

**Brevard County Board of County Commissioners**

**RITA PRITCHETT, COMMISSION CHAIR  
FRANK ABBATE, COUNTY MANAGER**

**SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)**

**2021-2022, 2022-2023, 2023-2024**

**BREVARD COUNTY HOUSING AND HUMAN SERVICES DEPARTMENT  
IAN GOLDEN, DIRECTOR**

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**I. Program Details:**

**A. LG(s)**

Name of Local Government	Brevard County
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	

**B. Purpose of the program:**

- To meet the housing needs of the very low, low and moderate-income households;
- 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: 2021-2022, 2022-2023, 2023-2024**

**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 follow 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 face to face meetings with housing providers, social service providers and local lenders 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. **Queue List/Priorities:** A queue list will be established when applicants apply to the county SHIP program. Those households on the queue list will be contacted by staff when their queue number is reached. The queue list will be maintained with applicants listed in an order that is consistent with the time that their preliminary intake forms were submitted. Queue numbers will be assigned based on that order. Adjustments to the queue order will be made to achieve any established funding priorities as described in this plan. Priorities for funding described herein apply to all strategies unless otherwise stated in the strategy. Once there is a list of eligible applicants, they will be ranked based on the priorities provided below.

Ranking Priority:

1. Emergency Loans for home repair related to a declared disaster that needs to be mitigated immediately to prevent damage or further damage to the home or to resolve an immediate health hazard to the occupants.
2. Special Needs Households (until the program's required percentage has been met)
3. Very low-income applicant referrals from local Non-profit Affordable Housing Organizations
4. Very low-income households (until the program's required percentage has been met)
5. Low- income (until the program's required percentage has been met)
6. Moderate income

All priorities being equal, the date and time that the application is received will determine the queue list number.

- 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, which can be lower but may not exceed 90% of the average area purchase price established by the U.S. Treasury Department or as described above.



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](http://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	SHIP program with the exception of the Purchase Assistance Program.	100%
Third Party Entity/Sub-recipient	Purchase Assistance Program	0%

**R. 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 (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. 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.*

**S. Project Delivery Costs:** *The maximum amount for project delivery shall not exceed 3 % per project for Emergency Repair, Owner Occupied Rehabilitation, and Demolition/Reconstruction strategy.*

**T. Essential Service Personnel Definition (ESP):** **ESP includes** teachers and educators, other school district, community college, and university employees, police and fire personnel, health care personnel, and skilled building trades personnel.

**U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** Activities shall be consistent with efficiency levels in the Building America Program, as created by the US Department of Energy, in cooperation with the Florida Solar Energy Center at the University of Central Florida, and established state and local building codes. Typical low-cost features include:

- Seal the building envelope
- Segregate and maintain combustion equipment
- Provide adequate ventilation
- Seal and insulate ducts
- Increase insulation
- Radiant barriers
- Install programmable thermostats
- Light colored/reflective roofing materials
- Light colored/reflective exterior wall paint
- Low-flow showerheads
- High efficiency LED indoor and outdoor lighting
- Ceiling fans
- Design for structural shading and day lighting for doors and windows by porches or

- overhangs
- Tile flooring
- Window films
- Planting of climate and seasonal appropriate shade trees and types at optimum locations on home site

Typical Moderate to High Cost Features:

- Upgrade HVAC system
- Install Energy Star Appliances
- Consider placement of return & delivery registers and ducts
- Solid insulated duct system

Hazard Mitigation Features:

- High impact windows
- Storm shutters
- Roof decking
- Exterior door

- V. Describe efforts to meet the 20% Special Needs set-aside:** Efforts are made to meet the 20% set-aside by marketing through non-profit agencies that provide services to special needs customers. In addition, both rental and homeownership Request for Proposal applications award extra points for projects that have units designated for individuals with special needs. During this LHAP period the intent is to issue at least one RFP that will exclusively fund an affordable housing project (s) for our special needs population.
- W. Describe efforts to reduce homelessness:** In addition to Request for Proposals awarding extra points for projects that serve our homeless population, during this LHAP period the intent is to issue at least one RFP that will exclusively fund an affordable housing project(s) to benefit our homeless population. Brevard County Housing and Human Services is a member of the Brevard Homeless Coalition (BHC), a non-profit organization whose mission is to provide a framework of services to prevent and eliminate homelessness in Brevard County. The BHC uses a barrier-free, client-driven Housing First Approach with partner agencies. Outreach, assessment, shelter, financial assistance, prevention, rapid re-housing, and permanent supportive housing services are provided to chronically homeless individuals, at-risk individuals and families, youth, veterans, as well as victims of domestic violence and trafficking on the basis of acuity.



**Section II. LHAP Strategies:**

<b>A. Homeownership-Purchase Assistance without Rehabilitation</b>	<b>Code 2</b>
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a. Summary: The purpose of the Brevard County Purchase Assistance Program is to provide financial assistance for existing and newly constructed units with down payment costs, closing costs, reduction of the mortgage principle and education counseling.

b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024

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

d. Maximum award:	Very Low	\$25,000
	Low	\$15,000
	Moderate	\$ 8,000

e. Terms:

1. Repayment loan/deferred loan/grant: All loans will be secured by a subordinate mortgage loan. For low and very low-income applicants' assistance will be in the form of a deferred subordinate loan. Moderate income applicants will be required to repay the loan.
2. Interest Rate: 0 %
3. Years in loan term:

5 Years	\$0-\$15,000
10 Years	\$15,001 and above
4. Forgiveness: For very-low and low-income categories, the funds will be forgiven on a prorated basis annually over the term of the loan.
5. Repayment: For moderate income applicants, the outstanding balance shall be repaid in equal monthly installments over the loan term in compliance with current Purchase Assistance Program Policy guidelines
6. Default: A default is defined as any of the following events,
  - i. Nonperformance by the Applicant or Borrower of any covenant, agreement, term or condition of the Mortgage, or of the Note, or of any other agreement made by the Applicant or Borrower.
  - ii. The Housing and Human Services Department's discovery of the Applicant's or Borrower's failure to disclose any fact or any misrepresentation by, on behalf of, or for the benefit of the Applicant or Borrower.
  - iii. If property does not remain the principal residence of the Applicant or Borrower, or if all or any part of the property or an interest therein is rented, leased, sold or transferred by the Applicant or Borrower.



iv. Upon the death of the Borrower during the mortgage period, the mortgage balance shall become due in full, unless at the time of the borrower's death a SHIP eligible family member decides to reside in the home and assume the lien. A family member shall have 180 days to make a written request to the Director of the Housing and Human Services Department to assume all the obligations specified in the Borrower's mortgage. If a written request to assume the mortgage is not made within 180 days, Brevard County shall declare the Borrower's estate to be in default and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is first.

- f. Recipient/Tenant Selection Criteria: The selection criteria will follow the current Brevard County Purchase Assistance Program Policy No. HS-007 (See Exhibit H).
- g. Sub-recipient Selection Criteria: Brevard County procurement procedures, through the use of a Request for Proposal process, are utilized to determine the sub-recipient for this strategy.
- h. Additional Information: The Purchase Assistance Strategy will follow the current Brevard County Purchase Assistance Program Policy No. HS-007 (See Exhibit H).

<b>B. Homeownership-Owner Occupied Rehabilitation</b>	Code 3
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a. Summary: This strategy is designed to assist eligible homeowners with necessary repairs to improve the occupant(s) safety and well-being, correction of code violations, electrical, plumbing, roofing, windows and/or contribute to the structural integrity and preservation of their owner-occupied home. Other items may be included on rehabilitation projects if funds are available after completing all required repairs listed above.

- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very Low, Low and Moderate
- d. Maximum award: \$90,000.00
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Assistance will be provided in the form of a deferred loan secured by a recorded Mortgage and Note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term:
 

5 Years	\$0-\$15,000
10 Years	\$15,001-\$40,000
15 Years	\$40,001-\$90,000
  - 4. Forgiveness: The loan will be forgiven on a prorated basis annually over the term of the loan. On each



anniversary date of closing, the value of one year's payment will be deducted from the original balance owed.

- 5. Repayment: Not required as long as the loan is in good standing.
- 6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient/Tenant Selection Criteria: Brevard County will utilize the Queue List/Priorities as described in I Program Details, Section I. Applicants must own and occupy their home. Applicants must resolve any title, lien, or income eligibility issues before they are determined qualified.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: The Owner-Occupied Rehabilitation Strategy will follow the County's Repair, Rehabilitation, and Reconstruction Policy No. HS-028 (See Exhibit I). This strategy may be combined with other state, federal, or local programs.

Units assisted must be within Brevard County, but located outside the city limits of Titusville, Cocoa, Melbourne and Palm Bay. The County reserves the right to partner with the aforementioned cities through a memorandum of understanding to complete a project.

A manufactured home or a mobile home is not eligible under this strategy.

Subordination of Liens: Subordination requests will be reviewed on a case by case basis in accordance with the County's Repair, Rehabilitation, and Reconstruction Policy.

<b>C. Homeownership-Owner Occupied Emergency Repair</b>	Code 6
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a. Summary: This strategy is designed to quickly assist homeowners with repairs who are experiencing system failure from one of the following: roof, septic tank or HVAC system as determined by Brevard County.
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- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very Low, Low and Moderate



d. Maximum award: \$ 50,000

e. Terms:

1. Repayment loan/deferred loan/grant: Assistance will be provided in the form of a deferred loan secured by a recorded Mortgage and Note.
2. Interest Rate: 0 %
3. Years in loan term: 

5 Years	\$0-\$15,000
10 Years	\$15,001-\$40,000
15 Years	\$40,001-\$50,000
4. Forgiveness: The loan will be forgiven on a prorated basis annually over the term of the loan. On each anniversary date of closing, the value of one year's payment will be deducted from the original balance owed.
5. Repayment: Not required as long as the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

f. Recipient/Tenant Selection Criteria: Brevard County will utilize the Queue List/Priorities as described in I Program Details, Section I. Applicants must own and occupy their home. Applicants must resolve any title, lien, or income eligibility issues before they are determined qualified.

g. Sponsor Selection Criteria: N/A

h. Additional Information: The Owner-Occupied Rehabilitation Strategy will follow the current County's Repair, Rehabilitation, and Reconstruction Policy No. HS-028 (See Exhibit I). This strategy may be combined with other state, federal, or local programs.

Units assisted must be within Brevard County, but located outside the city limits of Titusville, Cocoa, Melbourne and Palm Bay. The County reserves the right to partner with the aforementioned cities through a memorandum of understanding to complete a project.

A manufactured home or a mobile home is not eligible under this strategy.



Subordination of Liens: Subordination requests will be reviewed on a case by case basis in accordance with the County's Repair, Rehabilitation, and Reconstruction Policy.

<b>D. Homeownership-Demolition/Reconstruction</b>	<b>Code 4</b>
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a. **Summary:** This strategy is designed to assist eligible homeowners with the demolition and reconstruction of the home when the cost of repairs exceeds the maximum level (\$90k) for assistance under the rehabilitation strategy and the condition of the home (health, safety, code issues) necessitates replacement. Loans for reconstruction assistance may include costs related to all eligible construction hard and soft costs associated with the project, short-term relocation costs, temporary storage, closing costs and direct staff costs for inspections and work write-ups.

b. **Fiscal Years Covered:** 2021-2022, 2022-2023, 2023-2024

c. **Income Categories to be served:** Very Low, Low and Moderate

d. **Maximum award:** \$185,000

e. **Terms:**

1. **Repayment loan/deferred loan/grant:** provided in the form of a deferred loan secured by a recorded Mortgage and Note. Assistance will be provided in the form of a deferred loan secured by a recorded Mortgage and Note.
2. **Interest Rate:** 0 %
3. **Years in loan term:** 15 Years
4. **Forgiveness:** The loan will be forgiven on a prorated basis annually over the term of the loan. On each anniversary date of the execution of the mortgage, the value of one year's payment will be deducted from the original balance owed.
5. **Repayment:** Not required as long as the loan is in good standing.
6. **Default:** The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a





recapture.

- f. Recipient/Tenant Selection Criteria: Brevard County will utilize the Queue List/Priorities as described in I Program Details, Section I. Applicants must own and occupy their home. Applicants must address any title, lien, or income eligibility issues before they are determined qualified.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: The Homeownership-Demolition/Reconstruction Strategy will follow the current County's Repair, Rehabilitation, and Reconstruction Policy No. HS-028 (See Exhibit I). This strategy may be combined with other state, federal, or local programs.

Units assisted must be within Brevard County, but located outside the city limits of Titusville, Cocoa, Melbourne and Palm Bay. The County reserves the right to partner with the aforementioned cities through a memorandum of understanding to complete a project.

