



**CITY OF TITUSVILLE  
NEIGHBORHOOD SERVICES**

**HOUSING REPAIR PROGRAMS  
POLICY AND PROCEDURE GUIDELINES**



*Effective January 2025*

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## PURPOSE AND INTRODUCTION

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

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

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

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

The housing programs described herein are available citywide and are not developed to address any particular population or defined by any boundaries. The programs are designed to address household needs and shall not be deemed entitlement based. Additionally, these programs are in place to supplement, rather than supplant, eligible low-income households with needed repairs to maintain their residences in a safe and healthy manner or provide subsidies for affordable housing. Therefore, as funds are very limited, all assistance provided under the programs will be based upon the household's financial ability outside of the program.

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

## REFERENCES & DEFINITIONS

- Section 420.907 et seq. Florida Statutes, State Housing Initiatives Partnership Act
- Administrative Rule of the Florida Housing Finance Corporation, 67-37 et seq., State Housing Initiative Partnership Program.
- Titles I and II of the Cranston-Gonzalez National Affordable Housing Act, Public Law 101-625, HOME Investment Partnership Program.
- 24 CFR Part 92, Final Rule, HOME Investment Partnership Program.
- 24 CFR Part 570, regulations, Community Development Block Grant Program.
- International Property Maintenance Code (IPMC), as amended
- Florida Building Code (FBC), as amended.
- Title 24 CFR Part 5

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

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

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

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

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

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

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

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

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

Eligible Property: shall mean an affordable residential use property located within the city limits of Titusville and occupied as a principal residence by an eligible household,

and which is found to need minimum housing repairs within program limitations. This includes a single-family home, duplex, townhouse, or manufactured home (built after 1989).

Eligible Household: shall mean a household with a projected annual income at or below 80% [or less than 120% where applicable with SHIP] of the median-income level, adjusted for family size, and who has met all eligibility criteria and requirements for the program as set forth.

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

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

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

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

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

Home Value: shall mean the current appraised value. If a current (within 12-months) appraisal is not available then the current market value established by the Brevard County Property Appraisers' Office at [www.BCPAO.gov](http://www.BCPAO.gov) shall be used, unless a recent sales price is higher than the Appraisers' Office market value, then that current sales price shall be used. If there is a discrepancy between Property Appraisers' value and the appraised value, or a challenge as to the value, a new appraisal shall be conducted to determine the real value.

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

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

Incipient Violations: shall mean at the time of inspection, it is determined that the physical condition of an element in the home will deteriorate into an actual violation

within one (1) year. For example, a heat exchanger in a furnace is soon to become inoperative or hazardous because of its age, condition, or use. Further, a roof has one or more small leaks that can be patched at low cost, but the roof probably will continue to develop leaks or has a life span of less than five (5) years.

Income: shall mean the projected annual income established in compliance with HOME, CDBG, and SHIP regulations, specifically established at 24 CFR Part 5.

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

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

Local Contractor(s): shall mean a licensed and insured contractor or other trade professional whose primary registered business office is located within the city limits of Titusville or other City/County that is within a forty (40) mile radius of the program operational office.

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

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

Moderate-Income: shall mean a household whose annual earnings are more than 80% but less than 120% of the median family income for the Titusville MSA.

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

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

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

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

Program: shall mean the Neighborhood Services Department Rehabilitation Program, Weatherization Program, and any other active Programs as advertised and funded.

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

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

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

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

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

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

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

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

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

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

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

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

National Standards for the Physical Real Estate (NSPIRE) shall mean the uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair, pursuant to 24 CFR 5.703.

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

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

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

## **PROGRAM GOALS AND OBJECTIVES**

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

### Objectives that provide benefit for the entire City

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

### Objectives that benefit neighborhoods

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

### Objectives that benefit individual households

1. Benefit very low- and low-income households
2. Remove health and safety hazards
3. Reduce utility costs
4. Maintain standard housing for those in need, and
5. Increase the availability of affordable housing.

### DIRECTIVES:

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

### OUTREACH:

A list of citizens who have requested assistance with repairs to their homes is maintained in the Neighborhood Services Department office. As the number of citizens on the list is reduced, the department will advertise the availability of program funds in local newspapers, City website, social media forums, Harry T. Moore Social Service Center, etc. Clients are assisted on a first-qualified, first-served basis.

## TYPES OF ASSISTANCE

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

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

### **Rehabilitation Program- SHIP, HOME, or CDBG Programs**

**This program**, when funded and available, assists households within the city limits of Titusville whose household's income is at or below 80% AMI (low-income) and whose home values do not exceed (after rehab) the maximum area purchase price limits for the Palm Bay-Melbourne-Titusville Metropolitan Area (MSA) in effect at the time of assistance, for existing homes. Where implemented in the City's SHIP Local Housing Plan, incomes may be up to 120% AMI provided the assistance can meet the set-aside requirements of the SHIP Rule. This program is designed to fully repair owner-occupied principal residences, bringing the home into compliance with Minimum Housing Standards Codes and/or Federal Housing Standards and where repairs are expected to exceed \$50,000. Repairs can be for the interior and/or exterior of the home and will focus on four major trades such as roofing, electrical, plumbing, mechanical, and address other life safety code and structural deficiencies. Cosmetic or non-minimum housing related items may be included if funds are available after completing all required or major trade work. Single-Family attached units may be limited to the interior only. Swimming pools, saunas, washer & dryers, dishwashers, garbage disposals, or other items considered as non-essential, or luxury items, are not eligible improvements. Assistance is limited to a maximum of three occasions per owner/property. Minimum assistance required is \$10,000.00.

