

PASCO COUNTY
STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM
LOCAL HOUSING ASSISTANCE PLAN
STATE FISCAL YEARS 2016-18
PASCO COUNTY BOARD OF COUNTY COMMISSIONERS

PREPARED BY:

PASCO COUNTY COMMUNITY DEVELOPMENT DIVISION

**Presented to the Pasco County Board of County Commissioners for Approval
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**PASCO COUNTY, FLORIDA
STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM
LOCAL HOUSING ASSISTANCE PLAN (LHAP)
Fiscal Years (FY) 2016-18**

I. PROGRAM DESCRIPTION

A. Name of Participating Local Government and Interlocal if Applicable

Pasco County, Florida

Interlocal: Yes _____ No X

B. Purpose of Program

This plan has six goals:

1. Increasing the amount of homeownership in Pasco County.
2. Preserving, increasing, and rehabilitating the County's housing stock, especially what is available for very low, low, and moderate income families.
3. Providing opportunities for very low-, low-, and moderate-income families to improve their standard of living.
4. Providing economic growth and employment.
5. Providing the match required by Federal and State programs.
6. Improving the living conditions of substandard targeted neighborhoods (targeted neighborhoods are designated by the Pasco County Board of County Commissioners (BCC) and information on neighborhood boundaries are maintained by the Pasco County Community Development Division.)

C. Fiscal Years Covered by the Plan

The strategies identified in this plan will cover three years.

- 2015-16
- 2016-17
- 2017-18

D. **Governance**

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes, and Chapter 67-37.007, Florida Administrative Code. The SHIP Program does further the housing element of the Pasco County Comprehensive Plan.

E. **Local Housing Partnership**

The Pasco County SHIP Program is a true partnership involving public and private entities using their expertise and talents to assist the implementation of the Comprehensive Plan.

- **Lenders:** Lenders take applications from homebuyers, process those applications, verify information, and reserve funds on their behalf.
- **Realtors:** Realtors explain the program to homebuyers and guide them through the application process.
- **Builders:** Builders provide the same services as realtors and help the County meet the construction set aside.
- **Community-Based Organizations:** These agencies provide assistance to families that are hesitant to go to lenders or realtors, but will qualify if given information from people they trust. They also are the primary vehicle for the development of County surplus and foreclosed properties.
- **Professional Service Providers:** These businesses, whether they are public or private, are essential for the success of the program. They provide the technical skills necessary to provide such items as counseling, title work, and architectural services.
- **Other Government Agencies:** Whether they are local, State or Federal, other government agencies aid in the success of this plan through leveraging funds, expedited permitting, and program administration.

By combining these resources, many administrative and duplicate costs can be avoided. By using the entire partnership and using their talents to the fullest, costs are reduced and expensive delays are avoided.

F. **Leveraging**

The 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 Program funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain State, Federal, or private housing grants or programs.

G. **Public Input**

On December 10, 2014, Pasco County, in concert with many of its agency partners, held a Housing Summit to discuss the variety of housing needs throughout Pasco County. Panels were held on homeownership, Habitat for Humanity, homelessness, special needs housing,

rental development, and public housing. Between each panel were stories about real families that received assistance from SHIP throughout the years. Attendees to the Housing Summit included several Pasco County Commissioners, the County Administrator, the Assistant County Administrator for Public Services, lenders, realtors, not-for-profit agency partners, Federal, State, and local officials; representatives from housing and social service agencies, and the general public. In total, over one hundred individuals attended the event. The Housing Summit assisted in the identification of the individual needs of Pasco County residents and agencies seeking to provide them essential services, and aided the County in developing an action plan for the utilization of SHIP funds. Multiple strategies for the utilization of funds were presented to the Board of County Commissioners for approval in January of 2015, to guide the development of the Local Housing Assistance Plan (LHAP) for the next three fiscal years.

H. **Advertising and Outreach**

Pasco County will provide information regarding its program to the public in the following manner:

1. Newspaper advertisements.
2. Brochures at public buildings, such as libraries.
3. A press release on the Pasco County website and via social media networks.
4. Outreach events with Pasco County's local not-for-profit agency partners, focusing on three partner agencies assisting residents that are developmentally disabled (A.F.I.R.E. of Pasco County, Inc., The ARC Suncoast, and The Red Apple Adult Training Center.)

