest loan secured by a lien on the property and forgiven as shown in the following schedule:

<u>Level of Assistance</u>	<u>Form of Assistance</u>	<u>Lien Period</u>	<u>Amortization</u>
≤ \$15,000	Grant	Not Applicable	Not Applicable
> \$15,000 - \$40,000	Forgivable Loan	10 years	10% per year
> \$40,000 - \$60,000	Forgivable Loan	15 years	6.67% per year
> \$60,000	Forgivable Loan	20 years	5% per year

6. **Recipient Selection Criteria.** Assistance will be on a first qualified, first assisted basis, subject to compliance with income-level reservations set forth in §420.9075(5)(e)(2), F.S. Applications for this strategy will be given priority above others on a waiting list for other strategies. Priority will be given to applicants having special housing needs as noted in Section 420.9075(1)(a), F.S.
7. **Sponsor Selection Criteria and duties, if applicable.** This strategy will be administered by the City of Melbourne Housing and Community Development Department according to SHIP rules and statutes.
8. **Additional Information.** This strategy will be funded and implemented only in the event of an emergency or disaster declaration using any funds that have not been previously encumbered in existing strategies.

Assistance is leveraged with the applicants' own sources of funds (e.g. insurance) and may be leveraged with other federal and/or state emergency programs.

## F. RENTAL – Tenant Assistance

1. **Summary of the Strategy.** The Tenant Assistance Strategy provides funding to pay rental security and utility deposits for eligible very low income and low income persons renting units within the city limits of Melbourne. Eligible utility deposits include only provider-mandated deposits for water, sewer, solid waste, electricity and gas. Tenant Assistance funds may also be used to pay project delivery costs associated with strategy implementation by an eligible sponsor.
2. **Fiscal Years Covered:** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below eighty percent (80%) of median income (very low income and low income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program.
4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$1,000
5. **Terms of the award; Repayment and Default.** Assistance to eligible applicants under this strategy will be in the form of a grant and will not be subject to repayment.
6. **Recipient Selection Criteria:** Eligible applicants will be approved for assistance subject to funding availability on a first come first qualified basis using the following criteria:
  - Priority will be given to applicants having special housing needs as noted in Section 420.9075(1)(a), F.S.
  - Applicants assisted under this strategy must lease (for at least one year) a dwelling unit which meets City housing code requirements.
  - Applicants must demonstrate that they can afford the monthly rent and utilities for their selected unit.
7. **Sponsor Selection Criteria.** One eligible sponsor will be selected to implement the Tenant Assistance Strategy using criteria such as, but not limited to, the following:
  - Eligible sponsors who employed personnel from the Welfare Transition Program will be given priority over those sponsors that have not employed personnel from those programs.
  - Eligible sponsors must be non-profit organizations.
  - Eligible sponsors with experience and an existing positive reputation for providing services to low income clients in the city of Melbourne will be given priority over those who do not.
  - Eligible sponsors whose client intake location is within the city limits of Melbourne will receive priority over those who do not.

The duties of the eligible sponsor may include, but are not limited to application intake, income certification, verification of applicable lease terms, and payment to landlords and utility service providers.
8. **Additional Information.** SHIP funds will not leverage other state, federal or local funds.

**G. RENTAL – Rental Development**

1. **Summary of Strategy:** The Rental Development strategy provides funds to eligible sponsors for rehabilitation, new construction and/or acquisition of rental units to be occupied by very low income and low-income households.
2. **Fiscal Years Covered:** 2010-2011, 2011-2012, 2012-2013
3. **Income Categories to be served.** This strategy will serve residents with household incomes at or below 80 percent (80%) of median income (very low income and low income households) as defined in Section 420.9071 F.S., which limits are published annually and distributed by the Florida Housing Finance Corporation for use in the SHIP program.
4. **Maximum award** is noted on the Housing Delivery Goals Charts: \$50,000

Except in cases where the eligible sponsor is a public housing agency or a private not-for-profit entity, SHIP funds will provide a maximum subsidy not to exceed \$50,000 per unit with a 100% match required as follows:

	Maximum	Match Requirement
For Profit Entities	\$50,000	100%
Private Not-for-Profit Entities	\$50,000	0%
Public Housing Agencies	\$50,000	0%

5. **Terms of the Award, Repayment and Default:** Assistance to eligible sponsors under this strategy will be in the form of a forgivable 0% interest loan and secured by a lien on the property and forgiven after fifteen (15) years. One hundred percent (100%) of the funds must be repaid if, at any time during the lien period, the property is sold or transferred by the Owner, unless the property is sold or transferred to an eligible non-profit organization approved by the City to continue serving the housing needs of low-income persons.

