

# PASCO COUNTY, FLORIDA



***SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)***

***2018-2019; 2019-2020; 2020-2021***

***BOARD OF COUNTY COMMISSIONERS***

***APPROVED 7/10/18***

***Disaster Amended 6.2.20***

***Amended 1/10/23***



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## I. PROGRAM DETAILS

### A. Name of the participating local government: PASCO COUNTY

Is there an Interlocal Agreement: Yes  No

### B. Purpose of the program:

1. To expand the supply of safe, sanitary, and affordable housing for extremely low, very-low, low, and moderate-income households;
2. Develop local housing partnerships that expand the production of and preserve the County's affordable housing stock;
3. To further the housing element of the local government comprehensive plan specific to affordable housing;
4. Improve the living and housing conditions of Neighborhood Target Area households. Target areas are designated by Pasco County Board of County Commissioners (BCC) as neighborhoods in need of revitalization. The neighborhoods have been identified by symptoms of distress, are generally lower-income, have an older and declining housing stock, depressed property values, and lower homeownership rates than many areas of the County. Target areas are identified as a high priority need in the 5-Year Consolidated Plan and are eligible for Federal funding;
5. To provide match funds required by other Federal and State housing programs; and
6. To increase housing related employment.

### C. Fiscal years covered by the Plan: 2018-2019; 2019-2020; 2020-2021

### D. Governance: The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37, Florida Administrative Code. Cities and Counties must be in compliance with these applicable statutes, rules and any additional requirements as established through the Legislative process.

### E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government; lending institutions; builders and developers; not-for-profit and community-based housing providers and service organizations; providers of professional services related to affordable housing; advocates for low-income persons; real estate

professionals; persons or entities that can provide housing or supportive services; and lead agencies of the local continuums of care.

1. The Pasco Opportunity Program (“POP”) is a County and not-for-profit agency developer partnership that creates affordable housing for very-low, low, and moderate-income homebuyers. POP Developers were solicited by a Request for Proposal and selected by the BCC. There are four (4) types of POP Developers:
  - i. Tier One Developers: Minimum of 10-years’ experience in affordable housing development; required to leverage their own funds in the rehabilitation or construction of single-family homes. Homebuyers assisted: very-low, low, and moderate-income.
  - ii. Tier Two Developers: Self-Help agencies that may have their clients perform “sweat equity” or provide other services to the agency rather than providing a down payment for single-family homes. Homebuyers assisted: very-low and low-income.
  - iii. Tier Three Developers: Have less than 10-years’ experience in single-family affordable housing development. Leveraged funds are not required. Homebuyers assisted: very-low, low, and moderate-income.
  - iv. Tier Four Developers: Specialized agencies that are set up to meet HOME Investment Partnerships requirements for a Community Housing Development Organization (CHDO). A CHDO may develop rental and single-family homes. Homebuyers assisted: very-low and low-income.

The solicitation process is not ongoing; however, agency selection occurs periodically based on funding availability and programmatic need. POP Developers must show that they possess the capacity, capability, experience, and the ability to work on homeownership programs; they must have an active status of 501(c) and must be in good financial standing and have an active SAM number.

2. Lenders that participate in the homebuyer program are required to personally complete the Pasco County Community Development Training for Housing Partners

on an annual basis to maintain their approval status and serve as partners to assist borrowers with homeownership assistance.

3. Realtors that participate in the homebuyer program are required to personally complete the Pasco County Community Development Training for Housing Partners on an annual basis to maintain their approval status and serve as partners to assist borrowers with homeownership assistance.
4. Contractors that participate in the homeowner rehabilitation program have been qualified through an application process that includes review of licenses, contact references, credit history, and evaluation of past performance. Contractors that have been debarred or suspended from working on federally funded programs or are the subject of unresolved complaints filed with the Florida Department of Business and Professional Regulation, are not eligible to participate.

**F. Leveraging:** The Local Housing Assistance Plan (LHAP) is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation (FHFC) programs and to provide local match to obtain federal housing grants or programs.

**G. Public Input:** Public input was solicited through face-to-face meetings with housing providers, social service providers and local lenders and neighborhood associations. On August 21, 2017, Pasco County, in collaboration with various agency partners, held a Housing Summit to discuss local housing and homeless needs. Panel discussions were held on homeownership, Habitat for Humanity, homelessness, special needs, rental development, public housing, and neighborhood redevelopment. The information gathered through the summit identified those needs with the highest priority. Public input was also solicited through public notice in a local newspaper on March 29, 2018, on Pasco County's website, and through the County's "Notify Me/Message Center." No written comments were received.

- H. **Advertising and Outreach:** SHIP funding availability shall be advertised in a newspaper of general circulation, on the County's website, and through the County's "Notify Me/Message Center", and if available, periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.
- I. **Waiting List/Priorities:** A waiting list may be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted as well as any established funding priorities as described in this plan.

The following priorities for funding described/listed here apply to all strategies unless otherwise stated:

- a) Special Needs Households: very low and low income
- b) Elderly Households: very-low and low-income
- c) Essential Service Personnel: very-low, low, and moderate-income
- d) After set asides are met very-low, low, and moderate-income

- J. **Discrimination:** In accordance with the provisions of F.S. 760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing.
- K. **Support Services and Counseling:** SHIP funds will be used to provide the following counseling, education, and services:
  - 1. Homeownership Education Classes: Homebuyers must attend a HUD-Certified Homeownership Training course. A copy of the training certificate shall be included with the lenders request to reserve homebuyer assistance funds.
  - 2. Homeownership Counseling: Homebuyers and applicants for foreclosure prevention or tax payment assistance must complete a one-on-one counseling session with the County's contracted HUD-Certified counseling agency prior to closing.

3. Providers of housing counseling services shall ensure that the applicant is ready for homeownership and has already placed or will soon place a contract on a home. If sound practices for coordination and communication are in place, there will be fewer problems throughout the process and the applicant will be confident that his or her needs have been effectively addressed by the local program.

**L. Purchase Price Limits:** The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

U.S. Treasury Department

Local HFA Numbers

**M. Income Limits, Rent Limits and Affordability:** The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at [www.floridahousing.org](http://www.floridahousing.org).

“Affordable” means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, payments shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size. When the county is the first lender, client’s ratios including the County’s loan cannot exceed 40 percent for housing costs and 50 percent for total debt.