Pasco County will advertise the availability of funds at least 30 days prior to the beginning of the fund applications period. This will be in a newspaper of general circulation. There are currently no periodicals in Pasco County that serve ethnic and diverse neighborhoods, but we will also advertise in such a publication if one is developed.

If no funding is available because of a waiting list, no notice of funding availability will be done.

I. **Discrimination**

In accordance with the provisions of Section 760.20-760.37, Florida Statutes, it is unlawful to discriminate on the basis of race religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

J. **Support Services and Counseling**

The following support services will be provided by this plan:

1. Homebuyer Counseling: This plan will fund individual counseling of the homebuyers assisted. All clients assisted through our Homeownership Strategy must attend an individual counseling session with our contracted homebuyer counseling agency, except for some homebuyers assisted through the Pasco Opportunity Program (POP). They may be counseled by the agency that assisted them in becoming homeowners.

2. Homeownership Classes: This plan will fund homeownership classes to educate renters to become homeowners. All clients assisted through our homebuyer strategy (again, an exception for some POP clients) must attend a two-part homebuyer training course.
3. Referrals: This plan will fund administrative staff of the Pasco County Community Development Division who will refer clients to the proper agencies for assistance.
4. Construction Services: This plan will fund Division Housing Specialists that will aid clients with the construction or rehabilitation of their home.

K. Purchase Price Limits

The sales price or value of new or existing eligible housing may not exceed 90 percent 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 percent of the median area purchase price established by the U.S. Department of the Treasury or as described above.

The methodology used is:

- Independent Study (Copy Attached);
- U.S. Department of the Treasury

L. Income Limits, Rent Limits, and Affordability

The income and rent limits used in the SHIP Program are updated annually from the U.S. Department of Housing and Urban Development (HUD) and distributed by the Florida Housing Finance Corporation. 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 (19), (20), and (28), Florida Statutes. However it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent 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 percent benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program

Should an eligible sponsor be used, the County has developed a qualification system and selection criteria for applications for awards to eligible sponsors, 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.

N. Monitoring and First Right of Refusal

In the case of rental housing, Pasco County shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, the County will rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000.00 or less shall not be subject to

these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 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 does not affect cases when only tenants are assisted or if less than \$3,000.00 is appropriated to a rental project.

O. Administrative Budget

A detailed listing, including line-item budget of proposed administrative expenditures is attached as Exhibit A. These are presented on an annual basis for each State Fiscal Year (FY) submitted.

Pasco County finds that the moneys deposited in the Local Housing Assistance Trust Fund shall be used to administer and implement the LHAP.

The BCC finds, by resolution, that five percent of the local housing distribution plus five percent of program income is insufficient to adequately pay the necessary costs of administering the LHAP. The BCC has adopted a resolution that states that the cost of administering the program may not exceed ten percent of the local housing distribution plus five percent of program income deposited into the trust fund.

P. Program Administration

Pasco County shall administer this program and shall not contract with another party for any administrative responsibilities.

Q. Essential Services Personnel

Essential service personnel is defined as households who learn less than 120 of the median income for the Tampa-St. Petersburg-Clearwater standard metropolitan statistical area, adjusted for family size. This includes families that have household members who are teachers, law enforcement personnel, emergency service and medical personnel, and local government employees.

R. Description of Initiatives that Encourage or Require Innovative Design, Green Building Principles, Storm Resistant Construction or Other Elements that Reduce Long-Term Costs Relating to Maintenance, Utilities, or Insurance

For houses that are rehabilitated, Pasco County will make available to homeowners the opportunity to upgrade existing insulation to an R-30 standard. In addition, appliances, windows, doors, and light fixtures can be replaced with Energy Star-rated items when replacement of these is necessary at the time of rehabilitation. Air conditioning units can also be replaced with 15 Seasonal Energy Efficiency Ratio (SEER) -rated units. Improvements are subject to homeowner equity and eligibility criteria.

II. LHAP HOUSING STRATEGIES - HOMEOWNERSHIP

A. Name of Strategy: Purchase Assistance with Rehabilitation; Strategy Code: 1

1. Summary of Strategy

Homeownership is the vital lifeblood of every community. It has been demonstrated that neighborhoods with high rates of homeownership tend to have less crime and higher rates of neighborhood stability.

