

RESOLUTION R-14-026

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS
OF MANATEE COUNTY, FLORIDA, AMENDING RESOLUTION R-
10-096 TO PROVIDE FOR REVISIONS TO THE HOUSING
PROGRAM INTERNAL POLICIES DOCUMENT.**

WHEREAS, evolving market conditions require a review of existing housing program internal policies; and

WHEREAS, a review of current policies called for the changes set forth in the attached document; and

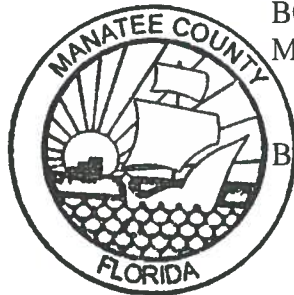
WHEREAS, adoption of these policy changes is in the best interest of the citizens of Manatee County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Manatee County, Florida that:

1. The Board of County Commissioners adopts the attached Revised Housing Program Internal Policies.
2. The County Administrator or designee is authorized to execute all necessary documents which may be required in connection with the revised policy outlined in the attached Housing Program Internal Policies.

ADOPTED, with a quorum present and voting this 11th day of March, 2014.

BY AND THROUGH ITS
BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA



BY:

Larry Bustle

Larry Bustle
CHAIRMAN

ATTEST: R. B. SHORE
CLERK OF CIRCUIT COURT

BY: _____

A large, handwritten signature in black ink, appearing to be "R. B. Shore", is written over a horizontal line.

HOUSING PROGRAM INTERNAL POLICIES

MORTGAGE SUBORDINATION:

POLICY: SH.08.1
HM.12.1
CD.12.1

Subordination of SHIP mortgages liens will be allowed under the following conditions:

- 1) The original borrower continues to own and occupy the home as its primary residence and has lived in the property for at least 1 year prior to requesting subordination.
- 2) New first mortgage may not exceed existing amount of first mortgage and reasonable closing costs and the amount for home repair or property improvements, if applicable.
- 3) For home repairs, lender must escrow amount necessary for proposed repairs or improvements and disburse directly to contractor.
- 4) Will not subordinate to the following types of loans: 1) Balloon mortgages; 2) Negative Amortized Loans; 3) Interest Only; 4) Reverse Mortgages; 5) Open End Lines of Credit Mortgages; 6) Mortgage loans with rate in excess of $\frac{3}{4}\%$ over FNMA or FHLMC 60 day delivery rate as of lock-in date; 7) Cash out/debt consolidation transactions.

Signature Authority: County Administrator or Designee.

Effective Date: Retroactive to and including 1992 SHIP Funding Year.

MODIFICATION:

POLICY: SH.08.2
HM.12.2
CD.12.2

Allow for modification of Mortgage amount when the total construction cost amount is less than the amount shown on the recorded Note and Mortgage (Rehabilitation and Replacement Projects). Also allow for Principal Payment Reductions with Modification of Mortgage on principal payments with a maximum consideration of two principal reductions per year (Deferred Loans Only).

Signature Authority: County Administrator or Designee.

Effective Date: Retroactive to and including 1992 SHIP Funding Year.

FIXED RATE LOANS:

POLICY: SH.08.3
HM.12.3
CD.12.3

For SHIP assisted properties participating in Manatee County's Downpayment Assistance Programs, the first mortgage must be held by a mortgage lender and the first mortgage must be a fixed rate loan with an interest rate not to exceed $\frac{3}{4}\%$ over FNMA or FHLMC 60-day delivery rate as of lock-in date or the current interest rate established for various bond programs. Arm loans, prepayment penalty loans, negative amortization or balloon loans are not allowed.

Effective Date: FY 2008-2009 SHIP Funding Year.

RELEASE OF LIEN:

**POLICY: SH.08.4
HM.12.4
CD.12.4**

Allow Release of Lien on matured Mortgages (loans which have reached the end of their term life).

Signature Authority: County Administrator or Designee.
Effective Date: Retroactive to and including 1992 SHIP Funding Year.

ASSUMPTIONS:

**POLICY: SH.08.5
HM.08.1
CD.12.5**

Assumption of mortgages under Manatee County's Local Housing Assistance Plan will be allowed under the following conditions:

- 1) the valid devise of the property to an income eligible spouse (no minor child of the decedent),
- 2) the descent of the ownership of the property to an income eligible spouse,
- 3) the descent of a life estate of the property to an income eligible spouse,
- 4) the descent of the ownership of the property to an income eligible heir(s),
- 5) the mortgagor gives a deed in lieu of foreclosure to the priority lenders who then resells the property to an income eligible household,
- 6) the heirs of the property all deed their interest in the property to a income eligible household.

Signature Authority: County Administrator or Designee.
Effective Date: Retroactive to and including 1992 SHIP Funding Year.

TITLE COMPANY:

**POLICY: SH.08.6
HM.08.2
CD.12.6**

Require the obtaining of title policies for properties assisted under Manatee County's Rehabilitation and Replacement programs. Authorize staff to employ the use of title companies to process for title searches, title insurance and the performance of closings on behalf of Manatee County to insure clear title conveyance and safe and secure title position on Rehabilitation and Replacement projects.

CONVEYANCE OF COUNTY OWNED LAND/RESIDENTIAL PROPERTIES:

**POLICY: SH.08.7
HM.08.3**

Authorize staff to work with the County Attorney's office to develop a resolution for the acceptance of applications/requests for the development and conveyance of certain County-owned land/Residential properties for affordable housing by for-profit organizations and community based non-profit organizations.

Effective Date: In conjunction with approval of Manatee County 2009-2012 LHAP and in accordance with Ordinance 05-30 08-44.

DIRECTOR APPROVAL

POLICY: SH.08.8 The County Administrator, or designee, is hereby authorized to
 HM.08.4 approve and execute funding agreements, associated Land Use and
 CD.12.7 Deed Restriction agreements, and authorize payments up to the
 maximum allowable funding for State SHIP, Federal HOME and
 Federal CDBG program activities as approved and adopted by the
 Board of County Commissioners in the Manatee County's Local
 Housing Assistance Plan and Consolidated Plan.

REHABILITATION/REPLACEMENT HOUSING PROGRAM

POLICY: SH.08.9 In the determination of eligible properties under the
 HM.08.5 SHIP/HOME/CDBG Housing Rehabilitation Program and
 CD.12.8 ~~SHIP/HOME~~ Housing Replacement Program, the existing mortgage
 lien may not exceed 200% ~~150%~~ of the current total just value as
 determined by Manatee County's Property Appraiser Office.
 Rehabilitation shall be defined as repairs to correct substandard
 conditions, eliminate code violations, upgrade major systems and
 make general property site improvements to improve the health,
 safety and welfare of the occupants when the total amount for
 rehabilitation does not exceed 50% of the total just value (as
 established by the Manatee County Property Appraiser's office) in
 accordance with the Manatee County Building/Residential Code for
 rehabilitation of existing structures. All structures requiring more than
 50% of the value of the structure for rehabilitation shall be determined
 as unfeasible for rehabilitation and considered eligible for the
 replacement housing program. Replacement shall be defined as
 demolition of an unsafe single family structure as defined and
 categorized by the Unsafe Structure Checklist and/or Manatee County
 Building/Residential Code and Unsafe Structure Ordinance and
 construction of a single family residential structure.

*Effective Date: In conjunction with approval of Manatee County 2009-
2012 LHAP, 2012-2015 LHAP and in accordance with Ordinance 08-
44.*