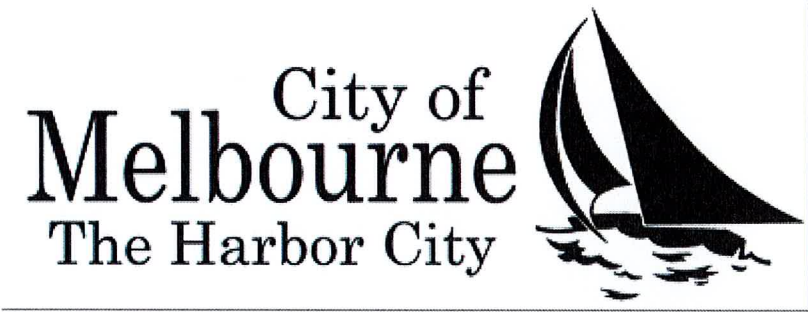


City of Melbourne



SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2022-2023, 2023-2024, 2024-2025

Amendment 4/5/2023

Amendment 12/19/2024



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I. Program Details:

A. LG(s)

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

B. Purpose of the program:

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

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

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

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

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

G. Public Input: Public input was solicited from 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. Waiting List/Priorities: The City of Melbourne residents requiring housing repair assistance will be encouraged to complete an application for assistance. The City has an established waiting list; as funding is available, households from this list will be contacted to completed the application for SHIP assistance. Application must be 100% complete for eligibility to be determined. Additional information may be requested upon review to determine program eligibility. Applications will be placed in first qualified, first served order and separated based on strategy. Eligible homeowners will be assisted on a first served basis with the



following priorities: first priority will be given to Special Needs households as defined by Chapter 67-3(1), F.A.C. these applicants will further be ranked with priority given to very-low, then low, then moderate income groups. After serving Special Needs households sufficient to meet set-asides for the funding year, all other applicants deemed eligible will be considered equally with priority given to very-low, then low, then moderate income groups.

The following priorities for funding (very low income, Special Needs as defined in 420.0004 (13), etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:

All applications are accepted on a first qualified/first served basis. Ranking Priority:

1. Special Needs Households
 - a. Very low
 - b. Low
 - c. Moderate
2. After Special Needs set-asides are met
 - a. Very low
 - b. Low
 - c. Moderate

Exceptions will only be taken if necessary to meet a statutory requirement close to the expenditure deadline.

- 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 through qualified HUD approved agencies.
- 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	City of Melbourne	10%
Third Party Entity/Sub-recipient		

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are*



considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

- S. Project Delivery Costs:** In addition to the administrative costs listed above item Q, the City of Melbourne will charge a reasonable project delivery cost performed by non-City employees for rehabilitation projects. The fee will not exceed 2% of the contracted SHIP award and will not be included in the amount of the recorded mortgage and note.
- T. Essential Service Personnel Definition (ESP):** Defined in accordance with Chapter 67-37.002(11) and 67-37.005(10) F.A.C. and §420.9075(3)(a), F.S. means all persons who contribute to the growth and well-being of the City. For purpose of SHIP funding, the City of Melbourne considers the following groups as ESP: any person employed by the education, governmental and human service agencies; health care personnel; public safety personnel; any skilled building trade personnel and food service personnel.
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** In accordance with the Energy Efficiency Objective and supporting policies set forth in the City's utilities and insurance: (i) by incorporating best practice recommended by the Florida Solar Energy Center into the City's Minimum Rehabilitation Standards for use in the Housing Rehabilitation Strategy, and (ii) by incorporating windstorm retrofit improvements into full-scale housing rehabilitation project.
- V. Describe efforts to meet the 20% Special Needs set-aside:** The City of Melbourne will utilize at least 20% of funding to assist persons meeting the State of Florida definition of special needs as defined by §420.0004(13), Chapter 67-37.002(21) F.A.C. The City works with non-profits housing agencies serving the designated special needs population. Prioritizing funding will be for the Homeowners with special needs for the Homeowner Occupied Rehabilitation Strategy.
- W. Describe efforts to reduce homelessness:** The City of Melbourne promotes collaboration and partnership among local social service organization, community-based and faith-based organization as a primary way to address local needs and issues more effectively. Local homeless agencies are encouraged to refer persons living in transitional housing to apply for assistance under the City-funded homebuyer assistance programs and rental housing programs. The City of Melbourne is a member of the Brevard Homeless Coalition (BHC), the lead agency of the Brevard County Continuum of Care (BHC), a 501(c)(3) with an independent board of directors that represents a cross section of advocates supporters. Using general funds dollars, the City funds Case Management Service of \$50,000 to locate and work with homeless persons and families that need and want to get off the street and into housing.