Pasco County will address homeownership with the Pasco Opportunity Program (POP), which provides financing to not for profit agencies to develop homeownership.

2. Fiscal Years Available: 2015-2016, 2016-2017, 2017-2018

3. Income Category Served: Very low, low, and moderate

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default

- a. All borrowers will be evaluated for their ability to pay back the County loan. All loans are secured by a recorded mortgage and promissory note. If the front-end ratio is less than 28 percent and the back end ratio is less than 38 percent, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred for five years. All loans shall have an interest rate of 0%. Loans that are deferred will be deferred for five years and then have the following payback schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>
\$0.00-\$5,000.00	10 Years
\$5,001.00-\$10,000.00	15 Years
\$10,001.00-\$15,000.00	20 Years
\$15,001.00-\$20,000.00	25 Years
More than \$20,000.01	30 Years

- b. All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.
- c. 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 agency, or use for a rental program (see below). The POP agency will rehabilitate the property and sell it to a new eligible homeowner.

- d. The County may foreclose if the homebuyer does not meet the terms of the County mortgage.
6. Shared Equity

The additional loan requirements shall apply:

- a. If the homebuyer sells or transfers the home within the first three years of assistance from the County, the County shall receive 50 percent of the appreciated sales price in addition to the outstanding loan balance due to the County. If the homebuyer sells or transfers the property in the fourth or fifth year of ownership, the County shall receive 25 percent of the appreciated sales price in addition to the outstanding loan balance due to the County.
 - b. If the homebuyer has performed any permitted improvements on the property, that cost shall be added to the basis of the initial sales price in the determination of the shared equity.
 - c. If the homebuyer sells the property to a family member, spouse or ex-spouse, or any other friend or acquaintance, the Community Development Division may order an appraisal to determine if the sales price is equitable and require the shared-equity amount to be determined by that valuation.
 - d. Appreciation is defined as the gain a homebuyer receives from the sale of their home, less any reasonable title and real estate costs.
 - e. Under no condition shall the shared-equity amount be more than double the original County assistance.
7. Recipient Selection Criteria
- a. Sales price must be less than SHIP sales price limit.
 - b. Completion of homebuyer education class or approved equivalent from POP agency.
 - c. First mortgage lender approval, if applicable.
 - d. Demonstrated need for funding:

Pasco County requests that first mortgage lenders fund the greatest loan percentage possible, and requires that homebuyers put a minimum amount of their own funds into the purchase. For very low-income families, that is \$500.00. For low-income families, that is \$1,250.00. For moderate-income families, that is \$1,500.00.
8. Sponsor Selection Criteria – POP agencies were solicited via a Request for Proposal and selected by the BCC. This solicitation process is not ongoing; however, agency selection occurs periodically based on funding availability and programmatic need.

Sponsors must show that they possess the capacity, capability, experience, and the ability to work on homeownership programs.

- a. Proof of 501 (c) status.
- b. Agency must be in good financial standing.

B. Name of Strategy: Purchase Assistance without Rehabilitation; Strategy Code: 2

1. Summary of Strategy

Homeownership is the vital lifeblood of every community. It has been demonstrated that neighborhoods with high rates of homeownership tend to have less crime and higher rates of neighborhood stability.

Pasco County will address homeownership with the following programs:

- a. HAP - Provides down payment, closing costs and gap financing assistance to homebuyers.
- b. Displaced Homebuyer Program (HAP) - Provides increased HAP assistance to homebuyers that have been displaced from affordable housing due to mobile home park closures and apartment conversions to condominiums.

2. Fiscal Years Available: 2015-2016, 2016-2017, 2017-2018

3. Income Category Served: Very low, low, and moderate

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default

- a. HAP - All borrowers will be evaluated for their ability to pay back the County loan. All loans are secured by a recorded mortgage and promissory note. If the front-end ratio is less than 28 percent and the back end ratio is less than 38 percent, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred for five years. All loans shall have an interest rate of 0%. Loans that are deferred will be deferred for five years and then have the following payback schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>
\$0.00-\$5,000.00	10 Years
\$5,001.00-\$10,000.00	15 Years
\$10,001.00-\$15,000.00	20 Years
\$15,001.00-\$20,000.00	25 Years
More than \$20,000.01	30 Years

All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the

homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.

- b. HAP Displaced Homebuyer Program – Same as HAP.