Maximum assistance of \$80,000, including soft costs, is provided in the form of a deferred payment loan secured by a Mortgage and Note recorded on the property, for the required period of affordability. In the event contractor bids exceed the program limitation, the homeowner has the option of paying the difference between the lowest-qualified bid and the actual cost of repairs; provided the amount does not exceed \$5000.00 (any amount greater is found to defeat the purpose of the program). If the homeowner chooses to pay the difference, they will not have the option of selecting a preferred contractor but must go with the lowest-responsive and qualified bid.

Where damages and/or repairs are covered by homeowners/hazard insurance, or a Home Repair/Warranty Plan, proceeds from the coverage must be utilized first before obtaining assistance, or in conjunction with the program. Where judicious to do so, the program may pay or subsidize the deductible(s) required under such policies. Where the property is not currently covered by homeowner's insurance due to uninsurable conditions, the homeowner must obtain adequate coverage upon completion of the rehabilitation and carry that coverage the entire lien period minimally. The program may cover the first year of coverage and include this amount in the program assistance agreement and

mortgage. The homeowner is obligated to continue coverage beyond this point. Additionally, in the event of a declared disaster, homeowners shall seek assistance from all federal or state resources or programs first. All insurance or covered repairs must be performed and completed prior to program assistance.

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

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

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

| <u>Amount of Assistance</u> | <u>Periods of Affordability (Lien)</u> |
|-----------------------------|--|
| <b>\$10,000 to \$24,999</b> | <b>Five (5) years</b>                  |
| <b>\$25,000 to \$50,000</b> | <b>Ten (10) years</b>                  |
| <b>\$50,001 to \$70,000</b> | <b>Fifteen (15) years</b>              |
| <b>Over \$70,000</b>        | <b>Twenty (20) years</b>               |

### **Other Loan Terms**

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

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

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

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

Properties under consideration for assistance are reviewed with regard to existing mortgages and/or liens that secure interest in the property. For those properties with existing mortgages and/or liens, the City will only consider assistance when it would be judicious to do so. For example, if a property is secured by existing lien(s) exceeding the appraised value of the property, assistance may be provided but capped at a lower level of assistance.

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

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

**Weatherization Program- SHIP program only (where unit meets all other code requirements)**

**This program**, when funded and available, is designed to assist households within the city limits of Titusville whose household's income is at or below 80% AMI (low-income) and whose home values do not exceed the maximum area purchase price limits for the Palm Bay-Melbourne-Titusville Metropolitan Area (MSA) in effect at the time of assistance, for existing homes, after assistance. Where implemented in the City's SHIP

Local Housing Plan, incomes up to 120% AMI may be provided with assistance when the program can meet the set-aside requirements of the SHIP Rule.

This program is designed to subsidize the exterior improvements to owner-occupied principal residences where limited repairs are needed such as roof, painting, windows and doors, and other exterior improvements to make the unit more energy efficient and weather resistant, and where the structure does not require a complete rehabilitation approach. Improvements can be for interior and exterior of the home, and include exterior paint, reroofing, energy efficient windows, low-flush toilets, energy star rated appliances, energy star rated or high efficiency heating and air conditioning systems, LED lighting, attic and wall insulation, doors, and other improvements to make the home more energy efficient for Florida's climate. Townhomes, or other attached units may be limited to the interior only. While improvements to manufactured housing built after June 1994 may be considered when economically or judicious to do so and where required program set asides can be met. Swimming pools, saunas, washer & dryers, dishwashers, garbage disposals, or other items considered as non-essential, or luxury items, are not eligible improvements.

Assistance is provided as a one-time program per property; this does not limit the property's eligibility for other programs. Minimum assistance required is \$5000.00.

Maximum assistance of \$50,000, including soft costs, may be provided in the form of a deferred payment loan secured by a Mortgage and Note recorded on the property, for the required affordability period. In the event contractor bids exceed the program limitation, the homeowner has the option of paying the difference between the lowest-qualified bid and the actual cost of repairs; provided the amount does not exceed \$5000.00 (any amount greater is found to defeat the purpose of the program). If the homeowner chooses to pay the difference, they will not have the option of selecting a preferred contractor but must go with the lowest-responsive and qualified bid.

Where damages and/or repairs are covered by homeowners/hazard insurance, or a Home Repair/Warranty Plan, proceeds from the coverage must be utilized first before obtaining assistance, or in conjunction with the program. Where judicious to do so, the program may pay or subsidize the deductible(s) required under such policies. Where the property is not currently covered by homeowner's insurance due to uninsurable conditions, the homeowner must obtain adequate coverage upon completion of the rehabilitation and carry that coverage the entire lien period minimally. The homeowner is obligated to continue coverage beyond this point. Additionally, in the event of a declared disaster, homeowners shall seek assistance from all federal or state resources or programs first. All insurance or covered repairs must be performed and completed prior to program assistance.