In addition, when the repayment requirement is triggered by sale (voluntary or involuntary), the City will share in the net proceeds from the sale of the property based on the ratio of the City's investment to the appraised value at the time of sale as follows:

$$\text{City share of net proceeds} = \frac{\text{SHIP subsidy}}{\text{Sales Price}} \times \text{Net Proceeds}$$

6. **Recipient Selection Criteria:** Recipients of this strategy must comply with the affordability and resale provisions per Chapter 67-37.007(10) and (12), F.A.C. and Florida Statute 420.9075(3)(e). Priority will be given to projects serving persons with special needs, as defined in Rule Chapter 67-37.002(21), F.A.C. Special needs persons are defined as persons who are developmentally disabled, mentally ill, persons recovering from substance abuse or persons with HIV and/or AIDS, neglected children, homeless persons or those threatened with homelessness including youth aging out of foster care.

7. **Sponsor Selection Criteria:** Eligible sponsors will be approved for assistance subject to funding availability and in such a manner as to comply with statutory requirements including, but not limited to, the measures described below:
- Eligible sponsors who employed personnel from the Welfare Transition Program will be given priority over those sponsors that have not employed personnel from those programs.
  - Eligible sponsors who set-aside the highest percentage of units for very low-income households will receive preferential consideration for funding over those who set-aside a lower percentage of units.
  - Sponsors targeting persons with special needs, as defined in Rule Chapter 67-37.002(21), F.A.C., will be given priority over those who do not.
  - Eligible not-for-profit sponsors will be given priority over for-profit sponsors.
  - Eligible sponsors who are receiving federal or state funds to finance their project will be given priority over sponsors who are not receiving such financing.

The duties of the eligible sponsor may include, but are not limited to: identification and acquisition of properties, property inspection, work-write up, contractor and/or subcontractor selection, construction project oversight; tenant application in-take, income certification, leasing and property management duties/arrangements.

8. **Additional Information:** Projects selected must be financially feasible and economically viable upon completion. The City of Melbourne will determine financial feasibility and economic viability.

SHIP funds will leverage private investment in rental property on a 1:1 basis, except in cases where the eligible sponsor is a public housing or a private not-for-profit agency.

### **SECTION III. LHAP INCENTIVE STRATEGIES.** *Section 420.9071(16) and Section 420.9076(6), F.S.*

- A. **Expedited Permitting.**  
Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.
1. **Established Policy and Procedures:** This incentive strategy was implemented by adoption of Ordinance 94-40 and was incorporated by policy into the Housing Element of the Comprehensive Plan by Ordinance 94-67. On April 6, 2004, the City reaffirmed its position on expedited permitting in a policy statement that clearly informs the public that expedited permitting applies to all affordable housing activities for which City permits are required. Once an eligible housing project has been identified as Affordable Housing, it is eligible for expedited permitting.
- B. **Ongoing Review Process.**  
An ongoing review process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption was first-implemented through Ordinance 94-41 on July 26, 1994.
1. **Established Policy and Procedures:** Upon City Council's approval of Ordinance #2008-10, on March 25, 2008, the responsibility for review (prior to adoption) of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to adoption was transferred from the Building and Construction Advisory Committee to the newly formed Affordable Housing Advisory Committee.

Whenever changes to development regulations are proposed, the Affordable Housing Advisory Committee will review them. Ordinance 2008-10 requires the committee to be comprised of eleven (11) members, appointed by City Council pursuant to §420.9076(2)(a)-(k), Florida Statutes. The City accepts applications for board and committee membership on a continuous basis.

For any proposed ordinance, regulation, policy or plan provision expected to affect the cost/affordability of housing, the City prepares a "Determination of Impact on Affordable Housing" form. By utilizing this form, the City creates a record documenting compliance with SHIP Program requirements.

C. Transportation Impact Fee Deferment.

Ordinance 2006-101 adopted by City Council on October 24, 2006 first provided for deferment of transportation impact fees on housing to be occupied by very low to moderate income homebuyers and on rental housing developed by community-based organizations for very low to moderate income tenants. Ordinance 2010-14 adopted by City Council on April 13, 2010 extends eligibility for deferment of transportation impact fees to developers of any housing designated by the City as an Affordable Housing Project and would secure compliance with City requirements via development agreements and Land Use Restriction Agreements (LURAs).

