



**PASCO COUNTY, FLORIDA**

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

**2021-2022, 2022-2023, 2023-2024**



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**I. Program Details:**

**A. LG(s)**

|   |              |
|---|--------------|
| Name of Local Government                        | PASCO COUNTY |
| Does this LHAP contain an interlocal agreement? | No           |
| If yes, name of other local government(s)       | N/A          |

**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. To 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: 2021-2022, 2022-2023, 2023-2024**

**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 support services and lead agencies of the local continuums of care.

1. 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.
2. Realtors that participate in the homebuyer program are required to read and sign a



Memorandum of Understanding with Pasco County Community Development on an annual basis to maintain their approval status and serve as partners to assist borrowers with homeownership assistance.

3. 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 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 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 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. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

The Affordable Housing Advisory Committee held 4 public meetings and a public hearing to consider recommendations to improve affordable housing opportunities in Pasco County. The AHAC's recommendations were sent to the Board of County Commissioners in report format.

**H. Advertising and Outreach:** SHIP funding availability shall be advertised in a newspaper of general circulation and 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 will 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 completed applications were submitted as well as any established funding priorities as described in this plan.

The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:

1. Special Needs Households: Very low and low income
2. Elderly (62 years of age and older) Households: Very low and low income
3. Essential Service Personnel: Very low, low, and moderate income
4. All other 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:** Support services are available from various sources. Available support services may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Foreclosure Counseling and Transportation.

**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 average area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

|                          |   |
|--------------------------|---|
| U.S. Treasury Department | X |
| 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, it is not the intent to limit an individual household’s ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.*

**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.

**P. Administrative Budget:** A line-item budget is attached as Exhibit A. The city/county finds that the moneys deposited in the local housing assistance trust fund are necessary 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 applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.*

**Q. Program Administration:** Administration of the local housing assistance plan will be performed by:

| Entity                           | Duties       | Admin. Fee Percentage |
|----------------------------------|--------------|-----------------------|
| Local Government                 | Pasco County | 10%                   |
| Third Party Entity/Sub-recipient | N/A          |                       |

**First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*

**Project Delivery Costs:** There are no additional charges to an applicant other than those charges that are normally included as administrative expenses. Project delivery costs will not exceed 5% of total allocation. These project delivery costs may include underwriting services, title searches, credit reporting, appraisals, Phase I, Phase II, loan closing, recording fees and document stamps, surveys, termite inspection, initial inspection/review, work write-ups, cost estimates, construction inspection and



oversight; case management oversight until construction completion. These project delivery costs are actual amounts of services and deliverables.

**T. Essential Service Personnel Definition (ESP):** ESP includes teachers and educators, other school district, community college, and university employees, police and fire personnel, health care personnel, and skilled building trades personnel.

**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% 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 (13) with an emphasis on home modifications and enhancements that will allow homeowners to remain independent in their own homes and maintain homeownership. Applicant's 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.

**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.

**Section II. LHAP Strategies:**

|   |        |
|---|--------|
| <b>A. Down Payment Assistance Program (DPA)</b> | Code 2 |
|---|--------|

|    |  |
|----|--|
| a. | Summary: The Down Payment Assistance Program (DPA) 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: 2021-2022, 2022-2023, 2023-2024

c. Income Categories to be served: Very low, low and moderate

d. Maximum award:

|                 |          |
|-----------------|----------|
| Very Low Income | \$25,000 |
| Low Income      | \$15,000 |



Moderate Income      \$5,000

e. Terms:

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

| Loan Amount   | Term      |
|---------------|-----------|
| 0-5,000       | 10- years |
| 5,001-15,000  | 15- years |
| 15,001-25,000 | 30- years |
4. Forgiveness: N/A
5. Repayment: Moderate income amortized payback will begin immediately. For low and very low income, payback will be deferred for five years, after which amortized payback will begin.
6. Default:
  - a. 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 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.
  - b. 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.
  - c. 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.

f. Recipient/Tenant Selection Criteria:

1. Applicants are prioritized for assistance on a first qualified, first served basis with priorities for Special Needs, Elderly, Essential Service Personnel, and income groups of a waiting list has been established.
2. Homebuyer is required to contribute a minimum of their own funds into the purchase as follows:

|                    |         |
|--------------------|---------|
| a. Very Low Income | \$500   |
| b. Low Income      | \$1,250 |
| c. Moderate Income | \$1,500 |
3. The homebuyer's minimum investment may include the earnest 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 of the closing. The invoice for services and proof of payment must be provided, payments may not be placed on credit card without prior approval from the county.

