

BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

**JASON STEELE, COMMISSION CHAIR
FRANK ABBATE, COUNTY MANAGER**

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2024-2025, 2025-2026, 2026-2027

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

Table of Contents

Description	Page #
Section I, Program Details	4
Section II, Housing Strategies	9
A. Homeownership-Purchase Assistance without Rehabilitation	9
B. Homeownership-Owner Limited, Occupied Repairs, and Owner-Occupied	11
C. Homeownership-Demolition/Reconstruction	12
D. Homeownership- Acquisition Rehabilitation and New Construction	14
E. Rental-Rehabilitation/New Construction	16
F. Disaster Repair/ Mitigation/Direct Assistance	17
Section III, Incentive Strategies	19
A. Expedited Permitting	19
B. Impact Fee Waivers or Modification	19
C. Density Flexibility	19
D. Reservation of County Infrastructure	19
E. Accessory Dwelling Units	19
F. Parking & Setbacks	19
G. Flexible Lot Configuration	19
H. Street Requirements	19
I. Ongoing Process Review	20
J. Land Bank Inventory	20
K. Development Near Transportation Hubs, Corridors, Major Employment Centers, and Mixed-Use Developments	20
Exhibits	20
A. Administrative Budget for each fiscal year covered in the Plan	
B. Timeline for Estimated Encumbrance and Expenditure	
C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan	
D. Signed LHAP Certification	
E. Signed, dated, witnessed or attested adopting resolution	

- F. 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
- K. Brevard County’s Code of Ordinance, Chapter 62, Article XVII, Section 62-6301

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)	N/A

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: 2024-2025, 2025-2026, 2026-2027

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

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

F. Leveraging: The Plan is intended to increase the availability of affordable residential units by combining local resources and cost-saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local matches 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. Wait lists/Priorities:** Wait lists will be established when applicants apply to the county SHIP programs. Those households on the wait list will be contacted by staff when their queue number is reached. The intake list will be maintained with applicants listed in an order that is consistent with the time that their preliminary intake (Application) forms were submitted. Intake numbers will be assigned based on that order. If necessary, adjustments to the intake list 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. Wait lists will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time completed applications were submitted as well as any established funding priorities as described in this plan.
- a. Adjustments to Wait Lists:** The department will adjust the Intake list to achieve any established funding priorities. Once there is a list of eligible applicants, they will be ranked based on the priorities provided below;
 - b. Ranking Priority:**
 - i. Emergency Loans for home repair related to a declared disaster that needs immediate mitigation to prevent damage or further damage to the home or to resolve an immediate health hazard to the occupants.
 - ii. Special Needs Households (until the program's required percentage has been met)
 - iii. Very low-income applicant referrals from local Non-profit Affordable Housing Organizations
 - iv. Very low-income households (until the program's required percentage has been met)
 - v. Low-income households (until the program's required percentage has been met)
 - vi. Moderate-income households

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

"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 with the exception of the Purchase Assistance Program	10%

R. First-time Homebuyer Definition: A first time homebuyer is an individual who meets the criteria as defined in IRS Tax Code 12 USC 1701x (9) Definitions H: An individual and his or her spouse who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the home pursuant to which counseling is provided; An individual who is a displaced homemaker who, except for owning a residence with his or her spouse or residing in a residence owned by the spouse, meets the requirements of clause; or a single parent, who except for owning a residence with his or her spouse or residing in a residence owned by the spouse while married, meets the requirements of clause.(For the purpose of the program a “Home” is considered a conventional home, condominium, townhouse, or modular home.)

S. Project Delivery Costs: The maximum amount for project delivery shall not exceed 3 % per project for Purchase Assistance, 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 American 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
- Ceilings fans
- Design for structural shading and daylighting 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 the 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 Requests 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 use a barrier-free, client-driven Housing First Approach with partner agencies. Outreach, assessment, shelter, financial assistance, prevention, rapid re-housing, and permanent individuals and families, youth, veterans, as well as victims of domestic violence and trafficking based on acuity.

Section II. LHAP Strategies:

A. Homeownership-Purchase Assistance without Rehabilitation	Code 2
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- a. **Summary of Strategy:** The purpose of the Brevard County Purchase Assistance Program is to provide financial assistance for existing and newly constructed units with down payment costs (not to exceed 35% of purchase price), closing costs, and education counseling.

b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027

c. **Income Categories to be served:** Very low, low, moderate, and workforce (up to 140% AMI)

d. **Maximum award:**



Very Low	\$75,000
Low	\$60,000
Moderate	\$45,000
Workforce	\$30,000

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. For moderate and workforce (140%) the loan will be repaid over a 120 month period. The household has an option to repay the loan at any time within the 10 year lien period without a prepayment penalty.
2. **Interest Rate:** 0%
3. **Years in loan term:**

10 Years	<u>Up to \$45,000</u>
15 Years	<u>\$45,001 and above</u>
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 Workforce and moderate-income applicants, loans for eligible owner-occupied housing constructed or rehabilitated shall be repaid as described in Purchase Assistance Policy (Exhibit I).
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 the 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, foreclosed 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 I)
- g. **Sponsor 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 Assistance Program Policy No. HS-007 (See Exhibit I)

B. Homeowner Occupied Rehabilitation	Code 3
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a. Summary of Strategy: This strategy is designed to assist eligible homeowners with necessary Owner-Occupied Rehabilitation. This strategy will follow the County's Repair, Rehab, and Reconstruction Policy no HS 028 (see Exhibit H)
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- b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027
- c. **Income Categories to be served:** Very low, low, moderate, and workforce (up to 140% AMI)
- d. **Maximum award:** \$127,000
- 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	Up to \$10,000
10 Years	\$10,001-\$91,000
15 Years	\$91,001-127,000
20 Years	Above \$127,001
 - 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 spouse/family member who will occupy the home as a primary residence. If the legal spouse/family member 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 make an effort to recapture funds through the legal process.

- f. **Recipient/Tenant Selection Criteria:** Brevard County will utilize the Wait 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 H) 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 of benefit to Brevard County and the Municipality.

A manufactured home or a mobile home constructed after June 1994, built to the Florida Building Code provisions outlined in Chapter 553 of the Florida Statutes, and is located on land owned by the homeowner is eligible for assistance 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.

C. Homeownership-Demolition/Reconstruction	Code 4
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| <ul style="list-style-type: none"> a. <u>Summary of Strategy:</u> 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 (127k) for assistance under the rehabilitation strategy and/or 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. |
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- b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027
- c. **Income Categories to be served:** Very low, and low.
- d. **Maximum award:** \$260,000



e. **Terms:**

1. **Repayment loan/deferred loan/grant:** provided in the form of a deferred loan secured by a recorded Mortgage and Note.
2. **Interest Rate:** 0%
3. **Years in loan term:** 20 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 mortgagee, 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 rental property; loss of homestead exemption status; or failure to occupy the home as the 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 spouse/family member who will occupy the home as a primary residence. If the legal spouse/family member 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 make an effort 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 will be available on a first-qualified, first-served basis. Applicants must own and occupy their home. Applicants must address any title, lien, or income eligibility issues before they are determined eligible.
- g. **Sponsor Selection Criteria:** N/A
- h. **Additional Information:** The Homeownership-Demolition/Reconstruction Strategy will follow the County's Repair, Rehabilitation, and Reconstruction Policy No. HS-028 (See Exhibit H) 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 of benefit to Brevard County and the Municipality.

A manufactured home or a mobile home constructed after June 1994, built to the Florida Building Code provisions outlined in Chapter 553 of the Florida Statutes, and is located on land owned by the

homeowner is eligible for assistance 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.

D. Homeownership-Acquisition Rehabilitation and New Construction

Code 9, 10

- a. **Summary of Strategy:** This strategy is designed to assist non-profit and for-profit developers with SHIP funds for the acquisition of property and new construction of property associated with the new household(s). Eligible uses include the 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 the project, utility, and sewage installation, connection fees, and payment (loans) of impact fees.

- b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027

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

- d. **Maximum award Developer:** \$260,000

- 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 two-year 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 (reference Strategy Code 9,10).

2. Homebuyer:

- a. **Repayment loan/deferred loan/grant:** Deferred loan secured by a note and mortgage.

Maximum award: \$75,000



Very Low	\$75,000
Low	\$60,000
Moderate	\$45,000
Workforce	\$30,000

b. **Interest Rate:** 0%

c. **Years in loan term:**

10 Years	Under to \$45,000
15 Years	\$45,001 and above

d. **Forgiveness:** For very low and low income, the loan is forgiven in whole at the end of the loan 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 is 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 spouse/family member who will occupy the home as a primary residence. If the legal spouse/family member 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 make an effort to recapture funds through the legal process.

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 I)

g. **Sponsor/Developer Selection Criteria:** Applications from potential housing developers will be accepted on an ongoing 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. Experience/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 initiative 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.

Down Payment and closing cost assistance will be based on the current Purchase Assistance Program policy.