Section II. LHAP Strategies:

A. Owner Occupied Rehabilitation	Code 3, 6
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a. Summary: This Strategy provides for the repair of existing homes, which are in substandard condition. Repairs must be prioritized in the following order: (i) to address code violations, (ii) to undertake, windstorm retrofit improvements, and (iii) to incorporate energy efficiency and green housing related repairs for sustainability and greater affordability, including but not limited to, window and door sealing/repair/replacements, HVAC repair/replacement, water saving fixtures, energy-star appliances, and use of environmentally safe paints, and primers. The Strategy may also provide for emergency repairs to correct substandard components of existing homes in otherwise adequate condition and/or to make accessibility improvements or modifications in home that are in otherwise livable condition.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$95,000
- e. Terms:
 1. Repayment loan/deferred loan/grant: Award as deferred payment loan secure by a note and mortgage.
 - Emergency Repair \$20,000
 - Rehabilitation/Repair \$95,000
 2. Interest Rate: 0%
 3. Years in loan term:
 - Under \$20,000 will be provided as a grant
 - \$20,001-\$50,000 10 Years
 - \$50,001-\$95,000 15 Years
 - Over \$95,000 20 Years
 4. Forgiveness:
 - 10 Years 10% Per Year
 - 15 Years 6.67% Per Year
 - 20 Years 5% Per Year
 5. Repayment: No repayment as long as the loan is in good standing.
 6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner



- Loss of Homestead Exemption
- Upon sale or transfer of title
- Property is vacated and no longer the primary residence of the borrower
- Property is converted in to rental unit
- In the event of the borrower’s death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).

f. Recipient/Tenant Selection Criteria: Eligible applicants will be approved for assistance on a first qualified, first served basis subject to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5) (2). In compliance with established City policy as set forth below other selection, criteria are as follows:

1. Applicants must have a fee simple title to the property.
2. Applicant’s principal residence must be a single-family home located within the city limits of Melbourne.
3. First time applicants will be given priority over previously assisted persons. Exceptions may be made for eligible property owners in cases where living conditions threaten the personal health and safety of the household.
4. Applicants must be in good standing with the City (e.g. City utility accounts and property taxes must be current, and property must be free of code enforcement violations or any other assessments unless owner is engaged in process of paying off any such obligations).
5. Applicants must own and occupy the assisted home as their primary residence as evidenced by a homestead exemption (or eligibility for homestead exemption) on the assisted property.
6. The homeowner will select an approved contractor from those whose proposals meet, or which can be modified to meet bid requirements, and the satisfactory review of City staff.

g. Sponsor Selection Criteria: N/A

h. Additional Information: This strategy supports the goals, objective and policies set forth in the housing Element of the City’s Comprehensive Plan. SHIP funds will be leveraged with any rebates available for green initiatives. Applicants must be the owner-occupant of the property as established by eligibility of the State Department of Revenue Property Tax Homestead Exemption, the applicant must be current on their current mortgage, must be current with their city utility accounts and property taxes, and have no code enforcement liens of any other assessments.

B. Demolition /Reconstruction	Code 4
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a. Summary: This Strategy provides for funds to replace single-family homes, when upon inspection the home is found in substandard condition and where estimated cost of making the needed replacement and repairs is greater than or equal to (75%) of the estimated cost of new construction square foot based on the State of Florida Building Commission.

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



- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$107,000
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: Awarded as deferred payment loan secured by a note and mortgage.
 - Lifetime Maximum \$107,000
 - 2. Interest Rate: 0%
 - 3. Years in loan term:
 - Under \$20,000 will be provided as a grant
 - \$20,001-\$50,000 10 Years
 - \$50,001-\$95,000 15 Years
 - Over \$95,000 20 Years
 - 4. Forgiveness:
 - 10 Years 10% Per Year
 - 15 Years 6.67% Per Year
 - 20 Years 5% Per Year
 - 5. Repayment: No repayment as long as the loan is in good standing.
 - 6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner
 - Loss of Homestead Exemption
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted in to rental unit
 - In the event of the borrower's death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).
- f. Recipient Selection Criteria: Eligible applicants will be approved for assistance on a first qualified, first served basis subject to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5)(e)(2). In compliance with established City policy as set forth below, other selection criteria are as follows:
 - 1. Applicant must have a fee simple title to the property; or.
 - 2. Applicant must own and occupy the home as his/her principal residence.
 - 3. The applicant's principal residence must be found to be substandard not suitable for rehabilitation under existing City programs administered by the Housing & Urban Improvement Division.



