

CITY OF TITUSVILLE, FLORIDA

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2022-2023, 2023-2024, 2024-2025

Adopted March 8, 2022
FHFC approved April 6, 2022



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<ul style="list-style-type: none"> A. Administrative Budget for each fiscal year covered in the Plan B. Timeline for Estimated Encumbrance and Expenditure C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan D. Signed LHAP Certification E. Signed, dated, witnessed or attested adopting resolution F. Housing Assistance Program Policy and Procedure Guidelines (local policy) G. First-Time Homebuyer Program Policy (local policy) 	



I. Program Details:

A. LG(s)

Name of Local Government	City of Titusville, Florida
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	N/A

B. Purpose of the program:

- To meet the housing needs of the very low, low and moderate-income households, and the homeless;
- To expand production of and preserve affordable housing; and
- To further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan: 2022-2023, 2023-2024, 2024-2025

D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services and lead agencies of the local continuums of care.

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: Public input was solicited through meetings with housing providers, social service providers, Affordable Housing Advisory Committee, and local leaders, and neighborhood associations. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach: SHIP funding availability shall be advertised 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. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time completed applications were submitted as well as any established funding priorities as described in this plan.



The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated.

- 1) Households with emergency conditions that threaten the life, health, or safety of the occupants
- 2) Households with Special needs or who have a developmental disability as defined by s. 420.0004(13) and 393.063(g)
- 3) Elderly (65 or older) and/or school-aged children households served for the first time
- 4) Households with minimum housing code deficiencies served for the first time
- 5) All other applicants seeking services for the first time
- 6) Households/properties which have received assistance previously.

J. Discrimination : In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.

K. Support Services and Counseling: Support services are available from various sources. Available support services may include, but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Foreclosure Counseling and Transportation.

L. 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 may be set lower, but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or HOME valve limits set by HUD, whichever is most restricted.

The methodology used is:

U.S. Treasury Department	X
Local HFA Numbers	

M. Income Limits, Rent Limits and Affordability: The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at www.floridahousing.org.

“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.

- N. Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, 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.
- O. Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any 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 periodic 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 \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever 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.
- P. Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the moneys deposited in the local housing assistance trust fund are necessary to administer and implement the local housing assistance plan.

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states: "A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan."

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: "The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs." The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

- Q. Program Administration:** Administration of the local housing assistance plan will be performed by:

Entity	Duties	Admin. Fee Percentage
Local Government	City of Titusville, Florida	10
Third Party Entity/Sub-recipient	None	

- R. Project Delivery Costs:** In addition to the administrative costs outlined above, the City will charge a reasonable project delivery cost to cover inspections, work write-ups, or other duties performed by contractors and/or staff from other departments. The project delivery costs, up to 5% of the construction

hard costs or \$2,500.00, whichever is less, may be included in the final project costs, funds permitting. The fee is not included in the Mortgage.

- S. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse, single parent, displaced homemaker, an individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations, and an individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*
- T. Essential Service Personnel Definition (ESP):** ESP includes teachers and educators, law enforcement, Fire/EMS, health care providers or workers, social service providers and workers, skilled building trades and local government employees.
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** For the purpose of SHIP funding, the City has adopted specifications that outlines the general requirements for materials, equipment, appliances, and devices to be used in the rehabilitation, repair, and/or the replacement of eligible structures. When economically feasible, these specifications require the use of “new” products that meet or exceed the green communities’ initiative criteria, Florida Building Code, and housing quality standards.
- Paints and primers that are low VOC
 - Low-flow water fixtures in bathrooms – Water Sense labeled
 - Energy Star rated light fixtures and appliances
 - Carpet/pad shall be FHA approved and meet the “Carpet and Rug Institute’s” green label
 - Energy Star rated windows
 - HVAC: minimum 14 SEER rating
- These requirements may be adjusted for rental developments if the requirements of other construction funding sources require a more prescriptive list.
- V. Describe efforts to meet the 20% Special Needs set-aside:** All housing programs/activities offered by the City give priority funding to “special needs” population households, regardless of funding source. The City actively provides outreach in the community via social media, flyers, and on its website.
- a. Describe efforts to reduce homelessness:** The City partners with various service providers to provide a coordinated effort in addressing and serving the homeless population. In December 2015, the City adopted Resolution 34-2015 encouraging multifamily property owners to adopt admission preferences. Further, in September 2015, the Florida Housing Coalition prepared and provided training on Homelessness Strategies and Solutions for Titusville, which resulted in the City adopting a “Housing First” approach in the city and throughout Brevard County. The Brevard Homeless Coalition serves as the City’s lead on this initiative.



Section II. LHAP Strategies:

A. EMERGENCY REPAIR PROGRAM	Code 6
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a. Summary:

This strategy is available to households who live in the city limits of Titusville, and whose life, health, or safety is threatened by conditions in their home, as determined by the City. This may include, but is not limited to: a leaking roof, plumbing problems, lack of functioning sanitary facilities, lack of heat, or electrical hazards. Applicants who will receive assistance through the Housing Rehab Program within the next three months are not eligible under this Program.

b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025

c. Income Categories to be served: Very Low, Low

d. Maximum award: \$10,000.00

e. Terms:

1. Repayment loan/deferred loan/grant: Deferred Payment Loan secured by a mortgage and note recorded on the property.
2. Interest Rate: 0 %
3. Years in loan term: 1 year
4. Forgiveness: Loan will be forgiven at the end of the term
5. Repayment: None required as long as loan is in good standing
6. Default:

All properties are subject to recapture of funds secured through a recorded mortgage and note placed on the property for the term specified. Upon default, the remaining balance is payable to the City, deposited into the Local Housing Trust Fund account, to be used for other eligible SHIP housing program activities. For the purpose of the mortgage and note, "default" shall mean title/deed transferred, deed executed, owner no longer resides at the property as their principal residence, property leased, or owner vacates home for any reason other than a hospital or nursing home stay in any one calendar year for more than 120 days. The passing of title due to the death of the mortgagor to other than a spouse or adult child residing in the home at the time of the loan, or a co-mortgagor holding an interest in the property, is



deemed a conveyance and constitutes a default unless a SHIP eligible heir who will occupy the home as a principal residence assumes the loan. If the legal heir is not SHIP eligible, or chooses not to occupy the home, the remaining balance of the loan will be due and payable immediately.

If a superior mortgage holder forecloses on the home, the City will make an effort to seek repayment through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

f. Recipient Selection Criteria:

Eligible applicants are selected on a first-qualified, first-served basis with consideration of the urgency of need, which if left unrepaired, would create a health or life safety hazardous condition. Applicants must have owned the home for a minimum of one (1) year, five (5) years if converted from an income-rental. The Neighborhood Services Director or designee, shall make the determination that an "emergency" condition exists. The property must be eligible/feasible for assistance, require \$10,000.00 or less in repairs, and not scheduled to receive rehabilitation assistance within six months.

g. Sponsor Selection Criteria: N/A

h. Additional Information:

This is a one-time assistance. When an applicant is assisted with an emergency repair, they will not lose their place on the Rehab Waiting List if additional non-emergency repairs are needed. If the applicant carries Homeowner's Insurance and repairs are covered, funds may be awarded to pay insurance deductible. Under no circumstance shall program funds be used in place of insurance or other emergency agency coverage such as FEMA.

See Exhibit F, Policy and Procedure Guidelines, for additional local information on eligibility requirements, loan provisions, and other program criteria and requirements.

B. HOUSING REHAB PROGRAM	Code 3
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a. Summary:

This is designed to subsidize the repairs to owner-occupied principles residences, which would bring the home into compliance with minimum housing Standards, and where the owner does not have any other means to pay for the repairs. Repairs can be for interior or exterior of the home. Repairs include, but are not limited to, roof, windows, electrical, plumbing, kitchen fixtures and appliances, bathroom fixtures, HVAC systems, flooring, paint, and other improvements that address code or structural deficiencies.

Priority will be given to major trade work (electrical, plumbing, heating, and roof) before considering other repairs. Cosmetic or non-minimum housing related items, may be included if funds are available after



completing all required or major trade repairs.

Where the homeowner is insured, proceeds from the insurance coverage must be utilized first before obtaining assistance, except for the deductible, which may be paid through this Program if practical to do so.

See Exhibit F for more detailed program information.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award: \$70,000.00
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: Deferred Payment Loan (DPL) secured by a subordinate recorded Mortgage and Note.
 - 2. Interest Rate: 0 %
 - 3. Years in loan term:

<u>Amount of Assistance</u>	<u>Term</u>
Under \$15,000:	5 years
\$15,000 to \$40,000:	10 years
\$40,001 to \$65,000:	15 years
Over \$65,000	20 years

- 4. Forgiveness:

<u>Lien Period</u>	<u>Percentage Forgiven Annually</u>
5 years	20%
10 years	10%
15 years	7% years 1-14; 2 % year 15
20 years	0% first 5 years; 5% years 6-15; 10% years 16-20

- 5. Repayment: None required as long as the loan is in good standing.
- 6. Default:

All properties are subject to recapture of funds secured through a recorded mortgage and note placed on the property for the term specified. Upon default, the remaining balance is payable to the City, deposited into the Local Housing Trust Fund account, to be used for other eligible SHIP housing program activities.



For the purpose of the mortgage and note, "default" shall mean title/deed transferred, deed executed, owner no longer resides at the property as their principal residence, property leased, or owner vacates home for any reason other than a hospital or nursing home stay in any one calendar year for more than 120 days. The passing of title due to the death of the mortgagor to other than a spouse or adult child residing in the home at the time of the loan, or a co-mortgagor holding an interest in the property, is deemed a conveyance and constitutes a default unless a SHIP eligible heir who will occupy the home as a principal residence assumes the loan. If the legal heir is not SHIP eligible, or chooses not to occupy the home, the remaining balance of the loan will be due and payable immediately.

If a superior mortgage holder forecloses on the home, the City will try to seek repayment through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

f. Recipient/Tenant Selection Criteria:

Eligible applicants are processed from an established "waiting list" in the order by the date in which they applied and priority status as noted, and served on a first-qualified, first-served basis. However, due to income set-aside requirements, actual assistance may be provided in a manner necessary to meet these requirements. Applicants must have owned the home for a minimum of one year (five years if converted from a rental).

g. Sponsor Selection Criteria: N/A

h. Additional Information:

Condominiums, duplexes, townhomes, or other forms of attached residences will be limited to interior repairs only, unless feasibility allows additional exterior improvements to be performed without requiring an HOA review or approval, or affecting adjoining units, and unattainable code modifications. Manufactured or mobile homes are not eligible.

See Exhibit F, Policy and Procedure Guidelines, for additional information on eligibility requirements, loan provisions, and other program criteria and requirements.

C. RENTAL DEVELOPMENT PERMITTING AND FEES	19
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a. Summary:

Funds will provide subsidy to developers and/or community development organizations, for permitting costs and/or utility connection only fees with regard to affordable rental housing that will serve-households at or below 80% AMI. Eligible units may consist of single-family or multi-family units; up to 8 units. For those projects applying for Florida Housing Finance Corporation (FHFC) programs, an exception to this limit may be considered on a case-by-case basis and where project meets local goals and strategic issues of the City.



- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$50,000.00
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: Deferred Payment Loan (DPL) secured by a subordinate recorded Mortgage and Note, and Land Use Restrictions
 - 2. Interest Rate: 0%

3. Years in loan term: Below are the minimums where no other funding source is provided.

Under \$15,000:	5 years
\$15,000 to \$40,000:	10 years
Over \$40,000:	15 years

- 4. Forgiveness: Loan will be forgiven at the end of the term provided there is not a default.
- 5. Repayment: None required as long as the loan is in good standing.
- 6. Default:

All properties are subject to recapture of funds secured through a recorded mortgage and note placed on the property for the term specified. Upon default, the remaining balance is payable to the City, deposited into the Local Housing Trust Fund account, to be used for other eligible SHIP housing program activities. For the purpose of the Mortgage and Note, "default" shall mean title/deed is transferred, or property is sold prior to the end of lien term, unless otherwise approved by the City; 100% of the units are not occupied by low-income households; units fail to meet housing standards; developer/owner is found to have misused the property for other than affordable rental housing; or any condition outlined in the Developer Agreement.

f. Recipient/Tenant Selection Criteria:

Developer/Applicant will be required to have or establish a waiting list for applicants, follow the SHIP Rule and Statute with regard to household income and qualifications, have or create internal policies that establishes a fair and open tenant selection process that specifies a fist-qualified, first-assisted approach. Priority tenancy shall be required for homeless households.

g. Sponsor Selection Criteria:

The City has a standing open cycle for accepting applications for this strategy, when funds are available.



All applications for this strategy will be reviewed by the Neighborhood Services Department staff for capacity of Sponsor to complete this work, feasibility, cost reasonableness, and meeting local strategic plan goals. A Request for Proposal process may also be utilized, and reviewed by a review team and/or the AHAC, were elected to do so.

h. Additional Information:

Final approval to fund projects under this strategy will be made by City Council.

D. FIRST-TIME HOMEBUYER	Code 2
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a. Summary: This strategy provides financial subsidy assistance to first-time homebuyers for financing down-payment, closing costs, pre-paid, reserves, and/or the reduction of the mortgage principal as needed for affordability to eligible applicants. Properties must be located within the city limits of Titusville, pass a home inspection by a qualified/registered Home Inspector, be free of Lead-Based Paint, and pass an environmental evaluation with regard to the proximity to excessive noise and hazardous sites.

See Exhibit G for more detailed program information.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award:

<u>Income Level</u>	<u>Max. Subsidy</u>
Very Low	\$70,000.00
Low	\$50,000.00
Moderate	\$30,000.00

e. Terms:

1. Repayment loan/deferred loan/grant: Deferred Payment Loan secured by a Mortgage and Note

2. Interest Rate: 0%

3. Years in loan term:

<u>Subsidy Amount</u>	<u>Term</u>
Under \$15,000.00	5 years
\$15,000 to \$40,000	10 years
Over \$40,000.00	15 years
New Construction	20 years

4. Forgiveness:

<u>Lien Period</u>	<u>% rate forgiven annually*</u>
5 years	0%
10 years	First 5 yrs. 0%, 20% thereafter
15 years	First 5 yrs. 0%, 10% thereafter
20 years	First 5 yrs. 0%, 5% thereafter

*PLUS: % of pro-rated share of the difference between the sales price and the original purchase price; net closing costs, improvements, etc.

5. Repayment No payments are due during the term of the loan unless there is a default.
6. Default: All properties are subject to repayment of funds secured through a recorded mortgage and note, placed on the property for the term specified. Upon default, the balance of loan is due payable to the City immediately, deposited into the Local Housing Trust Fund account to be used for other eligible SHIP housing program activities. For the purpose of the Mortgage and Note, "default" shall mean: home offered or listed for sale, home offered or listed for rent, title/deed transferred, Agreement of Dead, including Quit Claim, executed, property vacated by owner or no longer used as principal residence, property leased, or owner vacates home for any reason other than a hospital or nursing home stay in any one calendar year for more than 180 days. The passing of title due to death to other than a residing spouse or adult child holding interest in the property is deemed a conveyance and constitutes default unless a SHIP eligible heir, who will occupy the home as a principal residence, assumes the loan and meets all of the program eligibilities. If the legal heir is not eligible to assume or chooses not to occupy the home, the outstanding balance of the loan will be due and payable immediately upon default.