6. Shared Equity

For all programs listed above, the additional loan requirements shall apply:

- a. If the homebuyer sells or transfers the home within the first three years of assistance from the County, the County shall receive 50 percent of the appreciated sales price in addition to the outstanding loan balance due to the County. If the homebuyer sells or transfers the property in the fourth or fifth year of ownership, the County shall receive 25 percent of the appreciated sales price in addition to the outstanding loan balance due to the County.
- b. If the homebuyer has performed any permitted improvements on the property, that cost shall be added to the basis of the initial sales price in the determination of the shared equity.
- c. If the homebuyer sells the property to a family member, spouse or ex-spouse, or any other friend or acquaintance, the Community Development Division may order an appraisal to determine if the sales price is equitable and require the shared-equity amount to be determined by that valuation.
- d. Appreciation is defined as the gain a homebuyer receives from the sale of their home, less any reasonable title and real estate costs.
- e. Under no condition shall the shared-equity amount be more than double the original County assistance.

For all 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 re-sell the property to the homebuyer and restructure the financing, sell the property to a POP agency, or use for a rental program (see below). The POP agency will rehabilitate the property and sell it to a new eligible homeowner.

The County may foreclose if the homebuyer does not meet the terms of the County mortgage.

7. Recipient Selection Criteria

- a. Sales price must be less than SHIP sales price limit.
- b. Completion of homebuyer education class or approved equivalent from POP agency.
- c. First mortgage lender approval, if applicable.
- d. Demonstrated need for funding:

Pasco County requests that first mortgage lenders fund the greatest loan percentage possible, and requires that homebuyers have put a minimum amount of their own funds into the purchase. For very low-income families, that is \$500.00. For low-income families, that is \$1,250.00. For moderate-income families, that is \$1,500.00.

- e. Applicants in Target Areas shall receive priority funding. All other applicants shall receive funding on a, first-qualified, first-served basis.

8. Sponsor Selection Criteria - N/A.

C. **Name of Strategy: Rehabilitation; Strategy Code: 3, 4**

1. Summary

Making families homeowners is not enough. This strategy is designed to keep people in their homes and give them safe and sanitary places to live. Pasco County's housing stock has begun to age, there are large areas of substandard housing throughout the County.

Pasco County will address homeowner rehabilitation with the following programs:

- a. Owner-Occupied Rehabilitation Program – Homeowners will receive assistance to rehabilitate their homes.
- b. Housing Investment Partnership Program – Provides rehabilitation assistance to homeowners, leveraging public and private funds.
- c. Small Repair Program – Provides rehabilitation assistance to homeowners that have no equity in their homes.
- d. Housing Replacement Program – Replaces housing that is beyond rehabilitation with new homes. This also includes the refinancing of other debt.
- e. Target Area Replacement Program - Replaces housing that is beyond rehabilitation with new homes in targeted neighborhoods. This also includes the refinancing of other debt.

2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018

3. Income Category Served: Very low, low, and moderate

4. Maximum Award is noted on Housing Delivery Goal Chart

5. Terms, Recapture and Default

- a. Owner-Occupied Rehabilitation Program – All borrowers will be evaluated for their ability to pay back the County loan. All loans are secured by a recorded mortgage and promissory note. If the front-end ratio is less than 28 percent and the back-end ratio is less than 38 percent, then the loan shall be a monthly

payback immediately upon loan closing. If not, the loan shall be deferred for three years. All loans shall have an interest rate of 0%. Deferred loans are deferred for three years. When the deferral period is over, the homeowner will fill out a new application and a determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard above). If they cannot repay, the loan will be deferred for another three years. All loans are payback loans with terms that begin either immediately after closing or three years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.

- b. Housing Investment Partnership Program – 0% loan, deferred for five years. When the deferral period is over, the homeowner will fill out a new application and a determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard mentioned above). If they cannot, the loan will be deferred for another three years. All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.
- c. Small Repair Program – 0% loan with immediate monthly payments required after rehabilitation is completed. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.
- d. Target Area Owner-Occupied Rehabilitation Program – 0% percent loan, deferred for three years. When the deferral period is over, the homeowner will fill out a new application and a determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard mentioned above). If they cannot, the loan will be deferred for another three years. All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.
- e. Housing Replacement Program – Same as Owner-Occupied Rehabilitation Program.
- f. Target Area Replacement Program - Same as Target Area Owner: Occupied Rehabilitation Program.