E. Rental-Rehabilitation/New Construction	Code 14, 15, 21
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- a. **Summary of Strategy:** This program is designed to assist non-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 impact fee loans, construction, site acquisition, site development, or demolition associated with the reconstruction, site 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 permanent rental housing intended to serve special needs populations.

- b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027
- c. **Income Categories to be served:** Extremely Low, Very low, low, and moderate
- d. **Maximum award:** \$260,000 per unit or \$2,080,000 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:** 25 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/or the County declines the right of first refusal, all outstanding funds (including shared equity as defined in Brevard County Policy HS-024) will be due and payable to the Brevard County Board of County Commissioners at the time of closing for sale of the property. All funds will be deposited in the local SHIP Trust Fund for use as Program Income.

- f. **Recipient/Tenant Selection Criteria:** Applications from potential tenants will be reviewed for SHIP eligibility by the program sponsors and will utilize the Wait List/Priorities as described in Program Details, Section I.
- g. **Sponsor/Sub-recipient 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 the 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 Florida Housing Finance Corporation for the Low-Income Housing Tax Credit program and the State Apartment Incentive Loan (SAIL) Program, dependent upon the availability of funding.

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

All eligible loans repaid to or recaptured by the County shall be considered program income. The County reserves the right to foreclose if payments are not made.

- a. **Summary of the Strategy:** The Disaster Strategy provides assistance to households following a disaster as declared by the President of the United States or the 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 the 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 declaration.

- b. **Fiscal Years Covered:** 2024-2025, 2025-2026, 2026-2027

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

- d. **Maximum award:** \$50,000

- e. **Terms:**

1. **Repayment loan/deferred loan/grant:** Up to \$18,000 is a grant, any amount above that is a deferred loan.
2. **Interest Rate:** 0%
3. **Years in loan term:**

0 Years	\$0-\$18,000
5 Years	\$18,001-\$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 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 rental property; loss of homestead exemption status; or failure to occupy the home as the 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 spouse/family member who will occupy the home as a primary residence. If the legal spouse/family member 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 make an effort to recapture funds through the legal process.



- f. **Recipient/Tenant Selection Criteria:** Funds are made available based on a first-qualified, first-served basis. Priority shall be given to persons who have special housing needs as defined in 420.0004 (13) F.S. and individuals or households 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 the 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:** Applicants 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. The applicant must provide documentation of the need for deductible assistance through receipts and invoices accounting for the amount received from their insurance. Insurance funds must be spent first. All 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:** The processing of approvals of development orders or permits, as defined in s.163.3164 (7) and (8), for affordable housing projects to be expedited to a greater degree than other projects.
- B. **Impact Fee Waivers or Modification:** The modifications of impact-fee requirements, including reduction or waiver of fees, and alternative methods of fee payment for affordable housing.
- C. **Density Flexibility:** The allowance of flexibility in densities for affordable housing.
- D. **Reservation of County Infrastructure:** The reservation of infrastructure capacity for housing for very-low-income, low-income persons, and moderate-income persons.
- E. **Accessory Dwelling Units:** The allowance of affordable accessory residential units in residential zoning districts.
- F. **Parking & Setbacks:** The reduction of parking setback requirements for housing.
- G. **Flexible Lot Configuration:** The allowance of flexible lot configurations, including zero-lot- line configurations for affordable housing.
- H. **Street Requirements:** The modification of street requirements for affordable housing.



- I. **Ongoing Process Review:** The establishment of a process by which a local government considers, before adoption of policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
- J. **Land Bank inventory:** The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- K. **Development Near Transportation Hubs, Corridors, Major Employment Centers, and Mixed-Use Developments:** The support of development near transportation hubs and major employment centers and mixed-use developments.

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.
- K. Brevard County's Code of Ordinance: Chapter 62, Article XVII, Section 62-6301



December 20, 2023

MEMORANDUM

TO: Ian Golden, Housing and Human Services Director

RE: Item F.10., Approval of State Housing Initiative Partnership (SHIP) Incentive Strategies Evaluation and Recommendations Report for 2023-2024

The Board of County Commissioners, in regular session on December 19, 2023, approved the SHIP Incentives Strategies Evaluation and Recommendations Report for 2023-2024.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

A handwritten signature in cursive script, appearing to read "Kimberly Powell", is written over the typed name and title.

Kimberly Powell, Clerk to the Board

/ds

INCENTIVE STRATEGIES EVALUATION AND RECOMMENDATION REPORT 2023-2024

BREVARD COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE

(Prepared by the Housing and Human Services Department)

Annually the Brevard County Affordable Housing Advisory Committee (AHAC), pursuant to Section 420.9076(4) of the Florida Statutes, must review the established policies and procedures, ordinances, land development regulations, the housing element of the local government comprehensive plan and shall recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value.

The recommendations may include the modification or repeal of existing policies, procedures, ordinances, regulations, or plan provisions; the creation of exceptions applicable to affordable housing; or the adoption of new policies, procedures, regulations, ordinances, or plan provisions, including recommendations to amend the comprehensive plan and corresponding regulations, ordinances, and other policies.

At a minimum, each advisory committee shall submit a report, to the local governing body that includes recommendations and annually thereafter evaluate the implementation of affordable housing incentives as described in 420.9076(4) of the Florida Statutes.

On May 20, 2008, the Brevard County Board of County Commissioners (BOCC) initially adopted Ordinance 08-16 putting in place the requirements of Section 420.9076(4) of the Florida Statutes. On November 3, 2011, the Board of County Commissioners approved as recommended by the Brevard County Affordable Housing Advisory Committee the following original Housing Initiative Partnership (SHIP) Affordable Housing Incentive Strategy recommendations:

- a. Expedited Permitting: The processing of approvals of development orders or permits, as defined in s.163.3164 (7) and (8), for affordable housing projects to be expedited to a greater degree than other projects.
- b. Impact Fee Waivers or Modification: The modifications of impact-fee requirements, including reduction or waiver of fees, and alternative methods of fee payment for affordable housing.
- c. Density Flexibility: The allowance of flexibility in densities for affordable housing.
- d. Reservation of County Infrastructure: The reservation of infrastructure capacity for housing for very-low-income, low-income persons, and moderate-income persons.
- e. Accessory Dwelling Units: The allowance of affordable accessory residential units in residential zoning districts.
- f. Parking & Setbacks: The reduction of parking setback requirements for housing.
- g. Flexible Lot Configuration: The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

- h. Street Requirements: The modification of street requirements for affordable housing.
- i. Ongoing Process Review: The establishment of a process by which a local government considers, before adoption of policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
- j. Land Bank inventory: The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- k. Development Near Transportation Hubs, Corridors, Major Employment Centers, and Mixed-Use Developments: The support of development near transportation hubs and major employment centers and mixed-use developments.

In implementing the previous 2022-2023 Incentives Strategies Report Recommendations the Affordable Housing Advisory Committee (AHAC) at meetings in 2022 and 2023 discussed modifying existing incentives in the Brevard County Land Development Regulations (LDRS), Article XVII, Sections 62-6300 through 62-6311 and potential amendments required by the recently passed Live Local Act. At the AHAC meetings on October 19, 2023, and November 16, 2023, the existing incentives in the LDRS and a working draft of potential revisions were discussed. The AHAC recommended that staff continue to coordinate with the relevant partner County Departments, Agencies and Legal staff on further review, evaluation, and development of revisions for future amendment to the County LDRS and or Comprehensive Plan as applicable, including requirements of the Live Local Act.

The AHAC at a meeting and public hearing on November 16, 2023, recommended that priority efforts for 2023-2024 continue to be focused on the three incentives strategies report sections c., e., and j. below and in the body of the report. The listed recommendations include estimated times for completion.

- c. Density Flexibility
- e. Accessory Dwelling Units and Tiny Homes
- j. Land Bank Inventory

RECOMMENDATIONS AND EVALUATION OF LOCAL GOVERNMENT IMPLEMENTATION OF PREVIOUSLY RECOMMENDED LOCAL HOUSING STRATEGIES FOR 2022-2023

Public Hearing:

On November 2, 2023, a Public Hearing and Meeting was advertised in the Florida Today newspaper. The Public Hearing and Meeting was held on November 16, 2023, at the Brevard County Government Center, 2725 Judge Fran Jamieson Way, Viera, Florida 32940 at 4:30 PM in the Space Coast Room, Second Floor, Building C.

Incentives & Recommendations:

- a. **Expedited Permitting:** processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects are expedited to a greater degree than other projects.

Information Reviewed: Ordinance No. 07-18, The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022 and the Brevard County Codes of Ordinances (Article XVII).

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinances, Codes and Comprehensive Plan Policies which previously resulted in:

- A process to facilitate the movement of projects through the permitting process, with priority given to developments with affordable housing units.
- Policies and Ordinances to continue and develop procedures to expedite review of affordable housing developments and housing for essential employees and special needs groups.

This process and policies are still in place, available for use and were applied in 2023. Brevard County Planning and Development remains efficient and timely in processing all development review applications.

Recommendation: Continue established procedure.