Mobile homes and manufactured homes are eligible for Reconstruction assistance if the owner agrees to have the old unit removed from the site.

Subordination of Liens: Subordination requests will be reviewed on a case by case basis in accordance with the County's Repair, Rehabilitation, and Reconstruction Policy.

<b>E. Homeownership- Acquisition, Rehabilitation and New Construction</b>	<b>Code 9,10</b>
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a. Summary: This strategy is designed to assist non-profit and for-profit developers with SHIP funds for the acquisition of property, demolition of property associated with the new construction or the rehabilitation of permanent housing for homeownership for eligible households. Eligible uses include acquisition of land and all costs associated with the development of the project including hard and soft costs. Other eligible costs associated with this activity include direct staff costs for work write-ups and inspections associated with project, utility and sewage installation, connection fees and payment of impact fees.

- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very Low and Low.
- d. Maximum award: \$ 185,000
- e. Terms:
  - 1. Developer:
    - a. Repayment loan/deferred loan/grant: Deferred loan secured by a note and mortgage.
    - b. Interest Rate: 0%



- c. Years in loan term: 2 years
- d. Forgiveness: N/A
- e. Repayment: Loan is due and payable upon sale of the home to an eligible buyer or at the end of the loan term.
- f. Default: The Developer shall have 18 months to complete construction on the project. In the event the home is not sold to an eligible homeowner within 6 months after completion, the Developer must convert the home to a rental unit and follow the rental rehabilitation/new construction strategy.

2. Homebuyer:

- a. Repayment loan/deferred loan/grant: Deferred loan secured by a note and mortgage.
- b. Interest Rate: 0%
- c. Years in loan term:           10 Years                           \$0-\$15,000.00  
  15 Years                           above \$15,000
- d. Forgiveness: Forgiven in whole at the end of the term.
- e. Repayment: For moderate income applicants, the outstanding balance shall be repaid in equal monthly installments over the loan term in compliance with current Purchase Assistance Program Policy guidelines. None required for other applicants.
- f. Default: The loan will be determined to be in default if any of the following occurs during the Loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

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

- f. Recipient/Tenant Selection Criteria: Brevard County requires that the homebuyer must qualify for a first mortgage for the purchase of the property, in accordance with the Purchase Assistance Program Policy No. HS-007 (See Exhibit H).
- g. Sponsor/Developer Selection Criteria: Applications from potential housing developers will be accepted on an on-going basis as funds are available through a Request for Proposal process. Housing developers used to implement this program will be selected and/or accepted based on criteria including, but not limited to the following:
  - a) Capacity of the applicant



- b) Ability to proceed
  - c) Proof of site control
  - d) Amount of other funds leveraged for the project
  - e) Financial strength of the applicant
  - f) Ability of the applicant to complete the project by the deadlines
  - g) Preference will be given to applicants who employ personnel from Workforce Development Initiatives programs
- h. Additional Information: This strategy may be combined with other state, federal, or local programs. Units assisted must be within Brevard County, but located outside the city limits of Titusville, Cocoa, Melbourne and Palm Bay. The County reserves the right to partner with the aforementioned cities through a memorandum of understanding to complete a project.

<b>F. Rental-Rehabilitation/New Construction</b>	<b>Code</b> 14,15,21
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a. Summary: This program is designed to assist non-profit and for-profit developers with SHIP funds for new construction or rehabilitation of rental housing projects that will increase the supply or preserve existing affordable housing units. Funds may be used for construction, site acquisition, site development, or demolition associated with the reconstruction of affordable rental units, relocation costs, payment of impact fees, infrastructure expenses typically paid by the developer, construction hard and soft costs, such as engineering and appraisals if directly related to housing construction or rehabilitation. Rental housing may also include units for affordable rental housing intended to serve special needs populations

- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Extremely Low, Very Low, Low and Moderate
- d. Maximum award: \$90,000 per unit or \$720,000 per project.
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred loan secured by a recorded Mortgage and Note and restrictive covenants.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 20 years
  - 4. Forgiveness: Loan will be forgiven at the end of the loan term.
  - 5. Repayment: Not required as long as the loan is in good standing.
  - 6. Default: In the event the sponsor ceases to use the property to house eligible households, or if the sponsor offers the property for sale prior to the end of the lien period. The sponsor must offer the



- right of first refusal to the County or an eligible sponsor for purchase at the current market value (minus the initial SHIP award) for continued occupancy by eligible households. In the event no such sponsor is available, and the County declines the right of first refusal offer to continue the project, any and all funds remaining in the lien are due and payable to the Brevard County Housing and Human Services Department at the time of closing the sale of the property.
- f. Recipient/Tenant Selection Criteria: Applications from potential tenants will be reviewed for SHIP eligibility by the program sponsors and will utilize the Queue List/Priorities as described in I Program Details, Section I.
  - g. Sponsor Selection Criteria: Applications from potential sponsors will be solicited through a competitive request for proposal process. The criteria for selection will include, but not be limited to, the following:
    - 1. Capacity/experience of the applicant.
    - 2. Ability to proceed.
    - 3. Proof of site control.
    - 4. Amount of other funds leveraged for the project.
    - 5. Financial strength of the applicant.
    - 6. Ability of the applicant to complete the project by the deadlines established by the SHIP rule and statute.
    - 7. Preference will be given to applicant that employs personnel from Welfare Transition Program and Workforce Development Initiatives programs
  - h. Additional Information: This strategy may be combined with other state, federal, or local programs. Units assisted must be within Brevard County, but located outside the city limits of Titusville, Cocoa, Melbourne and Palm Bay. The County reserves the right to partner with the aforementioned cities through a memorandum of understanding to complete a project.

Funds may be used as part of the local contribution for participation in programs such as projects selected by the State of Florida low income tax credit program and the State Department Incentive loan SAIL Program, dependent upon availability of funding.

Rental Housing may also include units of affordable rental housing intended to serve special needs populations. The County shall conduct an annual monitoring visit for the Compliance period to verify the project follows SHIP affordable housing rules and requirements.

All eligible loans repaid to the County shall be considered program income. The County reserves the right to foreclose if payment is not made.

<b>G. Disaster Repair/Mitigation/ Direct Assistance</b>	Code 5,16, 27
---	------------------

a. Summary: The Disaster Strategy aids households following a disaster as declared by the President of the United States or, Governor of the State of Florida. This strategy will only be implemented in the event of a disaster using any funds that have not yet been encumbered or additional disaster funds issued by Florida Housing Finance Corporation. SHIP disaster funds may be used for items such as, but not limited to: (a) purchase of emergency supplies for eligible households to weatherproof damaged homes; (b) interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable; (c) construction of wells or repair of existing wells where public water is not available; (d) payment of insurance deductibles for rehabilitation of homes covered under homeowners insurance policies; (e) security deposit for eligible recipients that have been displaced from their homes due to disaster; (f) rental and hotel assistance for the duration of the Executive Order.

b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024

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

d. Maximum award: \$25,000

e. Terms:

1. Repayment loan/deferred loan/grant: Up to \$15,000 is a grant, and balance is a deferred loan.

2. Interest Rate: 0 %

3. Years in loan term: 0 years	\$0-\$15,000
5 years	\$15,001-\$25,000

4. Forgiveness: The loan will be forgiven on a prorated basis annually over the term of the loan. On each anniversary date of the execution of the mortgage, the value of one year's payment will be deducted from the original balance owed.

5. Repayment: Not required as long as the loan is in good standing.

6. Default: The loan will be determined to be in default if any of the following occurs: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture.

- f. Recipient/Tenant Selection Criteria: Funds are made available. Priority shall be given to persons who have special housing needs as defined in 420.0004 (13) F.S. and individuals or household that qualify as Elderly (62 or over) as defined in 420.503, F.S.
  - Applicant(s) requesting work on a housing unit must own and occupy the property as principal residence.
  - Eligibility for assistance shall be done in an expedited manner and may include alternate forms of documentation, such as current pay stubs, benefit letters, as well as a Disaster Self Certification of Income Form provided for use by Florida Housing Finance Corporation.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: Applicant must provide documentation of income eligibility, as well as, documentation that they have filed with FEMA, SBA, and the local Long-Term Recovery Program. Eligibility may be performed on an expedited basis and may include alternative forms of documentation, e.g. current pay stubs, benefit letters, oral verifications, or self-declarations. Insurance Deductible Assistance will be up to \$6,000 (included in the \$25,000 maximum award). The applicant must provide documentation for the need of the deductible assistance through receipts and invoices accounting for the amount received from their insurance. Insurance funds must be spent first. All of the work must be verified by visual inspections by the County's Housing and Human Services Department before payment is made. Disaster Repair Assistance will follow the regular SHIP Repair procedures on bidding and inspections.

### 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. 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:

Brevard County maintains a One-Stop Permitting Process for affordable housing. This process coordinates Planning & Zoning, Permitting & Enforcement, Environmental Health, Roadways & Landscaping, and Building permitting reviews in one application. The Housing & Human Services Department will review and confirm affordable housing construction activities and affix a stamp to the permit application that identifies that the applicant applying for permitting is a developer of affordable housing and will receive priority in the processing of their permit requests.

Brevard County Housing & Human Services Staff continue to meet with each of the above departments at scheduled meetings to expedite the permitting process and streamline as much as possible for contractors building affordable housing.

The Housing & Human Services Staff acts as a liaison between the contractor and County departments to ensure that when issues arise they are dealt with in a timely manner.

**B. 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: An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption and assign staff from the Planning & Zoning Office, or staff from departments responsible for regulation, to attend Affordable Housing Council meetings.

The Brevard County Affordable Housing Council serves as Brevard County's mechanism for review of policies, procedures, ordinances, regulations, and plan provisions that increase the cost of housing. The Affordable Housing Council will weigh the cost impact against the quality of life aspects of the regulations' intent and purpose and instruct Staff to report those findings and make recommendations to the Board of County Commissioners where appropriate

**C. Density Flexibility**

Allow greater flexibility increasing density levels to encourage the creation of new affordable housing within the County through use of Brevard County Ordinance 07-18, consistent with the Brevard County Comprehensive Plan.

**D. Parking and Setbacks**

This incentive strategy will allow flexible parking and setbacks through Brevard County Ordinance #07-18.

**E. Flexible Lot Configuration**

This strategy will allow flexible lot configuration through Brevard County Ordinance #07-18.

**F. Street Requirements**

This strategy will allow for the review of projects that request street requirement modifications through Brevard County Ordinance #07-18.

**G. Land Bank Inventory**

Housing and Humans Services Department will monitor and update the land inventory per Brevard County Ordinance #07-18.

**H. Support of Development near Transportation Hubs and Major Employment Centers and Mixed-Use Developments**

Brevard County will support development near transportation hubs and major employment centers and a mixed-use development consistent with the Brevard County Comprehensive Plan and the location matrix in the Affordable Housing Ordinance #07-18.

**I. Impact Fee Waivers or Modifications**

Continue the process established in Ordinance #06-044.

**J. Reservation of County Infrastructure**

Continue ongoing concurrency management system which ensures that public facilities and services needed to support development.

**K. Accessory Dwelling Units**

Review the County's code definition of accessory structures and uses.



**IV. EXHIBITS:**

Required

- 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.

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement.
- H. Brevard County Purchase Assistance Program Policy.
- I. Repair, Rehabilitation and Reconstruction Housing Program Policy.
- J. Small- and Large-Scale Acquisition, New Construction and Rehabilitation Policy

**Brevard County**

Fiscal Year: 2021-2022	
Estimated SHIP Funds for Fiscal Year:	\$ 2,223,084.00
Salaries and Benefits	\$ 221,308.40
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$ 500.00
Advertising	\$ 500.00
Other*	\$
<b>Total</b>	<b>\$ 222,308.40</b>
Admin %	10.00%
	<b>OK</b>

Fiscal Year 2022-2023	
Estimated SHIP Funds for Fiscal Year:	\$ 2,223,084.00
Salaries and Benefits	\$ 221,308.40
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$ 500.00
Advertising	\$ 500.00
Other*	\$
<b>Total</b>	<b>\$ 222,308.40</b>
Admin %	10.00%
	<b>OK</b>

Fiscal Year 2023-2024	
Estimated SHIP Funds for Fiscal Year:	\$ 2,223,084.00
Salaries and Benefits	\$ 221,308.40
Office Supplies and Equipment	\$
Travel Per diem Workshops, etc.	\$ 500.00
Advertising	\$ 500.00
Other*	\$
<b>Total</b>	<b>\$ 222,308.40</b>
Admin %	10.00%
	<b>OK</b>

\*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.