For all 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 re-sell the property to the homebuyer and restructure the financing, or sell the property to a POP agency, or use the property for the Aged-Out Foster Children Rental Program (see below). The POP agency will rehabilitate the property and sell it to a new eligible homeowner.

The County may foreclose if the homebuyer does not meet the terms of the County mortgage.

6. Recipient Selection Criteria

- a. 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 SHIP rules and statutes on how that is defined.
- b. The total loan-to-value cannot exceed 100 percent for the Owner-Occupied Rehabilitation Program after rehabilitation. For the HIP program, the maximum loan-to-value percentage is 110 percent. For Small Repair, there is no maximum loan-to-value percentage.
- c. Applicants in BCC-designated target areas shall receive priority funding.
- d. If an applicant is 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 Suncoast, and The Red Apple Adult Training Center.), they will receive priority funding.
- e. Applicants shall receive funding on a, first-qualified, first-served basis.
- f. Applicants must have acceptable credit. This is defined as follows:
 - i. 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.
 - ii. No property taxes or other County assessments may be in arrears. This does not include payments that do not have to be paid immediately, such as road assessments.
 - iii. All medical collections and debts will be ignored.
 - iv. Any bad debt more than three years old will be ignored.
 - v. Clients must be current with their mortgage.
 - vi. If bad debt, collectively, is less than \$4,000.00 (including collections and judgments), they shall be ignored.
 - vii. The Community Development Division Manager 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 bad debt or has worked out an agreement with a counseling agency, such as Tampa Bay Community Development Corporation, Inc.
 - viii. Replacement housing applicants need proof of long-time residency status (one year). This is not necessary for replacement housing in the target areas.

7. Sponsor Selection Criteria: N/A

D. **Name of Strategy: Disaster Mitigation; Strategy Code: 5**

1. Summary

In the case of a calamity, priorities need to be changed to meet emergency conditions. This strategy will only be implemented following a disaster as declared by the President of the United States or the Governor of Florida.

These funds can be used for the following activities:

- a. Interim repairs to avoid further damage, such as tree and debris removal required to make individual housing units habitable.
- b. Construction of wells or repair of existing wells where public water is unavailable.
- c. Removal of incipient hazards that may damage a structure.

2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018

3. Income Categories Served: Very low, low, and moderate

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default

- a. All homeowners that receive assistance that includes repair or construction on a housing unit shall receive a 0%, ten-year deferred loan. When the deferral period is over, the homeowner will fill out a new application and a determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard mentioned above under HAP). If they cannot, the loan will be deferred for another three years.
- b. All loans are payback loans with terms that begin 10 years after closing. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.

For all 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 re-sell the property to the homebuyer and restructure the financing, or sell the property to a POP agency. The POP agency will rehabilitate the property and sell it to a new homeowner.

The County may foreclose if the homebuyer does not meet the terms of the County mortgage.

6. Recipient Selection Criteria

- a. If a homeowner, the assessed value of the home must be less than the SHIP sales price limit.

- b. First qualified, first served. This criterion may be changed by the BCC if warranted by the nature of the disaster.
- c. All households assisted must be victims of the declared disaster. This may be certified by an outside party or by the Community Development Division.
- d. Additionally, 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. Additionally, if the Florida Housing Finance Corporation allows even less documentation with that particular disaster, that methodology may be used.

7. Sponsor Selection Criteria

No sponsor will be used for this strategy; however, PascoFix agencies may become involved in some of the rehabilitation projects.

E. Name of Strategy: Foreclosure Prevention; Strategy Code: 7

1. Summary of Strategy

Making families homeowners is not enough. This strategy is designed to keep people in their homes and prevent foreclosure or home loss due delinquent property taxes. Pasco County will address foreclosure prevention through the following strategies:

- a. Foreclosure Prevention – Provides assistance to homeowners under threat of foreclosure from mortgage holders.
- b. Tax Payment Program – Provides assistance to homeowners to pay their property taxes.
- c. Homeowner Utility Protection Program – funds will be provided to homeowners that are late on their utility bills and are in danger of having those utilities turned off.