If a superior mortgage holder forecloses on the home, the City will make an effort to seek repayment through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

- f. Recipient/Tenant Selection Criteria: The City or Sponsor will accept applications during the advertised "Application Period" when applicable. Applicants will be processed on a first-qualified, first-assisted basis. However, due to SHIP income set-aside requirements, actual assistance may be provided in a manner necessary to meet these requirements.
- g. Sponsor Selection Criteria: The City will continue to utilize established sponsor(s) meeting the selection criteria set forth by the City to oversee and manage the applicant selection and qualification process for the First-Time Homebuyer Program.
- h. Additional Information: Any person currently incarcerated or on probation for an offense which would require them to register; or who must register with the Brevard County Sheriff's Office or the Florida Department of Law Enforcement under Florida Statute 775.13 as a person convicted of a felony in any court of this state, or any person who has been convicted in a federal court or any court of a state other than Florida or in any foreign state or country, which crime, if committed in Florida, would be a felony; or any person listed by the Florida Department of Law Enforcement as a sexual predator or a sexual offender as provided for under Florida Statute 944.606, or 944.608; is not eligible for this program. Any household member that is a convicted felon must have his or her civil rights restored or must have been pardoned in order to receive assistance.

E. DISASTER RECOVERY PROGRAM	Code 5
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a. Summary:

Funds will be awarded to applicants on a first-qualified, first-served basis for repairs directly caused by a disaster under a declared Executive Order of the President of the United States or the Governor of Florida. Repairs will be prioritized as follows:

1. Immediate threat to health and life safety, in cases where the home is still habitable. Such as the purchase of emergency supplies to secure and/or weatherproof damaged home, or repairs to mitigate dangerous situations (exposed wires)
2. Interim repairs to avoid further damage, such as tree and debris removal in cases where the home is still habitable
3. Other interim repairs necessary to make the home habitable

b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025

c. Income Categories to be served: Very low, low and moderate

d. Maximum award: \$5,000.00

e. Terms:

Repayment loan/deferred loan/grant: Grant

1. Interest Rate: N/A
2. Years in loan term: N/A
3. Forgiveness: N/A
4. Repayment: N/A

1. Default:

f. Recipient/Tenant Selection Criteria:

Applicants will be assisted on a first-qualified, first-served basis with the following additional requirements:

- Proof of homeowner's insurance, where applicable
- Report or Inspection of damages

g. Sponsor Selection Criteria: N/A

h. Additional Information:

If homeowner is insured, proceeds from the insurance must be used first before SHIP funds, except for the payment of the deductible.

Funds for this strategy will only be allocated from unencumbered funds or additional funds awarded through FHFC for the disaster.



III. LHAP Incentive Strategies

In addition to the required **Incentive Strategy A and Strategy B**, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

A. Name of the Strategy: Expedited Permitting

Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

Provide a description of the procedures used to implement this strategy:

The Plan Review process will be expedited by reducing the review time by 25%, as determined by the Land Development Regulations (LDR's), as revised, and allow the submittal of building permits concurrently with the site development review process. Resolution #3-2016 and subsequent Resolution #2-2019 and #1-2022 codified the housing incentive strategy.

B. Name of the Strategy: Ongoing Review Process

An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

Provide a description of the procedures used to implement this strategy:

A Planning Division staff person and/or Planning & Zoning Commission member shall serve as liaison to the AHAC and staff to oversee all policy, procedures, and regulations that impact the affordable housing issues and to identify affordable housing as part of the review checklist.

On April 20, 1994, a member of the City's Planning & Zoning Commission was appointed as the Affordable Housing Liaison. This person is responsible to review all policies, rezoning's, and ordinance changes as they may impact affordable housing throughout the City. Additionally, City Council approved the recommendation of the AHAC to continue this concept in Resolution #2-2009 and requiring affordable housing projects to be identified on the Planning & Zoning Commission's review checklist. The P&Z Liaison will be responsible for identifying such impacts and shall notify the Development Services, Building, and Neighborhood Services Departments, as well as, the City Council and Planning & Zoning Commission of any effects on affordable housing.

As part of the adoption of the City's Comprehensive Plan in 1988, one of the major goals noted was the updating/revision of the City's zoning ordinances and the administrative rezoning of the City. Ordinance 26-1997, which became effective February 1, 1998, contains changes in the zoning section of the Land Development Regulations (LDR's); previous zoning regulations and its structure was completed in the 1960s. The LDR's were updated to address new land development techniques; updated uses in zoning districts and their compatibility; and finally, updated to address new State of Florida mandated laws regarding the Comprehensive Plan and Concurrency regulations.

Resolution #3-2016 and subsequent Resolutions #2-2019 and #1-2022 codified the housing incentive strategy.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan.
- B. Timeline for Estimated Encumbrance and Expenditure.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D. LHAP Certification.
- E. Adopting Resolution.
- F. Housing Program Policies and Procedure Guideline (local policies)
- G. First-Time Homebuyer Policies and Procedures (local policy)

ADMINISTRATIVE BUDGET FOR EACH FISCAL YEAR

Exhibit A

Exhibit A (2022)

(City of Titusville, Florida)

Fiscal Year: 2022-2023	
Estimated SHIP Funds for Fiscal Year:	\$ 325,000.00
Salaries and Benefits	\$ 28,500.00
Office Supplies and Equipment	\$ 1,500.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$
Total	\$ 32,500.00
Admin %	10.00%
Fiscal Year 2023-2024	
Estimated SHIP Funds for Fiscal Year:	\$ 325,000.00
Salaries and Benefits	\$ 28,500.00
Office Supplies and Equipment	\$ 1,500.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$
Total	\$ 32,500.00
Admin %	10.00%
OK	
Fiscal Year 2024-2025	
Estimated SHIP Funds for Fiscal Year:	\$ 325,000.00
Salaries and Benefits	\$ 28,500.00
Office Supplies and Equipment	\$ 1,500.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$
Total	\$ 32,500.00
Admin %	10.00%
OK	
<p>*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document.</p> <p>Details:</p>	

Exhibit B
Timeline for SHIP Expenditures

City of Titusville, Florida affirms that funds allocated for these fiscal years will meet the following deadlines:

Fiscal Year	Encumbered	Expended	Interim Report	Closeout Report
2022-2023	6/30/2024	6/30/2025	9/15/2024	9/15/2025
2023-2024	6/30/2025	6/30/2026	9/15/2025	9/15/2026
2024-2025	6/30/2026	6/30/2027	9/15/2026	9/15/2027

If funds allocated for these fiscal years is not anticipated to meet expenditure deadlines, Florida Housing Finance Corporation will be notified according to the following chart:

Fiscal Year	Funds Not Expended	Closeout AR Not Submitted
2022-2023	3/30/2025	6/15/2025
2023-2024	3/30/2026	6/15/2026
2024-2025	3/30/2027	6/15/2027

Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 15 of the year in which funds are required to be expended. The extension request shall be emailed to robert.dearduff@floridahousing.org and cameka.gardner@floridahousing.org and include:

1. A statement that "(city/county) requests an extension to the expenditure deadline for fiscal year _____.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan of how/when the money will be expended.

Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended. Please email cameka.gardner@floridahousing.org when you are ready to "submit" the AR.

Other Key Deadlines:

AHAC reports are now due annually by December 31. Local governments receiving the minimum (or less) allocation may choose not to report.

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity:

City of Titusville, Florida

Certifies that:

- (1) The availability of SHIP funds will be advertised pursuant to program requirements in 420.907-420.9079, Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will ensure that there will be no discrimination on the basis of race, color, national origin, sex, handicap, familial status, or religion.
- (3) A process to determine eligibility and for selection of recipients for funds has been developed.
- (4) Recipients of funds will be required to contractually commit to program guidelines and loan terms.
- (5) Florida Housing will be notified promptly if the local government /interlocal entity will be unable to comply with any provision of the local housing assistance plan (LHAP).
- (6) The LHAP provides a plan for the encumbrance of funds within twelve months of the end of the State fiscal year in which they are received and a plan for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.
- (7) The LHAP conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the LHAP.
- (8) Amendments to the approved LHAP shall be provided to the Florida Housing for review and/or approval within 21 days after adoption.
- (9) The trust fund exists with a qualified depository for all SHIP funds as well as program income or recaptured funds.
- (10) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.

- (11) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements (CAFR). An electronic copy of the CAFR or a hyperlink shall be provided to Florida Housing by June 30 of the applicable year.
- (12) Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S. shall be provided to Florida Housing by June 30 of the applicable year.
- (13) SHIP funds will not be pledged for debt service on bonds.
- (14) 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.
- (15) 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 serve eligible persons.
- (16) Rental Units constructed or rehabilitated with SHIP funds shall be monitored for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e). To the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility.
- (17) The LHAP meets the requirements of Section 420.907-9079 FS, and Rule Chapter 67-37 FAC.
- (18) The provisions of Chapter 83-220, Laws of Florida have not been implemented (except for Miami-Dade County).

Tracy Davis
Witness Tracy Davis

Terrie Franklin
Chief Elected Official or designee

Shelia Martin
Witness Shelia Martin

Terrie Franklin, Neighborhood Services Director

3/16/2022
Date

OR

Attest:

(Seal)

RESOLUTION #: 6-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TITUSVILLE, FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

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 (1992), and Rule Chapter 67-37, Florida Administrative Code, requires 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; The methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

WHEREAS, as required by *section 420.9075, F.S.* It is found that 5 percent of the local housing distribution plus 5 percent 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 10 percent 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(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.

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

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

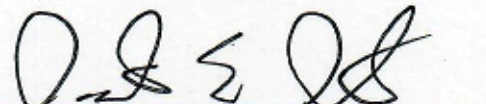
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TITUSVILLE, FLORIDA that:

Section 1: The City Council of the City of Titusville hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420-9079, Florida Statutes, for fiscal years 2022-2023, 2023-2024, 2024-2025.

Section 2: The Mayor and/or Neighborhood Services Director are 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 term and conditions of said program.

Section 3: This resolution shall take effect immediately upon its adoption.

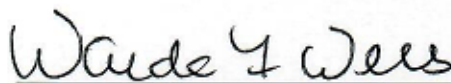
PASSED AND ADOPTED THIS 8th DAY OF March 2022.


Daniel E. Diesel, Mayor



(SEAL)

ATTEST:


Wanda F. Wells, City Clerk



**CITY OF TITUSVILLE
NEIGHBORHOOD SERVICES**

**HOUSING ASSISTANCE PROGRAMS
POLICY AND PROCEDURE GUIDELINES**



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PURPOSE AND INTRODUCTION

The purpose of this document is to establish and standardize the policies and procedures for the City of Titusville's Housing Assistance Programs, and to promote fairness and equitable treatment of applicants and recipients of the Programs. Its scope is comprehensive of all program-funding sources: Community Development Block Grant (CDBG) program, Home Partnership (HOME) program administered by the U.S. Department of Housing and Urban Development, and the State Housing Initiatives Partnership (SHIP) program administered by the Florida Housing Finance Corporation (FHFC). Policies are written in accordance with the enabling legislation and implementing regulations of each of these programs.

The policies and procedures contained in this document provide guidance for the implementation of the City's owner-occupied Housing Emergency Repair, Housing Rehabilitation, and other Programs that may be in effect. This policy has been developed in response to the growing need to preserve and enhance the existing housing stock in the city of Titusville. It includes program goals and objectives, program description, and policies and procedures for the Neighborhood Services Department, which has the responsibility for the implementation and oversight of these housing programs.

The programs are voluntary and designed to assist low-income property owners, who have no other financial means available. Through this program, the City will help to provide decent, safe, and sanitary housing for homeowner's and contribute to a long-term and viable housing stock for the future. Improvements and repairs made through these programs will bring existing substandard units into compliance with Florida Existing Building Codes, International Property Maintenance Codes, Minimum Housing Codes, and local zoning and land development codes.

The programs will be operated in accordance with all applicable rules and regulations of the City of Titusville, the State of Florida, and the U.S. Department of Housing and Urban Development (HUD).

The housing programs described herein are available citywide and are not developed to address any particular population or defined by any boundaries. The programs are designed to address household needs and shall not be deemed entitlement based. Additionally, the programs are in place to supplement low-income property owners, which have no other resources such as family, savings, or loans, with needed repairs to maintain their residences in a safe and healthy manner. Therefore, as funds are very limited, all assistance provided under the programs will be based upon the owner's financial ability to make the necessary repairs outside of the Program.

This program shall not be used as a tool to tailor work or limit the scope of work to avoid program requirements.

REFERENCES & DEFINITIONS

- Section 420.907 et seq. Florida Statutes, State Housing Initiatives Partnership Act
- Administrative Rule of the Florida Housing Finance Corporation, 67-37 et seq., State Housing Initiative Partnership Program.
- Titles I and II of the Cranston-Gonzalez National Affordable Housing Act, Public Law 101-625, HOME Investment Partnership Program.
- 24 CFR Part 92, Final Rule, HOME Investment Partnership Program.
- 24 CFR Part 570, regulations, Community Development Block Grant Program.
- International Property Maintenance Code (IPMC), as amended
- Florida Building Code (FBC), as amended

Affordable: shall mean monthly mortgage payments, insurance, taxes, and utilities do not exceed thirty (30) percent of the household's income.

Appeal Procedure: In accordance with the Partnership Agreement, an applicant or client may make a complaint or appeal a decision made by the Neighborhood Services Department Program staff.

Applicant: shall mean a person or household who submits a signed and completed program application for assistance.

Assets: shall mean as defined by Section 8 regulations, 24, CFR Part 813. Actual or "imputed" income from assets is included in projected annual income.

Brevard County HOME Consortium: shall mean a legal entity created through an intergovernmental agreement between Brevard County and the Cities of Titusville, Cocoa, Melbourne, and Palm Bay.

CDBG: Community Development Block Grant – shall mean funds provided to the City by the U.S. Department of Housing & Urban Development (HUD).

Contractor: shall mean a person, firm, corporation, or other business entity which is duly licensed and authorized to engage in the particular work for which bids and/or proposals are submitted, and who has not been debarred from performing work on federally funded projects.

Deferred Payment Loan (DPL): shall mean a zero interest non-repayment loan provided to qualified households, which is forgiven upon completion of its terms, provided the loan is in good standing.

Department: shall mean the City of Titusville Neighborhood Services Department.

Eligible Property: shall mean an affordable single-family use property located within the city limits of Titusville and occupied as a principal residence by an eligible household, and which is found to need minimum housing repairs within program limitations.

Eligible Property Owner: shall mean a household with a projected annual income at or below 80% of the median-income level, adjusted for family size, and who has met all eligibility criteria and requirements for the program as set forth.

Emergency Conditions: shall mean those items or conditions presenting a threat to the health, life and safety of the occupants of a dwelling unit; specifically, dangerous conditions caused by plumbing, electrical, roofing, and heating hazards.

Fair Housing: shall mean requirements for non-discrimination based on race, color, sex, religion, handicap, familial status, or national origin in accordance with Federal Regulations found at 24 CFR 100-146 and State Law FS 750.

General Property Improvements: shall mean improvements which are not corrections of health and safety code violations, but which place the unit in a readily maintainable condition for a useful life of at least five (5) years.

General Specifications: shall mean a document that provides complete details on materials, quality standards and equivalent requirements, as well as installation or performance measures and standards.