**N. Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed,

which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

- O. **Monitoring and First Right of Refusal:** In the case of rental housing, the staff and any entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides periodic monitoring and determination, a municipality, county, or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$10,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored annually for no less than 15 years or the term of assistance whichever is longer unless as specified above. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons. This criterion does not apply to tenant rental assistance activities.
- P. **Administrative Budget:** A line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**.

Pasco County finds that the monies deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

*Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states: "A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan."*

*Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: "The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local*

*housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.”*

The Pasco County Board of County Commissioners has adopted the above findings in the Resolution attached as **Exhibit E**.

- Q. Program Administration:** Administration of the local housing assistance plan will be wholly performed and maintained by **Pasco County**.
- R. Project Delivery Costs:** There are no additional charges to an applicant other than those charges that are normally included as administrative expenses.
- S. Elderly:** Applicants 62 years and older qualify as Elderly as defined in 420.503, F.S.
- T. Essential Service Personnel Definition:** Essential service personnel is defined as households who earn less than 120% of the median income for the Tampa-St. Petersburg-Clearwater standard metropolitan statistical area, adjusted for family size, which include families that have household members who are Veterans, active duty/reserve military personnel, teachers, law enforcement personnel, emergency service and 9-1-1 dispatchers and medical/health care professionals, skilled building trades personnel, and local government employees.
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** For owner occupied rehabilitation, the County will provide an opportunity for homeowners to upgrade existing insulation to an R-30 standard. Appliances, windows, doors, and light fixtures can be replaced with Energy Star-rated items if replacement is necessary at the time of rehabilitation. Air conditioning units can be replaced with 15 Seasonal Energy Efficiency Ratio (SEER) -rated units. Improvements are subject to homeowner equity and eligibility criteria.
- V. Describe efforts to meet the 20 percent Special Needs set-aside:**

The County will meet this requirement through the Homeowner Rehabilitation, Homebuyer Assistance and Rental Housing Strategies. The priority of special needs funds is to serve persons with disabilities as defined in F.S. 393.063 and F.S. 420.0004 with an emphasis on

home modifications and enhancements that will allow homeowners to remain independent in their own homes and maintain homeownership. Applicants referred by one of the three partner agencies serving developmentally disabled persons in the County (A.F.I.R.E. of Pasco County, Inc., The ARC Nature Coast, and The Red Apple Adult Training Center), will receive priority funding, under the 20% set aside. The County has also partnered with the Pasco County Housing Authority to develop scattered site, special needs rental housing units using both SHIP and HOME Investment Partnerships funds.

**W. Describe efforts to reduce homelessness:**

The County works in collaboration with the Continuum of Care (CoC) to develop and coordinate strategies in the effort to end homelessness. The County is responsible for Community Development Block Grant, HOME Investment Partnership (HOME) and Emergency Solutions Grant funds; which are leveraged with other resources to reduce homelessness. SHIP and other grant funds have been provided to the Pasco County Human Services Division for homeless prevention and rapid rehousing programs; the County has implemented an Extremely Low-Income Housing Program to address the issue of housing for homeless families experiencing homelessness and chronically homeless households.

**II. LHAP STRATEGIES HOMEOWNERSHIP:**

<b>A. PASCO OPPORTUNITY PROGRAM – POP REHAB</b>	<b>CODES 1, 9</b>
a. Summary of Strategy: Pasco Opportunity Program (“POP”): Funds are awarded to not-for-profit housing agencies to develop affordable housing for homeownership. Rehabilitation standards include necessary repairs to the home to ensure safe, sanitary, and functional conditions. Funding to homebuyers provides down payment assistance, closing costs, and gap financing assistance to assist with purchasing the home.	
b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021	
c. Income Categories to be served: very-low, low, and moderate-income	
d. Maximum award:	

1. POP Developer: \$200,000 per unit  
Project Delivery: \$5,000 per unit
2. Homebuyer: Financing is based on income levels as described in the table below. 100% financing may be provided by the County for certain homes and target areas as specified in the attached document titled "100% Financing Procedures Pasco Opportunity Program".  
Project Delivery: \$1,000 per unit

Homebuyer	Maximum Homebuyer Award
Very Low-Income	\$40,000
Low-Income	\$25,000
Moderate-Income	\$10,000

e. Terms:

1. Repayment loan/deferred loan/grant:
  - i. POP Developer: Funds are awarded as a deferred loan, secured by a recorded Mortgage and Note.
  - ii. Homebuyer: All funds are secured by a recorded Mortgage and Note, which may be deferred, or immediate repayment as described in the repayment section below. The County loan is a subordinate mortgage unless County funds are the majority of financing received.
2. Interest Rate: 0%
3. Years in loan term:
  - i. POP Developer: Deferred until unit sold to eligible homebuyer
  - ii. Homebuyer:
 

Loan Amount	Term
Up to \$25,000	20 Years
Over \$25,000	30 Years
4. Forgiveness: N/A

5. Repayment:
  - i. POP Developer: When the property is sold to an eligible homebuyer the amount of the outstanding balance is typically satisfied by the lender. Funds are then credited to the POP Developer's line of credit to be used to continue the program. A satisfaction of Mortgage and Note is recorded in public records.
  - ii. Homebuyer: For moderate income homebuyers, payback will begin immediately. For low and very-low income homebuyers, the loan will be deferred for five years. Payback will begin at the end of the deferral period.
6. Default/Recapture:
  - i. The loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; home not owner occupied; or failure to maintain homeowner's insurance. The outstanding balance becomes due and payable; however, a modification may be arranged with the County for a loan bearing interest.
  - ii. In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP-eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP-eligible or chooses not to occupy the home, the outstanding balance becomes due and payable; however, a modification may be arranged with the County for a loan bearing interest.
  - iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing; sell the property to a POP Developer; or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.
  - iv. In the event of termination of agreement between the County and POP developer, the developer will surrender possession of the Mortgaged Property to the County as specified in the Mortgage and Note.
- f. Recipient Selection Criteria:

1. Applicants will be prioritized for assistance on a first-qualified, first-served basis with the priorities for Special Needs, Elderly, Essential Services Personnel, and income groups if a waiting list has been established.

2. Homebuyers must qualify for funding:

i. Homebuyers are required to contribute a minimum amount of their own funds into the purchase:

Very low-income: \$500

Low-income: \$1,250

Moderate-income: \$1,500

The minimum investment may include the earnest money deposit, amount paid for appraisals, home inspections, etc., and other expenses the homebuyer pays to finalize the closing. Each item must be documented on the final closing statement as paid outside of closing. The invoice for services and proof of payment must be provided; payments may not be placed on credit card. If eligible for sweat equity, the contribution must be verified by the Tier 2 POP agencies in writing, with a corresponding momentary value for the hours credited.