1. Policy and Procedures Pursuant to Proposed Ordinance 2010-14:

A moderate income, low income, or very low income homebuyer of a newly constructed principal residence that does not exceed the maximum eligible sales price, or a developer of an Affordable Housing Project that wishes to defer payment of a percentage of the transportation impact fees is required to submit an application together with the necessary supporting documentation to the Housing and Community Development Department to initiate an eligibility review. Upon approval, a contract may be executed to defer payment of a percentage of the transportation impact fee(s) as follows:

- twenty-five percent (25%) for moderate income person(s) or household(s).
- fifty percent (50%) low income person(s) or low income household(s).
- one hundred percent (100%) very low income person(s) or household(s).

The contract for deferral must include provisions for the new homebuyer or developer to execute a mortgage and/or Land Use Restriction Agreement (LURA) setting forth the amount of transportation impact fees deferred and to notify the City of the date of the closing on the eligible property. The mortgage must also indicate that the unpaid balance is due and payable upon the subsequent sale of the property by the homebuyer.

D. Flexible Densities For Affordable Housing Projects

Ordinance 2010-14 adopted by City Council on April 13, 2010 provides for increased densities for Affordable Housing Projects located in R-1B zoning.

1. Policy and Procedures Pursuant to Proposed Ordinance 2010-14: R-1B zoning currently mandates that "no more than half of the lots shall be allowed to have fifty (50) feet in width; the other half shall have a minimum lot width of sixty-five (65) feet. For Affordable Housing Projects, all lots shall be allowed to have a minimum fifty (50) feet in width."

E. Variable Design Standards For Affordable Housing. Ordinance 2010-14 adopted by City Council on April 13, 2010 stipulates that Affordable Housing Projects requiring site plan or

subdivision review and approval (not including individual single-family lots) are eligible for consideration of reduced minimal design standards.

1. **Policy and Procedures Pursuant to Proposed Ordinance 2010-14:** Affordable Housing Projects are eligible for consideration of the following minimal design standards in their site plans or subdivision plats during the review and approval process:
  - (a) For Single-Family Residential Subdivisions:
    - i. front yard setback 10 feet (not including required parking and driveways);
    - ii. side yard setbacks 5 feet;
    - iii. side corner yard setback 10 feet (not including required parking and driveways);
    - iv. rear yard setback 25 feet;
    - v. usable common or active open space; ten (10) percent passive open space requirement or five (5) percent active open space requirement with specific amenities including but not limited to playground equipment and recreation fields;
    - vi. platted subdivisions shall be permitted as an Affordable Housing Project in conjunction with an approved and recorded land use and deed restriction affordability agreement (LURA); consistent with the written policies and procedures adopted by City Council.
  - (b) For Multi-Family Residential Site Plan:
    - i. front yard setback 20 feet
    - ii. side yard setback 7.5 feet;
    - iii. side corner yard setback 20 feet
    - iv. rear yard setback 25 feet
    - v. Notwithstanding the setbacks required as noted above, new COM, HDR, MDR, IND and INST developments requiring formal site plan approval, adjacent to established single-family lots, shall provide a buffer of no less than fifty (50) lineal feet (unless subject to Appendix B, Article IV, Section 1(b)). A six-foot masonry wall and vegetative landscape buffer shall be provided. This does not apply to projects located within residential redevelopment districts;
    - vi. Perimeter landscape buffer width minimum 10 feet average;
    - vii. Usable common or active open space ten (10) percent passive open space requirement or five (5) percent active open space requirement with specific amenities including but not limited to playground equipment and recreation fields
    - viii. Required parking:
      - One (1) bedroom residential unit shall be one and a half (1.5) parking spaces per unit
      - All other parking requirements refer to appendix D, Chapter 9, Article V
    - ix. Multi-family residential development shall be permitted as an Affordable Housing Project in conjunction with an approved and recorded land use and deed restriction affordability agreement (LURA); consistent with the written policies and procedures adopted by City Council.

#### SECTION IV. EXHIBITS:

- A. **Administrative Budget.** for each fiscal year covered in the Plan. Exhibit A.
- B. **Timeline for Encumbrance and Expenditure:** *Chapter 67-37.005, F.A.C.* A separate timeline for each fiscal year covered in this plan is attached as Exhibit B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.
- C. **Housing Delivery Goals Chart** (HDGC). A completed HDGC for each fiscal year is attached as Exhibit C.
- D. **Certification Page:** Signed Certification is attached as Exhibit D.
- E. **Adopting Resolution:** Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.
- F. **Program Information Sheet:** Completed program information sheet is attached as Exhibit F.