4. Applicant agrees to have the substandard home demolished. The choice/decision by the homeowner to demolish and replace their home must be totally voluntary.
5. Applicant’s newly constructed home must be of adequate size and meet all City Code requirements including the Florida Building Code. Determination of adequate size will be based on the number of persons in the household for whom the head of household and spouse (if applicable) are legally responsible.
6. Applicant must complete in a homebuyer education program approved by the City.
7. Applicant must be able to secure an affordable mortgage from an institutional first mortgage lender or be able to provide sufficient cash resources with which to pay for gap financing above the maximum award allowable. Other financing arrangements may be considered. In all instances, the City reserves the right to reject the financing terms of other lenders to protect its investment in the applicant’s property.
8. Applicant must select a qualified builder/Contractor approved by the City to build the new home.
9. Does not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest.

Applicants will be referred to this program after the City has determined that their current home is substandard and not suitable for rehabilitation.

- g. Sponsor Selection Criteria: N/A
- h. Additional Information: This strategy supports the goals, objective and policies set forth in the housing Element of the City’s Comprehensive Plan. SHIP funds will be leveraged with any rebates available for green initiatives. Applicants must be the owner-occupant of the property as established by eligibility of the State Department of Revenue Property Tax Homestead Exemption, the applicant must be current on their current mortgage, must be current with their city utility accounts and property taxes, and have no code enforcement liens of any other assessments.

C. Purchase Assistance with or without Rehabilitation	Code 1,2
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a. Summary: The Purchase Assistance Strategy provides down payment, closing costs, and housing rehabilitation funds to homebuyers purchasing homes within the City limits of Melbourne.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$47,500
- Very low-income \$37,500 \$47,500 (Max) with rehabilitation included
 - Low-income \$35,000 \$45,000 (Max) with rehabilitation included
 - Moderate-income \$27,500 \$37,500 (Max) with rehabilitation included

When used to purchase an existing home requiring rehabilitation, an additional amount up to \$10,000 is available for any combination of down payment, closing costs and rehabilitation. For a maximum of \$47,500 for very low-income, \$45,000 for low-income, and \$27,500 moderate-income.



e. Terms:

1. Repayment loan/deferred loan/grant: Awarded as deferred payment loan secured by a note and mortgage.
2. Interest Rate: 0%
3. Years in loan term:
 - Under \$15,000 5 Years
 - \$15,001-\$47,500 10 Years
4. Forgiveness:
 - 5 Years 20% Per Year
 - 10 Years 10% Per Year
5. Repayment: The mortgage constitutes a lien against the property for a fixed period. Upon expiration of such time period, if the homeowner has complied with the loan program the loan is forgiven and the mortgage is deemed satisfied. An owner disposing of an assisted unit prior to expiration of the lien period will also be required to pay the City a share of the net proceeds (if any) from the sale, proportional to the original amount of the SHIP assistance received based on the following formula:

$$\frac{\text{Percentage of Net Proceeds Due to City}}{\text{City Subsidy/Sale Price at the time of assistance}} \times 100\%$$

EXAMPLE: City Subsidy: \$12,500
Sale Price of home at the time of assistance: \$125,000
Percentage of net proceeds due: $\$12,500 / \$125,000 \times 100\% = 10\%$
Amount of net proceeds due to City when assisted property is sold
e.g. If net proceeds from the sale is \$25,000
Pro-rate share of net proceeds due to City $\$25,000 \times 10\% = \$2,500$

6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner
 - Loss of Homestead Exemption
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted in to rental unit
 - In the event of the borrower's death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).

In the event of non-payment or other default defined above, the City will follow its Housing Assistance Loan Repayment policies attached as Exhibit F.

- f. Recipient Selection Criteria: Eligible applicants will be approved for assistance on a first qualified, first served basis subject to funding availability and to maintain compliance with income-category reservations



set forth in §420.9075(5)(g)2. Housing counseling and completion of a City approved homebuyer education class is a requirement for all applicants of the program assistance.

- g. Sponsor Selection Criteria: One (1) eligible sub-recipient will be selected to implement the Purchase Assistance Program using criteria such as, but not limited to, the following:
 - 1. Eligible sponsors must be a not-for profit organization whose primary purpose is the provision of affordable housing.
 - 2. Eligible sponsors must have demonstrated capacity and experience to administer the program.
 - 3. Eligible sponsors must be able to operate the program from an office site located so as to be convenient to Melbourne residents.
 - 4. Eligible sponsors that hire personnel from the Welfare Transition Program or that have personnel currently on staff that were hired from the Welfare Transition Program will be given priority over those sponsors who do not employ personnel from those programs.
 - 5. The duties of the eligible sponsor may include but are not limited to identification and acquisition of properties, homebuyer application in-take, income certification, work-write up, and rehabilitation of the acquired property and project oversight.
- h. Additional Information: The SHIP funds will be leveraged with institutional first mortgage lender financing and the homebuyer's private sources of funding. To complement the Purchase Assistance Strategy, The City or an eligible sponsor will offer a HUD approved Housing Counseling/Homebuyer Education Program. Mandatory one-on-one counseling will include subjects such as credit report view, determination of housing and debt ratios and what price house an applicant can afford, as well as post-purchase counseling. A City approved homebuyer's education course is mandatory for receipt of assistance under the Purchase Assistance Strategy.