Details:

**Exhibit B  
Timeline for SHIP Expenditures**

Brevard County Board of County Commissioners affirms that funds allocated for these fiscal years will meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 <sup>st</sup> Year AR	2 <sup>nd</sup> Year AR	Closeout AR
2021-2022	6/30/2023	6/30/2024	9/15/2022	9/15/2023	9/15/2024
2022-2023	6/30/2024	6/30/2025	9/15/2023	9/15/2024	9/15/2025
2023-2024	6/30/2025	6/30/2026	9/15/2024	9/15/2025	9/15/2026

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

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 <sup>st</sup> Year AR Not Submitted	2 <sup>nd</sup> Year AR Not Submitted	Closeout AR Not Submitted
2021-2022	3/30/2023	3/30/2024	6/15/2022	6/15/2023	6/15/2024
2022-2023	3/30/2024	3/30/2025	6/15/2023	6/15/2024	6/15/2025
2023-2024	3/30/2025	3/30/2026	6/15/2024	6/15/2025	6/15/2026

**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](mailto:robert.dearduff@floridahousing.org) and [terry.auringer@floridahousing.org](mailto:terry.auringer@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 [terry.auringer@floridahousing.org](mailto:terry.auringer@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.

FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2021-2022												
Name of Local Government:												
Estimated Funds (Anticipated allocation only):			\$ 2,223,084									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	0	\$25,000	0	\$15,000	0	\$8,000	\$0.00	\$0.00	\$0.00	0
3	Owner Occupied Rehabilitation	Yes	4	\$70,000	4	\$70,000	2	\$70,000	\$700,000.00	\$0.00	\$700,000.00	10
4	Demolition/Reconstruction	Yes	2	\$145,000	2	\$145,000	2	\$145,000	\$870,000.00	\$0.00	\$870,000.00	6
4,9,10	Acquisition Rehab and New Construction	Yes	1	\$185,000	1	\$185,000	1	\$185,000	\$555,000.00	\$0.00	\$555,000.00	3
5	Disaster Repair/ Mitigation	Yes	3	\$15,000	0	\$15,000	0	\$15,000	\$45,000.00	\$0.00	\$45,000.00	3
6	Owner Occupied Emergency Repair	Yes	1	\$50,000	0	\$50,000	0	\$50,000	\$50,000.00	\$0.00	\$50,000.00	1
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	Total Homeownership		11		7		5		\$2,220,000.00	\$0.00	\$2,220,000.00	23
Purchase Price Limits:			New	\$ -	Existing	\$ -						
You must enter a purchase price limit above You must enter a purchase price limit above												
Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
14,21	Rehab/New Construction	No	0	\$90,000	0	\$90,000	0	90000	\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No	0	\$25,000	0	\$25,000	0	25000	\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	Total Rental		0		0		0		\$0.00	\$0.00	\$0.00	0
	Administration Fees		\$ -		0%		OK					
	Home Ownership Counseling		\$ -									
Total All Funds			\$	2,220,000	OK							
Set-Asides												
Percentage Construction/Rehab (75% requirement)			99.9%		OK							
Homeownership % (65% requirement)			99.9%		OK							
Rental Restriction (25%)			0.0%		OK							
Very-Low Income (30% requirement)			\$ 850,000	38.2%	OK							
Low Income (30% requirement)			\$ 755,000	34.0%	OK							
Moderate Income			\$ 615,000	27.7%								

**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
**2022-2023**

Estimated Funds (Anticipated allocation only):		\$ 2,223,084										
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	0	\$25,000	0	\$15,000	0	\$8,000	\$0.00	\$0.00	\$0.00	0
3	Owner Occupied Rehabilitation	Yes	4	\$70,000	4	\$70,000	2	\$70,000	\$700,000.00	\$0.00	\$700,000.00	10
4	Demolition/Reconstruction	Yes	2	\$145,000	2	\$145,000	2	\$145,000	\$870,000.00	\$0.00	\$870,000.00	6
4,9,10	Acquisition Rehab and New Construction	Yes	1	\$185,000	1	\$185,000	1	\$185,000	\$555,000.00	\$0.00	\$555,000.00	3
5	Disaster Repair/ Mitigation	Yes	3	\$15,000	0	\$15,000	0	\$15,000	\$45,000.00	\$0.00	\$45,000.00	3
6	Owner Occupied Emergency Repair	Yes	1	\$50,000	0	\$50,000	0	\$50,000	\$50,000.00	\$0.00	\$50,000.00	1
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Homeownership</b>		11		7		5		\$2,220,000.00	\$0.00	\$2,220,000.00	23
Purchase Price Limits:			New	\$ -	Existing	\$ -						

You must enter a purchase price limit above You must enter a purchase price limit above

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
14,21	Rehab/New Construction	No	0	\$90,000	0	\$90,000	0	90000	\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No	0	\$25,000	0	\$25,000	0	25000	\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Rental</b>		0		0		0		\$0.00	\$0.00	\$0.00	0
Administration Fees			\$ -	0%			OK					
Home Ownership Counseling			\$ -									
<b>Total All Funds</b>			\$ 2,220,000	OK								

**Set-Asides**

Percentage Construction/Rehab (75% requirement)	99.9%	OK
Homeownership % (65% requirement)	99.9%	OK
Rental Restriction (25%)	0.0%	OK
Very-Low Income (30% requirement)	\$ 850,000 38.2%	OK
Low Income (30% requirement)	\$ 755,000 34.0%	OK
Moderate Income	\$ 615,000 27.7%	

**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
**2023-2024**

<b>Name of Local Government:</b>		<b>Brevard County</b>										
<b>Estimated Funds (Anticipated allocation only):</b>		<b>\$ 2,223,084</b>										
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	0	\$25,000	0	\$15,000	0	\$8,000	\$0.00	\$0.00	\$0.00	0
3	Owner Occupied Rehabilitation	Yes	4	\$70,000	4	\$70,000	2	\$70,000	\$700,000.00	\$0.00	\$700,000.00	10
4	Demolition/Reconstruction	Yes	2	\$145,000	2	\$145,000	2	\$145,000	\$870,000.00	\$0.00	\$870,000.00	6
4,9,10	Acquisition Rehab and New Construction	Yes	1	\$185,000	1	\$185,000	1	\$185,000	\$555,000.00	\$0.00	\$555,000.00	3
5	Disaster Repair/ Mitigation	Yes	3	\$15,000	0	\$15,000	0	\$15,000	\$45,000.00	\$0.00	\$45,000.00	3
6	Owner Occupied Emergency Repair	Yes	1	\$50,000	0	\$50,000	0	\$50,000	\$50,000.00	\$0.00	\$50,000.00	1
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Homeownership</b>		11		7		5		\$2,220,000.00	\$0.00	\$2,220,000.00	23
<b>Purchase Price Limits:</b>			<b>New</b>	\$ -	<b>Existing</b>	\$ -						

You must enter a purchase price limit above You must enter a purchase price limit above

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
14,21	Rehab/New Construction	No	0	\$185,000	0	\$185,000	0	185000	\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No	0	\$10,000	0	\$10,000	0	10000	\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Rental</b>		0		0		0		\$0.00	\$0.00	\$0.00	0
<b>Administration Fees</b>			\$ -	0%			<b>OK</b>					
<b>Home Ownership Counseling</b>			\$ -									
<b>Total All Funds</b>			\$	<b>2,220,000 OK</b>								

**Set-Asides**

Percentage Construction/Rehab (75% requirement)	99.9%	<b>OK</b>
Homeownership % (65% requirement)	99.9%	<b>OK</b>
Rental Restriction (25%)	0.0%	<b>OK</b>
Very-Low Income (30% requirement)	\$ 850,000 38.2%	<b>OK</b>
Low Income (30% requirement)	\$ 755,000 34.0%	<b>OK</b>
Moderate Income	\$ 615,000 27.7%	


**CERTIFICATION TO  
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity:  
Brevard County

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 to the document 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).

  
Witness Cheryl Duisberg

  
Chief Elected Official or designee

  
Witness Deborah Thomas

Rita Pritchett, Chair  
Type Name and Title

\_\_\_\_\_  
Date

OR

Attest:  
(Seal)





RESOLUTION #: 2021-158

A RESOLUTION OF THE BREVARD COUNTY BOARD OF COUNTY COMMISSION OF THE BREVARD COUNTY 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(17), 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 Housing and Human Services Department has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

**WHEREAS**, the Brevard County Board of County Commissioners finds that it is in the best interest of the public for the Brevard County 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 BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS OF THE BREVARD COUNTY, FLORIDA that:**


Section 1: The Board of County Commissioners of the Brevard County 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 2021-2022, 2022-2023, 2023-2024.

Section 2: The Chairman, is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said program.

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

PASSED AND ADOPTED THIS 9 DAY OF Nov., 2021.

  
Rita Pritchett, Chair

(SEAL)  
ATTEST:   
City or County Clerk

## EXHIBIT "F"-ORDINANCE

(Not applicable since no change has been  
made from the original Ordinance.)

EXHIBIT "G"-INTERLOCAL AGREEMENT  
(Not applicable since there is no Inter-local  
Agreement for SHIP)

EXHIBIT "H"  
**HOUSING & HUMAN SERVICES  
DEPARTMENTAL POLICY**

TITLE: Brevard County Purchase Assistance Program Policy	NUMBER: HS-007 - SHIP
	CANCELS: <del>January 11, 2014</del>
	APPROVED: April 25, 2017
	ORIGINATOR: Housing & Human Services Department
	REVIEW: As needed

I. OBJECTIVE

This policy is designed to be utilized by the Housing & Human Services Department to implement the Purchasing Assistance Program as approved by SHIP (State Housing Initiatives Partnership Program) administered by FHFC (Florida Housing Finance Corporation).

These funds are to provide down payment and closing cost assistance to eligible applicants. The income of the eligible applicants must be below 120% of the median income in Brevard County. Assistance provided is in the form of a deferred loan whereby a lien is attached to the property for 10 to 15 years depending upon the amount of assistance at zero percent interest. 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. Procurement Policy, BCC-25 – Policy approved by the Board of County Commissioners establishing a procurement policy in accordance with Florida Statute.

- D. Appeal Procedure – Established procedure and Departmental Policy by which an applicant may make a complaint or appeal a decision made by the Housing and Human Services Department.
- E. Applicant – A person or household who submits a signed and completed Housing and Human Services Department application for assistance.
- F. AMI – Area Median Income – Means the median family income in Brevard County, Florida, adjusted for family size, as published annually by the U.S. Department of Housing and Urban Development.
- G. 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.
- H. Debt – Any obligation that will hinder the Household’s monthly mortgage payment, to include but not be limited to child care, car payments, loans, and child support.
- I. 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 Applicant or Borrower of any covenant, agreement, term or condition of the Mortgage, or of the Note, or of any other agreement made by the Applicant or Borrower with the Housing and Human Services Department in connection with such indebtedness, after the Applicant or Borrower has been given due notice, as described hereafter, by the Housing and Human Services Department of such nonperformance;
  - b. Failure of the Applicant or 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 Housing and Human Services Department’s discovery of the Applicant or Borrower’s failure in any application of the Applicant or Borrower to the Housing and Human Services Department to disclose any fact deemed by the Housing and Human Services Department to be material, or the making therein, or in any of the agreements entered into by the Applicant or Borrower with the Housing and Human Services Department (including, but not limited to, the Note and Mortgage) of any misrepresentation by, on behalf of, or for the benefit of the Applicant or Borrower; and
  - d. If property does not remain the principal residence of the Applicant or Borrower, or if all or any part of the property or an interest therein is rented, leased, sold or transferred by the Applicant or Borrower.

- J. **Deferred 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 Brevard County. The Household has an option to repay the loan at any time within the 10 to 15year lien period without penalties and interest accrual, assuming the loan is not in default at any time. Defaulted loans may be subject to interest penalties.
- K. **Department** – Housing and Human Services Department.
- L. **Eligible Sponsor** – A non-profit organization meeting the selection criteria set forth by the Brevard County Housing and Human Services Department who executes a contract to provide services to the Purchase Assistance Program.
- M. **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.
- N. **First Time Homebuyer** – A household that has not owned a home during the last three year period immediately prior to purchase with Purchase Assistance funds, with exception of a person determined to be a displaced homemaker, single parent, or currently owns a substandard unit that cannot be reconstructed on site. (For the purpose of the program a "Home" is considered a conventional home, condominium, or townhouse, or modular home.
- O. **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.
- P. **Household** - "Household" includes all dwelling occupants to include, friends, legal spouse, children and relatives. 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.
- If the co-signor is not a spouse, and can document his/her residence at another location, then his/her income is not calculated, however, he/she must sign the security instrument with the County.
- Q. **Income** – Projected annual income established in compliance with SHIP regulations, specifically established at 24 CFR Part 5.609.
- R. **Liquid Assets** – Liquid assets are those in the possession of the 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. Applicant must provide documentation from fund management institution of identification of these assets as intended retirement enhancement funding.