HOME: shall mean HOME Investment Partnership Program- administered by the U.S. Department of Housing and Urban Development (HUD) and disbursed through the Brevard County HOME Consortium.

Home Value: shall mean the current appraised value. If an appraisal is not available then the current market value established by the Brevard County Property Appraisers' Office at www.BCPAO.gov shall be used plus 30%, unless a recent sales price is higher than the Appraisers' Office market value, then the sales price shall be used.

Housing Code: shall mean the standards adopted by HUD, the International Property Maintenance Code (IPMC), and/or the Florida Building Code, adopted by the City. The Code sets forth the minimum requirements which dwelling units are expected to meet to ensure the health and safety of its occupants.

HUD: shall mean the United States Department of Housing and Urban Development.

Incipient Violations: shall mean at the time of inspection, it is determined that the physical condition of an element in the home will deteriorate into an actual violation within one (1) year. For example, a heat exchanger in a furnace is soon to become inoperative or hazardous because of its age, condition, or use. Further, a roof has one or more small leaks that can be patched at low cost, but the roof probably will continue to develop leaks or has a life span of less than five (5) years.

Income: shall mean the projected annual income established in compliance with HOME, CDBG, and SHIP regulations, specifically established at 24 CFR Part 813, the Section 8 regulations.

Income Limits: shall mean the most current income limits issued for the program that is assisting the client.

Liquid Assets: shall mean assets in cash, checking or savings accounts, and bank notes.

Low-Income: shall mean a household whose annual earnings are 51% to 80% of the median family income for the Titusville MSA.

Lowest Responsible Bidder: shall mean a qualified bidder with the lowest or best bid price, and whose business and financial capabilities, past performance, and reputation meet the required standards, and whose bid is within fifteen percent (15%) of the City's estimate.

Moderate-Income: shall mean a household whose annual earnings are 81% to 120% of the median family income for the Titusville MSA.

Neighborhood Services Department: shall mean the department of the City that is responsible for the administration of all federal, state, and local funds that are designated for the City's housing and community activities.

Palm Bay-Melbourne-Titusville MSA: shall mean the Metropolitan Statistical Area used for demographic data purposes.

Preferred Contractor: shall mean the responsible bidder and qualified contractor selected by the homeowner whose responsive bid is the lowest best price, or whose bid is no more than ten percent (10%) of the lowest responsive bid.

Principal Residence: shall mean the households primary residence, as established by eligibility for the State Department of Revenue Property Tax Homestead Exemption. The household may not vacate the unit for more than 180 days in any one calendar year for any reason, other than a hospital or nursing home stay.

Program: shall mean the Neighborhood Services Department Emergency Repair Program, Housing Rehab Program, and any other active Programs as advertised and funded.

Qualified Contractor: shall mean a licensed contractor who is actively engaged in residential construction or residential remodel with a minimum of two (2) years residential construction or four (4) years substantial residential remodeling experience, and has met the City's Housing Program requirements to perform work on federally funded housing projects. *The following criteria is used in meeting the City's Housing Program requirements: a contractor that can demonstrate quality performance, ability to perform in a timely, professional, cost-effective manner, and has a successful record of accomplishment in providing the types of services needed through recommendations and references from technical or program experts.*

Rehabilitation: shall mean the repair and improvement of a single-family residence so that it meets housing codes. Each major system must have a remaining useful life of at least five (5) years. Major systems include roof, electrical service, plumbing service, heating system, exterior cladding and weatherproofing, windows, and doors.

Responsible Bidder: shall mean a contractor, supplier, or vendor qualified on the basis of their capabilities: 1) has adequate financial resources to perform a contract; 2) is able to comply with the associated legal or regulatory requirements; 3) is able to deliver according to the contract schedule; 4) has a history of satisfactory performance; 5) has good reputation regarding integrity; 6) has or can obtain necessary data, equipment, and facilities; and 7) is otherwise eligible and qualified to receive award if its bid is chosen.

Responsive Bidder: shall mean a bidder whose solicited bid is determined to be in substantial conformance with the conditions, completion or delivery requirements, and specifications detailed in the invitation-to-bid, request for proposals, request for quotations.

SHIP: shall mean the State Housing Initiatives Partnership Program funded by the Florida Housing Finance Corporation.

Substandard Housing: shall mean any dwelling unit which has violations of Chapter 3, 4, 5, 6, and 7 of the International Property Maintenance Code and/or conditions which are not conducive to public safety, or the health and general welfare of its occupants due to inadequate structure strength, stability, sanitation, light, and ventilation.

Substandard Housing suitable for Rehab/Repair: shall mean any “substandard” dwelling in which the deficiencies are limited in number and magnitude such that the cost of repairs would not exceed fifty percent (50%) of the replacement costs of the dwelling.

Substandard Housing Not suitable for Rehab/Repair: shall mean any “substandard” dwelling with deficiencies of such number or magnitude that the cost of repairs would exceed fifty percent (50%) of the replacement costs of the dwelling.

Students: shall mean the 2013 Final HOME Rule specifically excludes certain students from participating independently in the HOME program. The HOME program adopts the Section 8 Housing Choice Voucher (HCV) program restrictions on student participation found at 24 CFR 5.612, which excludes any student that:

1. Is enrolled in a higher education institution
2. Is under age 24
3. Is not a Veteran of the U.S. Military
4. Is not married
5. Does not have a dependent child(ren)
6. Is not a person with disabilities
7. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income.

Excluded students are prohibited from receiving any type of HOME assistance, including renting HOME-assisted units, receiving HOME tenant-based rental assistance, or otherwise participating in the HOME program independent of their low- or very low-income families.

Subordination: shall mean the process of placing, ranking, or positioning a mortgage as secondary to the primary mortgage.

Uniform Physical Conditions Standards (UPCS): shall mean the uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair, pursuant to 24 CFR 5.703.

Unliquidated Assets: shall mean the fair market value of an asset that can readily be turned into cash with little or no loss.

Very Low-Income: shall mean a household whose annual income is 31% to 50% of the median income for the Titusville MSA.

Work Write-Up: shall mean the written description of the work that is to be performed on a dwelling unit to eliminate emergency conditions or to bring the property up to minimum housing standards.

PROGRAM GOALS AND OBJECTIVES

The goals of the City of Titusville's housing programs are to improve the quality of life for residents by improving the existing owner-occupied housing stock. Specific objectives for achieving this goal include:

Objectives that provide benefit for the entire City

1. Preserve and enhance the existing housing stock.
2. Revitalize neighborhoods and remove blight.
3. Conserve the property tax base.

Objectives that benefit neighborhoods

1. Preserve historic residences.
2. Expand housing alternatives.
3. Encourage other improvements to neighborhoods.
4. Discourage the abandonment of houses.
5. Encourage reinvestments in distressed neighborhoods.

Objectives that benefit individual homeowners

1. Benefit very low- and low-income households.
2. Remove health and safety hazards.
3. Reduce utility costs.
4. Maintain standard housing for those in need.

DIRECTIVES:

The City of Titusville's Neighborhood Services Department shall be responsible for the administration of the Programs.

OUTREACH:

A list of citizens who have requested assistance with repairs to their homes is maintained in the Neighborhood Services Department office. As the number of citizens on the list is reduced, the department will advertise the availability of program funds in local newspapers, churches, social service offices, etc. Clients are assisted on a first-qualified, first-served basis.

TYPES OF ASSISTANCE

The City offers several types of assistance programs to property owners designed to correct incipient, as well as actual, minimum housing standard violations, to bring the property into generally good and readily maintainable condition.

Assistance may be in the form of a grant or a deferred loan as described herein:

Emergency Repair Program- SHIP Grant Program Only (when funded)

This program, when available, is for households at or below low-income who live in the city limits and whose health or safety is threatened by conditions in their home. Such conditions may include a leaking roof within the living area, major plumbing problems, heating problems, or electrical hazards; where repairs are under \$10,000. Assistance is provided in the form of a deferred payment loan secured by a mortgage and note on the property for the term of one (1) year. The determination that “emergency” health and/or safety hazards or conditions exist shall be determined by the Neighborhood Services Director or designee, or the Building Official. Minimum required assistance is \$1000.00.

Damages and/or repairs covered by homeowners/hazard insurance, or Home Repair or Warranty Plans shall be utilized first and it shall take priority over any provided City Program available. However, where judicious to do so, the Program may pay or subsidize the deductible required under such Policies. In the event of damage caused by a declared disaster, assistance will be governed by the Disaster Program provided under the SHIP grant program where enacted.

In the event contractor quotes and/or bids exceed the program limitation, the homeowner has the option of paying the difference between the lowest contractor bid and the actual cost of repairs; provided the amount does not exceed \$1000.00 (any amount greater is found to defeat the purpose of the program).

Housing Rehabilitation Program- SHIP, HOME, or CDBG Grant Programs

This program, when funded and available, assists households within the city limits of Titusville whose household’s income is at or below 80% AMI (low-income) and whose home values do not exceed the maximum area purchase price limits for the Melbourne-Titusville-Palm Bay Metropolitan Area (MSA) in effect at the time of assistance, for existing homes. Where implemented in the City’s SHIP Local Housing Plan, incomes may be up to 120% AMI provided the assistance can meet the set aside requirements of the SHIP Rule. This program is designed to subsidize the repairs to owner-occupied principal residences, which would bring the home into compliance with Minimum Housing Standards Codes and/or Federal Housing Standards. Repairs can be for the interior and/or exterior of the home; condos, townhomes, or other attached units may be limited to the interior only. Home improvement repairs may include, but are not limited to, roof repairs or replacement, windows, electrical, plumbing, kitchen cabinets, bathroom fixtures, heating systems, flooring, paint, and other improvements that address

housing code violations. Swimming pools, saunas, washer & dryers, dishwashers, garbage disposals, or other items considered as non-essential or luxury items are not eligible improvements. Assistance is limited to a maximum of three occasions per property, regardless of change in ownership. Minimum assistance required is \$5000.00.

Maximum assistance of \$70,000 (increasing at a rate of 10% annually for inflation, where inflation exist and where allowed under the regulatory grant program) including soft costs, may be provided in the form of a deferred payment loan secured by a Mortgage and Note recorded on the property, for the required affordability period. In the event contractor bids exceed the program limitation, the homeowner has the option of paying the difference between the lowest-qualified bid and the actual cost of repairs; provided the amount does not exceed \$5000.00 (any amount greater is found to defeat the purpose of the program). If the homeowner chooses to pay the difference, they will not have the option of selecting a preferred contractor, but must go with the lowest-responsive and qualified bid.

Damages and/or Repairs covered by homeowners/hazard insurance or a Home Repair/Warranty Plan shall utilize such coverage first and it shall take priority over any provided City Program available. However, where judicious to do so, the Program may pay or subsidize the deductible(s) required under such Policies. Additionally, in the event of a declared disaster, homeowners shall seek assistance from any and all federal or state resources or programs first. All insurance or covered repairs must be performed and completed prior to Program assistance.

For homes that have been assisted previously, additional assistance will only be considered in cases where the home and property has been adequately maintained and show no signs of deliberate damage or neglect. Repeat repair or replacement of items required due to lack of maintenance or care will not be considered.

Subject to the limitations below, the amount of a rehabilitation loan an applicant may receive shall be limited by the following:

1. The actual (and approved) costs of the repairs and improvements necessary to make the property conform to the Minimum Housing Standards for safe, decent, and sanitary housing.
2. That portion of the costs of repairs and improvements, which cannot be paid for with any available loan that can be amortized as part of the applicant's monthly housing expense without requiring that expense to exceed thirty percent (30%) of the applicant's monthly income. The term "any available loan" means:
 - a. An un-secured personal loan, or
 - b. A conventional loan typical of those made by banks and other lending institutions

Amount of Assistance

Under \$15,000
\$15,001 to \$40,000
\$40,001 to \$65,000
\$65,001 and over

Periods of Affordability (Lien)

Five (5) years
Ten (10) years
Fifteen (15) years
Twenty (20) years

Other Loan Terms

In addition to the lien period as stated above, the following terms will apply to each loan and are part of the Deferred Payment Loan (Mortgage):

1. The assistance will be in the form of a Deferred Payment Loan, secured by a zero percent (0%) interest bearing mortgage (1st mortgage in cases of no other mortgage or 2nd mortgage in cases of an existing 1st mortgage) in favor of the City of Titusville and forgiven according to the following schedule on the anniversary date of the loan:

<u>Lien Period</u>	<u>Percentage Forgiven Annually</u>
5 years	20%
10 years	10%
15 years	7% years 1-14; 2% year 15
20 years.....	0% first 5 years, 5% years 6-15, 10% years 16-20

2. Death of mortgagor: The passing of title due to the death of the mortgagor to other than a spouse or child residing in the home at the time of eligibility and loan execution, and holding an interest in the property, is deemed a conveyance and constitutes a default. A spouse or child residing outside of the home, but holding interest in the property by virtue of title or inheritance, may apply to assume the City's loan provided the home shall be their principal residence, and they meet all the eligibility criteria for the program. See Eligibility Requirements section of this policy.
3. Leasing: Leasing the premises, or portion thereof, for any period of time is deemed a conveyance and constitutes default.
4. Continued Occupancy: The mortgagor must reside in the assisted property as principal residence for the term of the loan. If for any reason, other than a temporary hospital or nursing home stay, the mortgagor vacates the premises for more than a period of 180 consecutive days in any one calendar year, such vacation shall constitute default.
5. If a homeowner is the owner occupant of an assisted unit at the end of the applicable lien period, and is not in default, the lien will be forgiven and the lien released.

Properties under consideration for assistance are reviewed with regard to existing mortgages and/or liens that secure interest in the property. For those properties with existing mortgages and/or liens, the City will only consider assistance when it would be judicious to do so. For example, if a property is secured by existing liens exceeding the

appraised value of the property, assistance may be provided but capped at a lower level of assistance.

If a determination is made that a housing unit requires repairs that would be in excess of the program limitations, or if repairs would exceed 50% of the value of the property or reconstruction costs, staff may determine that it is not financially judicious to rehab the home, and refer the applicant to another agency or program for assistance. If rehabilitation cannot meet the requirements of the applicable funding source, Building Codes, or the intent of the program, the City is under no obligation to do the rehabilitation.

Homes with a second mortgage (putting the City's lien in 3rd position) may be considered for assistance, if all combined mortgage balances, plus the City's program assistance would not exceed the appraised value of the property upon completion of repairs.

Foreclosure Prevention Program- SHIP only (when funded)

This program, assists households within the city limits of Titusville whose household income is at or below 120% AMI (moderate-income), and whose property value does not exceed the maximum SHIP value limits. This program will assist homeowners who are in arrears on their first-mortgage. The arrearage must be at least three months, but no more than six months, and cannot be under an active foreclosure action.

Assistance up to a maximum of \$5000.00 is provided and secured by a recorded mortgage and note on the property, for a period of one (1) year. This is one-time assistance.

Applicants will be ranked for assistance based on a first-qualified, first-served basis with priorities given to special needs, elderly and school-aged, essential services personnel households, and all other incomes to meet set-aside requirements.

Applicants must provide proof of pending foreclosure action or notice. Payments shall be made directly to the first lender.