D. Homeownership-Purchase Assistance with Sweat Equity	Code 1,2
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a. Summary: The Purchase Assistance with Sweat Equity provides funds for the acquisition and rehabilitation of existing homes, or the construction of new homes within the City limits of Melbourne for very-low and low income homebuyers for which the first mortgage is held by a non-profit, non-institutional mortgage lender and homebuyers are required to contribute sweat equity (at least 250 hours, unless special circumstances require alternate arrangements that are acceptable to the sponsor and approved by the City.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$35,000
- e. Terms:
 - 1. Repayment loan/deferred loan/grant: Awarded as deferred payment loan secured by a note and mortgage.
 - 2. Interest Rate: 0%



3. Years in loan term:
 - Under \$15,000 5 years
 - \$15,000-\$35,000 10 years

4. Forgiveness:
 - 5 years 20% per year
 - 10 years 10% per year

5. Repayment: No repayment as long as the loan is in good standing.

6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner
 - Loss of Homestead Exemption
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted in to rental unit
 - In the event of the borrower's death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).

In the event of non-payment or other default defined above, the City will follow its Housing Assistance Loan Repayment policies attached as Exhibit F.

- f. Recipient/Tenant Selection Criteria: Eligible applicants will be approved for assistance by an eligible sponsor on a first qualified, first assisted basis subject to funding availability. Housing counseling and completion of a City approved homebuyer education class is a requirement for all applicants of program assistance. Preference will be given to first-time homebuyers.

- g. Sponsor Selection Criteria: One (1) eligible sponsor will be selected to implement the purchase assistance with Sweat Equity Program using criteria such as, but not limited to the following:
 1. Eligible sponsors must be a non-for-profit organization whose primary purpose is the provision of affordable housing.
 2. Eligible sponsors must have demonstrated capacity and experience to administer the program.
 3. Eligible sponsors must be able to operate the program from an office site located so as to be convenient to Melbourne residents.
 4. Eligible sponsors must hold the first mortgage and must require a sweat equity contribution from the homebuyer.
 5. Eligible sponsors that hire personnel from the Welfare Transition Program or that have personnel currently on staff that were hired from the Welfare transition Program will be given priority over those sponsors who do not employ personnel from those programs.
 6. The duties of the eligible sponsor may include but are not limited to identification and acquisitions of



properties, homebuyer application in-take, income certification, work-write up, and rehabilitation of the acquired property and project oversight.

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

E. Disaster Relief	Code 5, 16
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a. Summary: The Disaster Relief Strategy provides funds to households following a disaster or emergency declared by the President of the United States or Governor of the State of Florida. 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 repairs of existing wells where public water is not available ; (d) security deposit for eligible recipients that have been displaced from their homes due to disaster; (f) rental and utility assistance for eligible applicants; (g) mortgage and utility payment assistance for eligible applicants; (h) strategies include in the approved LHAP that benefit applicants directly affected under the Executive Order; (i) other eligible activities as proposed to and approved by Florida Housing.

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

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

- d. Maximum award: \$107,000

- Emergency repair: \$20,000
- Extensive Rehabilitation \$95,000
- Reconstruction \$107,000
- Monthly Mortgage Assistance \$2,500 Per Month
- Monthly Rental Assistance \$2,500 Per Month

- e. Terms:

1. Repayment loan/deferred loan/grant: Assistance will be in the form of a grant or a deferred loan secured by a note and mortgage.

2. Interest Rate: 0 %

3. Years in loan term:

- Under \$20,000 will be provided as a grant
- \$20,001-\$50,000 10 years
- 50,001-\$95,000 15 years
- Over \$95,000 20 years

4. Forgiveness:

- 10 years 10% per year
- 15 years 6.67% per year
- 20 years 5% per year



5. Repayment: No repayment as long as the loan is in good standing.
6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner
 - Loss of Homestead Exemption
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted in to rental unit
 - In the event of the borrower’s death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).