3. The sales price must not exceed \$275,000.

4. Homebuyers must complete a County approved, HUD-Certified Homeownership Education Program.

5. Applications must be submitted through the Lender, or a Tier Two POP Developer.

6. Homebuyers must have secured a fixed-rate, first mortgage from a County approved lender. First loan interest rate may not be more than 1% over Freddie Mac average rate ([www.freddiemac.com](http://www.freddiemac.com)). Lender fees and points cannot exceed 4% of their loan amount. The contract for sale is approved by the lender; the reservation for a loan is sent to the County by the lender, the County reviews the loan package for front and back end ratios.

7. Realtors may not charge any fees other than commission.

8. Homebuyers must certify that the unit assisted will be their primary residence and will maintain the Florida Homestead Exemption.

g. Sponsor/Developer Selection Criteria: Developer agencies were solicited via a Request for Proposal for the Pasco Opportunity Program (“POP”) and selected by the BCC as stated in Section

1.E. The solicitation process is not ongoing; however, developer selection occurs periodically based on funding availability and programmatic need.

1. Rehabilitation shall be completed in less than 24 months from the date of property conveyance and sold to a homebuyer meeting the income criteria.
2. The County shall review and approve each new-buyer case file for income eligibility before the property may be sold.
3. The POP Developer will receive an initial \$5,000 developer fee at the time the title of the property transfers to the developer. Once the property is sold to an eligible homebuyer the developer will receive the net proceeds from the sale of each improved property as payment for the developer fees. The portion of the developer fee due upon sale shall be no less than \$5,000. The total amount of developer fees paid shall not exceed \$30,000 based on the formula (Sales Price – Costs Funded by the County = Net Proceeds. Property tax and property insurance will be paid by the County; property maintenance and administrative costs will be paid by the POP Developer.

**h. Additional Information:**

1. Funds may not be used for: upgraded items or materials exceeding builder grade; porches, additions, or structures rated as unconditioned spaces; or luxury items such as swimming pools, hot tubs, or spas.
2. Homes that are not eligible for assistance:
  - i. Mobile or manufactured homes;
  - ii. Purchases in special flood hazard area or repetitive loss areas;
  - iii. Sinkhole homes or homes with other documentation of ground settlement activity, including those that have been remediated.

<b>B. HOMEBUYER ASSISTANCE PROGRAM - HAP</b>	<b>CODE 2</b>
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- a. Summary of Strategy: The Homebuyers Assistance Program (HAP) will provide funds for down payment assistance, closing costs, and gap financing assistance to qualifying households to assist with the purchase of a new or existing home.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021

c. Income Categories to be served: very-low, low, and moderate-income

d. Maximum award:

1. Homebuyer: See table below
2. Project Delivery: \$1,000 per unit

Homebuyer Income	Maximum Homebuyer Award
Very Low-Income	\$50,000
Low-Income	\$35,000
Moderate-Income	\$25,000

e. Terms:

1. Repayment loan/deferred loan/grant: Funds are awarded as a loan, secured by a recorded Mortgage and Note. The County loan is a subordinate mortgage.
2. Interest Rate: 0%
3. Years in loan term:

Loan Amount	Term of Loan
\$25,000	10-Years
\$35,000	15-Years
\$50,000	30-Years

4. Forgiveness: N/A
5. Repayment: For moderate income homebuyers, payback will begin immediately. For low and very-low income homebuyers, the loan will be deferred for five years. At the end of the deferral period payback will begin.
6. Default/Recapture:
  - i. The loan will be determined to be in default if any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; or home not owner occupied status. The outstanding balance

shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.

- ii. In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
- iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing, sell the property to a POP Developer, or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.

**f. Recipient Selection Criteria:**

1. Applicants will be prioritized for assistance on a first-qualified, first-served basis with the priorities for Special Needs, Elderly, Essential Services Personnel, and income groups if a waiting list has been established.
2. Applicants may not have owned a home within the last three (3) years.
3. Homebuyers must show a demonstrated need for funding:
  - i. The County requests that lenders fund the greatest loan percentage possible.
  - ii. Homebuyers are required to contribute a minimum amount of their own funds into the purchase:

Very low-income: \$500

Low-income: \$1,250

Moderate-income: \$1,500

The homebuyer's minimum investment may include the earnest money deposit; amount paid for appraisal, home inspections, and other expenses the homebuyer pays to finalize the closing. Each item must be documented on the final closing statement as paid outside closing. The invoice for services and proof of payment must be provided; payments may not be placed on credit card.

3. The sales price must be less than \$275,000.
4. Homebuyers must complete a County approved, HUD-Certified Homeownership Education Program.
5. Homebuyers must have secured a fixed-rate, first mortgage from a County approved lender. First loan interest rate may not be more than 1% over Freddie Mac average rate ([www.freddiemac.com](http://www.freddiemac.com)). Lender fees and points cannot exceed 4% of their loan amount. The contract for sale is approved by the lender; the reservation for a loan is sent to the County by the lender, the County reviews and approves the loan package. Pasco County's loan will be subordinate and will take second place behind the primary mortgage (exceptions may be made for grants from Florida Housing Finance Corporation or as approved by the Director of Community Development on a case by case basis).
6. Realtors may not charge any fees other than commission.
7. Homebuyers must certify that the unit assisted will be their primary residence and will maintain a homestead exemption.

**g.** Sponsor/Developer Selection Criteria: N/A

**h.** Additional Information:

1. Homes that are not eligible for assistance:
  - i. Mobile or manufactured homes;
  - ii. Purchases in special flood hazard area or repetitive loss areas;
  - iii. Sinkhole homes or homes with other documentation of ground settlement activity, including those that have been remediated.

<b>C. PASCOFIX HOMEOWNER REHABILITATION PROGRAM</b>	<b>CODE 3</b>
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**a.** Summary of Strategy: The PascoFix Program is for home-owners requiring repairs on their homes. Eligible repairs include correcting substantial code violations such as roof, electrical, heating/AC, septic/sewer, water facilities; doors/windows, and making handicapped modifications. The program will also address items that jeopardize the integrity of the home or pose a safety hazard to homeowner. Some examples include wall damage that may result in water penetration/mold issues, hazardous flooring, and falling ceilings.