- S. 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)
- T. Modular home - Defined as a dwelling which meets the certification process specified in Section 553, Part IV, Florida Statutes and meets 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.
- U. 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.
- V. Rehabilitation – All assisted units must meet, at a minimum, the Standard Housing Code approved by Brevard County 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 for sanitary habitation, correction of substantial code violation, or the creation of additional living space.
- W. Repayable Loan – a zero percent interest loan to an eligible Household that is repaid over a 120 month period. The Household has an option to repay the loan at any time within the 10 years lien period without prepayment penalty. Defaulted loans may be subject to interest penalties.
- X. SHIP – State Housing Initiatives Partnership Program administered by the Florida Housing Finance Corporation.
- Y. Standard Housing Code – Minimum standards for basic equipment and facilities for all buildings intended for occupancy by owner-occupants. Adopted standards are prepared by the Department of Housing and Urban Development (HUD): Housing Quality Standards and the Southern Building Code Congress International, Inc. and adopted by the Board of County Commissioners.



- Z. Subordination – the process of placing, ranking, or positioning a mortgage as secondary to the primary mortgage. The Purchase Assistance Program will remain in, second or third position.
- AA. Satisfaction – a document recorded with the Clerk of Court removing lien(s) from the property.

### III. DIRECTIVES

#### A. Program Administration

The Brevard County Housing and Human Services Department shall be responsible for the administration and monitoring of the Purchase Assistance Program. At the discretion of the Department, an eligible Sponsor may be selected based upon criteria outlined in Brevard County's Board of County Commissioner approved Local Housing Assistance Plans.

#### B. Eligibility

1. Must be a first time homebuyer as defined by Florida Statute 420.907
2. Applicants must submit a signed and dated application provided by the Housing and Human Services Department. Income eligibility must be verified based on the regulations of the applicable funding source (SHIP) and BOCC approved policies. As funds become available, applicants will be asked to confirm completion of the Purchase Assistance Program Workshop.
3. The applicant must meet income guidelines of no more than 120% of the Brevard County MSA median income as provided annually by U.S. Department of Housing & Urban Development or the Florida Housing Finance Corporation.
4. The applicant must occupy residence as a principal residence for the affordability period of 10 to 15 years.
5. The applicant must attend the Purchase Assistance Workshop and receive a Certification within one year prior to closing.
6. The applicant may not receive assistance from another down payment assistance program except the Florida Housing Finance Corporation or Brevard County Housing Finance Authority whereby the Department would take a junior mortgage position. However, in consideration of escalating housing costs very low and low income applicants may utilize the Florida Housing Finance Corporation's Assistance Program(s) in conjunction with the Department's Program. Other assistance programs authorized by an instrument of government may be considered by the

Department. In these situations, third position can be taken when funds are approved by the Brevard County Board of County Commissioners. The Purchase Assistance Program must only be used to subsidize the remainder of the assistance needed to qualify applicants at the established affordability ratios. 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).

7. Federal Housing Administration, Veterans Administration and Fannie Mae underwriting guidelines will be utilized when determining debt-to-income ratios. Brevard County 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."

8. If Household is disqualified due to being over-income, the disqualification period will be 6 months from day of notice. At that time, the applicant/household may re-apply when the Program is open to new applicants.
9. The Household's liquid assets may not exceed \$8,000. Liquid assets are defined as, but not limited to: savings accounts, checking accounts, certificates of deposit, treasury bonds, money market funds, savings bonds, etc.
10. Ineligible Applicants will be counseled on the Department approved Appeal Procedure.
11. Applicants determined to be ineligible due to falsification of application will be disqualified from the Program for two years.
12. Applicants may be assisted only one time for the Purchase Assistance Program.

#### C. ELIGIBLE PROPERTY

1. Property must be located within Brevard County.

2. Property must be owner occupied or vacant.
3. New or existing property (to include lot) not to exceed 90% of the Area Median Purchase Price, as provided by Florida Housing Finance Corporation.
4. Property can be a house, townhouse, condominium, modular home or other type of dwelling that can be conveyed by title to be separate from other attached units. Owner association fees must be added to the mortgage payment when determining the final monthly payment.
5. 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.

#### D. INELIGIBLE PROPERTY

- a. Manufactured homes or mobile homes are ineligible for the program.
- b. Property with a resident renter will be deemed ineligible for assistance.

#### E. FUNDING ALLOCATION

The Purchase Assistance Program is designed to increase the level of affordable home ownership for very low (0-50% AMI), low (51-80% AMI), and moderate (81-120% AMI) income households. Funding for the program is allocated by the SHIP Program.

#### F. MARKETING

1. Brevard County will take affirmative marketing steps to provide information and attract eligible persons from all racial, ethnic, and gender groups. A wide range of marketing strategies will be implemented to ensure that eligible persons living County-wide have a reasonable opportunity to be informed about the Purchase Assistance program opportunities being carried out by Brevard County.
2. On an annual basis, the County will review its marketing efforts to assess strategy effectiveness.

#### G. AVAILABLE ASSISTANCE

1. 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).

INCOME LEVEL	ASSISTANCE	LIEN TERMS
0-50% Median Income	\$15,001-\$25,000	15 year forgivable mortgage
51-80% Median Income	\$8,001 - \$15,000	10 year forgivable mortgage
81-120% Median Income	\$1,000 - \$8,000	10 year repayable mortgage

- Lien terms will be determined by total amount of assistance provided. Assistance may not exceed 35% of the purchase price of the home including the cost of land.

LIEN PERIOD	ASSISTANCE AMOUNT	INCOME LEVEL	ANNUAL DEPRECIATION
10 years	Up to \$15,000	Very low income Low Income	1/10 of loan amount
15 years	Over \$15,000	Very low income Low Income	1/15 of loan amount

#### H. LOAN ASSISTANCE

- 81% to 120% Median Income Level - Assistance is in the form of a scheduled repayment loan made over a 10-year period at zero percent interest. The loan must be repaid in full in accordance with the BOCC approved recapture guidelines if the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period. The repayment funds will be utilized to assist other purchase assistance applicants. Future assistance from any of the Department's programs is prohibited until any outstanding debt is paid or the default is cured.
- 0% to 80% Median Income Level - Assistance provided is in the form of a deferred loan at a zero percent interest rate. The loan must be repaid in full in accordance with the BOCC approved recapture guidelines when the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period. The repayment funds will be utilized to assist other purchase assistance applicants. Future assistance from any of the Department's programs is prohibited until any outstanding debt is paid or the default is cured.

I. APPLICANT'S CASH OBLIGATION

The assistance offered through the Purchase Assistance Program will help families who do not have enough money for down payment and closing cost expenses to purchase homes. Households who are 0% to 50% of median income must provide a minimum of \$500 of their own funds for down payment and closing costs. Households 51% to 120% of median income must provide a minimum of \$1,000 for down payment or closing costs.

J. INTAKE/ASSESSMENT

Eligible applicants are processed in a first qualified, first served basis. Complete application packages are reviewed for initial income and asset eligibility, which may include credit report review and preliminary review of debt ratios.

K. HOUSING COUNSELING/HOME BUYER WORKSHOP

1. Attendance and completion of the designated Brevard County Purchase Assistance Workshop is mandatory. Applicants not fulfilling this requirement will not be eligible to receive funds under this Program. The course is designed to educate the applicant on the program's rules and regulations and all aspects of home ownership, fair housing, and post purchase counseling.
2. Applicants attending the Homebuyer Training Workshop who have special needs/requests must notify the Housing and Human Services Department office or designee 48 hours in advance.
3. The guidelines, procedures, and policies are available upon request from the Housing and Human Services Department to all interested eligible sponsor applicants, including the process for selection.

L. SELECTION OF HOUSE/INSPECTION

Once the applicant has completed the Purchase Assistance Workshop, all of the pending information is verified, and the applicant has been notified of funding availability, the applicant is ready to begin the search for a house. If the applicant decides to build or purchase an existing unit, he/she can do so as long as the property is in Brevard County. The total sales price may not exceed the amount determined by the counselor or Eligible Sponsor, and if necessary, the seller must execute a Brevard County provided addendum to the contract. The inspection must include a determination of what repairs or improvements are needed to be in compliance with applicable 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 determined by County approved inspection 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 Housing and Human Services office before closing and prior to assistance being provided, a County approved inspection may still be required.
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 Standard Housing Code Standards.
3. Inspection Process – Additional inspection(s) above the County'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 applicant shall sign an agreement that stipulates the rules and regulations governing the assistance, recapture restrictions, and/or transfer of property.
2. All eligible applicants must demonstrate adequate insurance coverage including flood insurance, if so required, for the duration of the lien.
3. The requirements within a commitment letter will be later bound by eligible 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 total amount of funding used for down payment and closing cost assistance.
5. Death of the Borrower - Housing Client as used herein shall mean the Borrower. Upon the death of the Borrower during the mortgage period, the mortgage balance shall become due in full, unless at the time of the borrower's death an eligible spouse or family member desires to reside in the home (family member includes domestic partner, provided that the individual can establish proof of residency in the home for a period of at least six (6) months prior to the death of the Borrower).
  - a. If an eligible family member wishes to assume the existing mortgage, the family member shall have 180 days to make a written request to the Director of the Housing and Human Services Department to assume all of the obligations specified in the Borrower's mortgage. If a written request to assume the mortgage is not made within 180 days, Brevard County shall declare the Borrower's estate to be in

default, and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.

b. However, if within 180 days an eligible family member submits a written request to the County to assume the mortgage, the family member must demonstrate proof of legal title to the property and meet the current income and assets qualifications of Brevard County.

i. If the property does not have to undergo Probate, the family member shall have ninety (90) days to assume the mortgage. If ninety (90) days pass and the family member has not assumed the mortgage and note, Brevard County shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.

ii. If the property must undergo Probate, the family member shall have ninety (90) days from the date of acquiring clear title to the property, and have been determined income-eligible by the County, to assume the mortgage. If ninety (90) days pass and the family member has not assumed the mortgage and note, Brevard County shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.

6. Default of the Borrower - In the event the County declares a default and ninety (90) days pass without repayment to the County, the following shall occur: (a) the mortgage balance shall be frozen at the balance in place on the date of the Borrower's death; (b) the mortgage balance will cease to depreciate at the annual rate; and, (c) interest shall accrue at 5% per annum. Provided, however, that accrued interest plus the mortgage balance at the time of the Borrower's death shall not exceed the amount of the Mortgage Note last executed by the Borrower. The lien will continue against the property until repayment plus interest is satisfied.

7. No mortgage is considered satisfied until a Satisfaction of Mortgage is recorded with the Clerk of Courts by the Housing and Human Services Department.



#### N. TYPES OF MORTGAGES

1. FHA, VA, Conventional, Habitat for Humanity or other, fixed rate, 20, 25, or 30-year mortgages are eligible for assistance in the Purchase Assistance Program.
2. Lease-Purchase, Owner-Financed, or Adjustable Rate Mortgages are not allowed for use by a Purchase Assistance participating in this Program.
3. Mortgages will be evaluated by the Eligible Sponsor and/or Department staff for affordability. A maximum of two points in Origination Fees and Discount Fees are allowable. Case by case consideration will be given when assistance is leveraged with Florida Housing Finance Corporation, Brevard Housing Finance Authority programs or the client is extremely low/very low income. 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 applicant.
4. Total closing costs (excluding pre-paid charges) charged to the buyer may not exceed 5% of the loan amount.

#### O. SETTLEMENT OR CLOSING

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) prior to the closing date (copy of the appraisal report and notification of Brevard County named as Loss Payee on hazard insurance and/or flood insurance must be received before check can be issued). The Eligible Sponsor or Department 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.

If using a sponsor, files must be forwarded to the County within 90 days of closeout.

2. The documents are to be recorded and certified by the closing agent through the Clerk to the Circuit Court.

#### P. SUBORDINATION OF COUNTY LIENS

1. A borrower requesting a subordination of the County's lien must make this request in writing, indicating the reason for the request. The County Manager or Designee must authorize any subordination requested. Staff will identify for the County Manager or Designee, the current status of the



County's equity position, and the equity position if the subordination request is approved.