Applicants must meet an income and assets review to determine income eligibility according to the requirements of the funding source. All income of persons residing in the home will be counted. Maximum allowable assets are set to no more than \$2500.00 in liquid assets and \$8,000 in un-liquidated assets including, but not limited to, property such as cars, boats, etc.

Applicants must be in good standing with the City (e.g. city utility and stormwater accounts, be free of code enforcement liens, judgements, or any other action, and must be free of code violations that will not be addressed by the program where applicable.

POLICY ON ISSUANCE OF SUBORDINATION OF CITY LIENS

Subordination of liens may be considered for the following reasons only:

1. An owner requesting a subordination of the City's lien must make the request in writing to the Neighborhood Services Director indicating the reason for the request. The owner must include information on a form, provided by the City, which includes: interest rate before and after, terms, conditions, years left to pay on existing mortgage(s), any cash back, closing costs and other fees to be charged to the owner.
2. Home improvement loans for the purpose of general property improvements or those improvements or repairs which bring the unit into compliance with the minimum housing standard code, and which will not cause the client's monthly housing expense to exceed affordability limits.
3. Subordination requests which increase the affordability of the housing unit, or assist a household with medical expenses, not associated with consumer debt.
4. Refinancing of superior mortgage(s) for the purpose of improving terms (i.e., lower interest rate or payment) and which cause the unit to become more affordable to the client will be considered, provided the refinancing is not used to pay off consumer debt.
5. The Neighborhood Services Director must review and recommend approval of any subordination request to the City Manager. The Neighborhood Services Director will identify for the City Manager or designee, the current status of the City's equity position, and the equity position if the subordination request is approved.
6. The Mayor must authorize and sign all Subordination Agreements.
7. The City may consider mortgage refinancing with consumer debt included if the total debt, including the City's lien ratio to fair market value of the property does not exceed eighty percent (80%) of the fair market value and the City receives at least a 10% payment towards the reduction of the its lien.
8. The City reserves absolute discretion to grant or deny subordination to City liens.

Under no circumstances shall the City position reduce from its original position.

POLICY ON ISSUANCE OF SATISFACTION OF MORTGAGE

Satisfaction of Mortgages will be considered and processed as follows:

1. At the end of the affordability/lien period as defined herein, the Neighborhood Services Director or designee shall initiate and complete a Satisfaction of Mortgage on the assisted property to indicate that the City's lien has been satisfied, provided no default has occurred.
2. A homeowner may choose to satisfy the lien prior to the end of the affordability/lien period by submitting a written request for a "pay off amount" to the Neighborhood Services Director or designee. The "pay off amount" shall be equal to the amount outlined in the Deferred Payment Loan (DPL) agreement on an annum basis. There is no penalty or fee for early payoff.

3. All Satisfaction of Mortgages are to be signed and approved by the Neighborhood Services Director, City Attorney, City Manager, and Mayor.
4. The owner is required to pay for the cost of the Satisfaction of mortgage upon expiration of the lien.

ELIGIBILITY REQUIREMENTS

Eligible applicants will be approved for assistance on a first-qualified, first-served basis subject to funding availability with the following criteria:

1. Applicant has a fee simple title, or other forms of ownership approved by the agency which regulates the funding program.
2. The current home value of the assisted property must not exceed the median purchase price for the Palm Bay-Melbourne-Titusville Metropolitan Statistical Area (MSA), as established under the HOME regulations.
3. Property does not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest.
4. Housing unit is located within the city limits of Titusville.
5. Owner-occupants use the home as their principal residence.
6. Household earns 80% (120% for SHIP where indicated in LHAP) or less of the median-income for the Palm Bay-Melbourne-Titusville Metropolitan Statistical Area (MSA).
7. All property taxes and mortgage payments are current, and property is not in jeopardy of foreclosure, with the exception of Foreclosure Prevention Program applicants. Applicants must be able to demonstrate the ability to pay property taxes, insurance, utilities, and future mortgage payments where required.
8. Owner-occupants have owned and occupied the home for at least one (1) year. If converted from an owned rental or investment property, the residence must be owner-occupied for a minimum of five (5) years.
9. Applicant meets an income and assets review to determine income eligibility according to the requirements of the funding source, i.e. CDBG, HOME or SHIP. All income of persons residing in the home will be counted. Maximum allowable assets are set to no more than \$10,000 in cash (\$2,500 for Foreclosure Prevention Program) and \$20,000 in un-liquidated assets including, but not limited to, property such as cars, boats, etc. (\$10,000 for Foreclosure Prevention Program).
10. Applicants must attend and complete a Home Maintenance Workshop approved by the City, where applicable.
11. For the Rehab Program, property must be determined to be "substandard and suitable for rehabilitation" by the City and must require a minimum of \$5,000 in repairs.
12. For the Rehab Program, rehabilitation costs must be within the maximum allowed for the program.
13. For the Rehab Program, the property owners can demonstrate reasonable maintenance and care, and the ability to maintain the property after assistance.
14. For the Emergency Repair and Rehab Programs, property must be covered by homeowner's insurance.
15. Applicants must be in good standing with the City (e.g. city utility and stormwater accounts), be free of code enforcement liens, judgements, or any other

assessments, and must be free of code violations that will not be addressed by the assistance Program where applicable.

16. The home value of the property, after assistance, must not exceed the affordable housing limits for existing homes in affect at the time of assistance.
17. If an applicant is deemed ineligible for assistance, they cannot reapply for a period of one year.

Upon the death of the mortgagor, the assuming party (spouse or adult child(ren) residing in the home), must meet the income and asset limitations in affect at the time of the assumption. Parties not having an ownership interest (by virtue of title or inheritance) in the home may not assume the mortgage, and balance of the loan will be due immediately.

The following will deem the property and/or owner ineligible for assistance:

1. Properties with active code enforcement violations, active building code violations, which owe the City administrative cost and/or fines, and/or have outstanding City accounts or liens. Upon review, owners having any of these conditions will be notified and given thirty (30) days to satisfy such liens before being removed from the program waiting list. A reapplication will be necessary if applicant is removed from waiting list.
2. Properties with multiple owners, whose principal residence is not that of the property being considered for assistance. This does not apply to properties with Trust or Survivorships provided all owners agree to sign program Agreements and Loan documents, and the transfer thereof.
3. Households that have received assistance three or more occasions, or the recipient of a housing replacement unit or new construction.
4. Rent-to-Own properties, properties transferred by Quit Claim Deed where first party is responsible for an outstanding mortgage or lien on the property, and properties with defective deeds.
5. Properties with more than two mortgages, properties with a reverse mortgage exceeding the market value of the property, and properties with a Line of Credit secured by the property exceeding 50% of the market value of the property.
6. Condominiums, and other forms of attached residences are not eligible. Interior repairs may be granted, if judicious to so, and are not in conflict with any HOA or Deed restrictions, or building codes.
7. Manufactured or mobile homes are not eligible for assistance, unless specified and funded in the SHIP Local Housing Assistance Plan (LHAP).
8. Property value exceeds the current MSA limits.
9. Homeowners who have withdrawn from the program on more than three occasions after the intake process, or who withdraw after considerable effort has been put into providing assistance and receiving bids from contractors. Cancellation fees are required as outlined herein.

Priority assistance will be given to the following groups of persons in the following order, for the Rehab Program:

1. Homeowners with emergency conditions in their homes, which represent an immediate threat to their health and safety through no fault of their own.
2. Homeowners who are considered “Persons with Special Needs or who have a “Developmental Disability” as defined by s. 420.0004(13) and 393.063(g).
3. Elderly or school-aged households served for the first time.
4. All other applicants seeking services for the first time.
5. Properties that have received assistance previously, but have not been assisted within the past ten years (see policy below).

POLICY ON PRIOR ASSISTANCE:

1. Assistance is limited to a maximum of three (3) individual projects per property and/or owner.
2. Subsequent assistance can only be provided after any lien or agreement terms have lapsed, regardless if loan has been repaid. However, if extenuating circumstances arise, such as a sudden health, disability, or other special need issue, during any lien term period, additional assistance may be granted on a case-by-case basis to address these new essential needs; where no other assistance or coverage is available.
3. Recipients of new construction or replacement housing are not eligible for any future assistance.

GENERAL OPERATING PROCEDURES

ALL units assisted under the Housing Rehabilitation Program shall be in compliance with the International Property Maintenance Code and/or Existing Residential Building Code upon completion, and with local zoning and land development regulations. The City’s Housing Rehabilitation Standards and General Specification will be the guiding document that sets forth the standards by which homes assisted under the Program will be rehabilitated.

The Neighborhood Services Department administers the Housing Assistance Programs for homeowners in the city of Titusville. The City serves as the Owners liaison in hiring a contractor to make the necessary repairs to their home and managing the construction phase of the contract. Residents are encouraged to call before coming to the office to ensure staff’s availability and to determine eligibility for assistance. Please refer to *Exhibit “A”* which provides a typical housing rehab schedule.

When a homeowner seeks service through the City’s Housing Assistance Programs, the applicant should expect to adhere to the following general procedures:

Application

An application form must be completed and all requested information must be provided within the timeframe given, and verified before an applicant can be approved for housing assistance. The applicant may request the assistance of the Department in completing the application. Failure to provide all requested information or providing false or misleading information will result in the disqualification of the applicant, and may result in other punitive damages.

Applicants who have previously been determined ineligible for assistance, and/or who have withdrawn from the program must first show proof that their circumstances have changed to warrant a review and a new application, will be considered new applicants and placed on the waiting list in the order of receipt of a new application. Those applicants that have previously withdrawn from the program at a crucial stage, such as after work write-up and bidding, shall owe a fee as outlined herein.

All applicants for rehab program must have homeowner's insurance. If the home is uninsurable due to code issues, the applicant must provide documentation that homeowners insurance shall be provided upon completion of rehab assistance.

Preliminary Approval

An application with the proper documentation of income, proof of ownership (deed), mortgage payment history, current year property tax receipt, verification of assets, and the signature of the Housing Program Manager, is required prior to the initial inspection and estimated job write-up. Homeowners who are not current on mortgage payments or have been served with a notice of foreclosure on the property will be determined to be ineligible and removed from the program waiting list. Homeowners, who do not respond to requests for information within the timeframe given, will be removed from the waiting list and noted as unresponsive.

All homeowners will be given an opportunity to review the Program policies and specifications, and given examples of materials and goods used in the Program. Any deviation from the approved specifications is at the discretion of the Neighborhood Services Director on a case-by-case basis.

Applicants who have been determined to be eligible will be served on a first-qualified, first-served basis. Applicants may be required to re-certify income and residence, after a time determined by the grant funding. In addition, the City reserves the right to request additional or updated information at any time during the participation in the program.

Applicants shall not be assisted if it has been determined or have shown their intent to sell or transfer their property interest; have a judgment, a tax lien or other government lien on their property; or are determined to not have a good ownership interest through the underwriting review conducted by Program staff. Additionally, applicants shall not be assisted if they are behind on their mortgage payments. To complete a determination

of applicant eligibility, the Program staff will request a title search (O & E) of the proposed property to determine ownership interest and eligibility of the property. An underwriting review is necessary to ensure that the administered funds are utilized in a manner that ensures that financial accountability standards are met.

If an Applicant is determined to have impediments (e.g. liens, judgements, water liens, code enforcement liens/issues) to receiving assistance through these City Programs, they will be notified in writing and staff will provide guidance to the applicant to remove these impediments. Applicants are not eligible until all impediments have been satisfied.

All properties assisted may be subject to an environmental review, lead based paint testing and abatement, and/or asbestos testing. Where grant restrictions prohibit assistance due to environmental concerns, the applicant will be notified and property will be ineligible for assistance.

Should the owner/applicant decide the program is not right for them at this phase, they have the option of withdrawing their application.

Inspection

In order to determine the extent of the repairs needed to bring the home up to minimum property standards, an inspection of the property is required. All inspections, other than for emergencies, will include a complete Minimum Housing Standards Code evaluation. Priority will be given to emergency conditions that pose an immediate threat to the health and safety of the occupants.

Emergency repairs will be assigned to a sub-contractor (electrical, plumbing, roofing etc.) who is on the City's Approved Contractors List or who holds an "annual contract" with the Neighborhood Services Department for such trade. All others will be competitively bid in an effort to receive at least three bids. Such work may only begin after final approval by the Neighborhood Services Director.

Other types of rehabilitation assistance will be addressed according to a level of priority. Work will not begin without the Neighborhood Services Director's review and approval. Rehabilitation must be adequate to extend the useful life of the property for at least five (5) years, preferably longer, to protect the security of the City's deferred payment loan.

Rehabilitation standards shall include, at a minimum:

- Correction of minimum housing and/or property maintenance code violations.
- Correction of observable and identifiable problems which could lead to incipient violations within one year.
- Incidental repairs related to work performed.
- Addition of energy efficient improvements which decreases operating costs.
- Barrier free items, such as building/installing ramps, grab bars, accessible showers, toilets, sinks/faucets, and widening doorways as may be needed.

- According to SHIP regulations, the Program shall utilize grant funds in a manner that encourages reduced long-term costs relating to maintenance, utilities, and/or insurance. Innovative design, green principles, storm-resistant construction, or other elements will be incorporated for sustainability and to promote greater affordability.

General property improvements may be provided if Program staff feels such improvements will place the unit in a more readily maintainable condition and benefit the occupants overall living conditions. These types of improvements will only be considered after minimum housing or property maintenance code violations are addressed and funding is available.

Housing repairs will not be made to homes where additions or modifications to the home, or accessory structures, have been made without permits, and where such changes or additions are not in conformance with the applicable building code, or where the property is in violation of local land development or zoning regulations. The work write-up process will not begin on any project until the following criteria is researched:

1. Unpermitted work such as room enclosures, (Garage, Carport, Screen rooms, etc.);
2. Unauthorized Conversions, (Apartments, Rooming houses, etc.);
3. Setbacks (Handicap ramps, Porches, Additions, etc.);
4. Disabled Motor Vehicles on the property;
5. Code Violations;
6. City accounts and property liens;
7. Judgements;
8. Status of mortgage and taxes where applicable;
9. Homeowners Insurance coverage; and
10. Ownership status

Should the owner/applicant decide the program is not right for them at this phase, they have the option of withdrawing their application.

Final Application Approval

An application with the proper documentation, work write-ups, and bids must be reviewed for compliance with program policies, approved, and signed by the Neighborhood Services Director, prior to rehabilitation. Applications involving City employees and/or properties in which an employee has interest in, shall also be reviewed by the City Attorney for conflict of interest.

Any applications that involve a close relative of Program staff, will require a third-party review of the eligibility process.

Work Write-Up & Housing Specifications

Once a completed application is received, the case will be reviewed for compliance with the basic eligibility requirements of the program. A work write-up with in-house cost estimates will be prepared for every job as directed by the Neighborhood Services Director. In addition to the work write-ups, all contractors will comply with the Neighborhood Services Department's written Specifications/Property Standards and all applicable Building Codes. In instances where work write-ups are revised due to limited funds or other unforeseen circumstances, the original write-up will be revised, signed and dated by the Homeowner, Contractor, and Director. The work write-up must support that the proposed work will not exceed the After-Rehab Property Value Limits for the MSA.

If the property is determined to require repairs in excess of the Program limitations or funding availability, the owner will be notified of the property's ineligibility. Program staff will make information available to the owner with regard to other agencies or programs that may be available to assist.

