

POLICE RESIDENCE ASSISTANCE PROGRAM

POLICY BACKGROUND	GUIDELINES	BENEFIT PERIOD	ELIGIBILITY REQUIREMENTS	CONDITIONS, REPAYMENT & OTHER TERMS	PROCEDURES	PROGRAM ADMINISTRATOR
City of Ontario						
Adopted in 1995 for purpose of encouraging City police officers to live within the City.	City provides forgivable loans of up to \$10,000 to City police officers, which may be used to assist in purchase of new home or reduce/payoff balance on existing first trust deed financing for current residence within City.	Maximum 10 years.	1) Currently employed as a sworn police officer, working no less than 40 hours per week. 2) Successfully completed probation period. 3) Not on suspension or paid/unpaid administrative leave at time of loan application or funding. 4) Must be at least 50% owner of home being financed; must use as primary residence no less than 75% of time.	City will forgive 10% of original loan amount for each complete 12-month period. Any portion not previously forgiven shall be due if 1) Officer ceases to be employed by Department, 2) Residence ceases to be officer's primary residence, 3) Officer no longer holds at least a 50% interest in residence. The officer may elect to immediately repay unforgiven portion of loan or make monthly payments. The loan shall not accrue interest until the Maturity Date at which time interest shall accrue at 7%. The loan will be secured by a Deed of Trust. If the officer dies or is permanently disabled the loan shall be forgiven in its entirety. The co-owner will be required to sign the Loan Agreement and trust deed.	1) Submit completed and signed application. 2) Application is reviewed by Housing & Neighborhood Revitalization Director who determines qualification for program. 3) Officer and co-owner are required to execute loan agreement and trust deed. 4) Provide Police Chief with information which would determine that officer intends to maintain housing as primary residence.	Housing Department
City of Santa Barbara						
Adopted for purpose of attracting/retaining highly qualified employees by assisting in obtaining local homeownership; and, in order to reduce commuting distances and time.	Employee must provide minimum down payment of 5%; City will fund 2nd deed of trust loan for 15% (maximum \$112,500); Employee must qualify for 80% bank-provided 1st Deed of Trust Loan.	Maximum 15 years.	1) Program is open to all permanent City employees who are first-time homebuyers. 2) Home purchased must be and remain the principal place of residence. 3) Home must be located in area defined.	City funded loan will be repaid monthly on an "interest-only" basis. Beginning in the 6th year loan will be amortized over 30 years, requiring payments on both interest and principal, with a "balloon payment" due at the end of 15 year period. Participants required to make monthly loan program payments through payroll deduction. Loan will be secured by a deed of trust. Termination of Employment: If loan has been outstanding for less than 5 years, loan will be due in full on 5th anniversary of issuance of loan; if 5 or more years loan will become due within 180 days of last day of employment.	1) Employee to complete City certification form declaring they understand and meet the program criteria. 2) Must select authorized mortgage lender and meet all credit and underwriting criteria of that lender. 3) City will fund 2nd deed of trust loan at time of closing.	Professional loan administration company.
City Of Belmont						