- b. **Impact Fee Waivers or Modifications:** The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Information Reviewed: Ordinance No. 07-18, The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022, the Brevard County Codes of Ordinances (Article XVII) and Code Section 62-6303.

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinances, Codes and Comprehensive Plan Policies which previously resulted in:

- Transportation impact fee deferral and refunds for workforce and affordable housing

The process continues to be available for deferral of Transportation Impact Fees by applicants when needed and has been actively pursued with success by developers of affordable housing. Limited funds are available from Brevard County Housing and Human Services Department for refunding permit fees as new affordable housing development projects arise.

Recommendation: Continue established procedure.

- c. **Density Flexibility:** The allowance of flexibility in densities for affordable housing.

Information Reviewed: Ordinance No. 07-18, The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022 and the Brevard County Codes of Ordinances (Article XVII).

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinances, Codes and Comprehensive Plan Policies which previously resulted in:

- A twenty-five percent (25%) density bonuses for developments located within zoning or future land use category with a density of six units per acre or greater, and with a minimum 30 percent of units designated as affordable, that is consistent with the criteria in the County Comprehensive Plan, provided that the overall residential development density does not exceed the density in the next highest residential future land use designation. Proposed affordable and workforce housing developments located within any coastal hazard area defined by the comprehensive plan or on barrier islands are not eligible for a density bonus under this section and per Article XVII, Section 62-6305 (a) and (d) and Section 62-6307 (1) and (3) of the County Land Development Regulations adopted in 2007.

Density Flexibility remains available through the County Land Development Regulations and The County Comprehensive Plan in multiple Future Land Use Categories and Zoning Classifications Countywide and greater densities and height limits have been further enhanced by the requirements of the Live Local Act for Mixed Use Developments.

Recommendation: For Items (1) through (6) Coordination efforts are underway between the Housing and Human Services Department and Planning and Development Department Staff on potential code amendments and will continue into the second half of 2024 to include policy application of Live Local Act requirements per County Policy BCC-100. Continue established procedure and direct staff to evaluate the feasibility of:

(1) Allowing greater flexibility by increasing density and intensity levels to encourage the creation of new affordable housing within the unincorporated County through use of the above Ordinances and Codes, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff have begun the internal process to review potential draft code amendments prior to discussion with Planning and Development staff in 2024.

(2) increasing density and intensity bonuses to levels that meet market development feasibility in the production of affordable and workforce residential units, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff have begun the internal process to review potential draft code amendments prior to discussion with Planning and Development staff in 2024.

(3) allowing density bonuses at site plan and subdivision plan approval levels, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff have begun the internal process to review potential draft code amendments prior to discussion with Planning and Development staff in 2024.

(4) allowing fees paid in lieu of providing affordable housing onsite realized from a density bonus into the Affordable Housing Trust Fund, (Estimated time of completion 2 years) Housing and Human Services Department staff have begun the internal process to review potential draft code amendments prior to discussion with Planning and Development staff in 2024.

(5) amending and increasing periods of affordability for units realized by incentives, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff have begun the internal process to review potential draft code amendments prior to discussion with Planning and Development staff in 2024.

(6) creating a County User Guide on use and application of density and intensity bonuses and other County Comprehensive Plan and Code based incentives. (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff conducted research existing user guides from other jurisdictions in 2023 for development and review of a local document in 2024.

- d. **Reservation of County Infrastructure:** The reservation of infrastructure capacity for housing for very-low-income, low-income persons, and moderate-income persons.

Information Reviewed: Brevard County Code of Ordinances (Article IV).

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the Brevard County Code of Ordinances Article IV, which continues concurrency management which ensures that public facilities and services needed to support development are available concurrent with the impacts of such development and that development orders and development permits are issued in a manner that will not result in a reduction in the levels of service below the adopted level of service standards adopted by Brevard County for public facilities and services.

The concurrency management process remained in effect for Brevard County public facilities and services in 2022 and 2023. There are currently no concurrency capacity reservations or concurrency exemption areas created specifically for affordable housing units. County continues to monitor needs and impacts and will act accordingly in 2024.

Recommendation: Continue established procedure.

- e. **Accessory Dwelling Units and Tiny Homes:** The allowance of affordable accessory residential units and Tiny Homes in residential zoning districts.

Information Reviewed: Brevard County Ordinance No. 07-18 and The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022.

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinance and Comprehensive Plan Policy which previously called for county staff to:

- Study accessory units as a method for use by private families and individuals in the provision of affordable/workforce housing opportunities and solutions on their own properties, in areas with established infrastructure. The Comprehensive Plan also indicates that the County will consider land development regulations and other ordinances as needed that will regulate the use of accessory dwelling units as permitted by state statute.

The County code continues to allow accessory units and tiny homes in multiple zoning classifications. Review and monitoring of the code will continue. A development order in the Viera Development of Regional Impact allows for the use of accessory dwelling units in some residential projects.

Recommendation: For Items (1) through (4) Coordination efforts between the Housing and Human Services Department and Planning and Development Staff are underway on potential code amendments and will continue into the second half of 2024. Continue established procedure and direct staff to evaluate the feasibility of:

- (1) developing additional County regulation changes for Accessory Dwelling Units consistent with Florida Statutes and HB 1339 (2020), (Estimated time of completion 1 to 2 years). Housing and Human Services Department staff conducted research in 2023 for developing draft code amendments for review in 2024.
- (2) consolidating Accessory Dwelling Units and similar units into one section of the County Code, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff conducted research in 2023 for developing draft code amendments for review in 2024.
- (3) developing a User Guide for use and application, (Estimated time of completion 1 to 2 years) Housing and Human Services Department staff conducted research in 2023 on examples of existing user guides for review in 2024.
- (4) providing density, intensity and impact fee waivers and concurrency exemptions for affordable accessory dwelling units and tiny homes, (Estimated time of completion 2 years) Housing and Human

Services Department staff conducted research in 2023 for developing draft code amendments for review in 2024.

(5) incentivizing development of accessory dwelling units and tiny homes in permissible areas with local housing program funds and lands. (Estimated time of completion 1 to 2 years) The Housing and Human Services Department is currently developing a Request for Proposal (RFP) to increase affordable housing within Brevard County. The RFP will be structured to allow for proposals which include accessory dwelling units and tiny homes.

- f. **Parking and Setbacks:** The reduction of parking and setback requirements for affordable housing.

Information Reviewed: Ordinance No. 08-16 and the Brevard County Codes of Ordinances (Article XVII).

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinance which previously resulted in:

- Flexible design requirements and criteria for parking and setbacks are available for developments providing a minimum of 30 percent of affordable or workforce housing.
- Flexibility remains available through the County Land Development Regulations and the County Comprehensive Plan in multiple Future Land Use Categories and Zoning Classifications County wide, including reduction in required parking spaces for future mixed-use development in proximity to major transit stops per County Live Local Act Policy BCC-100. Flexible design requirements have been used in one multiple family apartment development to date.

Recommendation: Continue established procedure.

- g. **Flexible Lot Configuration:** The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Information Reviewed: Brevard County Ordinance No. 07-18 and The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022.

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinances and Codes which previously resulted in:

- Flexible design requirements and criteria for developments providing a minimum of 30 percent of affordable or workforce housing.

Flexibility remains available through the County Land Development Regulations and The County Comprehensive Plan in multiple Future Land Use Categories and Zoning Classifications County wide.

Recommendation: Continue established procedure.

h. **Street Requirements:** The modification of street requirements for affordable housing.

Information Reviewed: Brevard County Ordinance No. 07-18 and The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022.

Review Synopsis: Staff had presented the AHAC with information pertaining to current practices and reviewed the above Ordinances and Codes which previously resulted in:

- Flexible design requirements relating to roads, driveways, and parking lots for developments providing a minimum of 30 percent of affordable or workforce housing.

Flexibility remains available through the County Land Development Regulations and The County Comprehensive Plan in multiple Future Land Use Categories and Zoning Classifications County wide. It has been used in single family subdivisions.

Recommendation: Continue established procedure.

i. **Ongoing Process Review:** The establishment of a process by which a local government considers, before adoption of policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Information Reviewed: Ordinance 08-16 *Review Synopsis:* Staff had presented the AHAC with information pertaining to practices and overviewed the above Ordinance which previously resulted in:

- An ongoing review process for review of county policies, ordinances, regulations, and Comprehensive plan provisions that significantly impact the cost of housing.

The process remains in effect for Brevard County with no negative impacts to date that have impacted affordable housing costs or production. The County continues to coordinate and monitor and will act in accordance with F.S. Section 420.9076(4).

Recommendation: Continue established procedure.

j. **Land Bank Inventory:** The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

Information Reviewed: Brevard County Ordinance No. 07-18, The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022.

Review Synopsis: Staff had presented the AHAC with information pertaining to practices and reviewed the above Ordinances and Plans that previously established an affordable housing trust fund and unit/land mitigation bank for receipt of non-ad valorem revenues and residential land and density equivalent units for use in the development and rehabilitation of affordable housing.