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

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

| <u>Amount of Assistance</u> | <u>Periods of Affordability (Lien)</u> |
|-----------------------------|--|
| <b>\$5,000 to \$24,999</b>  | <b>Five (5) years</b>                  |
| <b>\$25,000 to \$50,000</b> | <b>Ten (10) years</b>                  |

### **Other Loan Terms**

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

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

| <u>Lien Period</u> | <u>Percentage Forgiven Annually</u> |
|--------------------|-------------------------------------|
| 5 years            | 20%                                 |
| 10 years           | 10%                                 |

7. Death of mortgagor: The passing of title due to the death of the mortgagor to other than a spouse or child residing in the home at the time of eligibility and loan execution, and holding an interest in the property, is deemed a conveyance and constitutes a default. A spouse or child residing outside of the home but holding interest in the property by virtue of title or inheritance, may apply to assume the City's loan provided the home shall be their principal residence, and they meet all the eligibility criteria for the program. See Eligibility Requirements section of this policy.
8. Leasing: Leasing the premises, or portion thereof, for any period of time is deemed a conveyance and constitutes default.
9. Continued Occupancy: The mortgagor must reside in the assisted property as principal residence for the term of the loan. If for any reason, other than a temporary hospital or nursing home stay, the mortgagor vacates the premises for more than a period of 180 consecutive days in any one calendar year, such vacation shall constitute default.

10. If a homeowner is the owner occupant of an assisted unit at the end of the applicable lien period, and is not in default, the lien will be forgiven and the lien released.

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

If a determination is made that a housing unit requires repairs or improvements that exceed the limitations of the program or its intent, the applicant will be referred to the Housing Rehabilitation Program for further assistance. Additionally, in situations where repairs or improvements would exceed 50% of the value of the property or replacement value, staff may determine that it is not financially or judicious to perform energy or weatherization improvements on the home and refer the applicant to another agency or program for assistance. If improvements cannot meet the requirements of the applicable funding source, Building Codes, or the intent of the program, the City is under no obligation to provide the improvements.

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

#### **Disaster Recovery Program (as outlined in the SHIP LHAP)**

The intent of this strategy is to provide temporary assistance in the event of a declared disaster. Assistance may consist of rental assistance [up to six months] for temporary housing, insurance deductibles, or emergency repairs. All types of assistance will be made directly to the landlord, insurance company, or contractor(s).

Maximum award under this program is \$10,000 in the form of a grant.

If damages are covered by insurance, proceeds from the insurance must be used first before assistance, except for the payment of deductible. Funds for this strategy will only be allocated from unencumbered funds or additional funds awarded to the City for the disaster.

#### **RENTAL REHAB PROGRAM**

When funded, this program assists property owners of affordable rental housing units, single family or multi family, with repairs to bring the unit(s) up to minimum housing standards and increase energy efficiency and sustainability of the unit(s).

All properties are subject to repayment of funds secured through a subordinate [in cases of an existing first mortgage] recorded mortgage and note with a Land Use Restriction Agreement (LURA), placed on the property for the term specified below. Maximum assistance under this program is \$50,000 per unit in the form of a repayable loan at 0% interest for ten (10) years at a rate of 10% annually, minimally of \$5,000, until full loan amount is repaid. Periodic payments are also accepted and there are no penalties for early repayment.

The Department has an open application cycle that allows the submittal of proposals on an as needed basis from applicants. All proposals will be evaluated by department staff and/or the AHAC to determine the feasibility of the proposed project. Priority funding will be provided to certified Community Housing Development Organizations (CHDO) as defined in the HOME Rule regulations at CFR 24 Part 92.2.

Property owners must be in good standing with the City and other federal and state agencies, not have any outstanding municipal liens, and no history of property mismanagement.

For unit(s) built before 1978, the owner will be responsible for environmental testing for lead-based paint and asbestos. Where positive results are noted, the owner must abate the materials as part of the rehab process or unit(s) are not eligible for assistance. Unit(s) located in a flood zone, other than X, are not eligible for assistance. Additionally, unit(s) located in proximity to hazardous waste sites are not eligible. For unit(s) located in a high noise area, rehab must address and reduce the impact of the noise levels upon occupants.

### **POLICY ON ISSUANCE OF SUBORDINATION OF CITY LIENS**

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

1. An owner requesting a subordination of the City's lien must make the request in writing to the Neighborhood Services Director indicating the reason for the request. The owner must include information on a form provided by the City, which includes interest rate before and after, terms, conditions, years left to pay on existing mortgage(s), any cash back, closing costs and other fees to be charged to the owner.
2. Home improvement loans for the purpose of general property improvements or those improvements or repairs which bring the unit into compliance with the minimum housing standard code, and which will not cause the client's monthly housing expense to exceed affordability limits.
3. Subordination requests which increase the affordability of the housing unit, or assist a household with medical expenses, not associated with consumer debt.
4. Refinancing of superior mortgage(s) for the purpose of improving terms (i.e., lower interest rate or payment) and which cause the unit to become more affordable to the client will be considered, provided the refinancing is not used to pay off consumer debt.