3. Applicants must have a back-end ratio of no more than 41%.
4. The sale price may not exceed \$200,000
5. Applicants must not have more than \$20,000 in liquid assets.
6. Homebuyers must have secured a fixed-rate, first mortgage from a Pasco County approved lender. The mortgage rate may not be higher than 1% over Freddie Mac average rate ([www.freddiemac.com](http://www.freddiemac.com)).
7. Lender fees and points may not exceed 4% of the loan amount.
8. The contract for sale is approved by the lender; the reservation for the loan is sent to Pasco County by the lender, and Pasco County will approve the down payment assistance.
9. Realtors may not charge any fees other than commission.
10. Homebuyer must certify the property will be their primary residence.
11. Homebuyer must maintain homestead exemption.
12. No cash can be given to the buyer at closing.

g. Sponsor/Sub-recipient Selection Criteria: N/A

h. Additional Information: Homes not eligible include:

1. Mobile or manufactured homes.
2. Homes in a flood hazard zone.
3. Sinkhole homes, or homes with documented ground settlement activity, including those that have been remediated.

|   |        |
|---|--------|
| <b>B. Owner-Occupied Rehabilitation Program (OOR)</b> | Code 3 |
|---|--------|

a. Summary: The Owner-Occupied Rehab program is for homeowners in need of repairs on their homes. Eligible repairs include substantial code violations such as roofs, electrical, heating/AC, septic/sewer, water facilities, doors/windows, and making handicap accessible modifications. The program will also address items that jeopardize the integrity of the home or pose a safety hazard to the homeowner.

b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024

c. Income Categories to be served: Very low, low and moderate

d. Maximum award:

|                 |                    |
|-----------------|--------------------|
| Very Low Income | \$100,000 Per Unit |
| Low Income      | \$100,000 Per Unit |
| Moderate Income | \$50,000 Per Unit  |



e. Terms:

1. Repayment loan/deferred loan/grant: 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.

2. Interest Rate: 0%

3. Years in loan term: N/A 4. Forgiveness: N/A

4. Repayment: Upon sale of the home or loss of homestead exemption.

5. Default:

- a. 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 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.
- b. 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.
- c. 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.

f. Recipient/Tenant Selection Criteria:

1. Applicants are prioritized for assistance on a first qualified, first served basis with priorities for Special Needs, Elderly, Essential Service Personnel, and income eligibility.
2. Applicants may not have received assistance through the Pasco County's OOR program in the last three (3) years. Any exceptions to this will require approval of the Community Development Department.
3. Applicants must have owned and occupied the housing for the last three (3) years under a recorded instrument and have a current homestead exemption.
4. Applicants cannot have more than \$20,000 in liquid assets.
5. Property tax and existing mortgage(s) must be current.
6. 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.
7. The total loan-to-value cannot exceed 120 percent of the assessed value.
8. Applicants must have acceptable credit. This is defined as:
  - a. 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.
  - b. Payment for property taxes or other County assessments must be current for the past year.
  - c. All medical collections and debts will be ignored.



- d. Any adverse debt more than three years old will be ignored.
- e. Applicants must be current with their mortgage payment.
- f. If adverse debt collectively is less than \$4,000 (including collections and judgments), they shall be ignored.
- g. The Community Development Director may review individual credit situations and waive these requirements. This may be done in cases where the client is trying to pay back the adverse debt or has worked out an agreement with a County approved credit counseling agency.
- h. Replacement housing applicants must provide proof of homestead residency for the past five years.

g. Sponsor/Sub-recipient Selection Criteria: N/A

h. Additional Information: Homes not eligible include:

- 1. No structures that have been built or have had rehab work completed without the proper permitting and inspections will be assisted.
- 3. Properties located in flood zones are restructured by current substantial improvement codes.
- 4. Properties that have experienced repetitive loss, such as repetitive flooding after heavy rain events, shall be ineligible.
- 5. All work will be performed by contractors on the County's approved contractor's list.