A continuous process supporting the review of county owned land for suitability in use for affordable housing has been well established and further defined under the requirements of the Live Local Act. This review process of County owned land was conducted by County staff in 2023 and an updated land bank inventory list of available properties appropriate for use as affordable housing was revised, reviewed, and approved by the Board of County Commissioners in Resolution No. 23-100 on September 12, 2023, and has been posted for public review.

Lots have been transferred in the past to the Housing and Human Services Department for use as affordable housing. The Housing and Human Services Department uses an Affordable Housing Location Evaluation Matrix when conducting due diligence and evaluating transfers of properties to the land bank inventory suitable and available for use in affordable housing activities. Lots in the past have been transferred to affordable housing developers and some sold with proceeds placed in the local affordable housing trust fund. Currently 35 lots or parcels are available in the inventory for use in affordable housing development activities.

Recommendation: Continue established procedure and direct staff to evaluate the feasibility of:

- (1) allocating current lot inventory to developers of affordable housing or a Community Land Trust (Estimated time of completion 1 to 2 years). The previously referenced RFP (e.5) to increase affordable housing in Brevard County will allow for applicants to request use of properties from the land bank inventory list that are appropriate for use as affordable housing approved by the Board of County Commissioners in Resolution No. 23-100 on September 12, 2023, and consistent with the Live Local Act
- (2) further expansion of the program to include the evaluation and transfer of land and housing units from the County delinquent property tax certificate sales program, including priority review and right of first refusal on available properties, for the development and preservation of affordable housing countywide (Estimated time of completion 2 years). For Items (2) and (3) Housing and Human Services Department Staff will conduct research and consult with County Staff and Constitutional Officers in 2024 and 2025.
- (3) evaluate other established best practices on delinquent property tax certificate sales programs by local governments statewide including priority review and right of first refusal (Estimated time of completion 2 years).

(4) encouraging and funding the development of county wide Community Land Trusts to keep housing units produced with public, lands, funds, incentives, and waivers affordable for longer periods of time (Estimated time of completion 2 years). Housing and Human Services Department Staff will conduct research and consult with County Staff in 2024 and 2025.

- k. **Development Near Transportation Hubs, Corridors, Major Employment Centers, and Mixed-Use Developments:** The support of development near transportation hubs and major employment centers and mixed-use developments.

Information Reviewed: Brevard County Ordinance No. 07-18 and The Housing Element of the 1988 Brevard County Comprehensive Plan as amended in February 2022.

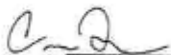
Review Synopsis: Staff had presented the AHAC with information pertaining to practices and the above Ordinances and plans which previously resulted in a location evaluation matrix included in the land development regulations and used in request for proposals issued by the Housing and Human Services Department to determine favorable locations for affordable /work force housing and to determine eligibility for funding and incentives.

The process continues and mixed-use development incentives remain available through the County Land Development Regulations and The County Comprehensive Plan, in multiple Future Land Use Categories and Zoning Classifications County wide. Greater densities, building height limits and reduced parking requirements in proximity to major transit stops on transit routes have been further enhanced by the requirements of the Live Local Act for Mixed Use Developments. Brevard County Planning and Development staff developed, and the *Board of County Commissioners approved Policy BCC-100 Titled: "Evaluation Procedures for Development Proposals Pursuant to the Live Local Act Which Otherwise Are Not Permissible"* on October 24, 2023. Policy BCC-100 addresses the review of parking requirements, major transit stops, unit density, mixed uses, building height and affordability periods. The Housing and Human Services Department uses an Affordable Housing Location Evaluation Matrix when evaluating affordable housing projects requesting funding and use of incentives, and transfers of suitable properties to the land bank inventory.

Recommendation: Continue established procedure.

On November 16, 2023, at a publicly noticed Public Hearing and Meeting, an evaluation of the implementation of Brevard County's local housing incentive strategies was conducted by the Brevard County Affordable Housing Advisory Committee and the above recommendations were approved by an affirmative vote of the majority of the membership on November 16, 2023.

BREVARD COUNTY AFFORDABLE HOUSING
ADVISORY COMMITTEE



Corey Lancaster, Chair

November 16, 2023

Date

(Brevard County)**Fiscal Year: 2024-2025**

Estimated SHIP Funds for Fiscal Year:	\$	2,648,427.00
Salaries and Benefits	\$	263,842.70
Office Supplies and Equipment	\$	500.00
Travel Per diem Workshops, etc.	\$	500.00
Advertising	\$	
Other*	\$	
Total	\$	264,842.70
Admin %		10.00%

OK**Fiscal Year 2025-2026**

Estimated SHIP Funds for Fiscal Year:	\$	2,648,427.00
Salaries and Benefits	\$	263,842.70
Office Supplies and Equipment	\$	500.00
Travel Per diem Workshops, etc.	\$	500.00
Advertising	\$	
Other*	\$	
Total	\$	264,842.70
Admin %		10.00%

OK**Fiscal Year 2026-2027**

Estimated SHIP Funds for Fiscal Year:	\$	2,648,427.00
Salaries and Benefits	\$	263,842.70
Office Supplies and Equipment	\$	500.00
Travel Per diem Workshops, etc.	\$	500.00
Advertising	\$	
Other*	\$	
Total	\$	264,842.70
Admin %		10.00%

OK

*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	Interim Report	Closeout Report
2024-2025	6/30/2026	6/30/2027	9/15/2026	9/15/2027
2025-2026	6/30/2027	6/30/2028	9/15/2027	9/15/2028
2026-2027	6/30/2028	6/30/2029	9/15/2028	9/15/2029

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

Fiscal Year	Funds Not Expended	Closeout AR Not Submitted
2024-2025	3/30/2027	6/15/2027
2025-2026	3/30/2028	6/15/2028
2026-2027	3/30/2029	6/15/2029

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

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

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

Other Key Deadlines:

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

FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2024-2025												
Brevard County:												
Estimated Funds (Anticipated allocation only):			\$ 2,648,427									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	1	\$75,000	1	\$60,000	1	\$45,000	\$180,000.00	\$0.00	\$180,000.00	3
3	Occupied Rehabilitation	Yes	3	\$127,000	3	\$91,000	3	\$50,000	\$804,000.00	\$0.00	\$804,000.00	9
3	Demolition/Reconstruction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
3	Acquisition Rehabilitation & New Construction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
4	Disaster Repair/Mitigation	Yes	1	\$50,000	1	\$50,000	0	\$50,000	\$100,000.00	\$0.00	\$100,000.00	2
9,10									\$0.00	\$0.00	\$0.00	0
5									\$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 Homeownership		7		7		6		\$2,644,000.00	\$0.00	\$2,644,000.00	20
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	New Construction	Without Construction	Total	Units
14, 21	Rehabilitation/New Construction	No		\$127,000		\$127,000			\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No		\$50,000		\$50,000			\$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
									\$0.00	\$0.00	\$0.00	0
	Total Rental		0		0		0		\$0.00	\$0.00	\$0.00	0
Administration Fees			\$ -		10%		OK					
Home Ownership Counseling			\$ -									
Total All Funds			\$ 2,644,000		OK							

Set-Asides

Percentage Construction/Rehab (75% requirement)		99.8%	OK
Homeownership % (65% requirement)		99.8%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 1,026,000	38.7%	OK
Low Income (30% requirement)	\$ 903,000	34.1%	OK
Moderate Income	\$ 715,000	27.0%	

FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2025-2026												
Brevard County:												
Estimated Funds (Anticipated allocation only):			\$ 2,648,427									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	1	\$75,000	1	\$60,000	1	\$45,000	\$180,000.00	\$0.00	\$180,000.00	3
3	Occupied Rehabilitation	Yes	3	\$127,000	3	\$91,000	3	\$50,000	\$804,000.00	\$0.00	\$804,000.00	9
3	Demolition/Reconstruction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
3	Acquisition Rehabilitation & New Construction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
4	Disaster Repair/Mitigation	Yes	1	\$50,000	1	\$50,000	0	\$50,000	\$100,000.00	\$0.00	\$100,000.00	2
9,10									\$0.00	\$0.00	\$0.00	0
5									\$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 Homeownership		7		7		6		\$2,644,000.00	\$0.00	\$2,644,000.00	20
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	New Construction	Without Construction	Total	Units
14, 21	Rehabilitation/New Construction	No		\$127,000		\$127,000			\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No		\$50,000		\$50,000			\$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			\$	2,644,000	OK							

Set-Asides

Percentage Construction/Rehab (75% requirement)		99.8%	OK
Homeownership % (65% requirement)		99.8%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 1,026,000	38.7%	OK
Low Income (30% requirement)	\$ 903,000	34.1%	OK
Moderate Income	\$ 715,000	27.0%	

FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2026-2027												
Brevard County												
Estimated Funds (Anticipated allocation only):			\$ 2,648,427									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
2	Purchase Assistance	Yes	1	\$75,000	1	\$60,000	1	\$45,000	\$180,000.00	\$0.00	\$180,000.00	3
3	Occupied Rehabilitation	Yes	3	\$127,000	3	\$91,000	3	\$50,000	\$804,000.00	\$0.00	\$804,000.00	9
3	Demolition/Reconstruction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
3	Acquisition Rehabilitation & New Construction	Yes	1	\$260,000	1	\$260,000	1	\$260,000	\$780,000.00	\$0.00	\$780,000.00	3
4	Disaster Repair/Mitigation	Yes	1	\$50,000	1	\$50,000	0	\$50,000	\$100,000.00	\$0.00	\$100,000.00	2
9,10									\$0.00	\$0.00	\$0.00	0
5									\$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 Homeownership		7		7		6		\$2,644,000.00	\$0.00	\$2,644,000.00	20
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	New Construction	Without Construction	Total	Units
14, 21	Rehabilitation/New Construction	No		\$127,000		\$127,000			\$0.00	\$0.00	\$0.00	0
27	Disaster Direct Assistance	No		\$50,000		\$50,000			\$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			\$ 2,644,000 OK									

Set-Asides

Percentage Construction/Rehab (75% requirement)		99.8%	OK
Homeownership % (65% requirement)		99.8%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 1,026,000	38.7%	OK
Low Income (30% requirement)	\$ 903,000	34.1%	OK
Moderate Income	\$ 715,000	27.0%	



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

May 22, 2024

MEMORANDUM

TO: Ian Golden, Housing and Human Services Director

RE: Item F.19., Adoption of State Fiscal Year 2024-2027 State Housing Initiatives Partnership (SHIP) Local Housing Assistance Plan (Estimated \$2,648,427)

The Board of County Commissioners, in regular session on May 21, 2024, approved and adopted Resolution No. 24-050, for State Housing Initiatives Partnership (SHIP) Program Local Housing Assistance Plan (LHAP) for Fiscal Years 2024-2027; authorized the Chair to sign the required State Certifications and sign any amendments that the Florida Housing Finance Corporation (FHFC) determines necessary to meet the requirements of State Statute 420.907-9075; approved the Housing and Human Services Department, as contract administrators, to use competitive procurement to seek contractors to complete proposed activities and projects; approved you to endorse agreements, amendments, and modifications for activities and projects identified in the LHAP and procured by the Housing and Human Services Department, after approval from Risk Management and the County Attorney's Office; and authorized the County Manager to approve any related Budget Change Requests (BCR). Enclosed are a fully-executed Resolution and Certification.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

Kimberly Powell
Kimberly Powell, Clerk to the Board

/tr

Encls. (2)

cc: County Manager
Finance
Budget

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity:

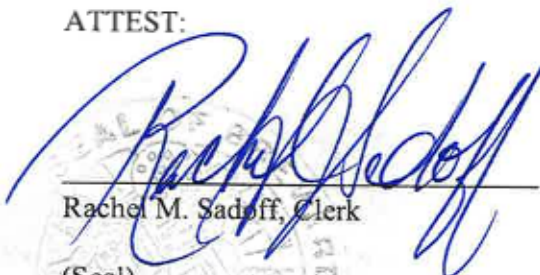
Brevard County Board of County Commissioners
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Certifies that:

- (1) The availability of SHIP funds will be advertised pursuant to program requirements in 420.907-420.9079, Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will ensure that there will be no discrimination on the basis of race, color, national origin, sex, handicap, familial status, or religion.
- (3) A process to determine eligibility and for selection of recipients for funds has been developed.
- (4) Recipients of funds will be required to contractually commit to program guidelines and loan terms.
- (5) Florida Housing will be notified promptly if the local government /interlocal entity will be unable to comply with any provision of the local housing assistance plan (LHAP).
- (6) The LHAP provides a plan for the encumbrance of funds within twelve months of the end of the State fiscal year in which they are received and a plan for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.
- (7) The LHAP conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the LHAP.
- (8) Amendments to the approved LHAP shall be provided to the Florida Housing for review and/or approval within 21 days after adoption.
- (9) The trust fund exists with a qualified depository for all SHIP funds as well as program income or recaptured funds.
- (10) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (11) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements (CAFR). An electronic copy of the CAFR or a hyperlink shall be provided to Florida Housing by June 30 of the applicable year.

- (12) Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S. shall be provided to Florida Housing by June 30 of the applicable year.
- (13) SHIP funds will not be pledged for debt service on bonds.
- (14) Developers receiving assistance from both SHIP and the Low-Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements, similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- (15) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to serve eligible persons.
- (16) Rental Units constructed or rehabilitated with SHIP funds shall be monitored for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e). To the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility.
- (17) The LHAP meets the requirements of Section 420.907-9079 FS, and Rule Chapter 67-37 FAC.
- (18) The provisions of Chapter 83-220, Laws of Florida have not been implemented (except for Miami-Dade County).

ATTEST:


Rachel M. Sadoff, Clerk

(Seal)


Chief Elected Official or Designee

for Jason Steele, Chair
Type Name and Title

As approved by the Board on: 5/21/24

RESOLUTION #: 2024-050

A RESOLUTION OF THE BREVARD COUNTY BOARD OF COUNTY COMMISSION OF 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 CHAIR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one- to three-year Local Housing Assistance Plan outlining how funds will be used; and

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

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; The methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

WHEREAS, as required by *section 420.9075, F.S.* It is found that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.

WHEREAS, the 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 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 2024-2025, 2025-2026, 2026-2027.

Section 2: The Chair, 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 21st DAY OF MAY, 2024.


Jason Steele, Chair

(SEAL)
ATTEST:


Rachel M. Sadoff, Clerk

As approved by the Board 05/21/2024.

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)



February 8, 2023

MEMORANDUM

TO: Ian Golden, Housing and Human Services Director

RE: Item J.3., Repair, Rehabilitation, and Reconstruction Housing Policy (HS-028) for the State Housing Initiative Partnership (SHIP) Program

The Board of County Commissioners, in regular session on February 7, 2023, approved the changes and updates to the Housing and Human Services Department's Repair, Rehabilitation, and Reconstruction Housing Policy (HS-028) for the SHIP Program.

Your continued cooperation is greatly appreciated.

Sincerely,

**BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK**

A handwritten signature in cursive script, appearing to read "Kimberly Powell", is written over the printed name.

Kimberly Powell, Clerk to the Board

/ns

Exhibit H

HOUSING & HUMAN SERVICES DEPARTMENTAL POLICY

**TITLE: Repair, Rehabilitation, and
Reconstruction Housing Program
Policy-State Housing Initiatives
Partnership Program**

NUMBER: HS-028

CANCELS: April 25, 2017

APPROVED: February 7, 2023

**ORIGINATOR: Housing &
Human Services
Department**

REVIEW: 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 120% (140% if approved in the Local Housing Assistance Plan) 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 (SHIP).

- 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:** Means that monthly rents or monthly mortgage payments (including taxes and insurance) do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the household.
- D. **Affordable Housing Advisory Committee:** - 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.
- E. **Agreement:** Agreement refers to the Housing Assistance Agreement.
- F. **Annual gross income:** Means annual income as defined under the Section 8 housing assistance payments programs in 24 C.F.R. part 5; annual income as reported under the census long form for the recent available decennial census; or adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 for individual federal annual income tax purposes or as defined by standard practices used in the lending industry as detailed in the local housing assistance plan and approved by the corporation. The County shall calculate income by annualizing verified sources of income for the household as the amount of income to be received in a household during the 12 months following the effective date of the determination.
- G. **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
- H. **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.

- I. **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.
- J. **Consortium Member:** Brevard County and the incorporated cities of Cocoa, Titusville, Melbourne, and Palm Bay.
- K. **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.
- L. **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.
- M. **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.
- N. **Department:** The Housing and Human Services Department.

- O. **Durable Power of Attorney:** A durable power of attorney refers to a power of attorney which typically remains in effect until the death of the principal or until the document is revoked. A durable power of attorney, the durability of which must be explicitly stated, remains valid even in the event the principal is unable to make personal decisions due to incapacity. All Durable Power of Attorney documents to be reviewed by County Attorney's Office.
- P. **Encumbrance:** An encumbrance is a claim against a property by a party that is not the owner. The most common types of encumbrance apply to real estate (for example, mortgages, easements, and property tax liens). Not all forms of encumbrance are financial (for example, an easement is an example of non-financial encumbrance).
- Q. **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.
- R. **Florida Housing Finance Corporation:** State Agency created by legislation to assist in providing a range of housing opportunities for Florida Residents.
- S. **Foreclosure:** A legal proceeding initiated by a creditor to repossess the collateral for a loan that is in default.
- T. **Green Energy Standards:** U.S. Department of Energy – Energy Efficiency and Renewable Building Technologies Program.
- U. **General Property Improvements:** Improvements that are not corrections of health and safety violations, but improvements that brings the property into decent or sanitary condition.
- V. **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.
- W. **HUD:** The U. S. Department of Housing and Urban Development.