Upon completion of the work write-up by Program staff, the owner will review the proposed work and consent to the specifications in writing. Any issues relating to the proposed work will be resolved before proceeding to the bidding and contractor procurement process. If the homeowner does not respond within the timeframe given for review, they will be deemed unresponsive and their application cancelled and removed from the waiting list.

Additionally, the homeowner cannot elect to change or delete the scope of work, or any portion thereof, where program, local, State, or Federal guidelines or regulations dictate minimum property standards that would bring the home into compliance with these standards. Should the homeowner disagree with the scope of work as prepared, the Director and/or designee, shall reevaluate the home and scope of work to ensure all items are necessary and required. The outcome of the reevaluation will be final and cannot be negotiated.

Should the owner/applicant decide at this stage that the program is not right for them, they have the option to withdraw from the program. There is a \$50.00 inspection fee due at this stage if withdrawn or cancelled.

Selection of Contractor/Bid Award

When an applicant is approved for the program, the selection of contractors to perform the rehabilitation work will be conducted through a competitive bidding process on behalf of the Owner. All local, State, and Federal procurement policies must be adhered to during the Program's contractor selection process. The process will be conducted in accordance with the rules and regulations that govern the funding source for the project. Additionally, the Instructions to Bidders (Exhibit C) shall be followed. In all cases, the funding source regulations will take precedent over local policy where it is more restrictive.

- All bid opportunities, will be advertised through the DemandStar system and the City's website. Emergency Repairs will be solicited through the informal Price Quote process internally where applicable.
- Price quotes and bids received from contractors will provide sufficient line item pricing details for materials and labor. Lump sum price quotes and bids will not be accepted.
- All bids submitted will either be hand delivered or mailed directly to the City of Titusville Purchasing & Contracting Division. All bids will be delivered sealed and opened only on their due date and witnessed by the Purchasing & Contracting Division.
- Each job file will contain documented evidence, such as advertisement, fax transmittals, or letters that indicate prospective contractors were notified of bid opportunity. All prospective bidders must attend a mandatory Pre-Bid Conference at the subject project site in order to submit a bid. Any Contractor not present, for the duration of the conference, will forfeit the opportunity to bid for that particular job.
- During the mandatory pre-bid conference, the contractors shall have an opportunity to ask questions as to the work write-ups or specifications. If warranted, addendum and clarifications with supplemental instructions will be prepared and made part of the bid document and posted to DemandStar. The documentation will help eliminate any disputes or misunderstandings, which may arise from decisions made while work is in progress.
- Bid submittals will be reviewed by Program staff for content and completeness, for acceptance. Program staff will provide the Owner with the bid results and seek their input on award. The Owner and/or City reserves the right before awarding the contract to require a bidder to submit such evidence of his or her qualifications as it may deem necessary to properly evaluate the bid, and may consider any evidence of the financial, technical, and other qualifications and abilities of a bidder. The Owner and/or City reserves the right to award the contract only to a bidder who is fully qualified to undertake the work.
- The lowest responsible bidder price quotes and bids should be within fifteen percent (15%) of the in-house write-up; if not, the City has the option to re-bid.
- Bids will be considered irregular and may be rejected if they show omissions, alterations of form, additions not called for, conditions, limitation, unauthorized alternate bids, or other irregularities of any kind. The Owner and/or City reserves the right to waive any information or irregularities of bids.
- The Owner and/or City reserves the right to reject any or all bids, or any part of any bid, to waive any informality in any bid, or to re-advertise for all or part of the Work contemplated.
- The Department will tabulate and prepare a Bid Tab, for Owners review. The contractor selection is the sole responsibility of the Owner. However, the Owner shall seek input from the Department on each bidders' qualifications before making a selection. The Owner shall first consider the lowest bid price. Additionally, the Owner shall consider the contractors past performance, ability to proceed, number of jobs the contractor has in progress, reputation for timely completion of a project, willingness to work within the program constraints, familiarity with the program parameters, and the ability to understand and work with the homeowner. If bids are

acceptable, written notice will be given to the preferred responsible and qualified bidder chosen by the Owner. If Owner's preference is not the lowest responsible bid, the preferred bidder must be within ten percent (10%) of the lowest bid. Upon notice, the owner shall have five (5) days to accept said bids and approve execution of contract; failure to do so will result in cancellation of the project and removal from the Waiting List as non-responsive.

- If the bidder to whom the contract is awarded forfeits, then the award is annulled and the Owner and/or City may then award to the next lowest responsible and qualified bidder, or the work may be re-advertised through the bid process.
- The City reserves the right to limit the number of awards per contractor based upon their capacity, past performance, or program experience.
- The City reserves the right to add and delete line items in order to remain within the allocated budget of each project and the grant program. Deletions or additions to the scope of work can occur before or after the project has been awarded, as well as during the course of the rehabilitation process; 100% of the line item cost will be deleted. Items required to be repaired under governing regulations cannot be deleted.
- Should the successful bidder fail to execute and deliver the contract within the allotted time, the Owner and/or City at its option, may find said bidder non-responsive and deem his or her bid award forfeited. Failure of the bidder to execute the contract may also result in additional sanctions pertaining to the bidding of future work in the Program by the bidder.
- Program contracts shall be signed and executed by the Property Owner(s), Program Manager, Rehabilitation Specialist, and Director. The contracts will be reviewed to form and attested by the Neighborhood Services Director, City Attorney, City Manager, and the Mayor.
- The homeowner cannot elect to change or delete any portion of the scope of work, after bids have been received.

In emergency cases, vendors listed on the City's approved contractor's list or who hold an annual agreement (roofers, electricians, plumbers, etc.) may be selected to perform the work according to their availability.

Should the owner/applicant decide at this substantial stage in the program to withdraw from the program, an application processing fee of \$150.00 will be due from the owner to cover costs associated with processing their application and assisting the property up to this point. Failure to pay the fee will make the owner/applicant ineligible for future assistance consideration. A one year waiting period will be required to reapply for assistance.

Lien Agreements

Participants in the City's housing programs will be asked to attend a contract signing meeting where the following documents are to be executed: Memorandum of Agreement, Deferred Payment Loan, Construction Contract, Permit Authorization, Awareness Statement, and Notice of Commencement. The Lien Agreement will be in the form a Deferred Payment Loan at 0% interest for the affordability/lien period contained

herein and shall be prorated at a rate specified within the DPL per annum. The Lien will stipulate restrictions on the transfer or resale of the property, and identifies the City as a party to the Agreement as the Owner's agent to contract for and carry out the agreed upon repairs and improvements. All eligible Owners must demonstrate adequate homeowner's insurance coverage, including flood insurance where applicable, upon completion and for the duration of the lien period.

If HOME funds are used, the HOME affordability period (lien) starts from the date that the activity is closed out with HUD. All other lien periods will start upon final payment and inspection of the project.

The Neighborhood Services Department will verify, on the day preceding or the day of contract signing, that all mortgage payments are current and that the homeowner has not been served with a notice of foreclosure (Lis Pendens). Verification will be confirmed through third party verifications and researching the public records of the Brevard County Clerk of Courts. After a three-day rescission period, the contract between the homeowner and contractor may be executed and a Notice to Proceed issued.

The Owner-City agreement, Deferred Payment Loan (mortgage), and subsequent Mortgage Modifications, as required, are to be signed by the property owner, Neighborhood Services Director, City Attorney, City Manager, and Mayor.

If the property is in Trust, Life Estate, or survivorship, the other parties thereto must document their residence at another location and must sign the Agreement, Mortgage, and Note with the City. *It is important to note that the State of Florida does not have a "legal separation" provision. As a result, if an applicant is still married, it does not matter if he or she does not reside in the property with their spouse.*

Should the owner/applicant decide to invoke the "Right to Cancel" after contract signing, a project delivery fee of \$150.00 will be due upon receipt of Notice.

Construction

In order to prevent costly delays and interruptions to the contractor's schedule, an owner (including relatives and/or friends) may not perform work on the eligible property during the construction period. Should an owner wish to perform work that is outside of the scope of the work write-up, that work must be performed after the job has been completed (passed all final inspections and approved by the City and owner). Any work by owners involving or modifying the work performed under the City's program will void the program and contractor(s) warranties. Any post-construction agreements or warranties are between the Owner and the Contractor.

For all rehabilitation work, except emergencies, the general contractor, unless prohibited by inclement weather, must begin work within seven (7) days after a written Notice to Proceed. A subcontractor (Roofing, Electrical, Plumbing, Air Conditioning, etc.) shall

have a five (5) day mobilization period after general contractor is issued a Notice to Proceed.

- The Contractor shall pay all sales, consumer use, and other taxes required by law and shall secure all permits, fees and licenses necessary for the execution of work under contract.
- If the contractor does not commence work within seven (7) days, the homeowner and the City may cancel the contract and award the work to the next lowest responsive bidder or request re-bidding of the job.
- All work shall be satisfactorily completed within ninety (90) days from the Notice to Proceed, unless extended by the Department.
- The Department will make construction inspections as follows: 2 to 4 inspections for emergencies, 5 to 10 inspections for moderate rehabilitation, and 10 to 15 inspections for substantial rehabilitation.
- Variations from any work write-up must be documented by a change order; change orders are inevitable, but will be the exception for housing rehabilitation jobs.
- The contractor is responsible for submitting written change order proposals for approval by the homeowner and Department prior to beginning any additional work.
- Any work done without written authorization from the Department will be the financial responsibility of the contractor.
- Contractors will provide adequate documentation with change orders to justify the changes along with details and costs for each changed item.
- ***Any change orders, or liability resulting from change orders, initiated by the homeowner without approval of the City, and carried out by the contractor will be the financial responsibility of the homeowner as well as any liability arising from the change order.***
- All change orders must be reviewed and signed by the Neighborhood Services Director before the approved terms are implemented and the contract amount adjusted.
- Contract amounts will be adjusted at the discretion of the Neighborhood Services Director, with the consensus of the homeowner, provided that the cumulative amount of the change orders does not increase the original contract amount by more than 15%, and does increase the overall contract amount over the current program limitations.
- In situations where change orders exceed 15% of the original contract, a memo to justify the percentage difference will be placed in the file and signed by both the Contractor and the Neighborhood Services Director. Change orders should occur infrequently and they will be justified only for unusual or unforeseen circumstances.
- Fewer change orders will occur if:
 - 1) Initial inspections are thoroughly performed
 - 2) Work write-ups are adequately prepared
 - 3) The contractors' scope of work is sufficiently detailed to identify all work to be accomplished.
- The Neighborhood Services Director must certify that all work is completed according to work write-ups and applicable codes before disbursement of final payment.

Upon completion of the work and acceptance by the City, the contractor shall provide a one-year warranty for all work; materials and labor for a period of one [1] year after the Certificate of Final Inspection [five (5) years for new roofs].

All properties participating in the rehabilitation program will be checked periodically during the construction phase of the project to ensure that the homeowner continues to be in good standing with the City and is not in jeopardy of foreclosure proceedings. Should the homeowner fall behind in his or her mortgage and/or a Lis Pendens (notice of foreclosure) is served, the work shall cease on the property and the rehab project closed out, leaving the property in a safe and habitable condition. A Mortgage Modification will be executed as a result of the partial rehab should a change in the amount of the lien result. Properties that are participating in the Rehab Program and are served with a Lis Pendens will be forwarded to the City Attorney for recommendation on any action necessary to secure the City's interest.

Voluntary Vacation of Premises

Efforts will be made to have rehabilitation/repair work performed while homeowners continue to occupy the property. However, in instances where the work to be performed is extensive or poses a hazard to the occupants, or a liability to the City and/or Contractor [a determination made when doing the work write-up], the Neighborhood Services Department will advise the homeowner of the need to voluntarily vacate the property for participation in the program.

The Neighborhood Services Department will provide the homeowner with information, including but not limited to the following:

- Information on packing of household items that will be placed in storage.
- Information on clearing of all debris or items from the interior and exterior of the home that may impede construction.

The packing and securing of all household furnishings are the responsibility of the homeowner. The Program and/or City takes no responsibility for damaged or lost items.

Completion of Work

No payment{s} will be disbursed until the contractor provides the City with a signed warranty form and partial and/or final releases of liens for all work completed.

- Only final payment [100%] will be issued for Emergency Repairs when the job is completed;
- Partial payments on rehabilitation will be made when the project reaches 40%, 70%, and 100% of completion, with retainage being released within thirty (30) days after certificate of final inspection is issued.
- For Final Payment (100% completion of work and Inspected) the homeowner must sign a Request for Final Payment. Within thirty-days after the Certificate of Final Inspection, the contractor will be issued the statutory retainage.

- Checks will be issued for Pay requests for projects involving structural work as follows:
 1. 15% of job cost after slab pour
 2. 15% of job cost after lintel pour
 3. 25% of job cost after framing inspection
 4. 25% of job cost after interior/exterior painting
 5. 20% of job cost at completion, after final Certificate of Occupancy and all utilities are operational.

The City, on the basis of reasonable and verifiable evidence, may withhold from any payment, such amounts as may be necessary for protection of the Owner and/or City against loss caused by:

1. Defective work not remedied;
2. Third party claims filed;
3. Failure of the Contractor to make payments to sub-contractors;
4. Failure to pay for material, equipment, or labor; and
5. Failure to perform the work in accordance with the Agreement documents

All requests for payments will be made as follows:

1. Contractor shall submit a Draw Request form to the Neighborhood Services Department before 5:00 p.m. on Friday's, which lists the line items and their cost and sum for work to be paid based only on completed items from the itemized bid form.
2. The Neighborhood Services Department will initiate inspection of such work within three business days from receipt of such request.
3. The contractor will normally be paid within fifteen (15) business days from the date of the owner's signature, unless there are discrepancies in the documentation or work, or City payment schedule controlled by the Finance Department does not coincide with this timeframe.

Final payment shall not be made until the Contractor provides notarized Release of Liens from all sub-contractors, copies of permits and inspections to the Department, all inspections are complete, copies of product warranty provided, and close out forms are submitted and approved.

Follow-up

Homeowners are instructed to contact their contractor(s) directly concerning warranty issues. If the homeowner is unsuccessful in obtaining requested information or resolution, they may contact the Neighborhood Services Department. Upon receipt of requests relating to warranty issues, the Neighborhood Services Department staff will coordinate with the contractor to resolve the issues. ***Results of the contractor's action shall be recorded as a part of the project file.***

Periodic contact with the property owner(s) at 30-day, 60-day, and 12-month intervals may be scheduled by the Department to ensure compliance with the Program and ascertain if additional assistance is needed. Additionally, on an annual basis the Department staff will request updated copies of the homeowner's insurance coverage, taxes, and mortgage (if applicable) statements to ensure that they are current.

Complaints

Any complaint submitted by an owner and received by the City with regard to contract obligations and responsibilities shall first be referred for disposition by the Neighborhood Services Director who shall respond within fifteen (15) days of receipt of same, where practicable. The Partnership Agreement contained within the contract shall be the basis for this process and determine the course of action. Any disagreements or complaints outside of the City's Program shall be between the Owner and Contractor of record.

Construction Summary

It typically takes thirty-(30) to sixty-(60) days from application approval to start construction

It typically takes sixty-(60) to ninety- (90) days for a rehabilitation project from start to finish.