In the event of non-payment or other default defined above, the City will follow its Housing Assistance Loan Repayment policies attached as Exhibit F.

- f. Recipient/Tenant Selection Criteria: Eligible applicants will be approved for assistance on a first qualified, first served basis subjected to funding availability and to maintain compliance with income-category reservations set forth in §420.9075(5)(g) 2. In compliance with established City policy.
- g. Sponsor/Sub-recipient Selection Criteria: This strategy will be administered by the City of Melbourne Housing and Urban Improvement Division.
- h. Additional Information: This Strategy will be funded and implemented only in the event of an emergency or disaster declaration using any finds that have not been previously encumbered in existing strategies. Assistance is leveraged with applicants’ own sources of funds (e.g., insurance) and may be leverage with other federal and/or state emergency programs.

F. Special Needs Housing	Code 12
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a. Summary: To assist local non-profit sponsors in developing special needs housing for eligible clients through acquisition, rehabilitation, and / or new construction of suitable units. Special needs groups are defined by Florida Statute §420.0004 (13).

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, and low
- d. Maximum award: \$100,000
- e. Terms:
 1. Repayment loan/deferred loan/grant: Assistance to eligible sponsors under this strategy will be in the form of a forgivable loan and secured by a mortgage and note.
 2. Interest Rate: 0%



3. Years in loan term: 15 years
4. Forgiveness: Assistance provided will be forgiven upon maturity of the loan
5. Repayment: None required as long as the loan is in good standing.
6. Default: The loan will be in default if at any time prior to the end of the lien period if any of the following occurs during the loan term:
 - The property ceases to be the principal residence of the homeowner
 - Loss of Homestead Exemption
 - Upon sale or transfer of title
 - Property is vacated and no longer the primary residence of the borrower
 - Property is converted in to rental unit
 - In the event of the borrower's death, the estate of the borrower must provide written notice to the City Manager at least 60 days after the death of the borrower. If such notice is provided, unless prohibited by the funding source, acceptable alternative arrangements may be available, (see attached Exhibit F pg. 3 section VI. Alternative Arrangements).

In the event of non-payment or other default defined above, the City will follow its Housing Assistance Loan Repayment policies attached as Exhibit F.

- f. Tenant Selection Criteria: The units assisted under this strategy must be rented to income eligible persons who meet the definition of special needs as defined under 420.0004(13) F. S.
- g. Sponsor Selection Criteria: Eligible sponsors will be approved for assistance subject to funding availability, potential sponsors will be solicited through a competitive request for proposal process. Eligible sponsors will comply with statutory requirements, and the measure described below.
 1. Funds must be expended in the City of Melbourne
 2. Eligible sponsors must be not-for-profit organizations providing provision of affordable housing.
 3. Eligible sponsors must provide shelter or group homes to domestic violence victims, persons with developmental disabilities, the homeless, the elderly, disabled adults or similar populations.
 4. Eligible sponsors must have the demonstrated capacity and experience to administer the program. Successfully completed projects similar to those being developed and in a timely manner, thus demonstrating capacity to develop affordable housing.
 5. Eligible sponsors will provide case/management/counseling for eligible clients.
 6. The duties of the eligible sponsor may include, but are not limited to developing special needs housing for eligible clients through acquisition, rehabilitation, and/or new construction of suitable units and project oversight.
 7. Additionally the duties of the eligible sponsors may include, but are not limited to: identification and acquisition of properties, property inspections, work-write-up, contractor and/or subcontractor selection, construction project oversight, tenant application in-take, income certification, leasing and property management duties/arrangements.
- h. Additional Information: The award is for the total project for acquisition, rehabilitation, and / or new construction of suitable units.



G. Rental Development	Code 14,21
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a. Summary: The Rental Development Strategy provides funds to eligible sponsors for rehabilitation, new construction and/or acquisition of rental units within the City of Melbourne.

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

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

d. Maximum award: \$50,000 Per Unit

For profit developers will be required to contribute 50% of total development costs per unit from other sources.

e. Terms:

1. Repayment loan/deferred loan/grant: Assistance to eligible sponsors under this strategy will be in the form of a forgivable loan and secured by a note and mortgage.
2. Interest Rate: 0%
3. Years in loan term: 15 years
4. Forgiveness: Assistance provided will be forgiven upon maturity of the loan
5. Repayment: No repayment 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 during the loan term: sale, transfer or conveyance of property. One hundred percent (100%) of the funds must be repaid if, at any time during the lien period, the property is sold or transferred by the owners, unless the property is sold or transferred to an eligible non-profit organization approved by the City to continue serving the housing needs of the low-income persons. In addition, when the repayment requirement is triggered by sale (voluntary or involuntary), the City will share in the net proceeds from the sale of the property based on the ratio of the City's investment to the appraised value at the time of sale as follows:

$$\text{City share of net proceeds} = \text{SHIP subsidy/Sale price} \times \text{Net proceeds}$$

f. Tenant Selection Criteria: The units rehabilitated or constructed under this strategy must be rented to income eligible persons on a first-qualified, first-served basis.

g. Selection Criteria: Eligible Developers will be approved for assistance subject to funding availability, potential sponsors will be solicited through competitive request for proposal process. Eligible Developers will comply with statutory requirements, and the measure described below.