- X. **Income:** Projected annual income established in compliance with SHIP regulations.
- Y. **Life Estate:** The Florida enhanced life estate deed allows the estate holder to convey or mortgage the property interest of the life tenant without approval of the remainderman. This gives the property owner of the life estate flexibility during the owner's life.
- Z. **Limited Repair:** Addresses up to two systems within the dwelling and are necessary for long term preservation and/or maintenance of structural integrity. This strategy is restricted to individuals or households between 121% and 140% of area median income and per Florida Statute 420.9075 (1)(a), this strategy shall only be utilized if approved as part of the Local Housing Assistance Plan (LHAP).
- AA. **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.
- BB. **Live-In Aide:** Not counted as household members. An aide is a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities, and who is 1) determined to be essential to the care and well-being of the person; 2) is not obligated for the support of the person; and 3) would not be living in the unit except to provide the necessary supportive services.
- A relative will not be considered to be a live-in aide.**
- CC. **Low-income person or Low-income household:** Means one or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the nonmetropolitan median for the state, whichever amount is greatest.
- DD. **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.

EE. **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).

FF. **Mitigation:** Any sustainable limited repair, repair, rehabilitation, or reconstruction action that reduces or eliminates long term risk to people and property by hardening housing structures to lessen the impact of natural disasters (for example: flooding and hurricanes).

GG. **Moderate-income person or Moderate-income household:** Means one or more natural persons or a family that has a total annual gross household income that does not exceed 120 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the nonmetropolitan median for the state, whichever is greatest.

HH. **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.

II. **Mortgage & Note:** The County Mortgage and Note signed by a recipient of program services.

JJ. **Power of Attorney:** the authority to act for another person in specified or all legal or financial matters, as authorized in the document. All Power of Attorney documents to be reviewed by County Attorney's Office.

- KK. **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 one hundred-twenty non-consecutive days in any one calendar year for any reason, other than a hospital or nursing home stay.
- LL. **Program:** Repair, Rehabilitation and Reconstruction Housing Program.
- MM. **Program Income:** All loans and grants awarded and repaid for eligible activities.
- NN. **Project Designee:** A project representative (friend or family member), appointed by homeowner using the Department Template, with specific authorizations such as, scheduling and/or attending appointments for construction work, and to communicate with the contractor and HHS staff during the course of the rehabilitation.
- OO. **Recaptured Funds:** All loans and grants awarded and repaid for ineligible activities.
- PP. **Reconstruction:** The rebuilding of a house on the same location.
- QQ. **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.
- RR. **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.
- SS. **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.

- TT. **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.
- UU. **SHIP:** State Housing Initiative Partnerships Program administered by the Florida Housing Finance Corporation.
- VV. **Subordination:** The process of establishing lien positions on real property including placing, ranking, or positioning a mortgage as secondary or subsequent to the primary mortgages.
- WW. **Very-low-income person or Very-low-income household:** Means one or more natural persons or a family that has a total annual gross household income that does not exceed fifty percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the nonmetropolitan median for the state, whichever is greatest.

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 Statute 420.9075 Section (5)(e), no more than 20% of the Annual SHIP County 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 Department 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 120% (140% if approved in the Local Housing Assistance Plan) 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 other forms of recorded ownership, for example Ownership or Membership in a Cooperative; Life Estate; Joint Tenants with Right of Survivorship; approved by the Brevard County Attorney's office, and
 - d. Not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest, and
 - e. 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
 - f. Have not received Housing Rehabilitation and/or Repair assistance up to \$127,000.00 during the last ten years (from the date of mortgage signing). This does not apply to those who have received emergency repair and/or disaster assistance through this program.
 - g. Have not received Housing Rehabilitation and/or Reconstruction assistance greater than \$145,000.00 during the last fifteen years (from the date of signing the mortgage). This does not apply to those who have received emergency repair and/or disaster assistance through this program.
 - h. 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 ownership documents. In cases where ownership cannot be determined, a review of the documents will be conducted by the County Attorney's office. The property must be the Applicant's primary residence as determined by filing of Homestead Exemption with the County

Property Appraiser's Office. Applicant must have owned the property for 24 months, or inherited it (victims of Domestic Violence are exempted from this requirement). In all cases, all named parties on the deed and/or determined to have interest as determined by the Brevard County Attorney's Office will be required to sign all binding documents.

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. Title Insurance will be placed within thirty days of closing or mortgage Right of Rescission date, and will include contracted amount plus contingency.
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 evaluated for Emergency Repair assistance to address safety, health, and code issues.

8. If an Applicant is determined to have encumbrances 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. Household members aged eighteen years and over must sign all documents required for income qualification in the program.10.

Ineligible Applicants

- a. Applicants whose property lies in a municipality within Brevard County 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 who 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 intentional falsification or misrepresentation of application information in order to obtain assistance will be denied assistance permanently.

- 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 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.
- l. Applicants that have their homes up for sale on MLS.

C. Marketing:

- 1. Brevard County will take affirmative marketing steps to provide information and otherwise attract eligible persons from all racial, ethnic, gender groups, and persons with disabilities in the housing market area. A wide range of marketing strategies 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. The County will periodically review its marketing efforts to assess strategy effectiveness. After each review of the success of the County's marketing actions, the County shall adjust its marketing strategy as determined necessary for success.
- 3. The Notice of Funding Availability shall be advertised in accordance with Florida Statute 420.9075(4)(b).

D. Wait List, Applicant Intake, and Ranking:

- 1. Wait List/Priorities: A Wait list will be established when applicants apply to the county SHIP program. Those households on the Wait list will be contacted by staff when their queue

number is reached. The Intake list will be maintained with applicants listed in an order that is consistent with the time that their preliminary intake (Application) forms were submitted. Intake numbers will be assigned based on that order. If necessary, adjustments to the Intake list may 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.

- a. **Adjustments to Wait List:** The Department will adjust the Intake list to achieve established funding priorities. Once there is a list of eligible applicants, they will be ranked based on the priorities provided below;
- b. **Ranking Priority:**
 - i. Emergency Loans for home repair related to a declared disaster that need immediate mitigation to prevent damage or further damage to the home or to resolve an immediate health hazard to the occupants.
 - ii. Households with a Person with special needs (as defined by FS 420.0004)
 - iii. Very low-income applicant referrals from local Non-profit Affordable Housing Organizations
 - iv. Very low-income households (until the program's required percentage has been met)
 - v. Low- income households (until the program's required percentage has been met)
 - vi. Moderate income households

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

2. Applicants are moved from the Wait list when:

- a. they are determined, by the housing counselor, to be eligible to participate in the Program, they are placed on the Intake List, 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 Wait List will be closed to new applicants when the estimated costs for repair; rehabilitation or reconstruction for approved applicants exceeds 140% of that year's funding allocation. In the event the Department closes the Wait List, it will re-open when new funding is available, at the Department's discretion.

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

3. **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 interested, the Department will send an invitation letter and forms to the applicant requiring applicants to submit the requested documentation within twenty-one business days from the date of the letter. 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 twenty-one business days from the date of the initial letter.
4. **Intake 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:

- c. the condition of the dwelling,
- b. the composition of the household, and
- a. 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 sixty-two 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 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 Department 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:

INCOME LEVEL ADJUSTED BY FAMILY SIZE	MAXIMUM ASSISTANCE
0%-50% Area Median Income	Repairs up to maximum amount allowable under applicable Strategy (including Reconstruction up to \$260,000)
51%-80% Area Median Income	Repairs up to maximum amount allowable under Rehabilitation Strategy (up to \$127,000)
81% - 120% Area Median Income	Repairs up to maximum amount allowable under Repair Strategy (up to \$91,000)
121% - 140% Area Median Income (NOTE: Per Florida Statute 420.9075 (1)(a), this assistance level is only available if approved as	Repairs up to maximum amount allowable under Limited Repair Strategy (up to \$50,000)

part of the Local Housing Assistance Plan (LHAP))	
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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	Up to - \$50,000
5 years	\$50,001 - \$91,000
10 years	\$91,001 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 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 or a victim of Domestic Violence, 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.
4. Heirs wishing to receive assistance to assume an existing mortgage are able to have an eligibility determination as provided in Section III F.3.

5. Reconstruction eligible clients with existing mortgages, who do not require reconstruction will be eligible for up to \$127,000 in assistance.
6. 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 \$59,000, to address safety, health, and code issues.

G. Agreements and Encumbrances:

1. Housing Assistance Agreement: Upon verification of income eligibility, the Eligible Property Owner(s), and everyone required to sign binding documents will receive information 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 in accordance with Procurement Policy BCC-25.

2. Owner-Contractor Agreement: Upon receipt of an approved quote or bid, the property owner, and everyone required to sign binding documents 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 months prior to the death of the Borrower).