- b.** Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c.** Income Categories to be served: very-low, low and moderate.
- d.** Maximum award:

<b>Homebuyer Income</b>	<b>Maximum Per Unit Award</b>
Very Low-Income	\$100,000
Low-Income	\$100,000
Moderate-Income	\$50,000

Project Delivery: \$5,000 per unit

- e.** Terms:
  - 1.** Repayment loan/deferred loan/grant: Funds are awarded as a repayment or deferred repayment loan, all secured by a recorded Mortgage and Note.
  - 2.** Interest Rate: 0%
  - 3.** Years in loan term:

<b>Loan Amount</b>	<b>Term</b>
Up to \$5,000	10 Years
Up to \$10,000	15 Years
Up to \$15,000	20 Years
Up to \$20,000	25 Years
Over \$20,000	30 Years

- 4.** Forgiveness: N/A
- 5.** Repayment:
 

The County's loan will be deferred until sale of the home provided that title remains under the ownership of the borrowers signing the mortgage and note; and the home remains the homesteaded, principal residence.
- 6.** Default/Recapture:
  - i.** A loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead

exemption status; or failure to occupy the home as their primary residence. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.

- ii. In cases where the qualifying homeowner(s) passes away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
- iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing; sell the property to a POP Developer; or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.

f. Recipient Selection Criteria:

- 1. Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Elderly, Essential Services Personnel and income groups as described in Section I of this plan.
- 2. Applicants cannot have previously received housing assistance (Owner-Occupied Rehabilitation or Homebuyer Assistance) from SHIP funding, without approval by the Community Development Department Committee Review.
- 3. Applicants must have owned and occupied the housing unit for a minimum of two (2) years under a recorded instrument and have current homestead exemption status.
- 4. Property taxes and existing mortgage(s) must be current for all applicants.
- 5. The Pasco County Property Appraiser assessment or appraisal must show that after-rehabilitation or construction value is less than the SHIP sales price limit, according to applicable SHIP rules and statutes.
- 6. The total loan-to-value cannot exceed 120 percent of the assessed value.
- 7. Applicants must have acceptable credit. This is defined as follows:

8. Any bankruptcy must be discharged and at least three years must have passed. The client must have a six-month history of timely payments on at least two obligations.
9. Payment for property taxes or other County assessments must be current for the past three years.
10. All medical collections and debts will be ignored.
11. Any adverse debt more than three years old will be ignored.
12. Applicants must be current with their mortgage payment.
13. If adverse debt collectively is less than \$4,000 (including collections and judgments), they shall be ignored.
14. The Community Development Director may review individual credit situations and waive these requirements. This may be done in cases where the client is making an effort to pay back the adverse debt or has worked out an agreement with a County approved credit counseling agency.
15. Replacement housing applicants must provide proof of homestead residency for the past five years.

**g.** Sponsor/Developer Selection Criteria: N/A

**h.** Additional Information:

1. Repairs will not be provided to those illegal structures built without the required building permit.
2. No application for rehabilitation assistance which has the effect of expanding a nonconforming use shall be processed.
3. Properties located in flood zones are restructured by current substantial improvement codes.
4. All work will be performed by contractors on the County's approved contractor's list.

<b><i>D. DEMOLITION / RECONSTRUCTION</i></b>	<b><i>CODE 4</i></b>
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- a. Summary of Strategy: Reconstruction projects require demolition of the existing structure and the development of a new home on the homeowners existing site.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021

- c. Income Categories to be served: very-low, and low
- d. Maximum award: \$275,000 per unit
- Project delivery: \$5,000 per unit
- e. Terms:
  1. Repayment loan/deferred loan/grant: All funds are secured by a recorded Mortgage and Note, which will be deferred as described in the repayment section below.
  2. Interest Rate: 0%
  3. Years in loan term: 30 years
  4. Forgiveness: N/A
  5. Repayment:  
The loan will be deferred for five years. At the end of the deferral period payback will begin.
  6. Default/Recapture:
    - i. The loan will be determined to be in default if any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; or failure to occupy the home as their primary residence. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
    - ii. In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
    - iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing; sell the property to a POP Developer; or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.
- f. Recipient Selection Criteria:

1. Applicants will be prioritized for assistance on a first-qualified, first-served basis with the priorities for Special Needs, Elderly, Essential Services Personnel, and income groups if a waiting list has been established.

<b>E. DISASTER ASSISTANCE – OWNER-OCCUPIED HOUSING</b>	<b>CODES 5, 16</b>
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- a. Summary of Strategy: The Disaster Assistance strategy provides funds to household following a disaster or emergency declared by the President of the United States or Governor of the State of Florida. SHIP disaster funds may be used for items such as, but not limited to:
  1. purchase of emergency supplies for eligible households to weatherproof damaged homes;
  2. interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;
  3. construction of wells or repair of existing wells where public water is not available;
  4. payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies;
  5. security deposit for eligible recipients that have been displaced from their homes due to disaster;
  6. rental and utility assistance for eligible applicants.
  7. mortgage and utility payment assistance for eligible applicants.
  8. Strategies included in the approved LHAP that benefit applicants directly affected under the Executive Order.
    - i. other eligible activities as proposed to and approved by Florida Housing. Other activities as approved through the Executive Order or any accompanying Supplemental Order, or activities proposed by the BCC and approved by FHFC.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: very-low and low-income
- d. Maximum award: \$25,000 per unit

Project Delivery: \$500 per unit

- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Grant
  - 2. Interest Rate: N/A
  - 3. Years in loan term: N/A
  - 4. Forgiveness: N/A
  - 5. Repayment: N/A
  - 6. Default/Recapture: N/A
- f. Recipient Selection Criteria:
  - 1. First-qualified, first-served, priority shall be given to Special Needs applicants, Essential Services Personnel, and income groups as described in Section I of this plan.
  - 2. All households assisted must be victims of the declared disaster. This may be certified by an outside party or by the Community Development Department.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information:
  - 1. SHIP funds at all times must be used for eligible applicants.
  - 2. Eligibility for this strategy shall be done in an expedited manner and may include alternative forms of documentation, such as current pay stubs and benefit letters as well as oral verification of employment wages, other income, and assets. If the client receives insurance payments or other assistance that duplicates what was received through Pasco County, they will be required to repay that amount to the County.