1. Developers who set-aside the highest percentage of units for very low-income households will receive preferential consideration for funding over those who set-aside a lower percentage of units.



2. Developer targeting persons with special needs, as defined in Rule Chapter 67-37(21), F.A.C., will be given priority over those who do not.
 3. Eligible not-for-profit sponsors will be given priority over for-profit sponsors.
 4. Developers who are receiving federal or state funds to finance their project will be given priority over sponsors who are not receiving such financing.
- h. Additional Information: The award is per unit for Rental Development sponsors for rehabilitation, new construction and /or acquisition of rental units.

H. Rental-Homeless Assistance	Code 13,23
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a. Summary: The Rental-Homeless Strategy provides funding for rapid rehousing/housing first initiatives for: (1) security and utility deposits assistance; and/or (2) rent subsidies for up to 12 months. The To be eligible for rent subsidies, the household receiving assistance must include homeless as defined in §420.621. Eligible utility deposits include only provider-mandated deposits for water, sewer, solid waste, electricity and gas.

- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, and low
- d. Maximum award: up to \$1,600 per month not to exceed 12 months (\$19,200)
- e. Terms:
 1. Repayment loan/deferred loan/grant: Assistance to eligible applicants under this strategy will be in the form of a grant and will not be subject to repayment.
 2. Interest Rate: N/A
 3. Years in loan term: N/A
 4. Forgiveness: N/A
 5. Repayment: N/A
 6. Default: N/A
- f. Recipient Selection Criteria: Eligible applicants are on a first qualified, first served basis. Funding of qualified applicants is limited to and contingent upon SHIP funds availability, with priority ranking for very low households (50% AMI or below).
- g. Sponsor/Sub-recipient Selection Criteria: N/A

Additional Information: The Rental-Homeless Assistance Strategy provides funding for rapid rehousing/housing first initiatives, the maximum award under this program is \$1,600.00 per month. The duties of the eligible sponsor will include, but are not limited to application in-take, income certification, case management/counseling,



verification of applicable lease terms, and payment to landlords and utility service providers.

III. LHAP Incentive Strategies

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

A. Name of the Strategy: **Expedited Permitting**

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

The Affordable Housing Advisory Committee recommends this expedited permit and plan review process continue.

Established Policy and Procedures: All allowable fee waivers provided for the development or construction of affordable housing.

City Code allows affordable housing projects to defer payment of transportation, water, sewer, recreation, and public facilities impact fees. The deferral amount increases based on moderate, low, and very low-income levels for which the housing units are provided. A recorded land use restriction agreement with the city determines when the deferred amount must be paid and requires the units to remain affordable during the timeframe. The non-deferred amount must be paid prior to certificate of occupancy.

B. Name of the Strategy: **Ongoing Review Process**

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

Established Policy and Procedures: Upon City Council's approval of Ordinance No. 2008-10, on March 25, 2008, the responsibility for review (prior to adoption) of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to adoption was transferred from the Building and Construction Advisory Committee to the newly formed Affordable Housing Advisory Committee. Whenever changes to development regulations are proposed, the Affordable Housing Advisory Committee will review them. Ordinance No. 2018-15 section 2-171 requires the committee to be comprised of one representative from at least six (6) of the eleven (11) categories, appointed by City Council pursuant to §420.9076(2)(a)-(k), Florida Statutes. The City accepts applications for board and committee membership on a continuous basis.

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

The Affordable Housing Advisory Committee recommends continuation of these impact fee deferrals.

C. Name of the Strategy: **Impact Fee Deferral**

Previous City code allowances provided for deferral of transportation impact fees on housing to be occupied by very low to moderate income homebuyers and on rental housing developed for very low to moderate income tenants. Ordinance No. 2019-18 adopted by City Council on March 26, 2019, extends eligibility for deferral of



all City impact fees to developers of any housing designated by the City as an Affordable Housing Project and would secure compliance with City requirements via deferral agreements and Land Use Restriction Agreements (LURAs).