2. Fiscal Years Available: 2015-2016, 2016-2017, 2017-2018

3. Income Category Served: Very Low, low, and moderate incomes

4. Maximum Award: Up to \$5,000.00 for all programs listed above.

5. Terms, Recapture, and Default

- a. Foreclosure Prevention - All borrowers will be evaluated for their ability to pay back the County loan. All loans are secured by a recorded mortgage and promissory note. If the front-end ratio is less than 28 percent, and the back end ratio is less than 38 percent, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred. All loans shall have an interest rate of 0%. Deferred loans are deferred for three years. When the deferral period is over, the homeowner will fill out a new application and a

determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard mentioned above.) If they cannot, the loan will be deferred for another three years. All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs. If the foreclosure prevention assistance is associated with an FHA Secure Loan insured by the Federal Housing Administration (or similar refinancing programs that mimics FHA Secure), it will be a deferred loan for five instead of three years.

- b. Tax Payment Program: All loans shall have an interest rate of 0%, will be deferred for ten years and then have the following payback schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>
\$0.00-\$5,000.00	Ten Years

If the ten year term makes the monthly loan amount less than \$35.00 per month minimum monthly payment, the term will be adjusted to meet that minimum amount.

All loans are payback loans with terms that begin ten years after closing. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.

- c. Homeowner Utility Protection Program – This will be a grant.

6. Recipient Selection Criteria

- a. The Pasco County Property Appraiser's assessment or appraisal must show that after-rehabilitation or construction value is less than the \$160,000.00 or the SHIP sales price limit, according to SHIP rules and statutes on how that is defined, whichever is less.
- b. If foreclosure prevention, completion of counseling with the Community Development Division's counseling agency.
- c. Foreclosure prevention applicants must show that the nonpayment of their mortgage is not through their own doing. Eligible reasons are:
 - i. Loss of employment;
 - ii. Sudden medical expenses;
 - iii. Divorce or separation;
 - iv. Death in the family;
 - v. Unforeseen home repair bills;

- vi. Large increase in amount of mortgage payment because of terms of adjustable loan.

Applicants must also show that they will be able to keep the house out of default, genuinely want to keep the house, and must show that they can make monthly mortgage payments.

- d. Applicants in BCC-designated target areas shall receive priority funding.
- e. If an applicant is 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 Suncoast, and The Red Apple Adult Training Center), they will receive priority funding.
- f. Applicants shall receive funding on a first-come, first-qualified, first-served basis.
- g. Applicants must have acceptable credit. This is defined as follows:
 - i. 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.
 - ii. No property taxes or other County assessments may be in arrears. This does not include payments that do not have to be paid immediately, such as road assessments.
 - iii. All medical collections and debts will be ignored.
 - iv. Any bad debt more than three years old will be ignored.
 - v. If the tax payment program, clients must be current with their mortgage.
 - vi. If bad debt, collectively, is less than \$4,000.00 (including collections and judgments), they shall be ignored.
 - vii. The Community Development Manager 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 bad debt or has worked out an agreement with a counseling agency, such as Tampa Bay Community Development Corporation, Inc.

Sponsor Selection Criteria –N/A

F. Name of Strategy: New Construction; Strategy Code: 10

1. Summary of Strategy

Homeownership is the vital lifeblood of every community. It has been demonstrated that neighborhoods with high rates of homeownership tend to have less crime and higher rates of neighborhood stability.

Pasco County will address homeownership with the following programs:

- a. HAP – Provides down payment, closing cost, and gap assistance to homebuyers of new homes.
- b. Target Area HAP – Provides heavily subsidized assistance to homebuyers in neighborhoods selected by the BCC.
- c. POP – Provides financing to not-for-profit agencies to develop homeownership.
- d. Displaced Homebuyer Program (HAP) - Provides increased HAP assistance to homebuyers that have been displaced from affordable housing due to mobile home park closures and apartment conversions to condominiums.