<b>F. FORECLOSURE PREVENTION/TAX PAYMENTS &amp; ASSESSMENTS</b>	<b>CODE 7</b>
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- a. Summary of Strategy: Funding to stabilize homesteaded homeowners with delinquent property taxes, special assessments, association fees, or homeowners who are at least three months, but no more than six months in arrears on their first mortgage and are not under an active foreclosure action. Funding will also provide for homeowner education and counseling services.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served:
  - 1. Foreclosure Prevention: very-low and low-income

- 2. Tax Payment & Assessments Program: very-low income households; or low-income households who have a household member who is elderly or disabled.
- d. Maximum award:
  - 1. Foreclosure Prevention: \$10,000 per unit  
Project Delivery: \$1,000 per unit
  - 2. Tax Payment & Assessments Program: \$10,000 per unit  
Project Delivery: \$1,000 per unit
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: All funds are secured by a recorded Mortgage and Note, which may be deferred, or immediate repayment as described in the repayment section below.
  - 2. Interest Rate: 0%
  - 3. Years in loan term:
 

Loan Amount	Term
Up to \$5,000	10 Years
Up to \$10,000	15 Years
Over \$10,000	20 Years
  - 4. Forgiveness: N/A
  - 5. Repayment:
 

The loan will be deferred for five years. At the end of the deferral period payback will begin.
  - 6. Default/Recapture:
    - i. The loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; or failure to occupy the home as their primary residence. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
    - ii. In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home,

the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.

- iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing, sell the property to a POP Developer, or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.

**f. Recipient Selection Criteria:**

1. Applicants must provide evidence of the hardship that caused the nonpayment of their mortgage or property tax & assessments. Eligible reasons are:
  - i. Loss of employment;
  - ii. Sudden medical expenses;
  - iii. Divorce or separation;
  - iv. Death in the immediate family;
  - v. Unforeseen home repair bills;
  - vi. Large increase in amount of mortgage payment because of terms of adjustable loan.
2. Non-homesteaded property assets cannot exceed \$25,000, excluding home and personal furnishings.
3. Properties must be homesteaded; rental lots are not eligible.
4. Foreclosure Prevention:
  - i. Applicants must receive counseling from a HUD-Certified approved agency trained in foreclosure counseling as assigned by the County.
  - ii. Applicants must provide written evidence of the ability to resume making monthly payments after the assistance is provided, which includes an explanation of how the hardship has been overcome and a budget plan approved by the counseling agency.
5. Tax Payment & Assessment Program:

- i. Property must be homesteaded; rental lots are not eligible.
- ii. Homeowners insurance is not a requirement.
- iii. Only tax on the property is eligible for mobile and manufactured homes, and the mobile home must be built after 1994.
- iv. Property value cannot exceed \$275,000 according to the Pasco County Property Appraiser and no more than 75% of its value in debt.
- v. No outstanding judgments or liens placed on the property by the County, excluding paving assessment liens and utility assessments.
- vi. Current and delinquent taxes and Tax Certificates are eligible to be paid. Past payments are not eligible for reimbursement.

g. Sponsor/Developer Selection Criteria: N/A

h. Additional Information:

- 1. Foreclosure prevention assistance is limited to a life-time award not to exceed \$20,000.
- 2. Tax payment & assessment assistance is limited to a life-time award not to exceed \$15,000.

<b>G. NEW CONSTRUCTION - POP HOMEBUYER ASSISTANCE PROGRAM</b>	<b>CODE 10</b>
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- a. Summary of Strategy: Pasco Opportunity Program (“POP”): Funds are awarded to not-for-profit housing agencies to develop affordable housing for homeownership.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: low and moderate-income
- d. Maximum award:
  - 1. POP Developer Award: \$200,000 per unit  
POP Project Delivery:\$5,000 per unit
  - 2. Homebuyers Award:

Homebuyer Income	Maximum Homebuyer Award
Very Low-Income	\$50,000
Low-Income	\$35,000

Moderate-Income	\$25,000
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Homebuyer Project Delivery: \$1,000 per unit

**e. Terms:**

1. Repayment loan/deferred loan/grant: All funds are secured by a recorded Mortgage and Note, which may be deferred, or immediate repayment as described in the repayment section below. Loans to homebuyer's are subordinate mortgages.
  - i. POP: One-year deferred loan.
  - ii. Homebuyer: Funds are awarded as a loan, secured by a recorded Mortgage and Note.
2. Interest Rate: 0%
3. Years in loan term: POP Developer: deferred until unit sold to eligible homebuyer  
Homebuyer: 30 years
4. Forgiveness: N/A
5. Repayment:
  - i. POP Developer: When the property is sold to an eligible homebuyer the amount of the outstanding funds is transferred to the buyer and the County loan is satisfied by the lender. Funds are then credited to the POP Developer's line of credit to be used to continue the program.
  - ii. Homebuyer: For moderate income homebuyers, payback will begin immediately. For low income homebuyers, the loan will be deferred for five years; payback will begin at the end of the deferral period.
6. Default/Recapture:
  - i. The loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; or failure to occupy the home as their primary residence. The

outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.

- ii. In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
- iii. If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may re-sell the property to the homebuyer and restructure the financing, sell the property to a POP Developer, or use the property for a rental program strategy, as appropriate. When a property is sold to a POP Developer, the POP Developer will rehabilitate the property and sell it to a new eligible homebuyer.
- iv. In the event of termination of agreement between the County and POP developer, the developer will surrender possession of the Mortgaged Property to County as specified in the Mortgage and Note and those mortgages shall be satisfied.

**f. Recipient Selection Criteria:**

1. Applicants will be prioritized for assistance on a first-qualified, first-served basis with the priorities for Special Needs, Elderly, Essential Services Personnel, and Neighborhood Target Area applicants, homebuyers that have been deprived of affordable housing due to the closure of a mobile home park or the conversion of affordable rental units to condominiums, and income groups if a waiting list has been established.
2. Sales price of the property to be purchased cannot exceed \$275,000.
3. Completion of homebuyer education class or equivalent from POP agency is required prior to submitting an application to Pasco County Community Development.
4. First mortgage lender approval, if applicable.
5. Demonstrated need for funding: Homebuyers are required to contribute a minimum amount of their own funds into the purchase:

Low-income: \$1,250

Moderate-income: \$1,500

The minimum investment may include the earnest money deposit, amount paid for appraisals, home inspections, etc., and other expenses the homebuyer pays to finalize the closing. Each item must be documented on the final closing statement as paid outside closing. The invoice for services and proof of payment must be provided; payments may not be placed on credit card.