Established Policies and Procedures: The allowance of flexibility in densities for affordable housing. Density allowance is designated by the Future Land Use category established in the City’s Comprehensive Plan. Additionally, City Code allocates a density allowance based on whether or not the property is located within an activity center. The City has designated activity centers to reflect the need to intensify and consolidate complementary land uses in strategic locations to prevent urban sprawl and encourage alternative transportation options.

D. Name of the Strategy: **Flexible Densities for Affordable Housing Projects.**

Established Policies and Procedures: The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.

The City’s concurrency evaluation system measures the potential impact of any proposed project or expansion to an existing project for which a development order is required, upon the established minimum acceptable level of service for a roadway, solid waste, potable water, drainage, wastewater treatment, schools, or park/recreation public facility or service. No final development order shall be approved unless adequate public facilities and services are available as determined by the concurrency evaluation.

E. Name of the Strategy: **Variable Design Standards for Affordable Housing.**

Established Policies and Procedures: Adopted by City Council Affordable Housing Projects requiring site plan or subdivision review and approval (not including individual single-family lots) are eligible for consideration of reduced minimal design standards. Affordable Housing Projects are eligible for consideration of the following minimal design standards in their site plans or subdivision plats during the review and approval process.

Affordable Housing Projects are eligible for consideration of the following minimal design standards in their site plans or subdivision plats during the review and approval process:

Based upon input from City Council at the September 29, 2021 meeting, staff is proposing an ordinance that will implement the following provisions to encourage affordable housing developments within the City of Melbourne. Part III, Appendix B, Article VI, Section 1 – Residential Uses:

- Allow an accessory dwelling unit on single-family residential lots with a minimum lot area of 14,520 square feet. Current code requires a minimum one-acre lot area in order to include an accessory dwelling unit.
- Remove required thresholds for a percentage of units in each income level. Currently, affordable housing standards require each development to designate 30% of units to very-low-income households, 30% for low-income households, and 40% to moderate-income households. Not all affordable housing developments provide units for each income range and most typically focus on one income range. The revisions do not require a percentage of dwelling units for each income range, but continue to require at least 30% of the units be at or below moderate-income households.



- A straightforward occupancy timeline is proposed for tracking each affordable housing development's progress by requiring 50% of the affordable units be constructed at 50% of the overall development completion. Current City Code requires 25% of the units be constructed at 40% build-out; 50% of the units at 60% build-out; and all affordable housing units completed at 80% build-out.
- Allow infill lots to utilize the affordable housing development standards within existing single-family residential neighborhoods. Currently, only residential subdivisions and multi-family developments are identified to utilize these development standards.
- Permit a decrease in the minimum living area for affordable single-family residential dwelling units. Specifically, the changes allow a one-bedroom home with a minimum living area of 550 square feet; a two-bedroom home with a minimum living area of 650 square feet; and a three-bedroom home with a minimum living area of 800 square feet plus 100 square feet for each additional bedroom. Currently, 1,000 square feet of living area is required.
- Allow a covered parking space with a minimum 100 square feet of interior storage area instead of requiring an enclosed garage for single-family affordable housing.
- Reduce building setbacks for affordable multi-family residential developments that increase depending on the height of the building. The original code change was not intended to keep multi-story setback requirements in place for affordable housing.
- Reduce the buffer/setback area from 50 feet to 30 feet between a new multifamily affordable housing development and abutting single-family lots, and instead of a masonry wall requirement between these developments, allow an opaque fence.
- Propose a minimum timeframe of 20 years to the Land Use Restriction Agreement (LURA).
- Allow one parking space for both efficiency and one-bedroom affordable housing dwelling units within multi-family developments. Currently one-bedroom units require 1.5 parking spaces per unit.
- Allow all parking spaces to be 10-feet-wide within affordable housing multi-family developments. Current code allows 80% of the parking spaces to be 10 feet wide when assigned to each dwelling unit, however, additional parking spaces must be provided for visitors. This code change allows 10 feet wide parking spaces, assigned or not, and would not require additional parking spaces for visitors.
- Remove the requirement for a Conditional Use for all multifamily uses in nonresidential districts.

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.
- F. Repayment Policies.