|                                       |        |
|---------------------------------------|--------|
| <b>C. DEMOLITION / RECONSTRUCTION</b> | Code 4 |
|---------------------------------------|--------|

|  |
|--|
| Summary: Reconstruction projects require demolition of the existing structure and the development of a new home on the homeowners existing site.<br>If more than 50% of the structure is deemed unlivable and estimated rehabilitation exceeds available award for Owner Occupied Rehabilitation, then the home may be eligible for demolition and reconstruction. |
|--|

a. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024

b. Income Categories to be served: Very low, low and moderate

c. Maximum award: \$200,000

d. Terms:

- 1. Repayment loan/deferred loan/grant: All funds are secured by a recorded Mortgage and Note.
- 2. Interest Rate: 0%
- 3. Years in loan term: 30 years
- 4. Forgiveness: N/A
- 5. Repayment: The loan will be deferred for 5 years. Amortized Payback will begin after 5 years



6. Default:

- a. 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.
- b. 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.
- c. 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.

e. Recipient/Tenant Selection Criteria:

- 1. Applicants are prioritized for assistance on a first qualified, first served basis with priorities for Special Needs, Elderly, Essential Service Personnel, and income eligibility.

f. Sponsor Selection Criteria: N/A

g. Additional Information: N/A

|  |            |
|--|------------|
| <b>D. DISASTER REPAIR / MITIGATION HOME OWNERSHIP / RENTAL</b> | Code 5, 16 |
|--|------------|

- |    |  |
|----|--|
| a. | <p>Summary: SHIP funds will be awarded to applicants in need of home repairs directly caused by a disaster that is declared by an Executive Order of the President or Governor. SHIP disaster funds may be used for items such as, but not limited to:</p> <ul style="list-style-type: none"> <li>1. Purchase of emergency supplies for eligible households to weatherproof damaged homes;</li> <li>2. Interim repairs, including one-time septic tank pumping, to avoid further damage; tree and debris removal required to make the individual housing unit habitable;</li> <li>3. Construction of wells or repair of existing wells where public water is not available;</li> <li>4. Payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies;</li> <li>5. Security deposit for eligible recipients that have been displaced from their homes due to disaster;</li> <li>6. Rental and utility assistance for eligible applicants.</li> <li>7. Mortgage and utility payment assistance for eligible applicants.</li> <li>8. Strategies included in the approved LHAP that benefit applicants directly affected under the Executive Order. 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</li> </ul> |
|----|--|



FHFC.

- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very low, low and moderate
- d. Maximum award: \$10,000
- 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/Tenant 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.
  - 3. Additionally, eligibility for this strategy shall be done in an expedited manner and may include alternative forms of documents, such as current pay stubs and benefit letters, as well as oral verification of employment wages, other income, and assets. Additionally, if the Florida Housing Finance Corporation allows less documentation with the disaster that methodology may be used.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information: N/A

|   |        |
|---|--------|
| <b>E. FORECLOSURE PREVENTION/TAX PAYMENTS &amp; ASSESSMENTS</b> | Code 7 |
|---|--------|

a. Summary: Funding to stabilize homesteaded homeowners with delinquent property taxes and special assessments, association fees or homeowners who are at least three months but no more than six months in arrears in their first mortgage and are not under an active foreclosure action, Funding may also provide for homeowner education and counseling services.

- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024



- c. Income Categories to be served: Very low and low; for tax payment and assessments – very low and low households who have a household member who is elderly or disabled.
  
- d. Maximum award: \$15,000 per unit
  
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Funds are awarded as a loan, by recorded Mortgage and Note. The mortgage is a subordinate mortgage.
  - 2. Interest Rate: N/A
  - 3. Years in loan 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, amortized payback will begin.
  - 6. Default:
    - a. 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.
    - b. 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.

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.
  
- f. Recipient/Tenant Selection Criteria:
  - 1. Applicants must provide evidence of the hardship that caused the nonpayment of their mortgage or property tax & assessments. Eligible reasons are:
    - a. Loss of employment;
    - b. Sudden medical illness and/or expenses;
    - c. Divorce or separation;
    - d. Death in the immediate family;
    - e. Unforeseen home repair bills;
    - f. Large increase in amount of mortgage payment because of terms of adjustable loan.
  - 2. Applicant must be very low or low income.
  - 3. Non-homesteaded property assets cannot exceed \$20,000, excluding home and personal



furnishings.