**g.** Sponsor/Developer Selection Criteria: Developer agencies were solicited via a Request for Proposal for the Pasco Opportunity Program ("POP") and selected by the BCC. The solicitation process is not ongoing; however, developer selection occurs periodically based on funding availability and programmatic need.

1. Construction shall be completed in 12 months or according to contract, with property conveyance sold to an eligible homebuyer with six months of Certification of Occupancy.
2. The County shall review and approve each new-buyer case file for income eligibility before the property may be sold.
3. The property must be sold for an amount that is consistent with the limits established by the FHFC.

**h.** Additional Information:

1. Target Area HAP: Provides heavily subsidized assistance to homebuyers in target area neighborhoods.
2. Displaced Homebuyer Program HAP: Provides increased down payment assistance to homebuyers that have been displaced from affordable housing due to mobile home park closures and apartment conversions to condominiums.

## **II. LHAP STRATEGIES: RENTAL**

<b><i>H. SPECIAL NEEDS – RENTAL SUBSIDY PROGRAM</i></b>	<b><i>CODE 12, 26</i></b>
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**a.** Summary of Strategy: Rent Subsidy Program - A rapid rehousing program for very low-income households with at least one adult who is a person with special needs as defined in F.S. 420.0004 (13) or homeless as defined in F.S. 420.621. Funds will be provided on behalf of renter households that are in need of assistance for (1) security and utility deposits and (2) rent subsidies for up to 12 months. The period of rental assistance may not exceed 12 months for any eligible household.

- b.** Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c.** Income Categories to be served: very low-income
- d.** Maximum award: \$20,000.
- Project Delivery: \$500 per unit
- e.** Terms:
  - 1. Repayment loan/deferred loan/grant: Grant
  - 2. Interest Rate: N/A
  - 3. Years in loan term: N/A
  - 4. Forgiveness: N/A
  - 5. Repayment: N/A
  - 6. Default/Recapture: N/A
- f.** Recipient Selection Criteria:
  - 1. Applicants who are homeless will be received directly or referred to the Pasco County Human Services Division by the local Continuum of Care Coordinated Entry system. Provision of services will be based on those with the highest need as identified on the VI SPDAT; and then will be assisted on a first-qualified, first-served basis based on their assessment and position on the By Name List managed by the CoC. Applicants with one or more special needs household members may apply directly or may be referred by a special needs service provider; however, these clients must be assessed in accordance with the Coordinated Entry process.
  - 2. The rapid rehousing agency connects the clients to mainstream benefits for long-term self-sufficiency.
  - 3. The terms of the initial lease shall be a minimum of one-year.
- g.** Sponsor/Developer Selection Criteria: The County implements this strategy through the Pasco County Human Services Division.
- h.** Additional Information:
  - 1. Households that receive full subsidy (12 months), rent can be up to 120% SHIP Rent Limit adjusted for bedroom size; all other households must comply with rent limits established by FHFC.
  - 2. Structures must meet the Section 8 Housing Quality Standards.

3. Assistance is required to be documented in the HMIS.
4. Clients shall be offered ongoing support services during the term of their subsidy and these services shall be documented in HMIS.
5. Tenant eligibility and property standards will be monitored on an annual basis for those clients receiving the full subsidy.

<i>I.</i> <b>RENTAL ASSISTANCE – EVICTION PROTECTION</b>	<b>CODE 13</b>
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- a. Summary of Strategy: Eviction Protection - Funds will be awarded to eligible renter households that are in need of assistance for eviction prevention not to exceed three (3) months' rent. Funds are available to pay past due rent and late fees.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: Very Low and Low-Income
- d. Maximum award: \$10,000 per unit  
Project delivery: \$500 per unit
- e. Terms:
  1. Repayment loan/deferred loan/grant: Grant
  2. Interest Rate: N/A
  3. Years in loan term: N/A
  4. Forgiveness: N/A
  5. Repayment: N/A
  6. Default: N/A
- f. Recipient Selection Criteria:
  1. This assistance is for renter households that have experienced a temporary financial hardship that resulted in missed rental payments and in danger of being evicted.
  2. Priority shall be on a first-qualified, first-served basis; referrals shall be accepted from Coordinated Entry.
  3. There must be a reasonable prospect that the applicant will be able to resume full rental payments after receiving SHIP assistance. Eligible applicants must document their ability to continue to maintain monthly rent payments.
  4. Assistance is limited to a one-time award.

- 5. A valid lease must be in place.
- g. Sponsor/Developer Selection Criteria: The County implements this strategy through the Pasco County Human Services Division.
- h. Additional Information:
  - 1. The rental unit must meet Housing Quality Standards as defined in 24 CFR 982.401.
  - 2. Rent limits as established by the FHFC must be followed.
  - 3. Assistance is required to be documented in the HMIS for homeless applicants.

<b>J. RENTAL REHABILITATION</b>	<b>CODE 14</b>
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- a. Summary of Strategy: This strategy is intended to maintain and increase the amount of affordable rental housing available in the County. Rental housing will be addressed with the following programs:
  - 1. Homeless Facility Development – Funding may be provided to assist a not-for-profit agency or members of the Pasco County Continuum of Care that seek funding from HUD or funds through the State of Florida.
  - 2. Federal Rental Assistance – Funds may be made available for not-for-profit developers that need funding for HUD Section 202, HUD Section 811 programs, or the equivalent.
  - 3. State Rental Program Assistance – Funds may be available for developers of elderly or disabled housing that are applying for funds through FHFC. County funding is contingent upon the developer's selection for FHFC financing under the program for which they applied.
  - 4. Rental Housing Preservation – Funds may be available to for-profit or not-for-profit entities that need assistance to preserve affordable housing that has been constructed or subsidized by Federal or State funds.
  - 5. Pasco County Housing Authority Facility Development - Funds may be made available for the preservation of existing housing units based on funding availability and leveraging opportunities.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: very-low and low-income

- d. Maximum award: \$300,000 per unit  
Project delivery: \$5,000 per unit
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: A deferred loan, secured by a recorded Mortgage and Note.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 50-Years
  - 4. Forgiveness: If the requirements of the loan have been met at the end of the term.
  - 5. Repayment: Repayment will be required in the event subsidized units are converted away from prescribed eligibility and rent limits prior to the loan term.
  - 6. Default/Recapture:
    - i. The loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; or conversion to a different use. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
    - ii. The County may foreclose if the owner does not meet the terms of the recorded County mortgage and note.
    - iii. For all loan programs listed above, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may sell the property to another agency to own/manage the property.
- f. Recipient Selection Criteria: NA
- g. Sponsor/Developer Selection Criteria:
  - 1. Capacity and capability.
  - 2. Experience in development and working with assisted population.
  - 3. Site control.
  - 4. Homeless Facility Development applicants must prove they have funds committed for the operation of the facility and that they are active members of the Pasco Coalition for the Homeless. If the funding provided by Pasco County is necessary for a grant application, that application will be sufficient to prove the intent to commit the remainder of necessary funds.