- a. If an eligible spouse or family member wishes to assume the existing mortgage, the spouse or family member shall have one hundred-eighty days to make a written request to the Department Director to assume all of the obligations specified in the Borrower's mortgage. If a written request to assume the mortgage is not made within one hundred-eighty 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 days of the declaration of default, or at the time the property is refinanced, sold or transferred, whichever is soonest.
- b. However, if within one hundred-eighty days an eligible spouse or family member has submitted a written request to the County to assume the mortgage, the spouse or 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 spouse or family member shall have ninety days to assume the mortgage. If ninety days pass and the spouse or 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 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 spouse or family member shall have ninety 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 days pass and the spouse or 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 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 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.
 - d. In the event a family member needs additional time for the mortgage assumption process, a waiver request may be submitted to the Department Director.
5. Upon completion of project and/or the issuance of a Certification of Occupancy, uninsured homeowners must secure homeowners and flood (if applicable) insurance. Failure to secure homeowners and flood (if applicable) insurance within sixty business days of completion may 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 ninety 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	Up to \$10,000	1/5 of loan amount
10 years	\$\$10,001 -\$ 91,000	1/10 of loan amount
15 years	\$91,001 - \$127,000	1/15 of loan amount
20 years	Above \$127,001	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 \$127,000.
14. With the Department Director's approval, up to an additional \$50,000 may be utilized for construction to address unforeseen safety, health, and code issues.

H. Limited Repair

NOTE: Per Florida Statute 420.9075 (1)(a), this strategy is only available if approved as part of the Local Housing Assistance Plan (LHAP).

1. Limited Repairs in Fiscal Year 2021-2022 will be limited to a base amount of \$50,000 and then adjusted annually each subsequent year based upon the Producer Price Index Commodity for construction materials from the Federal Reserve Economic Data or F.R.E.D. database (Base amount and annual adjustment are subject to approval as part of the LHAP).
2. Limited repair addresses up to two systems within the dwelling and are necessary for long term preservation and/or maintenance of structural integrity as 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. Accessibility improvements for persons with disabilities
 - g. Mitigation to reduce or eliminate long term risk to people and property by hardening housing structures in order to lessen the impact of natural disasters (for example: flooding and hurricanes)
3. 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.
4. With the Department Director's approval, up to an additional \$15,000 may be utilized for construction to address unforeseen safety, health, and code issues.

I. Repairs:

1. Repairs in Fiscal Year 2021-2022 will be limited to a base amount of \$91,000 and then adjusted annually each

subsequent year based upon the Producer Price Index Commodity for construction materials from the Federal Reserve Economic Data or F.R.E.D. database (Base amount and annual adjustment are subject to approval as part of the LHAP).

2. 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. Accessibility improvements for persons with disabilities
 - g. Mitigation to reduce or eliminate long term risk to people and property by hardening housing structures in order to lessen the impact from natural disasters (for example: flooding and hurricanes)
 - h. Repairs-priority may be provided to those who can show an emergency need that affects the immediate livability in the home. The maximum amount allowed for emergency repairs is \$59,000. The chosen vendors are among a pool that the purchasing department has already approved for the fiscal year. Three quotes will be obtained from the pool of approved vendors and the lowest bid will be awarded the project. If a homeowner has been assisted with emergency repairs due to a natural disaster they must wait five years before requesting further repair assistance.
 - i. 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.
 - j. With the Department Director's approval, up to an additional \$50,000 may be utilized for construction to address unforeseen safety, health, and code issues.

J. Rehabilitation:

1. Rehabilitation in Fiscal Year 2021-2022 will be limited to a base amount of \$127,000 and then adjusted annually each subsequent year based on the Producer Price Index Commodity for construction materials from the Federal Reserve Economic Data or F.R.E.D. database (Base amount and annual adjustment are subject to approval as part of the LHAP).
2. 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.
3. 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.
4. Eligible rehabilitation activities are as follows:
 - a. Existing Housing Code Violations — The correction of existing housing code 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 are acceptable if there is no such equipment in the dwelling or if the existing equipment is unsafe, unsanitary, or non-functional.
- f. **Accessibility** - Costs related to making the dwelling accessible for persons with disabilities. 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. **Mitigation** - Costs associated with reducing or eliminating long term risk to people and property by hardening housing structures in order to lessen the impact of natural disasters (for example: flooding and hurricanes).
- j. **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.

- k. Plans - All Plans identified and determined necessary in the work-write up completed by the assigned Housing and Human Services Department inspector.
- l. Filing Fees and other associated soft costs - i.e. title searches, storage, lodging, insurance, etc.
- m. Environmental requirements - all costs associated with the environmental review and possible mitigation.
- n. With the Department Director's approval, up to an additional \$50,000 may be utilized for construction to address unforeseen safety, health, and code issues.

K. Reconstruction Housing:

Reconstruction will be limited to a base amount of \$260,000 and then adjusted annually each subsequent year based on the Producer Price Index Commodity for construction materials from the Federal Reserve Economic Data or F.R.E.D. database (Base amount and annual adjustment are subject to approval as part of the LHAP).

- 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 aid 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 need 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 another 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.

L. 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.

M. 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.

N. Work write-ups and cost estimate:

1. The work write-up and cost estimate are 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.

O. 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.

P. 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 is 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.

Q. 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 thirty 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 emergency repairs, when a single trade is needed to do the emergency repair, a pool of licensed and insured contractors as approved by the Department can be used to obtain three written quotes.
 - 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 may be removed from the contractor list for a minimum period of one 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.

R. 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 themselves 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 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 or more projects within the agreed upon timeframe, inclusive of approved time extensions, within a twelve-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 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 is 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.

S. 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.

T. 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 the scope approved by the project inspector and signed by both owner and contractor. Non-adherence may result in suspension or debarment from the housing program.

U. 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 \$50,000.
 - 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 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 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 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 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 \$50,000. 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 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 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 Department Director's approval.

V. 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 contractor 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.

W. 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:

1. Additional lodging and storage costs as invoiced, plus the sum of fifty dollars 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.
2. 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 \$50. 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.
 - a. 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.

3. The amount of liquidated damages set forth above or as negotiated between the Department and the Contractor shall be assessed cumulatively.
4. The amount of liquidated damages recovered shall be deducted from the Owner's mortgage assistance.

X. 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.

Y. 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.

Z. 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.

AA. 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.

BB. Follow-up:

The Department will perform random reviews of homeowner's insurance, flood insurance (if applicable), and the Brevard County Property Appraiser's website checked to ensure that all insurance requirements are met and the property remains the primary residence of the eligible homeowner.

CC. 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.

DD. Satisfaction of Mortgage:

1. 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.
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 be accepted 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).

EE. Appeals:

Any Applicant or client wishing to 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 Advisory Committee.

IV. RESERVATION OF AUTHORITY

The authority to issue and/or revise this policy is reserved to the Board of County Commissioners.



Rita Pritchett, Chair
Brevard County Board of County Commissioners

ATTEST:



Rachel M. Sadoff, Clerk

Approved by the Board FEBRUARY 7, 2023



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

April 24, 2024

MEMORANDUM

TO: Ian Golden, Housing and Human Services Director

RE: Item F.5., Approval of Housing and Human Services Purchase Assistance Program Policy for the State Housing Initiative Partnership (SHIP) Program

The Board of County Commissioners, in regular session on April 23, 2024, approved and authorized the Chair to execute Housing and Human Services Department's Purchase Assistance Program Policy (HS 007) for the State Housing Initiative Partnership Program. Enclosed is a fully-executed Policy.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK


Kimberly Powell, Clerk to the Board

/tr

Encl. (1)

cc: County Manager

11

HOUSING & HUMAN SERVICES DEPARTMENTAL POLICY

	NUMBER:	HS-007-SHIP
TITLE:	Brevard County Purchase Assistance Program Policy	CANCELS: April 25, 2017
	APPROVED:	April 23, 2024
	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 Purchase 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 at or below 140% (as long as SHIP set asides have been met) 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 childcare, 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 non-performance;
 - 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 5 to 10 year 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 for-profit or 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 first-time homebuyer is an individual who meets the criteria as defined in IRS Tax Code 12 USC 1701x (9) Definitions H:
- An individual and his or her spouse who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the home pursuant to which counseling is provided;
 - An individual who is a displaced homemaker who, except for owning a residence with his or her spouse or residing in a residence owned by the spouse, meets the requirements of clause;
 - Or a single parent, who except for owning a residence with his or her spouse or residing in a residence owned by the spouse while married, meets the requirements of clause.
(For the purpose of the program a "Home" is considered a conventional home, condominium, 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, partner, 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.** Housing Counselor - A housing counselor is a professional who provides advice and guidance to individuals and households in order to assist them in improving their housing situation and meeting the responsibilities of tenancy and homeownership.
- R.** HUD – U. S. Department of Housing and Urban Development.
- S.** HUD-Approved Housing Counseling Agency – is a private and/or public nonprofit organization that is exempt from taxation under section 501 (a) pursuant to section 501 (c) of the Internal Revenue Code of 1996, 26 U.S.C. 501(a) and 501(c), and approved by HUD, in accordance with this Handbook and 24 CFR 5 214, to provide housing counseling services to clients directly, or through their affiliates or branches, and which meet the requirements set forth in this part.
- T.** Income – Projected annual income established in compliance with SHIP regulations.
- U.** Lender - The secured creditor or creditors named in the debt obligation and document creating the lien.
- V.** 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.
- W.** 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)