4. Property must be homesteaded; rental lots are not eligible.

5. Foreclosure Prevention:

- a. Applicants must receive counseling from a HUD-Certified approved agency trained in foreclosure counseling as assigned by the County.
- b. Applicants must provide written evidence, such as steady income including paystubs or other sources of income that demonstrates their 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.

6. Tax Payment & Assessment Program:

- a. Property must be homesteaded; rental lots are not eligible.
- b. Homeowners insurance is not a requirement.
- c. Only tax on the property is eligible for mobile and manufactured homes, and the mobile home must be built after 1994.
- d. Property value cannot exceed \$160,000 according to the Pasco County Property Appraiser and no more than 75% of its value in debt.
- e. No outstanding judgments or liens placed on the property by the County, excluding paving assessment liens and utility assessments.
- f. Current and delinquent taxes and Tax Certificates are eligible to be paid. Past payments are not eligible for reimbursement.

g. Sponsor/Sub-recipient 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 maximum life-time award, not to exceed \$15,000.

|   |           |
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| <b>F. New Construction Homebuyer Assistance Program</b> | Code 9,10 |
|---|-----------|

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| a. Summary: 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. |
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b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024

c. Income Categories to be served: Very low, low and moderate

d. Maximum award: \$250,000 per unit




e. Terms:

1. Developer

- a. 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.
- b. Interest Rate: 0%
- c. Years in loan term: 3 Years
- d. Forgiveness: Once the developer has successfully completed the construction, the average subsidy per unit provided to the developer during construction may be passed through to the eligible homebuyer in the form of a subordinate mortgage. In the event that, through no fault, of the developer, the project suffers a reduction in market value, Pasco County reserves the right to allow for a forgiveness equal to the difference between the project development cost and market value.
- e. Repayment: All proceeds from the sale of the property are due and payable upon sale of the property back to Pasco County.
- f. 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. Terms: Recipient

- a. Loan/deferred loan/grant: Funds will be awarded as loan secured by a note and mortgage
- b. . 
- c. Interest Rate: 0%,
- d. Term: 30 Years
- e. 4. Maximum Award: \$25,000.00
- f. Forgiveness: N/A
- g. Repayment: Payback will be deferred for five years, after which amortized payback will begin.
- h. Default:
  - 1. 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 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.
- f. Recipient Selection Criteria: Assistance will be provided on a first qualified, first served basis to an income eligible household.
- g. 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.
- h. Additional Information: N/A

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| <b>G. SPECIAL NEEDS – RENTAL SUBSIDY PROGRAM</b> | Code 12 |
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a. Summary: 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 need 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: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very low
- d. Maximum award: \$20,000
- 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/Tenant Selection Criteria:
  1. Applicants who are homeless will be received directly or referred to the service providers of the strategy 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 be referred directly to Pasco County Community Development.
  2. The rapid rehousing agency connects the clients to mainstream benefits for long-term self-



sufficiency, and should provide case management services to the client

3. The terms of the initial lease shall be a minimum of one-year.

- g. Sponsor Selection Criteria: Pasco County will select service providers based on their capacity and capability to effectively carry out this strategy. Service providers must demonstrate a history of effectively administering funds to very low-income persons and should include adequate staff who have training and experiencing in dealing with special needs individuals and case management.
- 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 Section 8 Housing Quality Standards.
  3. Assistance is required to be documented in the HMIS.
  4. Clients shall be offered ongoing support services, including case management, 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.

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| <b><i>H. RENTAL ASSISTANCE – EVICTION PROTECTION</i></b> | <b>Code 13</b> |
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| a. | Summary: Eviction Protection - Funds will be awarded to eligible renter households who 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. |
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- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very low, low
- d. Maximum award: \$4,500 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/Tenant Selection Criteria:
  1. The assistance is for renters who have experienced a temporary financial hardship that has resulted in missed rent payments and who are in danger of eviction.



2. Priority shall be on a first-qualified, first-served basis; referrals shall be accepted from Coordinated Entry.
3. Assistance is limited to a one-time award.
4. There must be a valid lease in place.
5. 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, this should include income stability as evidenced by paystubs or other regular income

g. Sponsor Selection Criteria: Pasco County will select service providers based on their capacity and capability to effectively carry out this strategy. Service providers must demonstrate a history of effectively administering funds to very low-income persons and should include adequate staff who have training and experiencing in dealing with special needs individuals and case management.