5. The Neighborhood Services Director must review and recommend approval of any subordination request to the City Manager. The Neighborhood Services Director will identify for the City Manager or designee, the current status of the City's equity position, and the equity position if the subordination request is approved.
6. The Mayor must authorize and sign all Subordination Agreements.
7. The City may consider mortgage refinancing with consumer debt included if the total debt, including the City's lien ratio to fair market value of the property does not exceed eighty percent (80%) of the fair market value and the City receives at least a 10% payment towards the reduction of its lien.
8. The City reserves absolute discretion to grant or deny subordination to City liens.

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

### **POLICY ON THE ISSUANCE OF SATISFACTION OF MORTGAGE**

Satisfaction of Mortgages will be considered and processed as follows:

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

### **ELIGIBILITY REQUIREMENTS**

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

1. The applicant has a fee simple title, or other forms of ownership approved by the agency which regulates the funding program.
2. The current home value of the assisted property, after rehab, must not exceed the current median purchase price values for the Palm Bay-Melbourne-Titusville Metropolitan Statistical Area (MSA).
3. Property does not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest.
4. Housing unit is located within the city limits of Titusville.
5. Owner-occupants use the home as their principal residence.
6. Household earns 80% (120% for SHIP where indicated in LHAP) or less of the median-income for the Palm Bay-Melbourne-Titusville Metropolitan Statistical Area (MSA).

7. All property taxes and mortgage payments are current, and property is not in jeopardy of foreclosure, with the exception of Foreclosure Prevention Program applicants. Applicants must be able to demonstrate the ability to pay property taxes, insurance, utilities, and future mortgage payments where required.
8. Owner-occupants have owned and occupied the home for at least one (1) year. If converted from an owned rental or investment property, the residence must be owner-occupied for a minimum of five (5) years.
9. Applicant meets an income and assets review to determine income eligibility according to the requirements of the funding source. All income of persons residing in the home will be counted. Maximum allowable liquid assets are set to no more than \$10,000 in cash and \$20,000 in un-liquidated assets including, but not limited to, property such as cars, boats, etc.
10. Applicants must attend and complete a Home Maintenance Workshop approved by the City, where applicable.
11. For the Rehab Program, property must be determined to be “substandard and suitable for rehabilitation” by the City and must require a minimum of \$5,000 in repairs.
12. For the Rehab Program, rehabilitation costs must be within the maximum allowed for the program.
13. For the Rehab Program, the property owners can demonstrate reasonable maintenance and care, and the ability to maintain the property after assistance.
14. For the Rehabilitation, and Energy Efficiency and Weatherization Programs, the assisted property must be covered by homeowner’s insurance where available.
15. Applicants must be in good standing with the City (e.g. city utility and stormwater accounts), be free of code enforcement liens, judgements, or any other assessments, and must be free of code violations that will not be addressed by the assistance Program where applicable.
16. The home value of the property, after assistance, must not exceed the affordable housing limits for existing homes in effect at the time of assistance.
17. If an applicant is deemed ineligible for assistance, they cannot reapply for a period of one year.

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

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

1. Properties with active code enforcement violations, active building code violations, which owe the City administrative cost and/or fines, and/or have outstanding City accounts or liens. Upon review, owners having any of these conditions will be notified and given thirty (30) days to satisfy such liens before being removed from the program waiting list. A reapplication will be necessary if applicant is removed from waiting list.
2. Properties with multiple owners and/or Joint Tenants, whose principal residence is not that of the property being assisted. This does not apply to properties with

an Enhanced Life Estate Deed (Lady Bird Deed) or Estate Trust conveying title upon the death of the owner, provided all remaindermen (heirs) agree to sign program Agreements and Loan documents, and/or acknowledgment of lien and terms.

3. Households that have received assistance three or more occasions, or the recipient of a housing replacement unit or new construction.
4. Rent-to-Own properties, properties transferred by Quit Claim Deed where first party is responsible for an outstanding mortgage or lien on the property, and properties with defective deeds.
5. Properties with more than two mortgages, properties with a reverse mortgage exceeding the market value of the property, and properties with a Line of Credit secured by the property exceeding 50% of the market value of the property.
6. Condominiums, and other forms of attached residences are not eligible.
7. Manufactured or mobile homes are not eligible for assistance, unless specified and funded in the SHIP Local Housing Assistance Plan (LHAP) and built after June 1994.
8. Property value exceeds, or will exceed after rehab, the current MSA value limits.
9. Homeowners who have withdrawn from the program on more than three occasions after the intake process, or who withdraw after considerable effort has been put into providing assistance and receiving bids from contractors. Cancellation fees are required as outlined herein.

**Priority assistance** will be given to the following groups of persons in the following order.

For owner-occupied programs:

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

For tenant assistance program:

1. Those individuals or families that are defined as homeless per FS 420.621
2. Those households with persons who are defined as Special Needs per FS 420.004
3. Those households that are elderly or with school aged children.

## **POLICY ON PRIOR ASSISTANCE:**

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

## **GENERAL OPERATING PROCEDURES**

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

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

When an applicant seeks service through the City's owner-occupied assistance programs, the applicant should expect to adhere to the following general procedures:

### **Application**

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

Applicants who have previously been determined ineligible for assistance, and/or who have withdrawn from the program must first show proof that their circumstances have changed to warrant a review and acceptance of a new application. Repeat applicants shall be considered new applicants and placed on the waiting list in the order of receipt of a new application. Those applicants that have previously withdrawn from the program at

a crucial stage, such as after work write-up and bidding, shall owe a fee as outlined herein.