### Exhibit A Admin Budget

Fiscal Year 2010-2011		
Salaries and Benefits	\$	52,104.60
Office Supplies and Equipment	\$	2,894.70
Travel Perdiem Workshops, etc	\$	1,215.77
Advertising/Public Information	\$	926.30
Audit	\$	752.62
		\$57,894.00

Fiscal Year 2011-2012		
Salaries and Benefits	\$	52,104.60
Office Supplies and Equipment	\$	2,894.70
Travel Perdiem Workshops, etc	\$	1,215.77
Advertising/Public Information	\$	926.30
Audit	\$	752.62
		\$57,894.00

Fiscal Year 2012-2013		
Salaries and Benefits	\$	52,104.60
Office Supplies and Equipment	\$	2,894.70
Travel Perdiem Workshops, etc	\$	1,215.77
Advertising/Public Information	\$	926.30
Audit	\$	752.62
		\$57,894.00

Based on a distribution of		\$570,397.00
Projected program income	\$	17,112.00







# FLORIDA HOUSING FINANCE CORPORATION

## HOUSING DELIVERY GOALS CHART#2002

### STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2010-2011

Name of Local Government: **City of Melbourne**

Available Funds: **\$587,509.00**

Please check applicable box, & if Amendment, enter number  
 Now Plan:   
 Amendment:   
 Fiscal Yr. Crossover:

HOME OWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	A			B			C			D			E			F		
							New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units	Total SHIP Dollars	Total Percentage	Total Units	Total SHIP Dollars	Total Percentage	Total Units			
Housing Rehabilitation	2	\$75,000.00	1	\$75,000	1	\$75,000		\$199,615			\$199,615.00	33.98%	4											
Purchase Assistance	2	\$15,000.00	5	\$12,500	3	\$10,000		\$120,000			\$120,000.00	20.43%	8											
Purchase Assistance with Sweat Equity	2	\$25,000.00	3	\$25,000				\$120,000			\$120,000.00	20.43%	5											
Hurricane Hardening	5	\$5,000.00	3	\$5,000	2	\$5,000		\$50,000			\$50,000.00	8.51%	10											
Disaster Relief		\$75,000		\$75,000							\$0.00	0.00%	0											
											\$0.00	0.00%	0											
											\$0.00	0.00%	0											
<b>Subtotal 1 (Home Ownership)</b>	<b>11</b>		<b>12</b>		<b>6</b>		<b>\$0.00</b>	<b>\$489,615.00</b>		<b>\$0.00</b>	<b>\$489,615.00</b>	<b>83.34%</b>	<b>27</b>											
<b>RENTAL STRATEGIES</b>	<b>VLI Units</b>	<b>Max. SHIP Award</b>	<b>LI Units</b>	<b>Max. SHIP Award</b>	<b>MI Units</b>	<b>Max. SHIP Award</b>	<b>New Construction SHIP Dollars</b>	<b>Rehab/Repair SHIP Dollars</b>	<b>Without Construction SHIP Dollars</b>	<b>Total SHIP Dollars</b>	<b>Total Percentage</b>	<b>Total Units</b>												
Tenant Assistance	30	\$1,000	10	\$1,000				\$40,000.00		\$40,000.00	6.81%	40												
Rental Development		\$50,000		\$50,000						\$0.00	0.00%	0												
										\$0.00	0.00%	0												
										\$0.00	0.00%	0												
<b>Subtotal 2 (Non-Home Ownership)</b>	<b>30</b>		<b>10</b>		<b>0</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$40,000.00</b>	<b>\$40,000.00</b>	<b>6.81%</b>	<b>40</b>												
Administration Fees										\$57,039.00	9.71%													
Admin. From Program Income										\$40,000.00	6.81%													
Home Ownership Counseling										\$855.00	0.15%													
<b>GRAND TOTAL</b>	<b>41</b>		<b>22</b>		<b>6</b>		<b>\$0.00</b>	<b>\$489,615.00</b>	<b>\$40,000.00</b>	<b>\$587,509.00</b>	<b>100.00%</b>	<b>67</b>												
Add Subtotal 1 & 2, plus all Admin. & HO Counseling																								
Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.																								
Percentage Construction/Reh																								
Maximum Allowable																								
Purchase Price:																								
Allocation Breakdown																								
Very-Low Income		\$240,000.00		40.9%																				
Low Income		\$190,000.00		32.3%																				
Moderate Income		\$99,615.00		17.0%																				
<b>TOTAL</b>		<b>\$529,615.00</b>		<b>90.1%</b>																				