- 5. Participation in the Welfare Transition Program.
- 6. The Pasco County Housing Authority must demonstrate that they have the funds committed for the operation of new facilities, as necessary, and that additional funds necessary for project completion have been secured. If the funding provided by Pasco County is necessary for a grant application, that application will be sufficient to prove the intent to commit the remainder of necessary funds.

**h. Additional Information:**

SHIP funds are the last funding source for payments to a developer.

<b>K. DISASTER MITIGATION - RENTAL</b>	<b>CODE 16</b>
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- a. Summary of Strategy:** This strategy will only be implemented following a disaster as declared by the President of the United States or the Governor of Florida. SHIP funds that have not yet been encumbered may be used or any additional disaster funds allocated by FHFC. Funds may be used for items such as, but not limited to:
  - 1. Move In expenses for eligible recipients that have been displaced from their homes due to disaster. These move-in expenses may include first last and security deposit in addition to electric deposit if the eligible recipients are moving to a property with a new electric company and service cannot be transferred.
  - 2. Rental assistance for eligible recipients that have been displaced from their homes due to disaster.
  - 3. Other activities as approved through the Executive Order or any accompanying Supplemental Order, or activities proposed by the BCC and approved by FHFC.
- b. Fiscal Years Covered:** 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served:** very- low and low-income
- d. Maximum award:** \$20,000 per unit
- Project delivery:** \$500 per unit
- e. Terms:**
  - 1. Repayment loan/deferred loan/grant: Grant
  - 2. Interest Rate: N/A

- 3. Years in loan term: N/A
- 4. Forgiveness: N/A
- 5. Repayment: N/A
- 6. Default/Recapture: N/A

f. Recipient Selection Criteria:

- 1. First-qualified, first-served. Priority shall be given to persons who have special housing needs and individuals or household that qualify as Elderly as defined in 420.503, F.S.
- 2. Priority funding may be changed by the BCC if warranted by the nature of the disaster.
- 3. All households assisted must be victims of the declared disaster. This may be certified by an outside party or by the Community Development Department.

g. Sponsor/Developer Selection Criteria: N/A

h. Additional Information:

- 1. Eligibility for this strategy shall be done in an expedited manner and may include alternative forms of documentation, such as current pay stubs and benefit letters, as well as oral verification of employment wages, other income, and assets. If the FHFC allows even less documentation with that disaster, that methodology may be used.

<b>L. LAND ACQUISITION / NEW CONSTRUCTION - RENTAL</b>	<b>CODES 20, 21</b>
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- a. Summary of Strategy: Funds may be awarded to developers of affordable rental units that are awarded construction financing through other State or Federal housing programs to construct affordable rental units. Funding is intended to be used as gap financing required for the project. In cases where a smaller development (less than 50 units) is being proposed that includes Permanent Supportive Housing units, the County may choose to provide a larger amount of the overall construction financing not to exceed the strategy maximum award amount.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: Very low, low-income, and moderate income
- d. Maximum award: \$505,000 per unit
- Project Delivery: \$5,000 per unit
- e. Terms:

1. Repayment loan/deferred loan/grant: For for-profit developers, funds will be awarded as a loan secured by a recorded subordinate Mortgage and Note. Match funds may be provided if required for a project to receive leveraged funding, which will be secured by a recorded Mortgage and Note.
2. Interest Rate: 0%
3. Years in loan term: 50-year
4. Forgiveness: N/A
5. Repayment: Repayment will be required in the event subsidized units are converted away from prescribed eligibility and rent limits prior to the loan term.
6. Default/Recapture:
  - i. The loan will be determined to be in default if the any of the following occur: sale, transfer, or conveyance of property; or conversion to a different use. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
  - ii. If the property is foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest. At that time, the County may sell the property to another not-for-profit to develop the property for a rental program.
  - iii. The County may foreclose if the owner does not meet the terms of the recorded County mortgage and note.

f. Recipient Selection Criteria: N/A

g. Sponsor/Developer Selection Criteria:

1. Capacity and capability.
2. Experience in development and working with assisted population.
3. Leveraging.
4. Site control.
5. Homeless Facility Development applicants must prove they have funds committed for the operation of the facility and that they are active members of the Pasco County Continuum of Care. If the funding provided by Pasco County is necessary for a grant application, that application will be sufficient to prove the intent to commit the remainder of necessary fund.

6. The developer must demonstrate that they have the funds committed for the operation of new facilities, as necessary, and that additional funds necessary for project completion have been secured. If the funding provided by Pasco County is necessary for a grant application, that application will be sufficient to prove the intent to commit the remainder of necessary funds.
7. Participation in the Welfare Preservation Program.

h. Additional Information: NA

<b>M. SECURITY AND/OR UTILITY DEPOSITS / RAPID REHOUSING</b>	<b>CODES 23, 26</b>
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- a. Summary of Strategy: Funds will be provided for the homeless or those displaced from affordable housing due to mobile home closure or apartment conversions to put a rent security and/or utility deposits down for an eligible housing unit. Eligible utility deposits include provider-mandated deposits for water, sewer, and electricity. Rental deposits shall not exceed one-month's rent. All expenses are paid directly to the service provider.
- b. Fiscal Years Covered: 2018-2019; 2019-2020; 2020-2021
- c. Income Categories to be served: Very Low and Low-Income
- d. Maximum award: \$9,800 per unit  
Project delivery: \$500 per unit
- e. Terms:
  1. Repayment loan/deferred loan/grant: Grant
  2. Interest Rate: N/A
  3. Years in loan term: N/A
  4. Forgiveness: N/A
  5. Repayment: N/A
  6. Default/Recapture: N/A
- f. Recipient Selection Criteria:
  1. Funds will be made available on a first-qualified, first-served basis; priority shall be given to households that qualify as special needs or Elderly as defined in F. S. 420.503.
  2. Applicants must meet the Federal or State definition of homeless.