All applicants for rehab programs must have homeowner's insurance. If the home is uninsurable due to code issues, the applicant must provide documentation that homeowners insurance shall be provided upon completion of rehab assistance. This requirement may be waived by the Neighborhood Services Director in times of disaster, pandemic, inflation, or hardship.

### **Preliminary Approval**

An application with the proper documentation and the signature of the Housing Program Specialist is required prior to the initial inspection and estimated job write-up. Homeowners who are not current on mortgage payments or have been served with a notice of foreclosure on the property will be determined to be ineligible and removed from the program waiting list. Applicants who do not respond to requests for information within the timeframe given (typically ten (10) days), will be removed from the waiting list and noted as unresponsive.

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

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

Applicants shall not be assisted if it has been determined or have shown their intent to sell or transfer their property interest; have a judgment, a tax lien or other government lien on their property; or are determined to not have a good ownership interest through the underwriting review conducted by program staff. Additionally, applicants shall not be assisted if they are behind on their mortgage payments. To complete a determination of applicant eligibility, the program staff will request a title search (O & E) of the proposed property to determine ownership interest and eligibility of the property. An underwriting review is necessary to ensure that the administered funds are utilized in a manner that ensures that financial accountability standards are met.

If an Applicant is determined to have impediments (e.g., liens, judgements, water liens, code enforcement liens/issues) to receiving assistance through these City Programs, they will be notified in writing and given thirty (30) days in which to satisfy such impediments or be removed from the waiting list. Staff will provide guidance to the applicants. Applicants are not eligible until all impediments have been satisfied.

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

Should the owner/applicant decide the program is not right for them at this phase, they have the option of withdrawing their application at no cost.

## **Inspection**

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

Emergency repairs will be assigned to a sub-contractor (electrical, plumbing, roofing etc.) who is on the City's Approved Contractors List or who holds an "annual contract" with the Neighborhood Services Department for such trade. Where none exist, the work will be competitively bid in an effort to receive at least three (3) comparable bids. All others will be competitively bid in an effort to receive at least three bids. Such work may only begin after final approval by the Neighborhood Services Director.

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

Rehabilitation standards shall include, at a minimum:

- Correction of minimum housing and/or property maintenance code violations.
- Correction of observable and identifiable problems which could lead to incipient violations within one year.
- Incidental repairs related to work performed.
- Addition of energy efficient improvements which decreases operating costs.
- Barrier free items, such as building/installing ramps, grab bars, accessible showers, toilets, sinks/faucets, and widening doorways as may be needed.
- According to SHIP regulations, the Program shall utilize grant funds in a manner that encourages reduced long-term costs relating to maintenance, utilities, and/or insurance. Innovative design, green principles, storm-resistant construction, or other elements will be incorporated for sustainability and to promote greater affordability.

General property improvements may be provided if Program staff feels such improvements will place the unit in a more readily maintainable condition and benefit the occupants overall living conditions. These types of improvements will only be considered

after minimum housing or property maintenance code violations are addressed and funding is available.

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

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

Should the owner/applicant decide the program is not right for them at this phase, they have the option of withdrawing their application at no cost.

### **Final Application Approval**

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

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

### **Work Write-Up & Housing Specifications**

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

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

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

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

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

### **Mandatory Pre-Bid Conference**

A pre-bid meeting will be held at the project site and performed by the Housing Program Manager and/or Inspector. This meeting provides an opportunity for the prospective bidders to ask questions or seek clarifications as to the work to be performed per the Bid Package Work Write Up Specifications.

During the mandatory pre-bid conference, the contractors shall have an opportunity to ask questions as to the work write-up or specifications. If warranted, addendum and/or clarifications with supplemental instructions will be prepared and made part of the bid document and provided to those bidders in attendance at the pre-bid, and posted to the DemandStar platform as courtesy. The documentation will help eliminate any disputes or misunderstandings, which may arise from decisions made while work is in progress.

Attendance by the Owner is mandatory at this meeting to ensure access to property is given and participation in the bidding process is provided. Failure to be present will result in the cancellation of the meeting and project.

Should the owner/applicant decide at this stage that the program is not right for them, they have the option to withdraw from the program. There is a \$300.00 fee to cover the cost of the title search at this stage. Failure to pay the fee will make the owner/applicant

ineligible for future assistance consideration. A one-year waiting period will be required to reapply for assistance.