# FLORIDA HOUSING FINANCE CORPORATION

## HOUSING DELIVERY GOALS CHART #2002

### STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2011-2012

Please check applicable box, & if Amendment, enter number

New Plan:

Amendment:

Fiscal Yr. Closeout:

Name of Local Government:	City of Melbourne		Available Funds:		A		B		C		D		E		F	
	Units	Max. SHIP Award	Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units					
<b>HOME OWNERSHIP STRATEGIES</b>																
Housing Rehabilitation	2	\$75,000.00	1	\$75,000		\$199,615		\$199,615.00		33.98%	4					
Purchase Assistance	2	\$15,000.00	5	\$12,500		\$120,000		\$120,000.00		20.43%	8					
Purchase Assistance with Sweat Equity	2	\$25,000.00	3	\$25,000		\$120,000		\$120,000.00		20.43%	5					
Hurricane Hardening	5	\$5,000.00	3	\$5,000		\$50,000		\$50,000.00		8.51%	10					
Disaster Relief		\$75,000.00		\$75,000				\$0.00		0.00%	0					
								\$0.00		0.00%	0					
								\$0.00		0.00%	0					
								\$0.00		0.00%	0					
<b>Subtotal 1 (Home Ownership)</b>	<b>11</b>		<b>12</b>		<b>\$0.00</b>	<b>\$489,615.00</b>	<b>\$0.00</b>	<b>\$489,615.00</b>		<b>83.34%</b>	<b>27</b>					
<b>RENTAL STRATEGIES</b>																
Tenant Assistance	30	\$1,000	10	\$1,000				\$40,000.00		6.81%	40					
Rental Development		\$50,000		\$50,000				\$0.00		0.00%	0					
								\$0.00		0.00%	0					
								\$0.00		0.00%	0					
<b>Subtotal 2 (Non-Home Ownership)</b>	<b>30</b>		<b>10</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$40,000.00</b>	<b>\$40,000.00</b>		<b>6.81%</b>	<b>40</b>					
Administration Fees								\$57,039.00		9.71%						
Admin. From Program Income								\$0.00		0.00%						
Home Ownership Counseling								\$855.00		0.15%						
<b>GRAND TOTAL</b>																
Add Subtotal 1 & 2, plus all Admin. & HO Counseling	41		22		\$0.00	\$489,615.00	\$40,000.00	\$587,509.00		100.00%	67					
<b>Percentage Constr./Reh</b>										83%						
<b>Maximum Allowable Purchase Price:</b>																
						<b>New</b>	<b>Existing</b>									
						\$258,690	\$258,690									
<b>Allocation Breakdown</b>		<b>Amount</b>		<b>%</b>												
Very-Low Income		\$240,000.00		40.9%		Projected Program Income:	\$17,112.00	Max Amount Program Income For Admin.:	\$855.00							
Low Income		\$190,000.00		32.3%		Projected Recaptured Funds:	\$570,397.00									
Moderate Income		\$99,615.00		17.0%		Distribution:	\$587,509.00									
<b>TOTAL</b>		<b>\$529,615.00</b>		<b>90.1%</b>		<b>Total Available Funds:</b>					<b>07-Sep-10</b>					

Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.

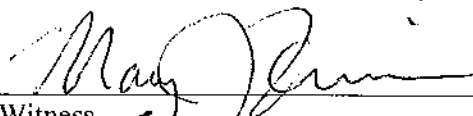


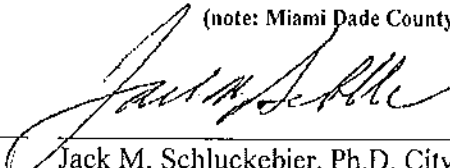
**Exhibit D**  
**CERTIFICATION TO**  
**FLORIDA HOUSING FINANCE CORPORATION**


Name of Local Government:           CITY OF MELBOURNE

- (1) The local government will advertise the availability of SHIP funds pursuant to Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
- (3) A process for selection of recipients for funds has been developed.
- (4) The eligible municipality or county has developed a qualification system for applications for awards.
- (5) Recipients of funds will be required to contractually commit to program guidelines.
- (6) The Florida Housing Finance Corporation will be notified promptly if the City of Melbourne will be unable to comply with the provisions the plan.
- (7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.
- (8) The plan conforms to the City of Melbourne Comprehensive Plan.
- (9) Amendments to the approved Local Housing Assistance Plan shall be provided to the Corporation with in 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities such as interest earned on loans.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation as soon as available.
- (13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation as soon as possible.
- (14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.

