

FLORISSANT
HOMEOWNERSHIP ASSISTANCE PROGRAM
REGULATIONS

EFFECTIVE 11/11/2013

1. **NAME** - The Florissant Homeownership Assistance Program (the "Program").
2. **PURPOSE** - In accordance with an Ordinance adopted by the Florissant City Council, a Homeownership Assistance Program ("Program") is created for the benefit of the citizens of the City of Florissant, Missouri. The City of Florissant Missouri is committed to a homeownership and property revitalization program in order to promote the general welfare of the community.

The City of Florissant, in order to promote homeownership, is offering forgivable loans to be used toward the down payment on the purchase of residences to eligible individuals and families moving into the city limits of Florissant. (This includes those currently renting in Florissant, and current non-homeowners.) Applicants who purchase a home as their primary residence in the city limits of Florissant will be eligible to receive a loan equal to the amount of their down payment, up to a maximum of \$6,000. These funds must be used as a matching down payment for purchase of single-family, owner-occupied property only.

Funding for this Program is from the Property Revitalization Fund (the "Fund") of the City of Florissant. This Program will provide greater community stability and will strengthen the tax base of the community by preserving and improving single-family home values, but is limited by the amount of money held in the Fund, and is limited to the purpose set forth herein and the maximum amount set forth above.

3. **ADMINISTRATION** - The Program will be administered by the Community Development Director, with oversight by the Mayor. The role of the Community Development Director will be to administer the Program. The specific duties and functions of the Community Development Director in policy and administration shall include the following:
 - A. Conduct the day-to-day operations of the Program.
 - B. Establish policies and procedures of the Program and recommend substantive changes to the Mayor.
 - C. Select and enter into contractual agreements necessary to administer the Program subject to the approval of the Mayor.

4. **DEFINITIONS**

Letter of Qualification - means the duly executed document of membership in the Program, signed by the qualified applicant and by an authorized representative of the City.

Residence - the single-family residence owned and used continuously as the place of residence by the member and entitled to coverage under this Program.

Member - a natural person who is contracting to purchase a single-family residence in the City of Florissant and has applied for and been accepted as a member of the Program, as indicated by a letter of qualification, and such family members who will reside in the residence.

Single-family Residence - a building having not more than one dwelling unit, except for condominiums where there is no limit on the number of dwelling units, that is to be occupied by the members of no more than one family, any appurtenant unoccupied structures, and grounds and private approaches thereto, provided that the dwelling is used principally as a private residence and that any business use of the premises is incidental to its use as a private dwelling.

5. **ELIGIBILITY** - Those persons eligible to apply for membership in the Program shall be limited to any buyer of a single-family residence in the City of Florissant moving into the City limits of Florissant, and homebuyers who are currently renting in Florissant or living in Florissant but are not a homeowner.

6. **APPLICATION PROCEDURES -**

- A. Eligible persons shall apply to the Program by submitting an application and registration fee in the amount of \$50.00. This fee is non-refundable once applicant is approved and a letter of qualification is issued.
- B. Applications will be taken on a first come first served basis, as long as funding is available from the Fund.

7. **CONFIDENTIALITY** - To the extent that it identifies a particular individual or property, information obtained pursuant to the administration of the Program shall be confidential and shall not be available for public inspection to the extent permitted by law.

8. **COVERAGE PROVIDED BY THE PROGRAM** – Applicants who are covered under the Program can request a loan equal to the amount of their own down payment, up to a maximum of \$6,000. These funds must only be used for matching down payment for the purchase of an owner-occupied, single-family residence.