2. Fiscal Years Available: 2015-2016, 2016-2017, 2017-2018

3. Income Category Served: Very low, low, and moderate

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default

- a. HAP - All borrowers will be evaluated for their ability to pay back the County loan. All loans are secured by a recorded mortgage and promissory note. If the front-end ratio is less than 28 percent and the back end ratio is less than 38 percent, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred. All loans shall have an interest rate of 0%. Loans that are deferred will be deferred for five years and then have the following repayment schedule:

<u>Loan Amount</u>	<u>Term of Loan</u>
\$0.00-\$5,000.00	10 Years
\$5,001.00-\$10,000.00	15 Years
\$10,001.00-\$15,000.00	20 Years
\$15,001.00-\$20,000.00	25 Years
More than \$20,000.01	30 Years

All loans are payback loans with terms that begin either immediately after closing or five years thereafter, depending on the affordability restrictions above. If the homeowner passes away, vacates the property, or rents it out, repayment may be accelerated with payback terms to be negotiated with the owner and/or heirs.

- b. Target Area HAP – Rates shall be 0%. All persons assisted shall receive a five-year deferred loan. When the deferral period is over, the homeowner will fill out a new application and a determination will be made as to whether they can afford payments (using the 28 percent-38 percent standard mentioned above). If they cannot, the loan will be deferred for another three years. Deferred loans shall become monthly payback loans or due if the owner dies, vacates the home, or rents it out. The interest rate shall be six percent or three percent below the Federal Prime Rate, whichever is higher.

- c. POP - POP agencies receive a 0% one-year deferred loan for the development of housing. This term may be increased for larger or more difficult projects, such as subdivision development.
- d. HAP Displaced Homebuyer Program – Same as HAP.

6. Shared Equity

For all programs listed, except for POP, the additional loan requirements shall apply:

- a. If the homebuyer sells or transfers the home within the first three years of assistance from the County, the County shall receive 50 percent of the appreciated sales price in addition to the loan balance due the County. If the homebuyer sells or transfer the property in the fourth or fifth year of ownership, the County shall receive 25 percent of the appreciated sales price with the homebuyer in addition to the loan balance that is due the County.
- b. If the homebuyer has performed any permitted improvements on the property, that cost shall be added to the basis of the initial sales price in the determination of the shared equity.
- c. If the homebuyer sells the property to a family member, spouse or ex-spouse, or any other friend or acquaintance, the Community Development Division may order an appraisal to determine if the sales price is equitable and require the shared-equity amount to be determined by that valuation.
- d. Appreciation is defined as the gain a homebuyer receives from the sale of their home, less any reasonable title and real estate costs.
- e. Under no condition shall the shared-equity amount be more than double the original County assistance.

For all 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 re-sell the property to the homebuyer and restructure the financing, sell the property to a POP agency, or use for a rental program (see below). The POP agency will rehabilitate the property and sell it to a new eligible homeowner.

The County may foreclose if the homebuyer does not meet the terms of the County mortgage.

All target area lenders have signed an agreement with the County that they will not foreclose on the loan without giving the County the opportunity to purchase its loan. After the County purchases its loan, the County will either foreclose on the loan itself or restructure the mortgage with the homebuyer.

7. Recipient Selection Criteria

- a. Sales price less than SHIP sales price limit.
- b. Completion of homebuyer education class or equivalent from POP agency.

- c. First mortgage lender approval, if applicable.
- d. Demonstrated need for funding:

Pasco County requests that lenders fund the greatest loan percentage possible, and requires that homebuyers have put a minimum amount of their own funds into the purchase. For very low-income families, that is \$500.00. For low-income families, that is \$1,250.00. For moderate-income families, that is \$1,500.00.

- e. Applicants in Pasco County BCC target areas shall receive priority funding. All other applicants shall receive funding on a first-come, first-qualified, first-served basis.

8. Sponsor Selection Criteria

- a. Sponsors must show that they possess the capacity, capability, experience, and the ability to work on homeownership programs.
- b. Proof of 501 (c) status.
- c. Agency must be in good financial standing.

III. LHAP HOUSING STRATEGIES - RENTAL

A. Name of Strategy: Tenant Based Assistance, Rental; Strategy Code: 13

1. Summary

This strategy is intended to assist residents to obtain rental housing in the County. Not everyone can be or is suited to being a homeowner. Housing is needed for families wishing and having to live in a rental environment. The Eviction Protection Program makes funds available to renters who are in danger of being evicted from their dwelling units.

2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018

3. Income Categories Served: very low- and low

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default – This will be a grant.