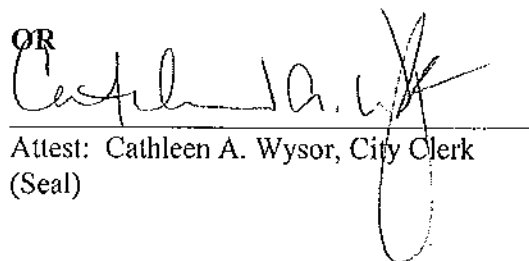
- (15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements, Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- (16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
- (17) Rental Units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)
- (18) The Plan meets the requirements of Section 420-907-9079 FS, and Rule Chapter 67-37 FAC, and how each of those requirements shall be met.
- (19) The provisions of Chapter 83-220, Laws of Florida has or **X** has not been implemented. (note: Miami Dade County will check "has")

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Jack M. Schluckebier, Ph.D, City Manager

  
\_\_\_\_\_  
Witness

4-28-10  
\_\_\_\_\_  
Date

**OR**  
  
\_\_\_\_\_  
Attest: Cathleen A. Wysor, City Clerk  
(Seal)

RESOLUTION NO. 3125

A RESOLUTION OF THE CITY OF MELBOURNE, BREVARD COUNTY, FLORIDA, APPROVING THE CITY OF MELBOURNE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE AND TO CARRY OUT ANY CONDITIONS OF THE PLAN; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE EXPENDITURE OF UP TO 10% OF THE ANNUAL ALLOCATION AND UP TO 5% OF PROGRAM INCOME FOR ADMINISTRATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR ADOPTION.

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes, and Rule Chapter 67-37, Florida Administrative Code, require local governments to develop a one- to three-year Local Housing Assistance Plan outlining how funds will be used; and

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; and

WHEREAS, the methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

WHEREAS, as required by Florida Statute 420.9078(7), it is found that 5% of the local

housing distribution plus 5% of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan; and

WHEREAS the cost of administering the program may not exceed 10% of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10% of program income for administrative costs; and

WHEREAS, the Housing and Community Development Department has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

WHEREAS, the City Council of the City of Melbourne finds that it is in the best interest of the public for the City of Melbourne to submit the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

BE IT RESOLVED BY THE CITY OF MELBOURNE, FLORIDA:

SECTION 1. That the Melbourne City Council hereby approves the Local Housing Assistance Plan incorporated herein by reference for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420.9079, Florida Statutes, for fiscal years 2010-2011, 2011-2012 and 2012-2013.

SECTION 2. That up to 10% of the SHIP annual allocation plus up to 5% of program income may be used for administrative expenses pursuant to s.420.9075 et seq. Florida Statutes.


SECTION 3. That the City Manager or his designee is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the terms and conditions of said program.

SECTION 4. That this resolution shall be in full force and effect immediately upon adoption in accordance with the Charter of the City of Melbourne.

SECTION 5. That this resolution was duly adopted at a regular meeting of the City Council on the 27<sup>th</sup> day of April, 2010.

BY:   
Harry C. Goode, Jr., Mayor

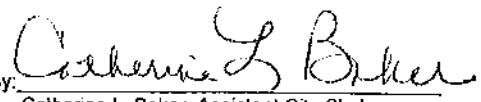
ATTEST:

  
Cathleen A. Wysor, City Clerk

Resolution No. 3125

STATE OF FLORIDA  
COUNTY OF BREVARD  
CITY OF MELBOURNE

This is to certify that the foregoing is a true & correct copy of Resolution No. 3125, witness my hand and seal this 28<sup>th</sup> day of April, 2010.  
Cathleen A. Wysor, City Clerk

By:   
Catherine L. Baker, Assistant City Clerk

**STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM  
INFORMATION SHEET**

---

**LOCAL GOVERNMENT:** City of Melbourne

**CHIEF ELECTED OFFICIAL** **The Honorable Harry C. Goode, Jr., Mayor**

**ADDRESS:** 900 E. Strawbridge Avenue, Melbourne, Florida 32901

**SHIP ADMINISTRATOR:** Melinda Thomas

**ADDRESS:** 695 E. University Blvd., Melbourne, Florida 32901

**TELEPHONE:**( 321) 674-5734 **FAX:**(321) 674-5738

**EMAIL ADDRESS:** [mthomas@melbourneflorida.org](mailto:mthomas@melbourneflorida.org)

**ADDITIONAL SHIP CONTACTS:** Jody Quinlivan, Housing and Community Dev. Planner

**ADDRESS:** 695 E. University Blvd., Melbourne, Florida 32901

**EMAIL ADDRESS:** [jquinlivan@melbourneflorida.org](mailto:jquinlivan@melbourneflorida.org)

---

**INTERLOCAL AGREEMENT:** YES/NO (IF yes, list other participants in the inter-local agreement):  
The following information must be furnished to the Corporation before any funds can be disbursed.