## **Selection of Contractor/Bid Award**

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

- All bid opportunities will be advertised through the DemandStar platform, posted to the Department's webpage, and sent by electronic mail to each approved qualified contractor maintained on the department's contractor list. Emergency repairs identified as life-threatening deficiencies or urgent health or safety issues on owner-occupied homes will be solicited through the informal Price Quote process internally (or DemandStar) from local contractors by trade.
- Price quotes and bids received from contractors will provide sufficient line-item pricing details for materials and labor. Lump sum price quotes and bids will not be accepted unless specified.
- All bids submitted will either be hand delivered or mailed directly to the Neighborhood Services Department, on behalf of the Owner. All bids will be delivered sealed and opened only on their due date and witnessed by City staff.
- Each job file will contain documented evidence, such as advertisement, fax transmittals, or letters that indicate prospective contractors were notified of the bid opportunity. All prospective bidders must attend a mandatory Pre-Bid Conference at the subject project site in order to submit a bid. Any Contractor not present, for the duration of the conference, will forfeit the opportunity to bid for that particular job.
- Bid submittals will be opened on the date and time due by the Owner; the owner may elect to have the Program Staff perform this task on their behalf by authorizing the Neighborhood Services Department in writing. The Owner and/or City reserves the right before awarding the contract to require a bidder to submit such evidence of his or her qualifications as it may deem necessary to properly evaluate the bid, and may consider any evidence of the financial, technical, and other qualifications and abilities of a bidder. The Owner and/or City reserves the right to award the contract only to a bidder who is fully qualified to undertake the work.
- The lowest responsible bidder price quotes and bids should be within fifteen percent (15%) of the in-house write-up; if not, the City and/or Owner has the option to re-bid.
- Bids will be considered irregular and may be rejected if they show omissions, alterations of form, additions not called for, conditions, limitation, unauthorized alternate bids, or other irregularities of any kind. The Owner and/or City reserves the right to waive any information or irregularities of bids.

- The Owner and/or City reserves the right to reject any or all bids, or any part of any bid, to waive any informality in any bid, or to re-advertise for all or part of the Work contemplated.
- The Department will tabulate and prepare a Bid Tab, for Owner's review. The contractor selection is the sole responsibility of the Owner. However, the Owner shall seek input from the Department on each bidder's qualifications before making a selection. The Owner shall first consider the lowest bid price. Additionally, the Owner shall consider the contractor's past performance, ability to proceed, number of jobs the contractor has in progress, reputation for timely completion of a project, willingness to work within the program constraints, familiarity with the program parameters, and the ability to understand and work with the homeowner. If bids are acceptable, written notice will be given to the preferred responsible and qualified bidder chosen by the Owner. If the Owner's preference is not the lowest responsible bid, the preferred bidder must be within ten percent (10%) of the lowest bid. Upon notice, the owner shall have five (5) days to accept said bids and approve execution of contract; failure to do so will result in cancellation of the project and removal from the Waiting List as non-responsive.
- If the bidder to whom the contract is awarded forfeits, then the award is annulled and the Owner and/or City may then award to the next lowest responsible and qualified bidder, or the work may be re-advertised through the bid process.
- The City reserves the right to limit the number of awards per contractor based upon their capacity, past performance, or program experience to ensure timely project completeness.
- The City reserves the right to add and delete line items in order to remain within the allocated budget of each project and the grant program. Deletions or additions to the scope of work can occur before or after the project has been awarded, as well as during the course of the rehabilitation process; 100% of the line-item cost will be deleted. Items required to be repaired under governing regulations cannot be deleted.
- Should the successful bidder fail to execute and deliver the contract within the allotted time, the Owner and/or City at its option, may find said bidder non-responsive and deem his or her bid award forfeited. Failure of the bidder to execute the contract may also result in additional sanctions pertaining to the bidding of future work in the Program by the bidder.
- Program contracts shall be signed and executed by the Property Owner(s), Program Manager, Program Specialist, and Director. The contracts will be reviewed to form and attested by the Neighborhood Services Director, City Attorney, City Manager, and the Mayor.
- The homeowner cannot elect to change or delete any portion of the scope of work, after bids have been received.

The Neighborhood Services Director may elect to utilize an annual agreement platform whereby the City contracts with one or more contractor(s) to establish set prices for specific trade work for a predetermined timeframe as a means to create a better program response time. In doing so, local contractors will be solicited.

In emergency and/or life-threatening cases, vendors listed on the City's approved contractor's list or who hold an annual agreement may be selected to perform the work according to their availability.

Should the owner/applicant decide at this substantial stage in the program to withdraw from the program, an application processing fee of \$300.00 will be due from the owner to cover costs associated with processing their application and assisting the property up to this point. Failure to pay the fee will make the owner/applicant ineligible for future assistance consideration. A one-year waiting period will be required to reapply for assistance.

### **Lien Agreements**

Participants in the City's housing programs will be asked to attend a contract signing meeting where the following documents are to be executed: Memorandum of Agreement, Deferred Payment Loan, Construction Contract, Permit Authorization, Awareness Statement, and Notice of Commencement. The Lien Agreement will be in the form a Deferred Payment Loan at 0% interest for the affordability/lien period contained herein and shall be prorated at a rate specified within the DPL per annum. The Lien will stipulate restrictions on the transfer or resale of the property and identifies the City as a party to the Agreement as the Owner's agent to contract for and carry out the agreed upon repairs and improvements. All eligible Owners must demonstrate adequate homeowner's insurance coverage, including flood insurance where applicable, upon completion and for the duration of the lien period.

All lien periods will start on the execution date of program agreements.

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

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

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

Should the owner/applicant decide to invoke the "Right to Cancel" after contract signing, a project delivery fee of \$500.00 will be due upon receipt of Notice. Failure to pay the

fee will make the owner/applicant ineligible for future assistance consideration. A one-year waiting period will be required to reapply for assistance.

## **Construction**

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

For all rehabilitation work, except emergencies, the general contractor, unless prohibited by inclement weather, must begin work within seven (7) days after a written Notice to Proceed. A subcontractor (Roofing, Electrical, Plumbing, Air Conditioning, etc.) shall have a five (5) day mobilization period after general contractor is issued a Notice to Proceed.