(Local Government name)

Fiscal Year: 2022-2023	
Estimated SHIP Funds for Fiscal Year:	\$ 558,784.00
Salaries and Benefits	\$ 50,378.41
Office Supplies and Equipment	\$ 1,833.33
Travel Per diem Workshops, etc.	\$ 1,833.33
Advertising	\$ 1,833.33
Other*	\$
Total	\$ 55,878.40
Admin %	10.00%
OK	

Fiscal Year 2023-2024	
Estimated SHIP Funds for Fiscal Year:	\$ 823,770.00
Salaries and Benefits	\$ 50,378.41
Office Supplies and Equipment	\$ 1,833.33
Travel Per diem Workshops, etc.	\$ 1,833.33
Advertising	\$ 1,833.33
Other*	\$
Total	\$ 55,878.40
Admin %	5.00%
OK	

Fiscal Year 2024-2025	
Estimated SHIP Funds for Fiscal Year:	\$ 823,770.00
Salaries and Benefits	\$ 50,378.41
Office Supplies and Equipment	\$ 1,833.33
Travel Per diem Workshops, etc.	\$ 1,833.33
Advertising	\$ 1,833.33
Other*	\$
Total	\$ 55,878.40
Admin %	5.00%
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**

City of Melbourne affirms that funds allocated for these fiscal years will *(local government)* meet the following deadlines:

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

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

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

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

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

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

Other Key Deadlines:

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

**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Local Government or Interlocal Entity:

City of Melbourne

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).

Witness

Witness

Date

OR



Attest: Kevin McKeown, City Clerk

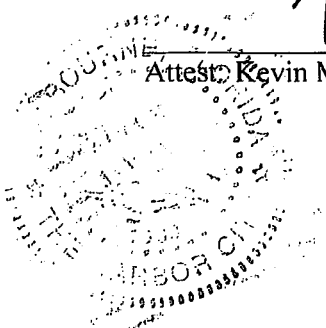


Chief Elected Official or designee

APR 21 2022

Shannon M. Lewis, City Manager
Type Name and Title

(Seal)



RESOLUTION NO. 4087

A RESOLUTION OF THE CITY OF MELBOURNE, 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; MAKING FINDINGS; AUTHORIZING AND DIRECTING THE CITY MANAGER 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; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR ADOPTION.

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

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

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

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

WHEREAS, as required by Section 420.9075, Florida Statutes, it is found that five

percent of the local housing distribution plus five 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 ten percent of the local housing distribution plus five percent of program income deposited into the trust fund, except that small counties, as defined in Section 120.52(19), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to ten percent of program income for administrative costs; and.

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

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

BE IT RESOLVED BY THE CITY OF MELBOURNE, FLORIDA:

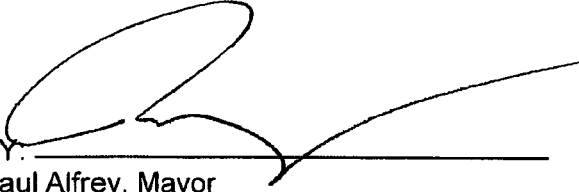
SECTION 1. That the City Council hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto, for submission to the Florida Housing Finance Corporation as required by Section 420.907 – 420.9079, Florida Statutes, for fiscal years 2022-2023, 2023-2024, and 2024-2025.


SECTION 2. That the City Council hereby approves use of up to ten percent of the local housing distribution plus ten percent of program income for administrative expenses.

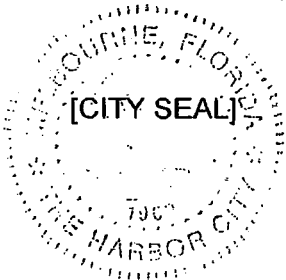
SECTION 3. That the City Manager is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said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

SECTION 4. That this resolution shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 5. That this resolution was duly adopted at a regular meeting of the City Council on the 12th day of April, 2022.

BY: 
Paul Alfrey, Mayor

ATTEST: 
Kevin McKeown, City Clerk



Attachment: Local Housing Assistance Plan

Resolution No. 4087

Exhibit F
City of Melbourne
Housing Assistance Loan Repayment Policies

I. Purpose

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

II. Background

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

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

III. Definitions

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

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

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

IV. Violation of Mortgage Arising from Ownership and Occupancy

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

Exhibit F

A. Borrower-Occupied Transfer of Title

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

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

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

B. Failure to Reside on Property

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

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

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

C. Refinancing

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

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

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

D. Violation Under the Terms of a Mortgage

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

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

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

V. Repayment

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

VI. Alternative Arrangements

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

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

VII. Loan Modification

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

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

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

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

VIII. Subsequent Owner

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

IX. Complaints and Appeals

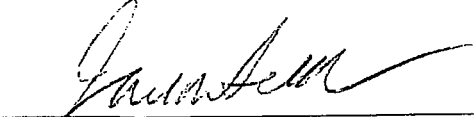
Any complaint arising from the application of this policy shall be submitted within 60 days of the underlying action and in writing directed to the Housing and Community Development Director. City staff of the Housing and Community Development Department will assist in identifying the issues underlying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

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

VI. Effective Date

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

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



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

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