**LOCAL GOVERNMENT EMPLOYER FEDERAL ID NUMBER:** 59-6000371

**MAIL DISBURSEMENT TO:** City of Melbourne  
Local Housing Assistance Trust Fund  
Michele Ennis, Director of Finance

**ADDRESS:** 900 E. Strawbridge Avenue  
Melbourne, Florida 32901

**OR: IF YOUR FUNDS ARE ELECTRONICALLY TRANSFERRED PLEASE COMPLETE THE ATTACHED FORM:**

**NO CHANGE FROM PREVIOUS ELECTRONIC FORM SUBMITTED.**

Provide any additional updates the Corporation should be aware of in the space below:

---



---



---

Please return this form to: SHIP PROGRAM MANAGER, FHFC 227 N. BRONOUGH ST, STE 5000  
TALLAHASSEE, FL 32301 Fax: (850)488-9809

**City of Melbourne  
Housing Assistance Loan Repayment Policies**

**I. Purpose**

The purpose of this document is to establish mechanisms and standards to provide fair, prompt and equitable treatment of homeowners violating the terms of the City Housing Programs, including housing rehabilitation/reconstruction, purchase assistance, or purchase assistance with sweat equity programs financed with federal and state funds through the City of Melbourne.

**II. Background**

Homeowners receiving rehabilitation or reconstruction assistance, purchase assistance or purchase assistance with sweat equity under federal and state-funded City housing assistance programs are required to repay the City in accordance with the terms of the encumbrance documents recorded against the subject property. The assistance is provided in the form of a forgivable loan secured by a mortgage (in favor of the City) against the subject property. Each assisted homeowner executes a mortgage note and security agreement as a condition of receiving assistance. The mortgage constitutes a lien against the property for a fixed period. Upon expiration of such time period, if the homeowner has complied with the loan program, the loan is forgiven and the mortgage is deemed satisfied. If prior to the expiration of the loan period any of the following occurs, the homeowner is considered to have violated the terms of the program and the Balance Due is required to be repaid to the City:

- the property ceases to be the principal residence of the Borrower,
- title is transferred,
- upon refinancing, unless the City agrees to subordination, or
- upon declaration of default for violation of other terms of the subject mortgage note and security agreement.

**III. Definitions**

“Balance Due” means and refers to the unpaid amount due to the City pursuant to the subject mortgage note and security agreement.

“Borrower” means and refers to the recipient(s) of a Housing Program loan, as identified in the subject mortgage note and security agreement.

“Housing Program” means and refers to the housing rehabilitation/reconstruction program, the purchase assistance program, and the purchase assistance with sweat equity program, each financed with federal or state funds through the City of Melbourne.

**IV. Violation of Mortgage Arising from Ownership and Occupancy**

Loans provided under the Housing Program require the Borrower to occupy the subject property and require title to the subject property to remain solely in the name of the Borrower. Accordingly, the Borrower violates the terms of the mortgage upon transferring title to the subject property or failing to occupy the subject property as a principal residence.

A. Borrower-Occupied Transfer of Title

Despite occupying the subject property, the Borrower may not transfer title to the subject property. Such transfer of title constitutes a violation of the terms of the loan documents. Borrower must repay the City the Balance Due by certified check immediately at or before transfer of title.

The City will from time to time perform verification of title of the subject property. In the event of violation of the mortgage, the City shall pursue its legal rights and remedies under the mortgage and Florida law, including but not limited to foreclosure.

Borrower must notify the City of his/her intent to transfer title to the subject property at least 30 days prior to the effective date of the transfer of title. If notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, as set forth in this policy.

B. Failure to Reside on Property

As a condition of receiving funding, the Borrower must reside on the subject property. Failure to occupy constitutes a violation of the terms of the loan documents. Borrower must repay the City the Balance Due by certified check immediately upon failing to reside on the subject property.

The City will from time to time perform verification of Borrower occupancy of the subject property. In the event of violation of the mortgage, the City shall pursue its legal rights and remedies under the mortgage and Florida law, including but not limited to foreclosure.