- The Contractor shall pay all sales, consumer use, and other taxes required by law and shall secure all permits, fees and licenses necessary for the execution of work under contract.
- If the contractor does not commence work within seven (7) days, the homeowner and the City may cancel the contract and award the work to the next lowest responsive bidder or request re-bidding of the job.
- All work shall be satisfactorily completed within ninety (90) days from the Notice to Proceed, unless extended by the Department or as specified in the construction contract.
- The Department will make construction inspections as follows: 2 to 4 inspections for emergencies, 5 to 10 inspections for moderate rehabilitation, and 10 to 15 inspections for substantial rehabilitation.
- Variations from any work write-up must be documented by a change order; change orders are inevitable but will be the exception for housing rehabilitation jobs.
- The contractor is responsible for submitting written change order proposals for approval by the homeowner and Department prior to beginning any additional work.
- Any work done without written authorization from the Department will be the financial responsibility of the contractor.
- Contractors will provide adequate documentation with change orders to justify the changes along with details and costs for each changed item.
- *Any change orders, or liability resulting from change orders, initiated by the homeowner without approval of the City, and carried out by the contractor will be the financial responsibility of the homeowner as well as any liability arising from the change order.*
- All change orders must be reviewed and signed by the Neighborhood Services Director before the approved terms are implemented and the contract amount adjusted.

- Contract amounts will be adjusted at the discretion of the Neighborhood Services Director, with the consensus of the homeowner, provided that the cumulative amount of the change orders does not increase the original contract amount by more than 15% and does increase the overall contract amount over the current program limitations.
- In situations where change orders exceed 15% of the original contract, a memo to justify the percentage difference will be placed in the file and signed by both the Contractor and the Neighborhood Services Director. Change orders should occur infrequently and they will be justified only for unusual or unforeseen circumstances.
- Fewer change orders will occur if:
  - 1) Initial inspections are thoroughly performed
  - 2) Work write-ups are adequately prepared
  - 3) The contractors' scope of work is sufficiently detailed to identify all work to be accomplished.
- The Neighborhood Services Director must certify that all work is completed according to work write-ups and applicable codes before disbursement of final payment.

Upon completion of the work and acceptance by the City and Owner, the contractor shall provide a warranty for all work; materials and labor for a period of eighteen [18] months after the Certificate of Final Inspection; five (5) years for new roofs.

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

### **Voluntary Vacation of Premises**

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

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

- Information on packing of household items that will be placed in storage.

- Information on clearing of all debris or items from the interior and exterior of the home that may impede construction.

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

## **Completion of Work**

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

- Only final payment [100%] will be issued for Emergency Repairs when the job is complete.
- Partial payments on rehabilitation projects will be made as follows

The Owner agrees to pay the Contractor in accordance with the following schedule:

- For projects of \$10,000 or less Contractor will receive one (1) payment at project completion.
- For projects between \$10,001 and \$40,000 the draw schedule will be as follows:

First Draw: 35%  
Second Draw: 35%  
Final Draw: 20%  
Retainage: 10%

- For projects between \$40,001 and \$60,000 the draw schedule will be as follows:

First Draw: 25%  
Second Draw: 25%  
Third Draw: 25%  
Final Draw: 15%  
Retainage: 10%

- For projects more than \$60,000 the draw schedule will be as follow:

First Draw: 15%  
Second Draw: 15%  
Third Draw: 15%  
Fourth Draw: 15%  
Fifth Draw: 15%  
Final Draw: 15%  
Retainage: 10%

- For Final Payment (100% completion of work and Inspected) the homeowner must sign a Request for Final Payment. Within thirty-days after the Certificate of Final Inspection, the contractor will be issued the statutory retainage.
- Checks will be issued for Pay requests for projects involving new construction work as follows:
  1. 15% of job cost after slab pour
  2. 15% of job cost after lintel pour
  3. 25% of job cost after framing inspection
  4. 25% of job cost after interior/exterior painting

5. 20% of job cost at completion, after final Certificate of Occupancy and all utilities are operational.

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

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

All requests for payments will be made as follows:

1. Contractor shall submit a Draw Request form to the Neighborhood Services Department before 4:00 p.m. on Friday's, which lists the line items and their cost and sum for work to be paid based only on completed items from the itemized bid form.
2. The Neighborhood Services Department will initiate inspection of such work within three business days from receipt of such request.
3. The contractor will normally be paid within fifteen (15) business days from the date of the owner's signature, unless there are discrepancies in the documentation or work, or City payment schedule controlled by the Finance Department does not coincide with this timeframe.

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

### **Follow-up**

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

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

## **Complaints**

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

## **Construction Summary**

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

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

## **Project Delivery Costs (PDC)**

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

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

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

Tracking documents for these expenses are currently found at:

<Q://neighborhoodservices/financials/expensecreditworkbook>

<Q://neighobrhoodservices/rehabprogram/activitydeliverytracking>

<Q://neighborhoodservice/rehabprogram/projectstrackingSHIP-HOME>

## EXHIBIT A

### Typical Housing Rehabilitation Schedule

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

**EXHIBIT B**  
**BID PACKAGE**  
**INSTRUCTIONS TO BIDDERS**

Receipts and Opening of Bids

1. Proposals, as completely assembled herein, **must be delivered in sealed, opaque envelope, addressed to the Neighborhood Services Department of the City of Titusville, Florida, Harry T. Moore Social Service Center, 725 S. DeLeon Avenue, Titusville, FL 32796, on behalf of the Owner**, at the time called for in the Notice to Bidders and shall be properly identified on the face thereof. The Proposal shall be made out upon the blank form included herewith, which must not be removed nor detached, from these Contract Documents. Proposals will be publicly opened by the Property Owner [or City where assigned] and immediately read aloud in the Community Room, Harry T. Moore Social Service Center, 725 S. DeLeon Avenue, Titusville, Florida 32780 at the time designated in the Notice to Bidders.