2. Requests, which include the receipt of cash from the refinancing transaction, will not be considered.
3. Requests that increase the affordability of the housing unit or assist a household with catastrophic medical expenses (for the lien holder or relative of the lien holder) not associated with consumer debt, shall be considered.
4. Applicants must not be in default of the County mortgage.
5. The Homeowner may be charged any recording fees necessary for the subordination.
6. Homeowners assisted under previous versions of this policy with amounts less than \$11,000 and lien terms exceeding 15 years may be satisfied upon request.

#### Q. SATISFACTION OF MORTGAGE

1. Upon satisfactory completion of the lien terms, a Satisfaction of Mortgage will be completed by the Department on behalf of the Board of County Commissioners and filed with the clerk of the court after review of the County Attorney and approval of the County Manager or Designee. The original Satisfaction of Mortgage will be mailed to the borrower.
2. A Homeowner seeking a satisfaction which includes a short payoff request (less than the total amount owed on the County's lien) must make this request in writing, indicating the reason for the request. Staff will identify for the County Manager or Designee, the current status of the County's equity position and any other applicable grant requirements. If all grant conditions are met and the reason for the request is acceptable, the County will accept as its payoff, an equal percentage as that being accepted by the First Mortgage Holder (i.e., First Mortgage Holder has a Lien of \$100,000 and accepts 50% or \$50,000; Brevard County has a lien of \$40,000 and accepts 50% or \$20,000).
3. If the First Mortgage Holder is a Federal or State lending entity (i.e., Freddie Mac, Fannie Mae, Federal Housing Authority (FHA), VA Administration, Florida Housing Finance Corporation etc.) and its guidelines set a maximum allowable payoff, The County will accept the maximum allowable payoff for satisfactory completion of the County's lien. In cases where multiple Federal or State Lending entities have an interest in the property, the County will take an equal share of the maximum allowable payoff ( i.e., FHA \$6,000; VA \$6,000 and Brevard County \$6,000).

R. FOLLOW-UP

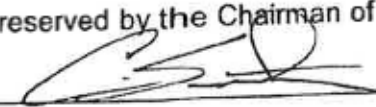
Annually a sampling of case files will be pulled for monitoring. Certified letters will be sent to the applicants pulled requesting proof of residency (i.e. utility bill in their name). Also the local property appraiser's site will be checked to ensure that the client is listed as owner. If the applicant fails to return the requested information or the property appraiser's site does not list the client as owner, the County Attorney's office will be contacted for legal direction.

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 Housing and Human 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.

IV. RESERVATION OF AUTHORITY

The authority to issue or revise this Policy is reserved by the Chairman of the Brevard County Board of County Commissioners.

  
Chairman CURT SMITH

Brevard County Board of County  
Commissioners

Approved by the Board on April 25, 2017

ATTEST:

  
\_\_\_\_\_  
Scott Ellis, Clerk

## HOUSING & HUMAN SERVICES DEPARTMENTAL POLICY

	<b>NUMBER:</b>	HS-028 (SHIP)
<b>TITLE:</b>	<b>CANCELS:</b>	January 11, 2011
<b>Repair, Rehabilitation, and Reconstruction Housing Program Policy</b>	<b>APPROVED:</b>	April 25, 2017
	<b>ORIGINATOR:</b>	Housing & Human Services Department
	<b>REVIEW:</b>	As needed

### I. OBJECTIVE

This policy is designed to be utilized by the Housing and Human Services Department in implementation of the Repair, Rehabilitation and Reconstruction Housing Program as funded by the State Housing Initiatives Partnership Program administered by the Florida Housing Finance Corporation.

The intent of this policy is to clearly identify the specifications under which staff will implement programs that provide rehabilitation and repair assistance to owner occupied households at or below 80% of median income in eligible areas of the County, and reconstruction housing when it has been determined that it is not economically feasible to rehabilitate the unit. The Program will be implemented in partnership with private funding whenever available. The policy identifies authority levels for approval and eligibility restrictions, which exceed federal and state requirements.

### II. DEFINITIONS & 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. **Affordable Housing Advisory Council:** - Eleven member advisory board appointed by the Board of County Commissioners (BOCC) according to Florida Statue 163 to oversee Brevard County's affordable housing programs and to make recommendations to the BOCC on the allocation of housing program funds.
- D. **Agreement:** Agreement refers to the Housing Assistance Agreement.
- E. **Appeal Procedure:** Established procedure by which an applicant or client may make a complaint or appeal a decision made by the Housing and Human Services Department. HS-006

- F. Applicant/Borrower/Housing Client/Recipient:** A person or household who submits a signed and completed Housing and Human Services Department application for assistance. Applicant, Borrower, Housing Client and Recipient are used interchangeably in this document.
- G. Assets:** 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.
- H Consortium Member:** Brevard County and the incorporated cities of Cocoa, Titusville, Melbourne, and Palm Bay.
- I Contractor:** State Licensed contractor who has met County and Department requirements to perform work under approved County programs, and has not been barred or suspended from performing federally financed work.
- J. Default:** The occurrence of any of the following events:
1. 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;
  2. 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;
  3. 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
  4. 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.
- K. Deferred Loan:** A no interest loan to an eligible household which is forgiven without repayment upon satisfaction of all requirements of the Household's agreement and mortgage with Brevard County.
- L. Department:** The Housing and Human Services Department.
- M. 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 FS 760.
- N. Florida Housing & Finance Corporation:** State Agency created by legislation to assist in providing a range of housing opportunities for Florida Residents.
- O. Foreclosure:** A legal proceeding initiated by a creditor to repossess the collateral for a loan that is in default.
- P. Green Energy Standards:** U.S. Department of Energy – Energy Efficiency and Renewable Building Technologies Program.

- Q. General Property Improvements:** Improvements that are not corrections of health and safety violations, but improvements that bring the property into decent or sanitary condition.
- R. Household:** includes all dwelling occupants to include friends, legal spouse, children and relatives. Co-owners not claiming the applicant dwelling as their primary residence should not be considered part of the household and are not 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.
- S. HUD:** The U. S. Department of Housing and Urban Development.
- T. Income:** Projected annual income established in compliance with SHIP regulations.
- U. Liquid Asset:** Assets in the possession of the 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.
- V. Manufactured or Mobile Home:** Manufactured housing is a term applied to any type of factory-built housing; the 1980 amendment of the original 1976 HUD Code, defines "manufactured homes" as mobile homes that are not permanently installed. A factory built housing unit built to meet or exceed the Housing and Urban Development code that came into effect June 15, 1976.
- W. Minimum Property Standards:** Housing that is constructed or rehabilitated with grant funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion, 24 CFR 92.251. The housing must meet accessibility requirements at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).
- X. Modular Home:** A factory built housing unit that is certified to meet or exceed the state and local building codes where the home is to be permanently installed. The modular home must have an approved device or seal issued by the Department of Community Affairs specified in Section 553, Part IV, Florida Statutes.
- Y. Mortgage & Note:** The County Mortgage and Note signed by a recipient of program services.
- Z. Principal Residence:** Residence utilized as the household's 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 non-consecutive days in any one calendar year for any reason, other than a hospital or nursing home stay.
- AA. Program:** Repair, Rehabilitation and Reconstruction Housing Program.
- BB. Program Income:** All loans and grants awarded and repaid for eligible activities.
- CC. Recaptured Funds:** All loans and grants awarded and repaid for ineligible activities.
- DD. Reconstruction:** The rebuilding of a house on the same location.

- EE. Re-Inspections:** Re-Inspections (are required when extra/additional inspection trips outside of normal field inspections) are necessary due to the work not being ready for inspection when initially requested by the Contractor, such as, but not limited to, amount of work not consistent with draw request, rejected or unacceptable work due to nonconformance with specifications or substandard quality.
- FF. Rehabilitation:** Rehabilitation is defined as repairs or improvements necessary to make a dwelling conform to the local housing codes and to bring the dwelling to a maintainable condition.
- GG. Repair:** Repair is defined as repairs or improvements, which are needed for safe or sanitary habitation, correction of substantial code violations, or the creation of additional living space.
- HH. Satisfaction of Mortgage:** A document signed by a lender acknowledging that a mortgage has been fully paid and recorded with the County Clerk of Courts to clear the title to the real property owned by the person who paid off or satisfied their debt.
- II. SHIP:** State Housing Initiative Partnership Program administered by the Florida Housing Finance Corporation.
- JJ. Subordination:** The process of placing, ranking, or positioning a mortgage as secondary to the primary mortgages.

### **III. DIRECTIVES**

*Program Administration: The Brevard County Housing and Human Services Department shall be responsible for the administration of the Repair, Rehabilitation and Reconstruction Housing Program.*

#### **A. Property Eligibility:**

##### **1. SHIP Program:**

An eligible property is a single family unit, occupied as a principal residence by an eligible household, including the following:

- a. The owner occupied portion of a multi-unit property (e.g., one unit of a duplex).
- b. A condominium or cooperative unit (attached units will not be eligible for reconstruction under this policy.)
- c. A manufactured home or a mobile home constructed after June 1994 and built to the federal Manufactured Home Construction and Safety Standards (HUD Code). The home must be located on land owned by the homeowner and the owner agrees to have the unit removed from the site. As per Florida Statue 920.9075 Section (5) (C), no more than 20% of the Annual SHIP allocation can be spent on manufactured housing.

- d. A modular home approved and meeting local building code.
- e. Properties located within Brevard County not served by a comparable program administered by another Consortium member all exceptions must be approved by the Director.
- f. Property cannot have an after-rehabilitation value (after-rehabilitation value is determined by adding the cost of improvements to the property appraisers value) that exceeds 90% of the average purchase price for the area, as published by Florida Housing Finance Corporation.
- g. An environmental review shall be performed on all properties.
- h. A property that is free of exterior code violations. However, waivers may be granted on a case by case basis by the Department Director.

2. Flood Zone:

If it is determined that the property lies in a flood zone, the owner will be asked to demonstrate that there is flood insurance carried on the property until termination of the lien period.

3. Occupancy Standards:

Occupancy standards shall be consistent with the local codes approved by the Board of County Commissioners and local zoning requirements.

**B. Applicant Eligibility:**

- 1. The household of the Eligible Property Owner must have a projected annual income at or below 80% of the median income level adjusted for family size, as determined by an eligibility assessment conducted by the Housing and Human Services Department staff. Additionally, the property owner must:
  - a. Have a fee simple title; or
  - b. Maintain a 99 year leasehold interest; or
  - c. Have ownership or membership in a cooperative; or
  - d. Have a Life Estate; or
  - e. Have other forms of ownership approved by the Brevard County, County Attorney's office, and
  - f. Not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest, and

- g. Have all mortgage payments and property taxes and insurance (only if the property is eligible for insurance) current (i.e. no accumulated late fees due and/or house payments with consistent late fees), and
  - h. Have not received Housing Rehabilitation and/or Repair assistance up to \$50,000 during the last ten (10) years (from the date of mortgage signing).
  - i. Have not received Housing Rehabilitation and/or Reconstruction assistance greater than \$50,000 during the last twenty (20) years (from the date of signing the mortgage).
  - j. In all cases the Department Director reserves the right to waive conditions and approve or deny assistance following review.
2. Applicant(s) whose property lies in a municipality that has recently received infrastructure and/or improvements funded by Brevard County are eligible provided that approval is received from the Department Director or his/her designee.
  3. Applicant(s) must be a homeowner named on a Warranty Deed, Quitclaim Deed, or other recorded document, which demonstrates a valid ownership interest, as determined by the County Attorney's office. The property must be the Applicant's primary residence as determined by the filing of Homestead Exemption with the County Property Appraiser's Office.
  4. Net liquid assets, after subtracting all expenses, after conversions are considered, are eligible in determining an applicant.
  5. If more than one individual owns a property, the residence of the co-owner(s) must be verified, and the following conditions apply:
    - a. The co-owner(s) income must be included in the eligibility determination if the co-owner(s) resides in the household.
    - b. The co-owner's income is not counted if he/she is a spouse or former spouse who has documented another residence; however, the spouse or former spouse must sign the agreement and lien with the County.
    - c. The co-owner's income is not counted if he/she is not a spouse, and has documented his/her residence at another location; he/she must sign the Agreement and lien with the County.
  6. To complete determination of applicant eligibility, the program staff will request a title search of the proposed property to determine ownership interest and eligibility of the property.
  7. A review is conducted to ensure that County administered funds are utilized in a manner that ensures that financial accountability standards are met. An Applicant whose property has mortgage liens recorded against it which in total are in excess of the Property Appraiser's assessment of the property for the most recent assessment year shall be restricted to assistance of no more than \$35,000, to address safety, health, and code issues.