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.

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| <b>I. RENTAL REHABILITATION</b> | Code 14, 21 |
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a. Summary:

1. 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:
2. 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.
3. 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.
4. State Rental Program Assistance – Funds may be available for developers of affordable 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.
5. 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

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: 2021-2022, 2022-2023, 2023-2024

c. Income Categories to be served: Very low, low



- d. Maximum award: \$200,000 per unit
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred loan secured by recorded note and mortgage.
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 30
  - 4. Forgiveness: If conditions are met is forgiven at 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:
    - a. 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.
    - b. The County may foreclose if the owner does not meet the terms of the recorded County mortgage and note.
    - c. 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/Tenant Selection Criteria: N/A
- 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 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 funds.
  - 5. Participation in the Welfare Transition Program.
  - 6. All agencies 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 will be the last funding sources for developer.

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| <b>K. LAND ACQUISITION / NEW CONSTRUCTION - RENTAL</b> | <b>CODES 20,21</b> |
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- a. Summary: 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
- b. Fiscal Years Covered: 2021-2022, 2022-2023, 2023-2024
- c. Income Categories to be served: Very low, low-income, and moderate income
- d. Maximum award: \$250,000
- 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:
    - a. 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.
    - b. 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.
    - c. 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

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| <b>L. Strategy Name: Security and/or Utility Deposits / Rapid Rehousing</b> | Code 23, 26 |
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a. Summary: 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: 2021-2022, 2022-2023, 2023-2024

c. Income Categories to be served: Very Low and Low-Income

d. Maximum award: \$9,800 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. Homeless 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: Pasco County will select service providers based on their capacity and capability to effectively carry out this strategy.
- 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.

### 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.:

- 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:

It is the policy of Pasco County to expedite the review of applications for affordable housing projects, LEEDs projects and projects approved by the Pasco Economic Development Council as targeted industry projects. In all cases, every effort will be made to expedite those projects using a shared, agreed upon time frame where the responsibilities and time frames for both the County and applicant are mutually agreed upon.

New developments (creating new facilities, infrastructure, parks and landscaping etc. ) and Multifamily 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. Projects go through site review ensuring adequate parking, parks, storm water retention, etc., follow the Land Development Code. The expedited review times are 21 days (normally several months) for the first round, when application is reviewed, and comments are provided) and 14 days for the second round (final review). Then the application will go through the permitting expedited process.

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 County has implemented Accela Automation, which is a computer system for all building construction and permitting services. The Accela Automation suite of software applications is designed to track and manage land use and community development activities, speeding up the process of getting from application to occupancy while reducing errors and redundancy with a single centralized system. These activities include permits, building safety, inspections, investigations, document or plan review, code enforcement, and land use management tools.

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

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:

Pasco County, through the Community Development Director or designee, regularly reviews the Land Development Code and building regulations to identify potential actions that may reduce the cost of developing affordable housing.

C. Other Incentive Strategies Adopted:

Name of the Strategy: **Modification of Impact Fees**

The Board of County Commissioner approved the waiver of mobility fees for projects that meet the affordable housing definition. Affordable is defined as individuals or families whose income is under 80% of the median income according to SHIP guidelines.

Name of the Strategy: **Reservation of Infrastructure Capacity**

Consistent with the Pasco County Comprehensive Plan adequate infrastructure must be in place prior to development.

Name of the Strategy: **Parking and Setback Requirements**

*Parking Spaces*- Reduction of parking spaces are allowed where alternative transportation options such as Carpools, Vanpools, or Bike Sharing, or transit facilities are provided, parking spaces for Multiple Family, may be reduced. The applicant must show proof that the standard parking requirements should not apply to the affordable housing project, or that the project is near transit hubs.

*Setbacks*- The Land Development Code offers opportunities for modification of setbacks, including Section 530.2 which allows projections into required yards, side and rear yard adjustments such as side and/or rear yard averaging, etc. with staff approval. To encourage vertical growth, height requirements do not apply to the Urban Service Area.

IV. EXHIBITS:





Required

- 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.

Optional

- F. Ordinance: (If changed from the original creating ordinance).
- G. Interlocal Agreement.
- H. Other Documents Incorporated by Reference.