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Originally adopted in 1996 to create homeownership opportunities for low and moderate income households; modified in 2003 to improve program participation.	The form of the loan is a "silent second". That is, the city's program would provide a second mortgage to supplement the primary mortgage. Maximum loan is 20% of purchase price.	Maximum 30 years	1) Program is open to all permanent City employees who are first-time homebuyers or have not owned a home in city for 3 consecutive years prior to application. 2) Home purchased must be and remain the principal place of residence throughout term of loan. 3) Applicant must have sufficient assets to pay down payment and closing costs required by primary lender. 4) Applicants total assets may not exceed \$125,000 including down payment to be used for purchase of home. 5) Must be able to qualify for a primary mortgage loan from private lender. 6) Maximum annual gross household	There is no maximum on purchase price of home. Maximum loan amount is 20% of purchase price w/interest rate at 3% (compounded annually). Payments are deferred for life of loan. Loan may be paid-off any time prior to 30-year term. City will subordinate to a new first mortgage if existing balance is being refinanced for purpose of obtaining a more favorable interest rate. A "cash-out" refinance is not allowed. City's loan will be secured by a Promissory Note, Deed of Trust and Resale Restriction Agreement which shall be recorded to protect the City's financial interest.	1) Complete/submit application along with required documentation. When eligibility is confirmed, applicant may begin search for property and arrange primary mortgage loan. 2) Notify City when purchaser has identified a property and a mortgage lender. The City will then reconfirm eligibility and send letter authorizing participation in program along with further instructions on how to proceed. 3) The County Office of Housing will manage all loan-processing operations for the City. When loan application package is submitted to the County for loan review, a non-refundable application and processing fee of \$300 is due.	Community Development Department.
City of Brentwood						
Developed by the City for the purpose of encouraging City police officers to reside within the city, and to provide housing assistance to sworn officers for second mortgages for their principal residence.	City offers "silent second" forgivable loans of up to \$28,500 to City police officers, which may be used to assist in purchase of new home for purpose of primary residence within City.	Maximum 20 years.	Not included with information received.	City will forgive outstanding principal balance on a per annum basis (prorated for partial years) in an amount equal to 5% of principal plus accrued interest. Loan is secured by Promissory Note, Deed of Trust and Assistance Program Agreement. Borrower & immediate family shall be sole occupants of property. If borrower ceases to be employed as a sworn officer, borrower will have 60 days to refinance outstanding principle balance. Borrower shall pay all applicable taxes, insurance, homeowners association dues, and maintain the residence in good condition and repair. The City is entitled to inspect residence to assure it is being maintained in good condition.	Not included with information received.	City Attorney's Office.
City of Seaside						

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<p>Adopted in 2003 for the purpose of serving as a recruitment tool to obtain and retain quality public safety personnel; promote long-term residence in, and employment by, the City; and provide residents the benefits of public safety personnel living and working within the community.</p>	<p>The City will provide eligible employees with a forgivable loan of up to \$50,000 or 20% of the purchase price of home, whichever is lower. The number of loans is limited to funds made available as part of the City's annual budget process.</p>	<p>Maximum 10 years.</p>	<p>Full time active public safety personnel, who have successfully completed probation period and who have not previously bought or owned a home in the County are eligible. Employees who have previously owned a home in the County but have lost all property interest as a result of divorce or other catastrophic circumstances, and who have had no property interest in the home for 5 years will be considered first-time homebuyers for purposes of the program.</p>	<p>Homes purchased must be within the City limits. Employee must provide a contribution to the down payment of at least \$15,000. Payments of interest only (determined by prevailing LAIF rate) on the loan are by payroll deduction for a period of 10 years. If employee separates from active full-time employment or fails to occupy property as principal residence, or changes ownership interest in property, the loan becomes due and payable. If house is sold prior to expiration of 10-year period, the employee must repay the full loan principal and interest plus a percentage of the appreciation of the property. Loan is secured by Promissory Note and Deed of Trust.</p>	<p>Not included with information received.</p>	<p>City Finance Department</p>
<p>City of Salinas</p>						

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<p>Adopted in 2002 for the purpose of serving as a recruitment tool to obtain and retain the special and unique services of individual police officers; promote long-term residence in, and employment by, the City; and provide residents the benefits of an officer living and working within the community, and being more readily available to serve the community in the event of an emergency.</p>	<p>The City will provide sworn police officers who have completed probation with a forgivable loan of up to \$50,000 or 20% of the property's fair market value, whichever is lower. The number of loans is limited to funds made available as part of the City's annual budget process.</p>	<p>Maximum of 10 years.</p>	<p>Full time active public safety personnel, who have successfully completed probation period and who have not previously bought or owned a home in the County are eligible. Employees who have previously owned a home in the County but have lost all property interest as a result of divorce or other catastrophic circumstances, and who have had no property interest in the home for 5 years will be considered first-time homebuyers for purposes of the program. Up to 10 loans may be available each year that</p>	<p>Homes purchased must be within the City limits. Employee must provide a contribution to the down payment of at least \$15,000. Payments of interest only (determined by prevailing LAIF rate) on the loan are by payroll deduction for a period of 10 years. If employee separates from active full-time employment or fails to occupy property as principal residence, or changes ownership interest in property, the loan becomes due and payable. If house is sold prior to expiration of 10-year period, the employee must repay the full loan principal and interest plus a percentage of the appreciation of the property. Loan is secured by Promissory Note and Deed of Trust.</p>	<p>Not included with information received.</p>	<p>City Community Development Department.</p>
<p>City of Ripon</p>						