8. If an Applicant is determined to have liens and judgments against the property for which assistance is requested, guidance, counseling, and/or referral to remove these impediments will be offered. Applicants are not eligible until all impediments have been removed.
9. All persons living in the household at the time of application shall be included when computing family size.

10. Ineligible Applicants

- a. Applicants whose property lies in a municipality that administers its own rehabilitation and repair program, will not be accepted. These homeowners will be referred to the appropriate office within that municipality.
- b. Applicants who are scheduled to receive assistance with other housing assistance programs, or have demonstrated their intention to sell or transfer their property within the next year, or have a tax lien or other federal, state, or county government lien on their property.
- c. Applicants that are over-income (if a household is disqualified due to being over-income, the disqualification period will be 6 months from day of notice. At that time, the applicant/household may re-apply when funding becomes available).
- e. Applicants who are determined to be ineligible, or who decline assistance through the Program, and at a later date wish to re-apply, must wait at least six months before re-applying or when the Program is open to new applicants, whichever is later.
- f. Applicants denied assistance will be notified of the Department Approved Appeal Policy (HS-006).
- g. Applicants determined to be ineligible due to falsification or misrepresentation of application information in order to obtain assistance will be denied assistance for a minimum of two years.
- h. If a previously assisted client or household defaults without repayment, that client or household will not be eligible to receive further repair assistance.
- i. Applicants who fail to provide required documents within twenty-one (21) business days from date requested by the Housing Staff may be denied due to lack of response. Approval for an extension may be granted on a case by case basis from the Department Director or designee.
- j. Applicants with reverse mortgages or those properties owned by a trust.

- k. Applicants whose liquid assets exceed the current maximum assistance allowed for a reconstruction home as defined by the current Brevard County Reconstruction Housing Policy.

**C. Marketing:**

1. Brevard County 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 marketing strategy will be implemented to ensure that eligible persons have a reasonable opportunity to be informed about the program opportunities being carried out by the Brevard County Housing and Human Services Department.
2. On an annual basis, the County will review its marketing efforts to assess strategy effectiveness. After each review of the success of the County's marketing actions, the County shall make adjustments to its marketing strategy as determined necessary. Additionally the County will affirmative further fair housing.

**D. Waiting List, Applicant Intake and Ranking:**

The intent of this Program is to provide assistance to low income households who are living in substandard and unsafe dwellings, with special preference given to the elderly, disabled, and households with children under the age of five (5). The process that clients are identified, certified and finally assisted in the Program is outlined in the following steps:

1. Waiting List: The Department establishes and maintains a Waiting List when funds are available. A preliminary eligibility screening is initiated when an applicant contacts the Department and requests housing rehab/repair assistance. If in this preliminary process the household appears to be eligible, the applicant is placed on the Waiting List in the order in which the request is made (i.e., by date of contact).

Applicants are removed from the list when:

- a. they are determined, by the housing counselor, to be eligible to participate in the Program and their file is assigned to a housing inspector; or,
- b. they are determined by Department staff to be ineligible to participate in the Program.

The Waiting List will be closed to new applicants when the estimated costs for repair; rehabilitation or reconstruction for approved applicants exceeds 140 percent of that year's funding allocation. In the event the Department closes the Waiting List, it will re-open when new funding is available, at the Department's discretion.

Note: The Department reserves the right to adjust the Waiting List to meet State required Set-Asides and expenditure requirements.

2. Applicant Intake: When funds are available, households are contacted in order from the oldest date to determine whether they are still interested in participating in the Program. If they are, the Department will send an invitation letter and forms to the

applicant with a "reply by" date 21 business days from the date of the letter, to submit requested documentation. The application will be considered incomplete until all documentation necessary to determine a household's eligibility has been received. Among other criteria, Department staff will determine whether the household:

- a. lives in a municipality that is eligible to receive County funds;
  - b. has owned their home for at least two years;
  - c. does not have a reverse mortgage;
  - d. appears to meet income eligibility guidelines. Additional criteria are outlined in III. A and III. B of this Policy; and,
  - e. failure to return all requested documents and forms will result in a denial of applicant, unless an extension is requested and approved within the 21 business days from the date of the initial letter.
3. Wait List Ranking: Once the application is complete, it will be forwarded to the County's Housing Inspection team for a preliminary property inspection. The primary purpose of this inspection is to determine whether there are life threatening conditions at the property. This is also the first step in the ranking of applications. The ranking system is based on:
- a. the condition of the dwelling,
  - b. the composition of the household, and
  - c. the income level of the household.

The ranking score is the total of all points. The household with the highest score will be served first, followed by the next highest score, and so on. In the event that households have identical scores, homes with conditions that have been determined by the County Housing Inspection team to be life threatening will be served first. If scores remain tied, the household with the earliest application receipt date will be served first.

Ranking score potentials are shown below.

- a. Income:
  - i. household income 30% or less of area medium income: 30 points.
  - ii. household income 31% to 50% of area medium income: 20 points.
  - iii. household income 51% to 80% of area medium income: 10 points (this group is not eligible for Restoration assistance).
- b. Household Composition:
  - i. 10 points for each member 62 years of age and older.

ii. 10 points for each household member who is defined as "special needs".

iii. 10 points for each person five (5) years of age or younger.

c. Dwelling: 50 points for dwellings with life threatening conditions.

i. Life Threatening conditions are those requiring immediate corrective action due to occurrences of hazardous conditions that threaten the health and safety of the occupants as determined by a Housing and Human Services Department Housing Inspection.

**E. Waivers:**

Contingent on the availability of funds, repairs, rehabilitation and reconstruction housing projects that require immediate corrective action due to occurrences of hazardous conditions that threatens the health and safety of the occupants as determined by a Housing and Human Services Department Housing Inspection can be approved for immediate assistance by the HHS Director.

**F. Structure of Financial Assistance:**

1. Property Owners who are determined to be eligible for assistance shall receive financial assistance for the repair, rehabilitation, or reconstruction of their home in accordance with the following schedule:

<b>INCOME LEVEL ADJUSTED BY FAMILY SIZE</b>	<b>MAXIMUM ASSISTANCE</b>
0%-50% Area Median Income	Repairs up to maximum amount allowable under applicable funding source
51%-80% Area Median Income	Up to \$50,000 in Repairs

2. Additional conditions that may affect the amount of assistance awarded are:

a. Amount approved in the Brevard County SHIP Local Housing Assistance Plan Housing Goals Chart.

b. The amount of assistance per client shall be inclusive of all hard and soft costs associated with the project. Hard costs are all costs associated with construction. Soft costs will be considered a grant. Soft costs are those cost not associated with construction (i.e. labor distribution, recording fees, storage, lodging, etc.). Property owners must agree to higher lien amounts when unavoidable construction costs result in change orders.

c. Prior to receiving repair assistance, the property owner must provide documentation of ownership in accordance to the following table.

MINIMUM REQUIRED OWNERSHIPS	ASSISTANCE AMOUNT
2 years	\$0 - \$35,000.00
5 years	\$35,001.00 - \$55,000.00
10 years	\$55,000.00 and over

3. Any Property Owner who cannot provide documentation of ownership for the required minimum period may request a review and determination of eligibility by the Housing and Human Services Department Director or Designee. A Property Owner may receive a determination of eligibility under the following documented conditions: the property was previously owned by person(s) related to the current owner by blood, marriage or adoption, and the combined ownership period meets or exceeds the minimum established above; or the Property Owner can document continuous residency of the property for the required period by a combination of ownership and tenancy, including contract for deed or lease purchase agreements. A request for determination of eligibility may be made for similar heir and title issues.
4. Reconstruction eligible clients with existing mortgages, who do not require reconstruction value repairs will be eligible for up to \$70,000 in assistance.
5. An applicant whose property has mortgage liens recorded against it which in total are in excess of the Property Appraiser's market value assessment of the property for the most recent assessment year shall be restricted to assistance of no more than \$50,000, to address safety, health, and code issues.

**G. Agreements and Liens:**

1. Agreement: Upon verification of income eligibility, the Eligible Property Owner will be required to participate in a Brevard County approved Home Maintenance and Budgeting training class and sign an agreement that:
  - a. Stipulates restrictions on the transfer or sale of the property
  - b. Includes the amount of eligible assistance
  - c. Identifies the County as a party to the Agreement as the Owner's agent to contract for and carry out the agreed upon repairs and improvements.

Agreements will be executed by the County Manager or his/her Designee for all units receiving \$25,000 or more in assistance, and by the Department Director or designee for all units receiving \$24,999 or less in assistance.

2. Owner-Contractor Agreement: Upon receipt of an approved quote or bid, the property owner will sign an owner-contractor agreement with the awarded contractor which includes the scope of work to be performed.

3. Mortgage: Assistance will be provided in the form of a deferred payment loan. All deferred payment loans will be secured by a mortgage lien recorded against the property. The mortgage shall not incur interest, nor shall payment be required if the property continues to be used as the Principal Residence with no default. Homeowner will also agree to sign a mortgage modification for a higher lien amount should costs go above the originally executed mortgage amount.
4. Death of the Housing Client: Housing Client as used herein shall mean the Borrower. Upon the death of the Borrower during the mortgage period, the mortgage balance shall become due in full, unless at the time of the borrower's death an eligible spouse or family member desires to reside in the home (family member includes domestic partner, provided that the individual can establish proof of residency in the home for a period of at least six (6) months prior to the death of the Borrower).
  - a. If an eligible family member wishes to assume the existing mortgage, the family member shall have 180 days to make a written request to the Director of the Housing and Human Services Department to assume all of the obligations specified in the Borrower's mortgage. If a written request to assume the mortgage is not made within 180 days, Brevard County shall declare the Borrower's estate to be in default, and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.
  - b. However, if within 180 days an eligible family member submits a written request to the County to assume the mortgage, the family member must demonstrate proof of legal title to the property and meet the current income and assets qualifications of Brevard County.
    - i. If the property does not have to undergo Probate, the family member shall have ninety (90) days to assume the mortgage. If ninety (90) days pass and the family member has not assumed the mortgage and note, Brevard County shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.
    - ii. If the property must undergo Probate, the family member shall have ninety (90) days from the date of acquiring clear title to the property, and have been determined income-eligible by the County, to assume the mortgage. If ninety (90) days pass and the family member has not assumed the mortgage and note, Brevard County shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety (90) days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.
  - c. In the event the County declares a default and ninety (90) days pass without repayment to the County, the following shall occur: (a) the mortgage balance shall be frozen at the balance in place on the date of the Borrower's death; (b) the mortgage balance will cease to depreciate at the annual rate; and, (c) interest

shall accrue at 5% per annum. Provided, however, that accrued interest plus the mortgage balance at the time of the Borrower's death shall not exceed the amount of the Mortgage Note last executed by the Borrower. The lien will continue against the property until repayment plus interest is satisfied.

5. Upon completion of project and/or the issuance of a Certification of Occupancy, uninsurable homeowners must secure homeowners and flood (if applicable) insurance. Failure to secure homeowners and flood (if applicable) insurance within sixty (60) business days of completion will result in a default.
6. Default of the Housing Client: Upon default of the Housing Client, the County may, at its option, declare all sums secured by the Mortgage to be immediately due and payable. Otherwise Brevard County 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. All eligible funds repaid to the County shall be considered program income. All defaulted loans repaid to the County will be considered recaptured funds. Provided, however, that accrued interest plus the mortgage balance at the time of the Borrower's death shall not exceed the amount of the Mortgage Note last executed by the Borrower. The lien will continue against the property until repayment plus interest is satisfied.
7. The County reserves the right to foreclose if the default is not cured.
8. Brevard County's mortgage is not considered satisfied until a Satisfaction of Mortgage is recorded with the Clerk of Courts.
9. The length of the mortgage period is determined by the amount of funding used for repairs. The mortgage amount is depreciated on an annual basis if the Owner continues to reside in the unit in accordance with the terms of the Agreement. On each anniversary date of the execution of the mortgage, the value of one year's payment will be deducted from the balance owed in the following manner:

Lien Period	Assistance Amount	Annual Depreciation
5 years	\$0-\$15,000	1/5 of loan amount
10 years	\$15,001-\$40,000	1/10 of loan amount
15 years	\$40,001- The maximum amount allowable under the applicable funding source	1/15 of loan amount
20 years	New construction for rental units	1/20 of loan amount

10. The deferred mortgage lien is recorded prior to commencement of the construction project.
11. Any post-construction agreements or warranties are between the Homeowner and the Contractor.

12. In order to be approved for reconstruction the property must be free of mortgages or the existing mortgage holder(s) must agree to subordinate its interest to Brevard County Board of County Commissioners.
13. In the event the homeowner is eligible for the maximum amount of assistance and has no existing mortgage, but is determined by inspection to only require rehabilitation, the maximum amount available for rehabilitation shall be \$70,000. With the Department Director's approval, up to an additional \$6,000 may be utilized for construction to address unforeseen safety, health, and code issues.