- X.** 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.
- Y.** Pre-Purchase Housing Counseling-HUD Rule (12 U.S.C. 1701 x) establishes that buyers receive counseling from HUD certified counselors employed by HUD-approved Housing Counseling agencies.
- Z.** 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.
- AA.** Qualified Mortgage: To ensure responsible lending, the senior Mortgage must be a Qualified Mortgage under the requirements from the Consumer Protection Financial Bureau (CFPB) outlined in 12 CFR 1026.43(e). Qualified Mortgages, among other features, limit total points and lender fees to reasonable levels. Qualified Mortgages also strictly limit pre-payment penalties and contain many other features intended to protect consumers.
- BB.** 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.
- CC.** Repayable Loan – a zero percent interest loan to an eligible Household that is repaid over a 60 month period. The Household has an option to repay the loan at any time within the 10 years lien period without prepayment penalty. Defaulted loans may be subject to interest penalties.
- DD.** SHIP – State Housing Initiatives Partnership Program administered by the Florida Housing Finance Corporation.
- EE.** Standard Housing Code – Minimum standards for basic equipment and facilities for all buildings intended for occupancy by owner-occupants. Adopted standards are prepared by HUD: Housing Quality Standards and the Southern Building Code Congress International, Inc. and adopted by the Board of County Commissioners. This is also the minimum standard for rehabilitation performed with HOME Program Funds.
- FF.** Subordination – the process of placing, ranking, or positioning a mortgage as secondary to the primary mortgage. The Purchase Assistance Program will remain in first, second or third position.

- GG.** Satisfaction – a document recorded with the Clerk of Court removing lien(s) from the property.
- HH.** Underwriting- Determining a borrower's ability and willingness to repay a mortgage debt to limit the probability of default and collection actions and examine the property offered as security to determine if it is sufficient collateral.

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 Citizen Participation Plan and Local Housing Assistance Plans.

B. Eligibility

1. Must be a homebuyer as defined by the IRS, an individual and/or spouse who has had no ownership in a principal residence during the 3 year period ending on the date of purchase of the property.
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 140% 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 Pre-Purchasing Counseling 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 \$15,000. 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. Households with a tenant under a sublease agreement must include the net income from the leasee in the total household income for SHIP Program assistance.
11. Ineligible Applicants will be counseled on the Department approved Appeal Procedure.

12. Applicants determined to be ineligible due to falsification of application will be disqualified from the Program for two years.
13. Applicants may be assisted only **one** time for the Purchase Assistance Program.

C. ELIGIBLE PROPERTY

1. Property must be located within unincorporated Brevard County and municipalities included in the Interlocal Cooperation Agreement.
1. Property must be owner occupied or vacant.
2. New or existing property to include lot not to exceed 90% of the Area Median Purchase Price, as provided by Florida Housing Finance Corporation. New or existing property may not exceed Maximum Purchase Price limits established by the U.S. Department of Housing and Urban Development.
3. 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.
4. 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

1. Manufactured homes or mobile homes are ineligible for the program.
2. 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 (81-140% AMI) income households. Assistance for those applicants at 121-140% AMI will be contingent on approval of LHAP. Funding for the program is allocated by the SHIP. The SHIP Program regulations require all agencies receiving monies use Section 8 program income definitions and guidelines.

F. MARKETING

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.

On an annual basis, the County will review its marketing efforts to assess strategy effectiveness.

G. AVAILABLE ASSISTANCE

INCOME LEVEL	ASSISTANCE	LIEN TERMS
<u>0% - 50% Median Income</u>	<u>\$75,000</u>	15 year forgivable mortgage
<u>51-80% Median Income</u>	<u>\$60,000</u>	15 year forgivable mortgage
<u>81%-120% Median Income</u>	<u>\$45,000</u>	10 year mortgage
<u>121% - 140% Median Income</u>	<u>\$30,000</u>	10 year 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.

H. LOAN ASSISTANCE

1. 121% to 140% Median Income Level

Assistance is provided in the form of a loan made over a 10-year period at zero percent interest. The loan must be repaid in full in accordance with the recapture guidelines as defined in Florida Statute 420.9075 (5) (i) 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. The loan will be satisfied upon satisfactory completion of the lien terms. Future assistance from any of the Department's programs is prohibited until any outstanding debt is paid or the default is cured.

2. 0% to 120% Median Income Level

Assistance provided is in the form of a forgivable deferred loan at a zero percent interest rate. The loan must be repaid in full in accordance with the recapture guidelines as defined in Florida Statute 420.9075 (5) (i) 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 LHAP approved activities. 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 80% of median income must provide a minimum of \$500 of their own funds for down payment and closing costs. Households 81% to 120% of median income must provide a minimum of \$1,000 for down payment or closing costs, and 121%-140% must provide \$2000 for down payment assistance.

J. INTAKE/ASSESSMENT

Applications are processed in a first ready, 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. PRE-PURCHASE COUNSELING/HOME BUYER WORKSHOP

1. Attendance and completion of the designated Brevard County Pre-Purchase Counseling/Homebuyer 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 Pre-Purchase Counseling/Homebuyer 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 Pre-Purchase Counseling/Homebuyer 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 unincorporated Brevard County, and those municipalities included in the Interlocal Cooperation agreement. 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 follow Standard Housing Code Standards. Inspection of the property will only be performed if all utilities are turned on. The roof must have a minimum five (5) year life expectancy 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, resale 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 construction term and lien.
3. The requirements within a commitment letter will be later bound by a mortgage lien placed on the property. The mortgage shall not incur interest, if no default occurs.
4. The length of the mortgage period is determined by the total amount of funding used for down payment and closing cost assistance.
5. **DEATH OF 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) and provided that the individual can establish proof of residency.
 - 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, the Lender shall declare the Borrower's estate to be in default, and will require repayment of the mortgage balance. Repayment shall occur within ninety days of the declaration of default, or at the time the property is refinanced, sold, or transferred, whichever is soonest.

- b. If within 180 days an eligible family member submits a written request to the Lender 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 the Lender.
 - i. If the Property does not have to undergo Probate, the family member shall have ninety days to assume the mortgage. If ninety days pass and the family member has not assumed the mortgage and note, Lender shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety 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 days from the date of acquiring clear title to the property, and have been determined income-eligible by the Lender, to assume the mortgage. If ninety days pass and the family member has not assumed the mortgage and note, the Lender shall declare a default and will require repayment of the mortgage balance. Repayment shall occur within ninety days of the declaration of default, or at the time the Property is refinanced, sold or transferred, whichever is soonest.
- c. The Housing and Human Services Department Director will have the ability to waive the 180 day requirement as referenced in Sections a. and b. due to extenuating circumstances.

- 6. **DEFAULT OF THE BORROWER.** In the event the County declares a default and ninety days pass without repayment to the Lender, 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. Accrued interest plus the mortgage balance at the time of the Borrower's death shall not exceed the amount of the Promissory 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 PRIMARY LOANS or QUALIFIED MORTGAGES and LOAN UNDERWRITING EXPECTATIONS

Underwriting for a loan or mortgage reevaluates the riskiness of a proposed deal or agreement. For a lender, the risk is of default or non-payment. The underwriter assesses income, liabilities (debt), savings, credit history, credit score, and more depending on an individual's financial circumstances. Mortgage underwriting typically has a "turn time" of a week or less.

1. FHA, VA, Conventional, Habitat for Humanity or other, fixed rate, Qualified Mortgages under the requirements of the Consumer Finance Protection Bureau (CFPB) outlined at 12 CFR 1026.43(e) 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. 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 6% of the loan amount.
5. Interest rates must be competitive and must not be a "Higher Priced" loan as defined by Consumer Finance Protection Bureau. Higher priced loans are those that exceed the Average Prime Offer Rate by more than 1.5% as of the date of the loan's rate lock.

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) or Closing Disclosure 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.

2. Copies of all documents signed at the closing must be forwarded to the Brevard County Housing & Human Services Department within 21 days.
3. 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, assist a household in alleviating generational poverty (for example, college expenses or technical or vocational training), or catastrophic medical expenses (for the lien holder or immediate 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. Low and Very Low income homeowners assisted under previous versions of this policy with amounts less than \$20,000.00 and lien terms exceeding those defined in Section III G. may be satisfied if subordination requests are received that increase the affordability of the home and no cash out is requested.

Q. SATISFACTION OF MORTGAGE

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.

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).

R. FOLLOW-UP

Annually a sampling of case files will be pulled for monitoring. The local property appraiser's site will be checked to ensure that the client is listed as owner. If the property appraiser's site does not list the client as owner, the homeowner will be sent a certified letter requesting proof of residency.

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.



Jason Steele, Chair

Brevard County Board of County
Commissioners

Approved by the Board on April 23, 2024

ATTEST



Rachel Sadoff, Clerk