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<p>Established for the ultimate goal of providing a useful tool which makes home-ownership a reality to all city employees, while the City secures employee commitment to job and community.</p>	<p>The City provides a GAP (general public) + employee loan program. The amount funded is GAP's 18% of the median sales price of preowned homes in the city plus a forgivable \$10,000 for city employees.</p>	<p>Maximum 25 years.</p>	<p>1) Program is open to all permanent full time City employees who have completed probationary period. 2) Home purchased must be and remain the principal place of residence. 3) Home must be located within the City. 4) Employee must maintain status as City employee.</p>	<p>Minimum loan is \$10,000 and maximum loan is \$10,000 more than the regular GAP loan program. 1) Loan is reduced/forgiven by \$1,000 for each 12 month period; maximum reduction of \$10,000 for 10 years of service. 2) Interest does not accrue and payments are not required during years 1-10. Monthly principal and interest payments begin in the 11th year. 3) Loan is not assumable. 4) Loan is secured by Loan Agreement, Promissory Note and Deed of Trust. 5) Loan becomes due and payable upon termination of employment with City, property is no longer primary residence, sale or transfer of ownership, or if the participant violates any of the loan terms.</p>	<p>1) At time of application for program applicant should be pre-qualified with first lender. 2) Submit completed and signed application documents to Department of Planning and Economic Development. Each application is reviewed for eligibility and priority if number of applications received exceeds the amount of funding available. 3) Participants are notified of loan pre-approval and provided instructions to complete purchase transactions. 4) If participant does not use money within 90 days of pre-approval date, City has the right to re-assign commitment of funds to another eligible participant.</p>	<p>Department of Planning and Economic Development</p>
<p>City of Buena Park</p>						

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Established in March 1998 for the purpose of encouraging City police officers to live within the City.	The City provides loans of up to \$10,000 to all sworn personnel to assist them in the purchase of a home within the City. The City and the officer must enter into a loan agreement .	Maximum of 10 years.	1) Must be currently employed as a sworn police officer, working no less than 40 hours per week. 2) Successfully completed probation period. 3) Not on suspension or paid/unpaid administrative leave at time of loan application or funding. 4) Must be at least 50% owner of home being financed. 5) Must use as primary residence no less than 75% of time.	The loan may be used for any purpose relevant to purchase of the residence, including down payment, escrow fees, title insurance and other closing costs. The loan becomes due and payable upon the earliest maturity date (10 years) or shall be due if 1) Officer ceases to be employed by Department, 2) Residence ceases to be officer's primary residence, 3) Officer no longer holds at least a 50% interest in residence. The officer may at any time elect to pay a lump sum amount or make monthly payments. The loan shall not accrue interest. The loan will be secured by a Promissory Note and Deed of Trust. The co-owner will be required to sign the Loan Agreement and Trust Deed. If the officer dies while on duty any unpaid balance of the loan is forgiven.	1) Submit completed and signed application. 2) Application is reviewed by Administrative Services Department who, in consultation with the Police Chief, determines qualification for program. 3) Officer and co-owner are required to execute loan agreement and trust deed. 4) Until the loan is fully repaid, the Officer must provide Police Chief with information which would determine that officer continues to maintain housing as primary residence.	Human Resources Department

City of San Carlos

Adopted in 1999 for the purpose of enhancing employee recruitment and retention efforts by providing financial assistance to purchase a home in the City. The program is intended to encourage long-term residence in and employment by the City.

Program is available to all eligible City employees. The City will loan up to \$100,000 for the purchase of the employee's primary place of residence within the City or within the boundaries of the City School District.

Maximum 8 years.

All full-time City employees who do not currently own/occupy their residence within the City are eligible to apply. Priority is given in the following order: 1) Employees that have "First Responder" responsibilities as a requirement of their job. 2) Employees in key administrative support roles who would be expected to directly assist