- 3. Referrals shall come from the Coordinated Entry System.
- 4. Applicants must show they have the ability to pay rent after SHIP assistance is provided.
- 5. Applicants must be Pasco County residents or fleeing domestic violence.
- 6. A valid one-year lease is required.
- g. Sponsor/Developer Selection Criteria: The County implements this strategy through the Pasco County Human Services Division.
- h. Additional Information:
  - 1. All rental units assisted must meet SHIP affordability requirements.
  - 2. Mobile homes and manufactured homes must be built after 1994 to be eligible.
  - 3. Assistance is limited to a one-time award.
  - 4. Structures must meet the Section 8 Housing Quality Standards.
  - 5. Assistance is required to be documented in HMIS for all applicants.

**N. NEW CONSTRUCTION / HOMEBUYER ASSISTANCE PROGRAM**

**Code 9, 10**

- a. Summary of the Strategy: Funds will be awarded to developers of affordable homeownership housing for construction financing. Eligible costs include property acquisition, demolition, site improvements, rehabilitation, and new construction. Houses will be sold to income eligible buyers. The strategy promotes infill housing development, green building, and mixed income neighborhoods.
- b. Fiscal Years Covered: 2018-2019, 2019-2020, 2020-2021
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum award: \$300,000 per unit
- e. Terms:
  - 1. Developer
    - i. Repayment loan/deferred loan/grant: Funds will be awarded as a repayment loan secured by a recorded mortgage and note. In instances where the cost to develop the project is higher than the appraised value or sales prices, the expenses associated with development of the project that exceed the sales price may be

awarded to the development as a grant, per approval of Community Development Director.

- ii. Interest Rate: 0%
- iii. Years in loan term: 3 Years
- iv. Forgiveness: N/A
- v. Repayment: Upon sale of the property to an eligible buyer who meets the required income categories set forth in this strategy, net proceeds from the sale of the property are due and payable to Pasco County.
- vi. Default: The loan will be in default if the Developer fails to meet the development and construction requirements, timeframes, sells, transfers, or conveys the property to anyone other than an eligible buyer. If any of these occur, the outstanding balance will be due and payable.

2. Recipient

- i. Loan/deferred loan/grant: Funds will be awarded as loan secured by a note and mortgage
- ii. Interest Rate: 0%,
- iii. Term: 30 Years
- iv. Maximum Award: \$50,000.00
- v. Forgiveness: N/A
- vi. Repayment: Payback will be deferred for five years, after which amortized payback will begin.
- vii. Default:
  - (1) The loan will be determined to be in default if any of the following occur: sale, transfer, or conveyance of property; conversion to rental property; loss of homestead exemption status; or home not owner-occupied status. The outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.
  - (2) In cases where the qualifying homeowner(s) pass away during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or

chooses not to occupy the home, the outstanding balance shall become due and payable; however, a modification may be arranged with the County for a loan bearing interest.

- (3) If the home is being foreclosed by a superior mortgage, Pasco County reserves the right to buy the property at foreclosure sale to protect its loan interest.
- viii. Recipient Selection Criteria: Assistance will be provided on a first qualified, first served basis to an income eligible household.
- ix. Sponsor/Developer Selection Criteria: Affordable Housing Development applications will be funded on a first qualified, first eligible basis according to the established Affordable Housing Development guidelines and underwriting criteria. Developers will be selected based on the capacity of the organization to complete projects that are similar in type and scope. Previous work in affordable housing developments is desired. Developers will be encouraged to work with partner agencies and seek other funding that is prioritized towards affordable housing (LIHTC).
- x. Additional Information: N/A

### **III. LHAP INCENTIVE STRATEGIES**

In addition to the required Incentive Strategy A and Strategy B, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S. The Incentive Strategies were approved by the Pasco County Board of County Commissioners on July 10, 2018.

#### **A. Name of the Strategy: *Expedited Permitting***

*Permits, as defined in s. 163.3177 (6) (f) (3) for affordable housing projects, are expedited to a greater degree than other projects. Provide a description of the procedures used to implement this strategy:*

Developments that are certified as affordable by the SHIP Administrator are scheduled for a Pre-Application Meeting with Planning and Development where a County Review Team provides technical assistance prior to submittal of the development application. Once the development application is submitted the expedited review process begins. Single family permit applications that are certified as affordable by the SHIP Administrator receive an “Expedited Permitting Form” that alerts the permitting staff to the expedited review status. The processing time for single family permitting is reduced from 21 days to approximately 10 days.

The Community Development Department will coordinate with the Development Services Branch to update the Accela Automation Software Program to allow for tracking and reporting of affordable housing project submittals and add “Affordable Housing Intake Permit Requirements” to the existing Central Permitting website with instructions, necessary paperwork, and a designated contact person. Written policies and procedures will be put in place for continuous review of the expedited permitting process to ensure the efficiency of the review process.

**B. Name of the Strategy:** *Ongoing Review Process*

*Require an ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption. Provide a description of the procedures used to implement this strategy:*

The Director of the Community Development Department reviews County policies, procedures, and regulations that may affect the cost of housing as part of its annual reporting for the State Housing Initiatives Partnership (SHIP) program and the Federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs. In addition, the department receives plan provisions and ordinances for comment and participates in the County’s review process prior to adoption.

The County’s Ordinance Development Team (ODT) leads the drafting and review of all potential Land Development Code (LDC) Amendments. ODT is comprised of Staff members from Zoning and Intake, Current Planning, Long Range Planning, Code Enforcement, and the County Attorney’s

Office. In addition, ODT members will work with subject matter experts from other County departments, or non-county entities as appropriate.

**C. Other Incentive Strategies Adopted:**

Improve and update the Pasco County Official Website for the Community Development Department and the Building Construction Services Department with links to the Florida Housing Finance Authority, Florida Housing Coalition, Shimberg Center for Housing Studies, and other affordable housing not-for-profit and for-profit agencies. Improving the County website is an ongoing process.

The Affordable Housing Advisory Committee recommended that the County utilize the Shimberg model from the University of Florida to identify the need for affordable housing in the County. This model provides baseline information that will assist the County in making recommendations on policies and procedures.

**IV. EXHIBITS:**

- A.** Administrative Budget for each fiscal year covered in the Plan.
- B.** Timeline for Estimated Encumbrance and Expenditure.
- C.** Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D.** Signed LHAP Certification.
- E.** Signed, dated, witnessed, or attested adopting resolution.
- F.** Ordinance: (If changed from the original creating ordinance).
- G.** Interlocal Agreement.
- H.** Other Documents Incorporated by Reference.