Project Delivery Costs (PDC)

When permissible by governing regulation, staff's time associated with the delivery of services to an applicant receiving assistance may be applied to the associated grant project account and expensed back to the City's general fund. These expenses are known as Activity Delivery (ADC) and/or Project Delivery (PDC) costs, and are tied to a specific project through the distribution of time and reported as such. Supporting documentation, such as timesheets or tracking log are used to substantiate the expense.

The ADC/PDC shall equal no more than 5% of the hard costs associated with the project, or a maximum of \$2500.00, whichever is less. This expense value is subject to change from time to time depending on regulations that may be in affect at the time.

This expense shall not be charged to the applicant and will not be included in the Mortgage or Note. However, it is applied to the grant project account that is being used to supply the assistance (5555), and is considered a "grant" to the applicant/borrower.

Tracking documents for these expenses are currently found at:

Q://neighborhoodservices/financials/expensecreditworkbook

Q://neighobrhoodservices/rehabprogram/activitydeliverytracking

Q://neighborhoodservice/rehabprogram/projectstrackingSHIP-HOME

EXHIBIT A

Typical Housing Rehabilitation Schedule

Initial contact	1 – 2 working days
Emergency Repair	
Inspection and application	1-2 working days
Contact contractor and work completed	1-15 working days
Rehabilitation	
Application provided to applicant	1 working day
Wait for return of paperwork	10 working days
Mail verifications for employment & mortgage	5 working days
Wait for verification of employment & mortgage	30 working days
Wait for verification of other documents	30 working days
Prepare file for pre-approval	3-5 working days
Pre-approval by Director	3 working days
Construction write-up	5 working days
Bid process	30 working days
Closing of loan	3 working days
Review by office of Legal Services	3-5 working days
Lien, note recording, signing contractor authorization	3 working days
To proceed, and post notice of commencement	3 working days
Repair work (including inspections)	90 working days
Check request and payment	20 working days
Organize record for filing	1 week
Final review and filing	1 week
Subcontractors (Roofing, Electrical, Plumbing, Air Conditioning, etc.)	
Contact contractor and work completed	1-10 working days

**EXHIBIT B
BID PACKAGE
INSTRUCTIONS TO BIDDERS**

Receipts and Opening of Bids

1. Proposals, as completely assembled herein, **must be delivered in sealed, opaque envelopes, addressed to the Purchasing & Contracting Department of the City of Titusville, Florida, City Hall, 555 S. Washington Avenue, Titusville, FL 32796** at the time called for in the Notice to Bidders and shall be properly identified on the face thereof. The Proposal shall be made out upon the blank form included herewith, which must not be removed nor detached, from these Contract Documents. Proposals will be publicly opened and immediately read aloud in the Council Chambers, City Hall, 555 S. Washington Avenue, Titusville, Florida, at the time designated in the Notice to Bidders.

2. Qualifications of Bidder

A minimum of two (2) years active experience as the prime contractor in new residential construction, or four (4) years in residential remodeling or rehabilitation. The Owner and/or City reserves the right before awarding the Contract to require a Bidder to submit such evidence of qualifications as it may deem necessary to properly evaluate the bid and may consider any evidence of the financial, technical and other qualifications and abilities of a Bidder. Additionally, the Owner reserves the right to award the contract to a Bidder that can demonstrate his or her qualifications and capabilities through documented evidence of similar projects, in the Owner's and/or City's opinion only, to undertake the work, and it is in the Owner's best interest to accept said bid. Further, the Owner reserves the right to award the contract to a preferred Bidder, whose bid is not the lowest but is within ten percent (10%) of the lowest responsible bid, and who is the most qualified and responsible, in their sole opinion only, to undertake the work.

The Contractor's Qualification Application Packet must be completed and approved by the Neighborhood Services Department prior to bid award.

All proposers must be certified Renovation Firms or Renovators with the Environmental Protection Agency (EPA).

3. Preparation of Bids

Bids must be submitted on the attached Proposal form, which must not be typed or detached from these Contract Documents. All blank spaces in the Proposal must be filled in legibly and correctly handwritten in ink. The Bidder shall specify the price per unit of measure and the extended total, or the lump sum bid price if such is called for, for each scheduled item of Work, as well as the Total Bid Price for the entire Work under the contract.

If the Bid is made by an individual, he or she must sign his or her name thereon and state his or her address; signature must be notarized. If the Bid is made by a firm or partnership, its name and principle address must be stated as well as the name and address of each member of the firm or partnership, and signed by the Owner of the firm; signature must be notarized or seal provided. If the Bid is made by a corporation, the Bid must be signed by the President/CEO subscribing the name of the corporation with his/her own name and affixing the corporate seal. Such officer or agent must also state the name of the State under which the corporation is chartered, the names and business address of the President, Secretary and Treasurer, as well as the registry with the Secretary of State of the State of Florida of such corporation for doing business in the State of Florida.

No third-party bids accepted. Bidder may not submit a bid on behalf of another firm, corporation, or individual.

4. Plans and Other Contract Documents

The plans and other Contract Documents give the location and description of the Work to be done under this Contract; the estimated quantities of each item of Work for which Bids are invited; the time in which the Work must be complete; the amount of the Bid Guarantee; and the date, time and place of the receipt and opening of Bids.

5. Examination of Contract Documents and Site

The Bidder is required to examine carefully the site of the Work and the plans and other Contract Documents for the Work contemplated. It will be assumed that the Bidder has investigated and is fully informed as to the requirements of the plans and other Contract Documents, thus relieving the City of any costs incurred by the Bidder as a result of a misunderstanding or miscalculation of the Work.

6. Obligation of Bidder

The Bidder must inform him or herself fully of the conditions under which the Work is to be performed in relation to both construction and labor conditions, acquaint him or herself with all governing laws, ordinances, etc., and otherwise thoroughly familiarize him or herself with all matters which may affect the performance of the Work; failure to do so will not relieve a successful Bidder of the obligation to furnish all material, equipment and labor necessary to carry out the provisions of the Contract Documents and to complete the contemplated Work for the consideration set forth in his Bid.

It is the obligation of the Bidder to make his or her own investigations of sub-surface conditions prior to submitting his Bid. The record of borings, test excavations and other sub-surface investigations, if any, made for design purpose for the engineers are available in the Community Development Department. Such records are offered as information only and solely for the convenience of Bidders. The City does not warrant or guarantee that said borings, test excavations and other sub-surface investigations

show the actual sub-surface conditions. The Contractor agrees that he will make no claims against Owner if in carrying out the Work he finds that the actual conditions encountered do not conform to those indicated by said borings, test excavations and other sub-surface investigations.

Any estimates of quantities of work or materials shown on the plans or in the proposal, based on said borings, test excavations and other sub-surface investigations or otherwise, are in no way warranted to indicate the true quantities or distribution of quantities.

7. Clarifications/Changes While Bidding

If any prospective Bidder for the proposed Contract is in doubt as to the true meaning of any part of the drawing, specifications, or other proposed contract documents, the Bidder may submit to the Neighborhood Services Department a written request for an interpretation thereof. The Bidder submitting the request will be responsible for its prompt delivery. Any interpretation of the proposed documents will be mailed or delivered to each prospective Bidder who has received a complete set of Bidding Documents. The Owner will not be responsible for any other explanations or interpretations of the proposal documents.

During the Bidding period, Bidders may be furnished addenda or bulletins for additions or alterations to the contract documents, which shall be included in the Work covered by the Proposal.

8. Interpretation of Quantities

The quantities of Work to be done under this Contract, given in the Proposal, are not to be considered as fixed for each item. Such quantities are to be used for comparison of bids received and for payment. Changes in such quantities shall only be caused by addition to or deletion from the Contract by way of a Change Order. The Bidder shall not plead misunderstanding or deception because such listed quantities do not correspond with measured areas. Payment to the Contractor will be made only on the basis of the total quantity of Work actually performed in accordance with the plans and other Contract Documents, and it is understood that the quantities may be increased or diminished by addition or deletion of entire facilities without in any way invalidating any of the unit prices bid. Quantities for any facilities added or deleted shall be computed in the same manner as that used for those listed on the plans.

9. Disqualification of Bidders

Any one of the following causes may be considered as sufficient for the disqualification of a Bidder and the rejection of his Bid:

- a) Submission of more than one (1) Bid for the same Work by an individual, firm, partnership or corporation under the same or different names.

- b) Evidence of collusion among Bidders.
- c) Previous participation in collusive bidding on Work for the City of Titusville, Florida.
- d) Submission of an unbalanced Bid in which the prices bid for some items are out of proportion to the prices bid for other items.
- e) Lack of competency of Bidder- i.e., Bidder will be considered ineligible if at any time during the process of receiving bids or awarding the Contract, developments arise, which in the opinion of the Owner and/or City, adversely affect the Bidder's ability to perform. However, the Bidder will be given an opportunity by the City to present additional evidence before final action is taken.
- f) Lack of responsibility as shown by past Work judged from the standpoint of workmanship and progress.
- g) Uncompleted Work for which the Bidder is committed by Contract which, in the judgment of the City, might hinder or prevent the prompt completion of Work under this Contract if awarded to such Bidder.
- h) Being in arrears on any of his existing contracts with the Owner, or in litigation with the Owner, or having defaulted on a previous contract with the Owner.
- i) Promoting deliberate discriminatory practices.

This list is a representative sample of causes for disqualification and shall not be deemed to be all-inclusive. In addition, a person or affiliate who has been placed on the Debarred Contractors Excluded Parties List following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. [287.017](#) for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

10. Rejection of Irregular Bids:

Bids will be considered irregular and may be rejected if they show omissions, alterations of form, additions not called for, conditions, limitations, unauthorized alternate bids or other irregularities of any kind. The Owner and/or City reserves the right to waive any informalities or irregularities of bids.

11. Withdrawal of Bid

Any bid may be withdrawn prior to the time scheduled in the Notice to Bidders for the opening thereof, or before Notice of Award.

12. Commencement and Completion of Work:

Each Bidder has ninety-(90) days in which to complete the work after Notice to Proceed is issued, unless otherwise noted in the contract.

13. Guarantee of Faithful Performance and Payment

If required by the City, a Performance and Payment Bond, satisfactory to the City, in an amount of not less than the Total Bid Price, will be required of the successful Bidder to guarantee that he will deliver a completed project under his Contract in strict accordance with the Contract Documents, and will pay promptly all persons supplying labor or materials for the Work. This bond shall be written through a reputable and responsible Surety Bond Agency licensed to do business in the State of Florida, as rated by "Best" with a rating of no less than "A" or the "U.S. Treasury Listing", and shall be delivered to the Neighborhood Services Department with the executed Contract as required in Section 16 of these Instructions to Bidders.

The contractor shall include a provision in the Performance Payment Bond guaranteeing the Work against defects in materials and Workmanship, for a period of one (1) year after the date of the final acceptance of the Work.

14. Award of Contract

The Owner and/or City reserves the right to reject any or all bids, or any part of any bid, to waive any informality in any bid, or to re-advertise for all or any part of the Work contemplated. If bids are found to be acceptable by the Owner and/or City, written notice will be given to the lowest or preferred qualified bidder upon acceptance of the Proposal.

If the Bidder to whom the Contract is awarded forfeits the bid security and the award of the Contract is annulled, the City may then award the Contract to the next lowest and/or qualified Bidder or the Work may be re-advertised through the bid process.

The City reserves the right to limit the number of awards per contractor based upon their capacity, past performance, or program experience.

In order to remain within the allocated budget, certain line items may contain additional addendums. All addendums must be priced in order to be considered. Addendums will be considered in sequential order to determine the low bidder. All items deleted will be deducted from all bidders' price sheets to

determine the low bidder. The bid opening will result in an apparent low bidder only and is not to construe as an award.

The City reserves the right to add and delete items in order to remain within the allocated budget. Deletions or Additions to the scope of work can occur before or after the project has been awarded, as well as during the course of the rehabilitation; 100% of the cost of the line item will be deleted.

Quantities are estimates and are for bid purposes only. Invoices shall be detail actual quantities used at the unit cost.

15. Execution of Contract

The Bidder to whom the Contract is awarded shall, within 10 days after issuance of the Notice of Award, provide satisfactory evidence of all required insurance coverage, Contractor Qualification Statement, and sub-contractors list. The above documents must be furnished, executed, and delivered before the City will execute the Contract. The Contract shall not be binding upon the City until the City has executed it and a copy of such fully executed Contract is delivered to the Contractor.

16. Failure to Execute Contract - Bid Guarantee Forfeited

Should the successful Bidder fail to execute and deliver the contract to the Neighborhood Services Department within the allotted time, the City at its option may find said bidder non-responsive and deem his bid guarantee as forfeited pursuant to these instructions. Failure of the bidder to execute the Contract may also result in additional sanctions pertaining to the bidding of future Work by the forfeiting bidder.

17. Notice and Service

All notices and demands, requests, instructions, approvals and claims shall be in writing.

Any notice to or demand upon the Contractor shall be considered sufficiently given if delivered to the Contractor, agent or superintendent. If the Contractor is a corporation, notices may be made to any officer of the corporation. Notice may also be given by registered or certified mail to the address of the Contractor shown on the bid or by delivery of a prepaid telegram to the Contractor's officer. All papers required to be delivered to the Owner shall be sent to the Neighborhood Services Department by registered or certified mail, a prepaid telegram, or by delivery in person. Notice will be deemed to have been given or made at the time of actual delivery.

18. Licenses

All contractors must be holders of a valid competency card issued by Brevard County or a current State Certification before any contract for this Work will be awarded.

19. Permits/Inspections

The Contractor will be required to obtain, at no expense to the Owner or City; the standard permits required for all Work covered under this Contract. He or she shall also be responsible to ensure that City inspections are called for as necessary. All provisions of applicable City and State codes, and Housing Quality Standards (HQS), as adopted by the City, shall be complied with.

20. Conflict of Interest

The City and the Contractor state that to the best of their knowledge, no member of the Titusville City Council and no other officer, employee or agent of the City who exercises any function of responsibility in connection with the carrying out of the program to which this bid pertains, has any personal interest, direct or indirect, in the award of bid.

21. Equal Opportunity Employer

In all solicitations under this bid, the Contractor shall state that all qualified applicants will be considered for employment. The words "equal opportunity employer" in advertisements shall constitute compliance with this Section.

The Contractor covenants that, during the term of this agreement, it will not discriminate against any employee or applicant for employment because of age, race, color religion, sex, national origin, nor the presence of any sensory, mental or physical handicap, except where there is a bona fide occupational limitation. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection or training (Executive Order 11245 as amended). The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination requirement.

22. Drug Free Work Place

The Contractor agrees to administer, in good faith, a policy designed to assure the workplace is free from the illegal use, possession, or distribution of drugs or alcohol hold by its beneficiaries. In the case of tie bids, preference must be given to vendors submitting a certification with their bid proposal certifying they have a drug-free workplace in accordance with Section 287.087, Florida Statutes.

23. Environmental Review

The City assumes the responsibility for environmental review described in 24 CFS 570.604 and initiating the review process under Executive Order 12372.

HOMEOWNER PREFERENCE POLICY

AP 2-5

POLICY OBJECTIVE

To establish policies and methods of awarding contracts in conjunction with grant-funded owner-occupied housing projects managed by the Neighborhood Services Department, and where State or Federal preferences for award are recommended.