2. Qualifications of Bidder

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

**Where specified herein, bids may require bidder/contractor to be “local” as defined in the program policies.**

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

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

**All successful bidders must be registered with SAM.gov and have a UEI number assigned prior to bid award. All potential sub-contractors must have a UEI number assigned prior to contract.**

### 3. Preparation of Bids

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

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

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

### 4. Plans and Other Contract Documents

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

### 5. Examination of Contract Documents and Site

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

### 6. Obligation of Bidder

The Bidder must inform him or herself fully of the conditions under which the Work is to be performed in relation to both construction and labor conditions, acquaint him or herself with all governing laws, ordinances, etc., and otherwise thoroughly familiarize him or herself with all matters which may affect the performance of the Work; failure to do so will not relieve a successful Bidder of the obligation to furnish all material,

equipment and labor necessary to carry out the provisions of the Contract Documents and to complete the contemplated Work for the consideration set forth in his Bid.

It is the obligation of the Bidder to make his or her own investigations of sub-surface conditions prior to submitting his Bid. The record of bores, test excavations and other sub-surface investigations, if any, made for design purposes for the engineers are available in the Community Development Department. Such records are offered as information only and solely for the convenience of Bidders. The City does not warrant or guarantee that said borings, test excavations and other sub-surface investigations show the actual sub-surface conditions. The Contractor agrees that he or she will make no claims against Owner if in carrying out the Work he finds that the actual conditions encountered do not conform to those indicated by said borings, test excavations and other sub-surface investigations.

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

#### 7. Clarifications/Changes While Bidding

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

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

#### 8. Interpretation of Quantities

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

any of the unit prices bid. Quantities for any facilities added or deleted shall be computed in the same manner as that used for those listed on the plans.

## 9. Disqualification of Bidders

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

- a) Submission of more than one (1) Bid for the same Work by an individual, firm, partnership or corporation under the same or different names.
- b) Evidence of collusion among Bidders.
- c) Previous participation in collusive bidding on Work.
- d) Submission of an unbalanced Bid in which the prices bid for some items are out of proportion to the prices bid for other items.
- e) Lack of competency of Bidder- i.e., Bidder will be considered ineligible if at any time during the process of receiving bids or awarding the Contract, developments arise, which in the opinion of the Owner and/or City, adversely affect the Bidder's ability to perform. However, the Bidder will be given an opportunity by the to present additional evidence before final action is taken.
- f) Lack of responsibility as shown by past Work judged from the standpoint of workmanship and progress.
- g) Uncompleted Work for which the Bidder is committed by Contract which, in the judgment of the City or Owner, might hinder or prevent the prompt completion of Work under this Contract if awarded to such Bidder.
- h) Being in arrears on any of his or her existing contracts with the Owner or City, or in litigation with the Owner or City, or having defaulted on a previous contract with the Owner or City.
- i) Promoting deliberate discriminatory practices.
- j) Bidder not defined as "local" where specified.

**This list is a representative sample of causes for disqualification and shall not be deemed to be all-inclusive. In addition, a person or affiliate who has been placed on the Debarred Contractors Excluded Parties List following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as**

**a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.**

10. Rejection of Irregular Bids:

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

11. Withdrawal of Bid

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

12. Commencement and Completion of Work:

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

13. Guarantee of Faithful Performance and Payment

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

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

14. Award of Contract

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

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

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

**In order to remain within the allocated budget, certain line items may contain additional addendums. All addendums must be priced in order to be considered. Addendums will be considered in sequential order to determine the low bidder. All items deleted will be deducted from all bidders' price sheets to determine the low bidder. The bid opening will result in an apparent low bidder only and is not to construe as an award.**

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

**The City and/or Owner, reserves the right to hire local contractors where specified.**

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

#### **15. Execution of Contract**

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

#### **16. Failure to Execute Contract - Bid Guarantee Forfeited**

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

#### **17. Notice and Service**

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

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

#### 18. Licenses

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

#### 19. Permits/Inspections

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

#### 20. Conflict of Interest

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

#### 21. Equal Opportunity Employer

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

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

for employment, notices to be provided by the City setting forth the provisions of this non-discrimination requirement.

## 22. Drug Free Workplace

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

## 23. Environmental Review

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

## HOMEOWNER PREFERENCE POLICY

AP 2-5

### **POLICY OBJECTIVE**

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

### **POLICY STATEMENT**

#### **I. Intent**

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

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

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

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

#### **II. Definitions**

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

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

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

### **III. Owner Preference for Contract Award**

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

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

### **V. Exceptions to preference policy**

The preference policy shall not apply as follows:

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

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

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

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

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