



THE SUNRISE CITY
FORT PIERCE
FINANCE DEPARTMENT
Florida

TO : Nick Mimms, City Manager
FROM : Johnna Morris, Director of Finance
RE : **Loan Forgiveness Requests**
DATE : April 5, 2018

RECEIVED
TIME _____

APR 06 2018

CITY OF FT. PIERCE
CITY MANAGER'S OFFICE

We have received a number of requests regarding the forgiveness of loans that were given to citizens under the SHIP, CDBG and HHR programs, with the most recent being brought before City Commission on Monday.

The City has a total of 179 loans on the books; 109 are deferred with a balance of \$2,673,734 and 70 are non-deferred with a balance of \$1,675,260, a total of \$4,348,994. Most of the loans, both deferrals and non-deferrals, were granted as 5, 10, 15 or 30 year liens or notes; however, there are some outside of these perimeters. The deferrals are not payable as long as the borrower resides in the property, which is underlined in the first paragraph of the attached down payment assistance notes. The non-deferred loans required a monthly payment and the same residency requirement. I have attached examples of notes for both deferred and non-deferred loans.

At this time, the City does not have a loan forgiveness policy and while there is no law that prohibits the City from forgiving loans, I fear that once we start we set precedence and will be inundated with citizens wanting the same relief.