POLICY STATEMENT

I. Intent

It is the intent of this policy to provide for criteria and owner preference for awarding contracts for housing programs in the rehabilitation or construction improvements to real property owned and occupied by an owner, funded through the Neighborhood Services Department grant programs; as permissible by governing regulations.

Annually, the City receives grant funds through direct entitlement allocations and competitive processes involving federal and state funds, such as the U.S. Department of Housing and Urban Development (HUD,) Florida Housing Finance Corporation (FHFC), and Brevard County HOME Consortium (HOME). These funds are managed by the Neighborhood Services Department under the Community Development Department.

The City recognizes that with each grant come statutory rules and regulations pertaining to the eligible uses and expenditures of these funds, and procurement thereof. In addition, there are administratively imposed or encouraged federal or state program preferences with regard to the evaluation of bids, which mandate or encourage such preferences, which at times may be in direct conflict with the City's Purchasing & Contracting Policy and/or Local Preference Ordinance.

The City procurement policy shall be followed except as may be modified as set forth in this policy.

II. Definitions

For the purpose of this Policy, the following shall have the meanings indicated:

1. *City Manager* - shall mean that person appointed by the City Council of the City of Titusville pursuant to Section 15, 16 and 29 Chapter 63-2001, Laws of Florida.
2. *Neighborhood Services Director* – shall mean Administrator of the City's Federal and State grants appropriated to the City for activities adopted in the City's CDBG/HOME Consolidated and Action Plans; State Local Housing Assistance

Plan (LHAP); Neighborhood Stabilization Plan (NSP); and Neighborhood Revitalization Strategy Plan (NRSA); and subsequent revisions thereof.

3. *Owner* – shall mean the person or persons listed on the deed to the property.
4. *Preferred Bidder* – shall mean a responsive bidder and qualified contractor selected by the homeowner whose bid is no more than ten percent (10%) of the lowest responsible bid.

III. Owner Preference for Contract Award

The Neighborhood Services Department will provide the Owner the computed bid tab, each bid submittal, and contractor information package. The Owner, for which the bids are being received, shall have the preference to go with the lowest responsible bidder or their preferred bidder.

Should the Owner not elect to choose a preferred bidder, then selection of contractor shall follow the City's current procurement policy.

V. Exceptions to preference policy

The preference policy shall not apply as follows:

- a. Purchases or services which are funded in whole or in part by general funds or under the laws, rules, regulations or policies which prohibit such preferences.
- b. Purchases or contracts, which would violate state or federal law.

**SECTION 3 BUSINESS CONCERN PREFERENCE
(Administration Policy No. 2-26)**

The City of Titusville grants preference to those Section 3 Business Concerns in awarding purchases or contracts in the amount not to exceed the following:

- a. Awarded to the qualified Section 3 Business Concern with the lowest, responsive price, if it reasonable and not more than 10 percent higher than the price of the lowest responsive price from any qualified source. If no response price by a qualified Section 3 Business Concern is within 10 percent of the lowest responsive price from any qualified source, the award shall be made to the source with the lowest responsive price.

Preference: the lessor of 10% of the lowest responsive bid or \$9,000



**CITY OF TITUSVILLE
NEIGHBORHOOD SERVICES DEPARTMENT**

**FIRST-TIME HOMEBUYER PROGRAM
POLICY AND PROCEDURES**



I. OBJECTIVE

To stipulate the procedures utilized by the Neighborhood Services Department to provide a First-Time Home Buyer Program (FTHBP), in accordance with SHIP (State Housing Initiatives Partnership Program) administered by FHFC (Florida Housing Finance Corporation) and HOME Investment Partnership Program administered by HUD (U. S. Department of Housing and Urban Development).

These funds are to provide financial assistance for down payment costs, closing costs, pre-pays, reserves, and the reduction of the mortgage principal to eligible buyers. The income of the eligible buyer(s) must be no more than 80% of the median income in the Melbourne-Titusville-Palm Bay MSA in effect at the time of the purchase. Assistance provided is in the form of a deferred payment loan whereby a lien (second mortgage) is attached to the property for the affordability period as determined within this policy. The policy identifies authority levels for approval and eligibility restrictions, which may exceed federal and state requirements.

II. DEFINITIONS AND REFERENCES

- A. Section 420.907 et seq. Florida Statutes, State Housing Initiatives Partnership Act.
- B. Administrative Rule or Emergency Rule (as determined by state, county or federal declaration) of the Florida Housing Finance Corporation, 67-37 et seq, State Housing Initiatives Partnership Program.
- C. Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended., HOME Investment Partnership Program.
- D. 24 CFR Part 92, regulations, HOME Investment Partnerships Program.
- E. Affordable- means that monthly mortgage payments including taxes and insurance do not exceed 30% of that amount which represents the percentage of the median annual gross income for the household's income group.
- F. Appeal Procedure – Established procedure and Departmental Policy by which an applicant or client may make a complaint or appeal a decision made by the Neighborhood Services Department.
- G. Applicant – An individual or household who submits a signed and completed approved application for assistance. Occupants not claiming the applicant dwelling as their primary residence should not be included in determination of eligibility if primary residency can be verified outside of the applicant's household for a period of six months or greater prior to the application and the occupant is not a signatory on any deed or mortgage associated with the applicant dwelling.
- H. Assets – Assets are defined by Section 8 regulations 24 CFR Part 5 Subpart F 5.603(b). Actual or "imputed" income from assets is included in projected annual income.
- I. CHDO- means a Community Housing Development Organization.
- J. City Employee- a person who has been employed with the City of Titusville for at least six months, and whose regular work schedule is forty (40) hours or more per week.
- K. Debt – Any obligation that will hinder the Household's monthly mortgage payment, to include and not limited to child care, car payments, loans, and child support.
- L. Default - A default shall be the occurrence of any of the following events, and upon that occurrence the Lender may, at the Lender's option, declare all sums secured by the Mortgage to be immediately due and payable.
 - a. Nonperformance by the Borrower of any covenant, agreement, term or condition of the Mortgage, or of the Note, or of any other agreement made by the Borrower with the Lender in

- connection with such indebtedness, after the Borrower has been given due notice, as described hereafter, by the Lender of such nonperformance;
- b. Failure of the Borrower to perform any covenant, agreement, term or condition in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of the Mortgage;
- c. The Lender's discovery of the Borrower's failure in any application of the Borrower to the Lender to disclose any fact deemed by the Lender to be material, or the making therein, or in any of the agreements entered into by the Borrower with the Lender (including, but not limited to, the Note and Mortgage) of any misrepresentation by, on behalf of, or for the benefit of the Borrower; and
- d. If property does not remain the principal residence of the Borrower, or if all or any part of the property or an interest therein is rented, leased, sold or transferred by the Borrower.
- L. Deferred Payment Loan – A no-interest loan to an eligible Household that is forgiven without repayment upon satisfaction of all requirements of the Household's agreement with the City of Titusville. The Household has an option to repay the loan at any time within the lien period without penalties and interest accrual, assuming the loan is not in default at any time.
- M. Department –Neighborhood Services Department
- N. Eligible Sponsor – A for-profit or non-profit organization meeting the selection criteria set forth by the Neighborhood Services Department executes a contract to provide services to the First-Time Home Buyer Program.
- O. Essential Services Personnel –teachers and educators, law enforcement, Fire/EMS, health care professionals, security, and governmental personnel.
- P. Fair Housing – Requirements for non-discrimination based on race, color, sex, disability, religion, familial status, or national origin in accordance with Federal Regulations found at 24 CFR 100-146 and State Law FS760.
- Q. First-Time Homebuyer – is a household who meets any of the following criteria:
 - An individual who has had no ownership in a principal residence during the previous 3-year period.
 - A displaced single-parent who has only owned with a former spouse while married.
 - A displaced domestic violence survivor who has only owned with the former abuser.
 - An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
- R. General Property Improvements – These improvements include rehabilitation items that are not corrections of health and safety violations, but are improvements that place the unit in a readily maintainable condition.
- S. HOME – Home Investment Partnership Program administered by the U. S. Department of Housing and Urban Development.
- T. HOUSEHOLD- "Household" includes all dwelling occupants to include non-related friends, legal spouse, children, and relatives.
- T. HUD – U. S. Department of Housing and Urban Development.
- U. Income –Projected annual income established in compliance with HOME and SHIP regulations, specifically established at 24 CFR Part 5.609.
- V. Ineligible Applicant – Any person currently incarcerated or on probation for an offense which would require them to register; or who must register with the Brevard County Sheriff's Office or the Florida Department of Law Enforcement under Florida Statute 775.13 as a person convicted of a felony in any court of this state or any person who has been convicted in a federal court or any court of a state other than Florida or in any foreign state or country, which crime, if committed in Florida, would be a felony; or any person listed by the Florida Department of Law Enforcement as a sexual predator or a sexual offender as provided for under Florida Statutes 944.606, 944.607, or 944.608.

Any household member that is a convicted felon must have his or her Civil Rights restored or must have been pardoned in order to receive assistance.

Those applicants pending disposition will retain their place in the queue and eligibility determination will not be made until final disposition of their case.

- W. Liquid Assets – Liquid assets are those in the possession of the individual or household seeking assistance, which can readily and promptly be turned into cash. Examples include, but are not limited to: Checking Accounts, Savings Accounts, Certificates of Deposit, Treasury Bonds, Money Market Funds, or Savings Bonds. Not included in the liquid asset calculation are funds not readily accessible or specifically resulting from lump sum pension distributions, or other 401K/IRA-type retirement fund accounts designed to enhance social security benefits. Client must provide documentation from fund management institution of identification of these assets as intended retirement enhancement funding.
- X. Low-Income- means that the household income is 51% to 80% of the median income adjusted for family size for the Melbourne-Titusville-Palm Bay MSA.
- Y. Melbourne-Titusville-Palm Bay MSA- means the Metropolitan Statistical Area used for demographic area purposes.
- Z. Minimum Property Standards – Minimum Property Standards establish certain minimum standards for buildings constructed under various HUD programs. The Standards include specific requirements for the durability of such items as doors, windows, painting and wall coverings, kitchen cabinets, and carpeting. The standards ensure that the value of the home is not reduced by the deterioration of these components. (HUD Handbook 4910.1)
- AA. Moderate Income- means that the household income is 81% to 120% of the median income adjusted for family size for the Melbourne-Titusville-Palm Bay MSA.
- BB. Modular home - Defined as a dwelling which meets the certification process specified in Section 553, Part IV, Florida Statutes and meet the local Building Department code for modular housing. The modular home must have an approved device or seal issued by the Department of Community Affairs.
- CC. Principal Residence – The Household must utilize the property as their primary residence, as established by eligibility for the State Department of Revenue Property Tax Homestead Exemption. The household may not vacate the unit for more than 120 consecutive days in any one calendar year for any reason, other than a hospital or nursing home stay.
- DD. Program –First-Time Home Buyer Program.
- EE. Property Standards- means the assisted housing unit must meet local building codes and the lead-based paint requirements in s. 92.355 upon project completion.
- FF. Rehabilitation – All HOME assisted units must meet, at a minimum, the Florida Existing Building Code approved by the City of Titusville and the Program's written rehabilitation standards. Properties must meet local codes, including zoning regulations. The SHIP Program further defines rehabilitation as repairs or improvements that are needed for safe or sanitary habitation, correction of substantial code violation, or the creation of additional living space.
- GG. Repayable Loan – a zero percent interest loan to an eligible Household that is repaid over a 60-month period. The Household has an option to repay the loan at any time within lien period without prepayment penalty.
- HH. SHIP – State Housing Initiatives Partnership Program administered by the Florida Housing Finance Corporation.
- II. Standard Housing Code – Minimum standards for basic equipment and facilities for all buildings intended for occupancy by owner-occupants. Adopted standards are prepared by HUD: Housing

Quality Standards and the Southern Building Code Congress International, Inc. and adopted by City Council. This is also the minimum standard for rehabilitation performed with HOME Program Funds.

- JJ. Subordination – the process of placing, ranking, or positioning a mortgage as secondary to the primary mortgage.
- KK. Satisfaction – a document recorded with the Clerk of Court removing lien(s) from the property.
- LL. SHIP- means the State Housing Initiatives Partnership Program.
- MM. Un-liquidated Asset – an asset that can be easily converted to cash, less any withdraw penalty, such as stocks, bonds, pension, 401K or other IRA fund, collectibles and antiques, equipment, vehicles, machinery, etc.
- NN. Very Low-Income- means that the household income is below or equal to 50% of the median income adjusted for family size for the Melbourne-Titusville-Palm Bay MSA.

III. DIRECTIVES

A. PROGRAM ADMINISTRATION

The Neighborhood Services Department shall be responsible for the administration and/or monitoring of the First-Time Homebuyer Program. At the discretion of the Department, an eligible Sponsor may be selected based upon criteria outlined in the Citizen Participation Plan.

B. ELIGIBILITY

1. Applicants must submit a signed and dated application provided by the Neighborhood Services Department and/or eligible sponsor, verification of income and assets in a format approved by the Department, in accordance with the regulations of the HOME or SHIP Program, whichever is the strictest. Applications are reviewed by staff in order of date received. As funds become available, clients will be asked to confirm completion of First-Time Home Buyer Program Workshop and program eligibility, including but not limited to income, assets, household members, sexual predator status, sexual offender status, felony status, credit issues, etc.
2. Essential Services Personnel are eligible to receive up to an additional \$5000 in assistance as an incentive to continue their employment with their current employer for a minimum of five (5) years after receiving assistance. In the event an Essential Services Personnel receiving the additional incentive in Section G of this policy terminates their employment, he/she shall only be obligated to repay the incentive portion of the loan upon termination, unless he/she is in default; then the loan terms in Section H of this policy shall apply.
4. Upon confirmation of eligibility, and completion of the Income Certification and Housing Assistance Agreement, clients will receive a Final Award Letter. This Award Letter is valid for 90 days and contingent upon continued eligibility. Clients will have 90 days from that date to secure a contract and close on a home.
5. During the 90-day period, clients should submit a Sales Contract and allow 30 days to close the transaction. If unsuccessful after 90 days the applicant will be removed from the list and asked to re-apply at a later date when the program begins to accept new applications. **Please note that exceptions to this rule, including extensions will be applied on a case-by-case basis and clients must receive written approval.**
6. Must meet income of no more than 80% of the Melbourne-Titusville-Palm Bay MSA median income as provided annually by U.S. Department of Housing & Urban Development.
7. Must occupy residence as a principal residence for the affordability period as defined in Section III (H).

9. Must attend a First-Time Homebuyer Workshop (course offered by an eligible sponsor selected by Neighborhood Services Department) and receive a Certification within one year prior to closing.
10. The applicant may not receive assistance from another down payment assistance program. However, the Department may allow clients to utilize both SHIP and HOME funds up to the eligible maximum amount of down payment assistance available under the Program, if additional Program funds are available. At no time will an applicant exceed the maximum amount of assistance determined by the Income Certification and allowed by the applicable state or federal rule(s).
11. FHA/VA/FNMA underwriting guidelines will be utilized when determining debt-to-income ratios. The City of Titusville will utilize the definition of "Affordable" provided in Chapter 420, Florida Statutes, State Housing Initiatives Partnership Program that states:

"...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... However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent 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 percent benchmark."
12. If Household is disqualified due to being over-income, the disqualification period will be a period of one year from day of notice. At that time, the applicant/household may re-apply when the Program is open to new applicants.
13. The Household's liquid assets do not exceed \$10,000 (after household's contribution towards purchase of home). Liquid assets are defined as, but not limited to: savings accounts, checking accounts, certificates of deposit, treasury bonds, money market funds, savings bonds, etc.
14. The Household's un-liquated assets do not exceed \$25,000.
14. Households with a tenant under a sublease agreement must not include the tenant's income but the net income from the leased unit must be included in the total household income for SHIP Program assistance.
15. Ineligible Applicants will be counseled on the Department approved Appeal Procedure.
16. Applicants determined to be ineligible due to falsification of application will be disqualified from the Program for five years.
17. Applicants may be assisted only one time for the First-Time Homebuyer Program and the Repair/Rehabilitation/Replacement Program.