9. **PROCEDURES FOR OBTAINING LOAN** - In order to be eligible for benefits, a member must follow the following procedures:
- A. An application must be submitted as set forth above.
 - B. If the application is accepted, a letter of "qualification" for the Program will be issued to allow for pre-qualification or pre-approval of mortgage loans.
 - C. Funds will be "reserved" upon receipt of a fully executed sales contract, loan commitment and proof of proper financing and closing must take place within 60 days of funds being reserved.
 - D. The member must secure "fixed interest financing" for at least the first 5 years of the loan, and meet any and all lenders requirements for home purchase.
 - E. Funds will be made available at the time of closing.
 - F. The member shall sign a separate loan document and a lien will be placed against the property for the amount of funds at the time of closing.
 - G. A Florissant occupancy inspection must be requested within 30 days from the date of closing. No single-family residence may be occupied until occupancy permit is issued by the City of Florissant.
 - H. The single-family residence must satisfy all applicable building code requirements, and be owner-occupied within 90 days from closing. Extensions may be granted by the Director of Community Development, or their designee, on a case by case basis, if the member can show that work is progressing.
 - I. The member must live in the single-family residence for at least 5 years from the date of occupancy for lien to be forgiven and released. If the owner sells or is found not to be occupying the single-family residence within this 5 year period, they will be immediately responsible for repayment of the loan plus 5% APR interest from the date of closing.
 - J. If the member lives in the single-family residence for 5 years, the loan will be forgiven and the lien will be released by the City of Florissant.
 - K. These funds cannot be used in conjunction with any other existing City of Florissant Down Payment Program funds.
10. **FUNDING** - For the purposes of paying the costs of administering the Program and advancing the funds for down payments, pursuant to the limitations and

procedures set forth herein, the Florissant City Council has established the Fund (Property Revitalization Fund). Forgivable loans made toward the down payment will come from the Fund so long as there are sufficient monies available in the Fund. Application fees, subordination fees, penalty fees for program non-compliance or re-payment of loans will be returned to the Fund.

An independent audit of the Fund and the management of the Program will be conducted in conjunction with the city's annual financial audit, and made available to the public at the Community Development office.

11. **OTHER CONDITIONS** - Members shall agree to abide by all of the requirements of the Program as contained herein and as amended in the future, and shall not be eligible for coverage hereby unless all such conditions, stipulations and provisions have been met.
12. **EXCLUSIONS** - The following items and actions shall result in an exclusion from the Program:
 - A. The Program is limited to fee simple title transfers. Contract sales, such as by lease purchase or lease option, shall not be covered.
 - B. Any person who knowingly affirms falsely any matter or thing required to be affirmed by the terms of the Program is guilty of perjury and shall be ineligible for participation in the Program.
 - C. Any fraud, misrepresentation or concealment on the part of a member in any process involving this Program or against the City of Florissant shall result in making the member ineligible and shall cause a forfeiture of the loan provided to the member by this Program.
 - D. Any conviction of a member or family member for criminal activity upon or at the insured single-family residence will negate all rights and benefits provided such member under the Program.
13. **RIGHT TO REVIEW, REVISE AND SUSPEND PAYMENT UNDER THE PROGRAM** -

City of Florissant reserves the right to review, revise and suspend payments under the Program.

14. **REPRESENTATIONS AND WARRANTIES**

- A. It is agreed and understood by the members of this Program that the members shall not be entitled to assert any claim or any type of legal action against the City of Florissant or its employees and elected officials arising out of or related to this Program.
- B. No employee or elected official of the City of Florissant shall be personally liable and no cause of action may be brought for damages resulting from the exercise of judgment or discretion in connection with the performance of Program.

15. **NON-DISCRIMINATION POLICY** - No provision of the regulations and procedures of the Program are intended as, and none shall be used as, a means of discriminating against any individual on the basis of familial status, ethnic background, gender, race, religion or disability.

16. **AMENDMENTS** - The regulations of this Program will be reviewed by the Community Development Director and the Mayor, and any proposed amendments to these regulations must be approved by the City Council.

17. **RIGHT TO WITHDRAW** - None of the provisions of this Program, or any amendments thereto, shall abridge a member's right to forfeit the registration fee and withdraw from the Program at any time and sell the residence in any legal manner.

The undersigned acknowledge they have read and understand the stated Homeownership Assistance Program Regulations and Program Requirements as listed in this booklet.

Applicant

Date

Applicant

Date

Community Development Director

Date

THE CITY OF FLORISSANT SHALL ENSURE THAT DECISIONS AFFECTING APPLICANTS TO THE HOMEOWNERSHIP ASSISTANCE PROGRAM ARE MADE WITHOUT REGARD TO THEIR RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, AGE, DISABILITY, OR ANY OTHER PROTECTED STATUS.