#### **H. Repairs:**

Repairs will be limited to \$50,000

Repairs that are necessary for long term preservation and maintenance of structural integrity are outlined below:

- a. Septic system repairs
- b. HVAC repair/replacement
- c. Repair to broken plumbing lines
- d. Electrical hazard repairs
- e. Water heater repair/replacement
- f. Handicap accessibility installations
- g. Any other situation deemed to be an eligible repair after conducting an inspection, completing a work write-up, and receiving the approval of the Department Director or his/her designee.

#### **I. Rehabilitation:**

Rehabilitation will be limited to \$70,000

A rehabilitation loan may only cover the cost of rehabilitation necessary to make a dwelling conform to the local housing codes and to bring the dwelling to a maintainable condition as determined by a Housing and Human Services Department Housing Inspection.

Upon completion, all repairs or improvements provided will meet all state and local codes, ordinances, and requirements. Additionally, all rehabilitation must address health and safety defects immediately, determine useful life cycle of major systems as well as address any lead based paint and accessibility laws and regulations.

##### **1. Eligible rehabilitation activities are as follows:**

- a. Existing Code Violations — The correction of existing violations that have been identified by a qualified housing inspector and formalized in an individualized housing report.



- b. Materials - Materials identified and determined necessary in the work-write up or subsequent change orders to complete the necessary repair, rehabilitation, or reconstruction housing.
- c. Incipient Code Violations - An incipient violation exists if, at the time of inspection, there is an element in the dwelling which, due to age, deterioration, wear, or normal usage will deteriorate within the life of the lien period and become a code violation.
- d. Permits and Fees - funds may be used to cover the cost of building permits and related fees required to carry out the proposed work. Since the rehabilitation contract documents will require the contractor to pay them, these costs ordinarily would be included in the contract amount.
- e. Equipment - funds may provide for the repair or purchase and installation of certain basic equipment necessary for the maintenance of the household in a safe, sanitary, and healthy environment. These include such items as heating furnace, water heater, electrical and sanitary fixtures, kitchen stove, refrigerator, cabinets, and sinks. Purchase and installation is acceptable if there is no such equipment in the dwelling or if the existing equipment is unsafe, unsanitary, or non-functional.
- f. Special Needs - Special alterations or costs related with making the dwelling more convenient or accessible for handicapped persons. All work performance in these units must comply with all applicable codes as well as all Federal and State regulations.
- g. Energy Conservation - All costs associated with weatherization and energy conservation in substantial rehabilitation or reconstruction, as determined by the housing inspector, must comply with U.S. Department of Energy and Renewable Energy Building Technologies Program.
- h. Lead Based Paint - All costs associated with the control of lead-based paint hazards must comply with 24 CFR, Part 570, Section 608.
- i. Furniture Moving and Storage - The cost of storing household furnishings during construction is an eligible expense. The homeowner's role in moving or storing household furnishings during the construction phase of the project will be initially discussed during the signing of the Housing Assistance Agreement and again during the Construction Agreement signing. The County's function is as a funding source. Any liability issues associated with the storage of the Homeowner's property shall be between the Homeowner and the Storage company.
- j. Plans - All Plans identified and determined necessary in the work-write up completed by the assigned Housing and Human Services Department inspector.
- k. Filing Fees and other associated soft costs - i.e. title searches, storage, lodging, insurance, etc.
- l. Environmental requirements - all costs associated with the environmental review and possible mitigation.

**J. Reconstruction Housing:**

Reconstruction will be limited to \$145,000

- 1.) When reconstruction is recommended, a completed preliminary inspection report, work write-up and cost estimate, with supporting documentation (a checklist or narrative stating deficiencies in the existing structure and photographs) must be submitted to the Construction Supervisor and Department Director for review and approval. If there is concurrence with the determination, written permission to proceed will be provided.
- 2.) The intent of a reconstruction housing activity is to provide assistance to homeowners who otherwise might not be helped due to the prohibitive cost of rehabilitating the existing home. Funding for a reconstruction home, if deemed the most cost-effective solution to the housing deficiencies, shall be offered by the Department.
- 3.) Rehabilitation of a home that has been determined to be in need of reconstruction is prohibited.
- 4.) A reconstruction home does not necessarily have to match the existing home in terms of square footage, number of bedrooms and bathrooms, or other design/amenity consideration. As per 24 CFR Part 982.401(d)(2)—At a minimum, the dwelling unit must have a living room, kitchen area and a bathroom. Also, it must have at least one bedroom for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom.
- 5.) The reconstruction home must provide all permanent residents of the home with safe, decent, and sanitary housing within the terms of State, Federal, and Local Codes.

**K. Ineligible Activities:**

- 1.) Renovation of detached accessory buildings;
- 2.) Appliances not required by code;
- 3.) Materials, fixtures, equipment, or landscaping of any type or quality that exceeds that customarily used in the local jurisdiction for properties of similar type; and
- 4.) Construction or repair work on swimming pools or pool equipment.

**L. Determination of Work:**

1. The Department is responsible for determining the rehabilitation work necessary to bring a dwelling into conformance with codes and with the objective of the program.
2. Upon determination of property eligibility, program inspectors will perform historical research of the property and conduct an inspection utilizing Local Housing Code for Existing Housing adopted by the Brevard County Board of County Commissioners, and Department approved housing rehabilitation quality standards.
3. After the research and inspections are complete, the assigned Housing and Human Services Department Inspectors will prepare work specifications and a cost estimate as

indicated in the Housing and Human Services Department Standard Operating Procedures for Construction Project Specialist Inspectors.

4. Rehabilitation Standards must be adequate to extend the useful life of the property for at least the term of the loan, preferably longer, to protect the security of the rehabilitation loan. Department approved rehabilitation standards shall include at a minimum:
  - a. Correction of all violations of the Local Housing Code.
  - b. Addition of energy efficiency improvements that decrease the operating cost of the unit.
  - c. All requirements of reconstruction materials that meet Federal Housing Authority (FHA) Minimum Property Standards and applicable industry standards.
  - d. Replacement of household systems and equipment on a unit for unit basis.
  - e.) All units- pre 1978 will be evaluated for the potential presence of lead-based paint. Owners will be noticed on the hazards of lead based paints. The treatment of defective paint surfaces is required.
  - f.) All units will be evaluated for asbestos, and when present, the Department will follow the mitigation recommendations.
  - g.) Once work is determined, the inspector will consult and advise the Homeowner of the work to be done.

**M. Work write-ups and cost estimate:**

1. The work write-up and cost estimate is a statement based on the inspection and itemizes all the rehabilitation work to be done on the dwelling. The work write-up is done utilizing the Housing Inspection checklist and includes an estimate of the cost of each item. The cost estimate will be reasonable, reflect prevailing labor and material costs, and reflects a reasonable profit for the contractor and determined by current market standard and funding regulations. The work write-up will be detailed and specific in style. This same write-up without the cost estimate will serve as a part of the specifications for the construction bid documents.

Each item of work and its estimated cost will be identified in the work write-up by entering the cost estimates in a columnar arrangement. A work write-up need not contain details such as color, style, or pattern that have no significant effect on cost. The term "to be selected by owner" may be used appropriately.

2. The assigned inspector will consult with the homeowner on the work write-up and cost estimate. The final work write-up (without costs) will be used by contractors for determining their bids and will be incorporated into the rehabilitation bid documents.
3. The inspector will work with the homeowner to coordinate and schedule a mandatory walk-through for contractors selected by the homeowner to submit bids for work per scope determined under Section M, N.1 and N.2.

**N. Construction Bid Document:**

1. The Construction Bid Document will provide a clear, detailed understanding of the nature and scope of the work to be done in order to serve as a basis for bids from contractors. The homeowner should have a clear understanding of the nature and scope of the work to be done and any limitations that may exist.
2. Each Construction Bid Document will show the nature and location of the work and the quantity and types of material required.
3. The Construction Bid Document will refer to manufacturers' brand names or association standards to identify quality of material and equipment and may make provision for acceptable substitutes or quality. Brand name requirements may be included in the "General Conditions and Specifications" and indicated by reference in the work write-up.

**O. Lead-Based Paint Provisions:**

1. The Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) requires housing rehabilitation programs which receive federal assistance to test for the presence of lead-based paint and take appropriate action to reduce the hazard.
2. The requirements in regards to lead-based paint are dependent on the cost of the rehabilitation. Costs of site preparation, occupant protection, relocation, interim controls, abatement, clearance, and waste handling attributed to lead-based paint hazard reduction are not to be included when determining cost of rehabilitation. However, these costs plus the cost of rehabilitation must not exceed the County's subsidy limit.
3. This program will adhere to state guidelines on lead-based paint where applicable.

**P. Contractor Procurement:**

1. Homeowner Education: The Owner and/or a family designee are instructed on Contractor solicitation, including: licensing requirements of contractors, checking references of Contractors, and Program requirements of Contractors.
2. Homeowner Involvement:
  - a. All known issues relating to the proposed work will be resolved before proceeding to Contractor procurement.
  - b. The Eligible Property Owner will be provided with a package, which includes a copy of the agreed upon Construction Bid Document, instructions on how to find a Contractor, required insurance, and other contractor requirements. The Eligible Property Owner must obtain a minimum of three sealed bids for the work to be done. The Eligible Property owner will be given a deadline of 30 days from receipt of the Contractor package to obtain the bids. The Program will supply the Eligible Property Owner with a list of Contractors that have required license and insurance. The Eligible Property owner is not required to select a contractor from this list. The list is provided for information purposes. However, all contractors participating in the program must be properly

licensed and insured and must not be on the States debarment and suspension list. Annually, the Department will advertise to allow new contractors the opportunity to be added to the list.

- c. The Eligible Property Owner and the assigned inspector will review all sealed bids together and will submit the lowest bid, along with all other returned bids, to the Program for review. The Program will review the lowest bid for the completeness of the bid, and the cost reasonableness of the proposal. Reasonable bids are expected to be within 10-15% of the in-house estimate. If the estimates are too high, the Program may work with the Eligible Property Owner and Contractor to scale down the scope of work, or the Program may ask the Eligible Property Owner to obtain a lower bid. Should all bids exceed the maximum allowable budget, to include construction costs, lodging, storage, labor distribution, and administrative costs, the Program shall deem the project as ineligible. d. For repairs, when only one trade is needed to do the repair (i.e. roof, HVAC or plumbing) the homeowner can obtain three (3) written quotes directly from licensed and insured trade contractors.
  - e. The awarded contractor's bid submittal will be incorporated into the Owner Contract Agreement documents. The Project Inspector will conduct an agreement signing with the Owner and awarded Contractor. The Project Inspector will read each page of the Owner Contractor Agreement document(s) and have the Owner and Contractor initial each page to indicate their acknowledgement of the contents.
  - f. Contractors consistently performing substandard work or receiving multiple homeowner complaints will be removed from the contractor list for a minimum period of one (1) year.
3. The County's role is that of a lender, authorizing the disbursement of funds after inspection and approval by the Eligible Property Owner and Program staff. The Disbursement Schedule will be included in the Agreement with the Eligible Property Owner.

**Q. Suspension and Disqualifications of Contractors:**

Contractors may be suspended or disqualified from participation in the programs for any of the following conditions; but not limited to:

1. Self imposed: A Contractor may disqualify them before contract signing for conflicting work contracts, personal hardship or any other reason.
2. Lack of Participation: A Contractor that does not participate or respond to an invitation to bid within a twelve-month (12) cycle may be placed on Inactive Status, will be removed from the Contractors List and must reapply to be reactivated.
3. Insurance Violations: If at any time a Contractor fails to have required insurance, they will be automatically suspended until proof of insurance is provided. The Contractor must have insurance at all times. Any changes in coverage must be reported to Brevard County Housing and Human Services Department and Building Department in writing within five working days of such said change, including renewals.
4. Business License Violations: Any Contractor who has a license suspended, revoked, rejected or inactivated will be automatically disqualified. All license renewals must be current and a copy provided to the Department.