The Borrower must provide written notice to the City Manager at least 30 days prior to vacating or leasing the subject property. In the event of the Borrower's death, the estate of the Borrower must provide written notice to the City Manager at least 60 days after the death of the Borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, as set forth in this policy.

C. Refinancing

Refinancing the subject property constitutes a violation of the terms of the loan documents, unless the City agrees to subordinate its loan to the new loan or unless the loan documents do not consider refinancing a default. Borrower must repay the City the Balance Due by certified check at or before closing.

In the event of a violation of the mortgage, the City shall pursue its legal rights and remedies under the mortgage and Florida law, including but not limited to foreclosure.

The Borrower must provide written notice to the City Manager at least 30 days prior to refinancing the subject property. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, as set forth in this policy.

**D. Violation Under the Terms of a Mortgage**

A violation of the terms of a first mortgage or the City's mortgage constitutes a violation of the terms of the City's loan documents. Borrower must repay the City the Balance Due by certified check immediately upon violation under the terms of any such mortgage.

In the event of a violation of the mortgage, the City shall pursue its legal rights and remedies under the mortgage and Florida law, including but not limited to foreclosure.

Unless prohibited by the funding source, acceptable alternative arrangements may be available, as set forth in this policy.

**V. Repayment**

Upon violation of the terms of the City's loan documents, the Borrower must pay the City the Balance Due. Upon payment of the Balance Due, a satisfaction of mortgage will be recorded in the Official Records of Brevard County, Florida. In the event the Balance Due is not paid in full, the City shall pursue all of its rights and remedies under the mortgage and Florida law, including foreclosure or a deed in lieu of foreclosure.

**VI. Alternative Arrangements**

Unless prohibited by the funding source, acceptable alternative arrangements may be available, including the following:

1. Lease of the subject property within the scope of the City's affordable housing program, provided that tenant rent and income limits are in accordance with the funding source of the assistance and the terms established by the City; or
2. Lease of the subject property, provided that an assignment of rents and leases in favor of the City is executed and all rent is paid to the City until the balance of the mortgage has been paid in full; or
3. Loan modification, as set forth below; or
4. Assumption of loan, provided the subsequent owner qualifies for Housing Program funding.

**VII. Loan Modification**

The City Manager may modify the subject Housing Program loan, including reduction of the Balance Due and/or a modified repayment schedule, provided all of the following conditions are met:

1. Proper notice is provided to the City, as determined by the loan documentation and this policy; and
2. The City Manager determines that the value of the subject property is less than the

balance due on any superior mortgage, as applicable, plus the Balance Due under the City's mortgage, as demonstrated by *bona fide* written evidence specific to the subject property; and

3. The subject property remains in compliance under the terms of restrictive covenants of record, if any; and
4. The first mortgage lender, if any, agrees to a pro-rata reduction of the first mortgage; and
5. If the modification of the City's loan reduces the Balance Due by more than 50% or \$25,000, whichever is greater, such loan modification is subject to approval by City Council.

#### **VIII. Subsequent Owner**

Nothing in this policy shall be read to prohibit a subsequent owner from applying for assistance funded by the City's Housing Programs, unless otherwise prohibited by the funding source.<sup>1</sup>

#### **IX. Complaints and Appeals**

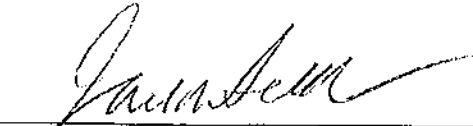
Any complaint arising from the application of this policy shall be submitted within 60 days of the underlying action and in writing directed to the Housing and Community Development Director. City staff of the Housing and Community Development Department will assist in identifying the issues underlying such complaint. The Housing and Community Development Director shall issue promptly a written response to the complaint. Such response will include a copy of this policy.

An appeal of the Director's response may be initiated by any person aggrieved and substantially affected greater in degree than the community at large. Such appeal shall be filed no later than 30 days following the date of Director's response. An appeal is initiated by filing with the City Manager, with a copy to the Housing and Community Development Director, a notice of appeal specifying the Director's response appealed from and a description of the reasons why the response is in error.

#### **VI. Effective Date**

The policies governing repayment of forgivable loans under the City's Housing Programs go into effect immediately upon adoption by City Council.

**Adopted by City Council at its Regular Meeting held April 27, 2010.**

  
\_\_\_\_\_  
Jack M. Schluckebier, Ph.D., City Manager

<sup>1</sup> The Housing Program for purchase assistance funded by the HOME Investment Partnership Program may limit subsequent purchasers to unrelated third parties.