C. ELIGIBLE PROPERTY

1. Must be a first-time homebuyer per definition in II, Q.
2. Property must be located within the city limits of Titusville.
3. Property must be owner occupied or vacant.
4. New or existing property including lot not to exceed 90% of the Melbourne-Titusville-Palm Bay MSA Median Area Purchase Price, as established by the United States Department of Treasury and provided by Florida Housing Finance Corporation, as may be adjusted periodically.
5. Property can be a single-family house or townhouse that can be conveyed by title to be separate from other attached units. Owner association fees must be added to the mortgage payment in computation of the PITI (principal, interest, taxes, and insurance).
6. Property and dwelling must meet the Standard Housing Code, Housing Quality Standards and/or any Department approved standards that may exceed the above-listed standards. Buyer has the option to proceed with purchase where home fails a home inspection,

provided that the repairs are completed within ninety (90) days after closing, with the exception of electrical, roofing, water/sewer/septic, life safety issues, health hazards, or structural integrity defects.

7. If built pre-1978, the house must be inspected for lead-base paint and abated if necessary.
8. The unit must meet all environmental review requirements for the applicable funding source, particularly location with regard to noise, hazardous sites, and flood zone.
9. Size of the residence must be consistent with the requirements for family size as established by local or federal codes.
10. Property must have a useful life of at least 30 years.

D. INELIGIBLE PROPERTY

1. Manufactured homes or mobile homes
2. Condominiums or Time Shares
3. Property with a resident renter will be deemed ineligible for assistance, unless the renter is the purchaser.
3. Properties located outside the city limit boundaries.
4. Properties in which the contracted sales price exceeds 90% of the maximum median sales price for the Melbourne-Palm Bay-Titusville metropolitan area.
5. Properties, which do not pass a minimum housing inspection and cannot be readily repaired by the seller or buyer within ninety (90) days.
6. Properties that cannot meet HUD environmental review standards.
7. Properties that are located in a 100-year or less flood zone, such as AE.
8. Properties that have lead-based paint that cannot be abated.

E. FUNDING ALLOCATION

The First-Time Home Buyer Program is designed to increase the level of affordable home ownership for very low-, low-, and moderate-income households. Funding for the program is allocated by the HOME Investment Partnerships Program (U.S. Department of Housing and Urban Development) and State Housing Initiatives Partnership (SHIP) Program (Florida Housing Finance Corporation). The HOME and SHIP Program regulations require all agencies receiving monies use Section 8 program income definitions and guidelines.

F. MARKETING

City of Titusville will take affirmative marketing steps to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area. A wide range of marketing strategies will be implemented to ensure that eligible persons living City-wide have a reasonable opportunity to be informed about the First-Time Homebuyer Program opportunities being carried out by the City of Titusville.

On an annual basis, the City will review its marketing efforts to assess strategy effectiveness. After each review of the City's marketing efforts the City shall adjust its marketing strategy as determined necessary.

G. LEVELS OF ASSISTANCE

INCOME LEVEL	% of the area median income	Maximum Subsidy Amount*
Very Low	50% or below the area median income	\$70,000*
Low	Between 51% - 80% of the area median income	\$50,000*
Moderate	81% to 120% of the area median income	\$30,000*
Essential Services Personnel	In addition to the above-income guidelines	Up to an additional \$5,000

*less administrative and program delivery costs

H. LOAN TERMS

Assistance is provided in the form of a deferred payment loan (DPL) at a zero percent interest rate. The loan must be repaid in full in accordance with the program's resale restrictions, when the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period, except where there are net proceeds or where the net proceeds are insufficient to repay the full amount of assistance. If the net proceeds are not sufficient to repay the mortgage, the Department reserves the right to require a Promissory Note. The return of funds will be considered "program income" and be utilized to assist other clients. This period is defined as the beginning day of execution of mortgage to the end of the affordability period as follows:

ASSISTANCE	REPAYMENT TERM	FORGIVENESS RATE (100% after repayment term)
Under \$15,000	5 years	0% *
\$15,000 to \$40,000	10 years	First 5 years at 0%, then 20% per year thereafter*
Over \$40,000	15 years	First 5 years at 0%, then 10% per year thereafter*
New Construction	20 years	First 5 years at 0%, then 5% per year thereafter

***PLUS: % of pro-rated share of the difference between the sales price and the original purchase price; net closing costs, improvements, etc. Example provided below:**

In the event of default (sell or title transfer), the full amount of the loan will be owed to the CITY OF TITUSVILLE in addition to a pro-rated share of the difference between the sale price and the initial cost of the home at the time of assistance was provided. For the purpose of this clause, the beginning date of default will occur upon the acceptance of an offer or entering into a sales contract.

For Example:

Initial Purchase Price of Home=	\$200,000
Assistance Provided=	\$ 45,000
Percent of Assistance to Purchase=	20%
New Sale Price=	\$300,000
Amount due the City=	\$ 65,000 (45,000+20% of \$100,000)

**In the event an Essential Services Personnel receiving the additional incentive in Section G of this policy terminates their employment, he/she shall be required to repay only the incentive portion of the loan, unless he/she is in default; then the loan terms in Section H of this policy shall apply.

I. CLIENT'S CASH OBLIGATION

The assistance offered through the First-Time Home Buyer's Program will help families who do not have enough money for down payment and closing cost expenses to purchase a home. Households who are very low-income must provide a minimum of \$500 of their own funds; households who are low-income \$1,500; and households who are moderate-income a minimum of \$2500.00, towards down payment and/or closing costs (**no gifts or loans**). **Additionally, households with liquid assets or convertible (without penalty) non-liquid assets, which exceed the asset limits set forth herein, must contribute 5% of the purchase price or an amount equal to the difference between the asset limit and the asset value, whichever is greater, towards the purchase of property.**

J. INTAKE/ASSESSMENT

1. Applications are processed on a first-qualified, first-served basis. Complete application packages are reviewed for initial income and asset eligibility, which includes credit report review and preliminary review of debt ratios.
2. Applications involving city employees will be processed at arms length to eliminate the perception of a conflict of interest. Such applications shall be reviewed and processed by an outside eligible sponsor chosen by the City, and signed by both the Neighborhood Services Director and City Attorney.
3. Not all applicants purchase a home.

K. HOUSING COUNSELING /HOME BUYER WORKSHOP

1. Attendance and completion of the designated City of Titusville Homebuyer Training Workshop is mandatory. Clients not fulfilling this requirement will not be eligible to receive funds under this program. The course is designed to educate the client on the program's rules and regulations and all aspects of home ownership, fair housing, and the purchase/mortgage process.
2. Clients attending the Homebuyer Training Workshop who have special needs/requests must notify the Neighborhood Services Department office or designee 48 hours in advance.
3. Should the City of Titusville Neighborhood Services Department decide to outsource the FTHB counseling aspect of the program, the Department will partner with a designated CHDO. The Housing Counseling guidelines, procedures and policies will be provided to all interested eligible sponsor applicants, including the process for selection.

L. SELECTION OF HOUSE/INSPECTION

Once the client has completed the Workshop, all of the pending information is verified, and the client has been notified of funding availability, the client is ready to begin the search for a house. If the client decides to build or purchase an existing unit, he/she can do so as long as the property is in the city of Titusville. The total sales price or the PITI (principal, interest, taxes, and insurance) does not exceed the amount determined by the counselor, and if necessary, the seller must execute a City of Titusville provided addendum to the contract. The inspection must include a determination of what repairs or improvements are needed to be in compliance with Florida Existing Building Code Standards. Inspection of the property will only be performed if all utilities are turned on. The roof must have a minimum five (5) year life expectancy as determined by the Inspector and be in working order.

1. New Construction – If the house has been constructed within the last 12 months, a copy of the Certificate of Occupancy (CO) is required and must be received by the Neighborhood Services Department before closing and prior to assistance being provided.
2. Existing Unit – If the house is an existing unit, the home is required to be inspected by the Department or designee to determine that the house meets the Florida Existing Building Code and minimum housing standards.
3. Inspection Process – Additional inspection(s) above the City's required inspection of the home is the responsibility of the homebuyer.

M. AGREEMENT

1. Approval of Mortgage – Upon approval of the first mortgage by the primary lending institution, the client shall sign an agreement that stipulates the rules and regulations governing the assistance, resale restrictions and/or transfer of property.
2. All eligible clients must demonstrate adequate insurance coverage, including flood insurance, if so required, for the duration of the construction term and lien. If unit is assisted under the HOME program, the unit cannot be located in a special flood zone other than X.
3. The requirements of the Housing Assistance Agreement will be held bound by the Eligible Property Owner by a mortgage lien placed on the property. The mortgage shall not incur interest, if no default occurs
4. The length of the mortgage period is determined by the amount of funding used for down payment and closing cost assistance, see Section III(H).
5. DEATH OF THE HOUSING CLIENT. Housing Client as used herein shall mean the Borrower. Upon the death of the Borrower(s) during the mortgage period, the mortgage balance shall become due in full immediately. Unless at the time of the borrower's death, a

spouse or child residing in the home qualifies to assume the Borrower's right and responsibilities under this Mortgage as allowed by law. To exercise this option, the spouse or child shall assume all of the obligations previously assumed by the Borrower and must meet the current income and assets qualifications of City of Titusville guidelines. Spouse as used herein shall mean the surviving spouse of the Borrower residing in the home. After 90 days, the mortgage balance shall cease to depreciate at the annual rate and will be frozen at the balance in place on the date of death. If the lien is not paid in full within 90 days, interest shall accrue at 5% per annum. The lien will continue against the property until repayment plus interest is satisfied; if not repaid in full within one year, the City shall begin foreclosure proceedings.

6. **DEFAULT OF THE HOUSING CLIENT.** Upon default of the Housing Client, the City may, at its option, declare all sums secured by the Mortgage to be immediately due and payable. Otherwise, the City of Titusville will require repayment of the mortgage balance at the time *the property* is refinanced, sold or transferred. If no refinance, sale or transfer of the property occurs at the time of default of the Owner, the mortgage balance shall cease to depreciate at the annual rate and will be frozen at the balance in place at the date of default. After 90 days, if the lien is not paid in full, interest shall accrue at 5% per annum. The lien will continue against the property until repayment plus interest is satisfied. If default not cured within one year, the City shall foreclose where possible, otherwise seek restitution from borrower.
7. No mortgage is considered satisfied until a Satisfaction of Mortgage is recorded with the Clerk of Courts. The Borrower shall pay for the cost of recording the Satisfaction when due.
8. Agreements will be executed by the Neighborhood Services Department Director. All agreements involving city employees shall be reviewed and executed by the Neighborhood Services Director and City Attorney.
9. **Maintenance:** The mortgagor must keep the property maintained and in good repair according to the Florida Building Code, International Property Maintenance Code, and all applicable codes of the City of Titusville.

N. TYPES OF MORTGAGES

1. FHA, VA, Conventional, Habitat for Humanity, or other, fixed rate, 20, 25, 30, or 40-year mortgages are eligible for assistance in the First-Time Homebuyer Program.
2. Lease-Purchase, Owner-Financed, or Adjustable Rate Mortgages are not allowed for use by a First-Time Homebuyer participating in this Program.
3. Mortgages will be evaluated by the Program staff for affordability. A maximum of two points in Origination Fees and Discount Fees are allowable. Interest rates in excess of one (1) percentage point above the average mortgage rate will be returned to the originating mortgage lender for re-negotiation of rate and may be subject to rejection of assistance to the client.

Additionally, total closing costs excluding pre-paid charges charged to the buyer may not exceed 5% of the loan amount.

O. SETTLEMENT OR CLOSING

1. **Settlement Statement (HUD-1) -** Once the loan for the first mortgage is approved and all pre-closing repairs have been completed, the closing agent must provide a Settlement Statement (HUD-1) fourteen (14) working days prior to the closing date (copy of the appraisal report and notification of City of Titusville named as Loss Payee on hazard insurance and/or flood insurance must be received before check can be issued). Program staff will then determine the final loan amount for down payment, closing costs and cash from borrower (if any) and prepare all documents for City of Titusville Finance to issue a check.

2. Closing Documents – The Program Staff will prepare the second mortgage and provide it to the closing agent on the settlement date. The second mortgage will contain the total amount for down payment and closing costs.
3. Copies of all documents signed at the closing must be forwarded to the City of Titusville Neighborhood Services Department within 21 days.
4. Recording Documents – The documents are to be recorded and certified by the closing agent through the Brevard County Clerk of the Circuit Court.

P. SUBORDINATION OF CITY LIENS

1. Only requests that increase the affordability of the housing unit or assist a household with catastrophic medical expenses (for the lien holder) not associated with consumer debt, shall be considered.
2. Requests, which include the receipt of cash from the refinancing transaction, will not be considered.
3. A Homeowner requesting a subordination of the City's lien must make this request in writing, indicating the reason for the request. The City Manager or Designee must authorize any subordination requested. Staff will identify for the City Manager or Designee, the current status of the City's equity position, and the equity position if the subordination request is approved.
4. Clients must not be in default of the City mortgage.
5. The Homeowner may be charged any recording fees necessary for the subordination.

Q. SATISFACTION OF MORTGAGE

Upon satisfactory completion of the lien terms, a Satisfaction of Mortgage will be completed by the Program on behalf of the City of Titusville. The borrower is responsible for recording fees.

R. FOLLOW-UP

Periodic follow-up contacts with the homeowner(s) at 30-day, 60-day, and 12-month intervals are scheduled by Program Staff to ensure compliance with program guidelines, and ascertain additional counseling.

S. REQUEST FOR DETERMINATION

When a request is received concerning the status of an existing mortgage lien, whether for purposes of subordination, satisfaction, bankruptcy, or other similar purpose, the Neighborhood Services Department will evaluate the mortgage lien and adopt the current, approved policy. This action may result in amortization of mortgage balance, reduction of lien term, or satisfaction of mortgage.

T. COMPLAINTS AND APPEALS

Any complaint submitted by an applicant in written form and received by the City shall first be referred for disposition by the Neighborhood Services Department Director who shall respond in writing within 30 days of receipt of same, where practicable. The Neighborhood Services Department staff will assist applicants requiring assistance in formulating a written complaint. The Neighborhood Services Department Director's reply shall indicate the avenue of appeal, which shall first be to the City Manager and further to City Council. An applicant who wishes to file an appeal must do so in writing within 60 days of the date of the action being appealed.

U. EFFECTIVE DATE

This policy governing the First-Time Homebuyer Program goes into effect immediately upon adoption, as may be amended, or in conjunction with approval of the SHIP Local Housing Assistance Plan and/or CDBG Action Plan.