5. Failure to Honor Warranties: Any Contractor who fails to honor a warranty from a previous contract will be barred from future bidding and must reimburse the Brevard County Housing & Human Services Department for the cost of any work performed by another Contractor to correct the warranty work.
6. Debarment: If a contractor does not complete an assigned project they will be disqualified indefinitely for participating in any programs through Brevard County Housing and Human Services Department.
7. Suspension: If a contractor fails to complete two (2) or more projects within the agreed upon timeframe, inclusive of approved time extensions, within a twelve (12) month period, they will be suspended from participating in any programs through the Brevard County Housing and Human Services Department for a minimum period of one (1) year..
8. Willful Misconduct: Willful misconduct by Contractor, employees, or sub-Contractors while engaged in Brevard County Housing and Human Services Department work project will not be tolerated. The Contractor may be disqualified from the program for allowing behavior such as, but is not limited to theft, lewd or lascivious acts, foul language, public intoxication, illegal drug use, smoking within the house, willful destruction of owner's property or abusive behavior towards homeowner or staff.
9. Contractor Negligence: Contractors that do not adhere to building codes, construction industry standards, contract specifications, and/or material requirements will not be paid for applicable work unless approved in advance and in writing by the Owner and the Project Inspector. Continued non-adherence may result in suspension or debarment from the housing program.
10. Payment Delinquency: Failure to pay subcontractors or material suppliers that result in any lien being placed on the Homeowner's property shall be reviewed for the debarment of Contractor from the program.
11. Kickbacks/Price Fixing: Any evidence of kickbacks or price fixing by or between Contractors, its employees, officers, homeowners, agents, partners, representatives or any other affiliates will automatically disqualify the Contractor indefinitely.
12. Brokering of Work: No person or persons, shall broker any Brevard County Housing and Human Services Owner-Contractor Agreement to another licensed or unlicensed Contractor. Anyone caught brokering work, or receiving a brokered contract will be immediately suspended and possibly be disqualified indefinitely from participating in any work program through Brevard County Housing and Human Services Department.

**R. Temporary Relocation/Storage:**

1. Relocation assistance may be provided by the County to Owners, when determined to be necessary by Program staff, and shall include the cost of storage of personal and household property and shall not exceed actual and reasonable costs. However, packing and moving costs for household furnishings shall be the responsibility and at the expense of the property owner.
2. If the project is delayed due to the fault of the Contractor, the Contractor shall pay the excess relocation assistance cost as liquidated damages.

**S. Construction Procedure:**

1. Upon approval of the Contractor, the quote will be accepted in writing, a pre-construction meeting with the Owner will be scheduled, and the Contractor will be given notice to proceed with the agreed upon work.
2. Prior to proceeding, the Contractor must provide a complete list of all subcontractors that will be utilized (including all contact information) and a construction schedule.
3. The Contractor is responsible for obtaining all required permits before beginning work and in a timely manner.
4. Time is of the essence in completion of work, and a Contractor may be charged liquidated damages for non-compliance with the approved schedule.
5. **Sweat Equity:** 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 Eligible Owner wish to perform some improvements to the Property that is outside the scope of the work write-up, those improvements must be performed prior to the Contractor solicitation, or after the job has been completed and final payment has been made.
6. Contractors shall not perform any work outside scope approved by project inspector and signed by both owner and contractor. Non-adherence may result in suspension or debarment from the housing program.

**T. Inspections, Change Orders and Payments:**

1. **Inspections:** Field Inspections will be made as often as necessary to assure that the work is being completed in accordance with applicable codes and standards and are in line with the terms of the construction contract.
2. **Re-inspection Fees:** The Department shall impose a fee for each subsequent (second) re-inspection after the first re-inspection for the same violation specifically and continuously noted in each rejection. The fee shall be \$30.00 for the second and each subsequent re-inspection. The fee shall be deducted from the next submitted draw request, documented by change order, with the funds being returned to the applicable grant.
3. **Change Orders:** All requests for change orders must be approved by the Owner prior to submission to the Program. Change orders must be reviewed for determination of need and must be issues outside of the contractor's control. The Construction Supervisor is authorized to approve change orders that in aggregate do not exceed 10% of the original contract. The Department Director or his/her Designee is authorized to approve change orders up to \$24,999.99.
  - a. The owner may, from time to time, without invalidating the Owner-Contractor Agreement, request changes, additions, alterations, or other modifications in the work to be performed. These change orders shall be limited to health, safety, and code violations that were unforeseen or unknown. Cosmetic items are not an allowable change order.



- b. The Contractor's proposal substantiating a Change Order shall be itemized and segregated by labor and materials for the various components of the change in work (no aggregate labor or material totals will be acceptable). Maximum markup percentage fee shall be a single markup percentage not-to-exceed ten percent (10%) of the net direct cost of labor, materials and installed equipment incorporated into the change or extra work.
  - c. For subcontractor work, the subcontractor's cost substantiating a Change Order shall be a written proposal, on the Subcontractor's letterhead, itemizing the work to be performed by a subcontractor. The maximum markup percentage fee allowable to the Contractor supervising the subcontractor's work shall not exceed five percent (5%) of the net of all approved change order work by all subcontractors combined for any particular change order proposal.
  - d. For deductive change orders, credit will be applied to the itemized cost included in the work write-up.
  - e. Upon request, Contractor shall, within two (2) business days, respond in writing to Owner and Project Inspector with any increase in cost or delay in completion of the work based upon the request.
  - f. Owner and Project Inspector shall have three (3) business days to decide whether to order the requested changes to be implemented or to withdraw the request. All approvals are contingent upon funding availability.
  - g. The Department Director may authorize work associated with change orders when an unsafe, hazardous condition exists and/or when failure to achieve prompt resolution of the change will result in demobilization of the Contractor, or a significant delay in completing the project, in any amount under \$25,000.00. The Contractor shall provide an estimated cost of the work with the change order. Final cost shall be determined by the actual costs incurred.
4. Progress Payments:
- a. Upon receipt of an invoice from the Contractor, both the owner and Program staff will inspect work for quality and completion. Contractor shall provide a release of lien for completed work by each sub-contractor invoiced in the previous payment request.
  - b. Payment will be issued to the Contractor, for such amount as the Department determines to be properly due, or the Department will state in writing, within 5 days, cause for withholding a payment. The Department reserves the right to withhold payment for defective work and/or pay subcontractors directly.
  - c. The Department, 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 Department against loss caused by:
    - i. Defective work not remedied
    - ii. Third party claims filed



- iii. Failure of the Contractor to make payments to Subcontractors
  - iv. Failure to pay for material, equipment, or labor
  - v. Failure to perform the work in accordance with the Agreement documents; or to provide a construction schedule as required by the Agreement
5. Contractors contracted for rehabilitation/reconstruction work in which the County's funding exceeds \$15,000 will have ten percent (10%) of their progress payment requests subject to retainage. The retainage will not be released until all punch list items (a written list of deficiencies that are identified near the end of construction) are completed satisfactorily and all close-out documents have been provided. If a dispute over quality or completion of work is not resolved within thirty (30) days after substantial completion of the project, the retainage will be held until resolution occurs.
6. The Brevard County Housing and Human Services Department reserves the right to make payments to Contractor, without the Homeowner's signature/approval, or directly to a subcontractor should a situation be deemed necessary, on a case by case basis with the Director's approval.

**U. Final Payments:**

Final payment is not made until the Contractor provides Release(s) of Liens, copies of permits, an approved and completed Building permit, and completed copies of the Project Warranty and Close-out form. Any incidence of inadequate performance by a will be documented in accordance with Department and County policy and procedure. A list of incomplete work or work that is unsatisfactory will be provided to the contractor. When these items are completed to the satisfaction of the homeowner and inspector, the contract is complete.

**V. Liquidated Damages:**

Should the Contractor fail to substantially complete the Work on or before the date stipulated in the Construction Notice to Proceed (or such later date as may result from an extension of time granted by the Owner and the Department), Contractor shall pay, as liquidated damages, additional lodging and storage costs as invoiced, plus the sum of fifty dollars (\$50.00) for each consecutive calendar day the terms of the agreement remain unfulfilled beyond the date allowed by the agreement, which sum is agreed upon as reasonable and proper measure of damages which the Owner and the County will sustain per day by failure of the Contractor to complete within time as stipulated; it being recognized by the Owner, the County, and the Contractor that the injury to the Owner and the County which could result from a failure of the Contractor to complete on schedule is uncertain and cannot be computed exactly. In no way shall cost for liquidated damages be construed as a penalty on the Contractor.

For each consecutive calendar day the work remains incomplete after the date established for completion, the Owner and the County will retain from the compensation otherwise to be paid to the Contractor the sum of Fifty Dollars (\$50.00). This amount is the minimum measure of damages the Owner and the County will sustain as a failure of the Contractor to complete the remedial work, correct deficient work, clean up the project, and other miscellaneous tasks as required to complete all work specified. This amount is in addition to the liquidated damages

prescribed above and represents compensation for additional costs the Owner and the County could incur or suffer caused by on-going construction while occupying the project. Such costs could include, but are not limited to, temporary facilities or structures, reduced employee efficiency, additional operating costs, employee overtime, insurance, etc.

The amount of liquidated damages set forth above shall be assessed cumulatively.

The amount of liquidated damages recovered shall be deducted from the Owner's mortgage assistance.

**W. Close-Out:**

The homeowner's signature on the Certificate of Completion and Final Inspection indicates acceptance of the rehabilitation work as meeting the terms and conditions of the contract. If the homeowner refuses to sign the final acceptance, the inspector may authorize full payment for those items which are determined to be completed in compliance with the contract and all applicable codes pending the approval of the Department Director or his/her designee. Assistance is completed upon final acceptance by the Owner of completed work and Program authorization for final payment.

**X. Conflict of Interest of Public Officials:**

No elected or appointed Federal, State, and local official or any other public official or employee who exercises any functions or responsibilities in conjunction with the administration of Brevard County Housing and Human Services Department's Housing and Rehabilitation Program shall have any interest, direct or indirect, in the proceeds or benefits of the rehabilitation program.

**Y. Kickbacks and Discounts:**

No elected or appointed Federal, State, local official, or any other public official or employee shall receive kickbacks or discounts from either contractors or property owners in return for special favors.

**Z. Subordination of County Liens:**

1. Only requests that increase the affordability of the housing unit or assist a household with catastrophic medical expenses (for the lien holder or relative of 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 County's lien must make this request in writing, indicating the reason for the request. The County Manager or Designee must authorize any subordination requested. Staff will identify for the County Manager or Designee, the current status of the County's equity position, and the equity position if the subordination request is approved.
4. Clients must not be in default of the County mortgage.

5. The Homeowner may be charged any recording fees necessary for the subordination or included as part of their closing costs.

**AA. Follow-up:**

Annually random checks of homeowner's insurance and flood insurance (if applicable), the Brevard County Property Appraiser's and Tax Collectors websites will be made to ensure that the property remains the primary residence the eligible homeowner.

**BB. 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 Housing and Human 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.

**CC. Satisfaction of Mortgage:**

Upon satisfactory completion of the lien terms, a satisfaction of mortgage will be completed and filed with the clerk of the court after review of the County Attorney and approval of the County Manager or Designee.

A Homeowner seeking a satisfaction which includes a short payoff request (less than the total amount owed on the County's lien) must make this request in writing, indicating the reason for the request. Staff will identify for the County Manager or Designee, the current status of the County's equity position and any other applicable grant requirements. If all grant conditions are met and the reason for the request is acceptable, the County will accept as its payoff, an equal percentage as that being accepted by the First Mortgage Holder (i.e., First Mortgage Holder has a Lien of \$100,000 and accepts 50% or \$50,000; Brevard County has a lien of \$40,000 and accepts 50% or \$20,000).

If the First Mortgage Holder is a Federal or State lending entity (i.e., Freddie Mac, Fannie Mae, Federal Housing Authority (FHA), VA Administration, Florida Housing Finance Corporation etc.) and its guidelines set a maximum allowable payoff, The County will accept the maximum allowable payoff for satisfactory completion of the County's lien. In cases where multiple Federal or State Lending entities have an interest in the property, the County will take an equal share of the maximum allowable payoff ( i.e., FHA \$6,000; VA \$6,000 and Brevard County \$6,000).

**DD. Appeals:**

Any Applicant or client wishing to make a complaint or appeal a decision made by the Program shall be given a copy of the Department Approved Appeal Procedure. Applicants denied assistance for reasons not specified in this policy will have the right to appeal to the Affordable Housing Council.

**IV. RESERVATION OF AUTHORITY**

The authority to issue and/or revise Policies is reserved to the Board of County Commissioner.



Curt Smith, Chairman  
Brevard County Board of County Commissioners

Approved by the Board April 25, 2017

ATTEST:



Scott Ellis, Clerk

**IV. EXHIBITS:**

Required

- 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.

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement.
- H. Brevard County Purchase Assistance Program Policy.
- I. Repair, Rehabilitation and Reconstruction Housing Program Policy.
- J. Small- and- Large- Scale Acquisition, New Construction and Rehabilitation Policy