6. Recipient Selection Criteria: Very low- and low-income and must be in danger of being evicted out of their rental dwelling unit because of late or nonpayment. Applicants must show that they have the ability to pay the rent after the County’s assistance is given without further assistance. Assistance is limited to a one-time award per twelve-month period. Eligibility and determination will be performed on an expedited basis and may include alternative forms of documentation, such as current pay stubs and benefit letters

as well as verbal verification of employment wages, other income, and assets. Assistance shall be done on a first-qualified, first-served basis.

7. Sponsor Selection Criteria: N/A

B. Name of Strategy: Rehabilitation – Rental; Strategy Code: 14

1. Summary

This strategy is intended to maintain and increase the amount of rental housing in the County. Not everyone can be or is suited to be a homeowner. Housing is needed for families wishing and having to live in a rental environment.

Pasco County will address rental housing with the following programs:

- a. Homeless Facility Development – Pasco County will provide the funds to aid a not-for-profit agency or the Coalition for the Homeless of Pasco County, Inc., will itself apply for HUD funds or funds through the State of Florida.
- b. Federal Rental Program Assistance – Funds will be made available for not-for-profit developers that need funds for HUD Section 202, HUD Section 811 programs, or the equivalent.
- c. State Rental Program Assistance – Funds will be made available for developers of housing for the elderly or disabled that are applying for funds through the Florida Housing Finance Corporation.
- d. Rental Housing Preservation – Funds will be made 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.
- e. Pasco County Housing Authority Facility Development – Funds will be provided to the Pasco County Housing Authority for the preservation of existing units based on funding availability and leveraging opportunities.

2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018

3. Income Categories Served: Very low- and low.

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default

- a. Homeless Facility Development – 0% loan, 50 year term, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable.
- b. Federal Rental Program Assistance – 0% loan, 50 year term, due upon conversion from assisted use. Funds may be provided as a grant if required for

the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable.

- c. State Rental Program Assistance – 0% loan, 50 year term, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable.
- d. Housing Authority Renovations Programs – 0% loan, 50 year term, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable.
- e. Rental Housing Preservation – 0% loan, 50 year term, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable.

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 not-for-profit agency to manage the property.

The County may foreclose if the owner does not meet the terms of the recorded County mortgage and note.

6. Sponsor Selection Criteria

- a. Capacity and capability.
- b. Experience in development and working with assisted population.
- c. Leveraging.
- d. Site control.
- e. Neighborhood compatibility.
- f. 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.
- g. Participation in the Welfare Preservation Program, as mentioned above.
- h. 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.

C. Name of Strategy: Disaster Repair/Mitigation – Rental; Strategy Code: 16

1. Summary

In the case of a disaster, priorities need to be changed to meet emergency conditions. This strategy will only be implemented following a disaster as declared by the President of the United States or the Governor of Florida. Security deposits and temporary rental assistance can be issued for displaced households (this program can only be implemented if the Governor issues an Executive Order authorizing it).

2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018

3. Income Categories Served: Very low, low, and moderate

4. Maximum Award is Noted on Housing Delivery Goal Chart

5. Terms, Recapture, and Default - All disaster rental assistance shall be given in the form of a grant.

6. Recipient Selection Criteria

- a. first-qualified, first-served. This criterion may be changed by the BCC if warranted by the nature of a natural disaster.
- b. All households assisted must be victims of the declared disaster. This may be certified by an outside party or by the Community Development Division.
- c. Additionally, 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. Additionally, if the Florida Housing Finance Corporation allows even less documentation with that particular disaster, that methodology may be used.

7. Sponsor Selection Criteria – N/A

D. Name of Strategy: Land Acquisition – Rental; Strategy Code: 20

1. Summary

This strategy is intended to maintain and increase the amount of rental housing in the County. Not everyone can be or is suited to being a homeowner. Housing is needed for families wishing and having to live in a rental environment.

Pasco County will address rental housing with the following programs:

- a. Homeless Facility Development – Pasco County will provide the funds to aid a not-for-profit agency or the Pasco County Coalition will itself apply for HUD funds or funds through the State of Florida.
 - b. Federal Rental Program Assistance – Funds will be made available for not-for-profit developers that need funds for HUD Section 202, HUD Section 811 programs, or the equivalent.
 - c. State Rental Program Assistance – Funds will be made available for developers of housing for the elderly or disabled that are applying for funds through the Florida Housing Finance Corporation.
 - d. Pasco County Housing Authority Facility Development – Funds will be provided to the Pasco County Housing Authority for the preservation of existing units, acquisition of new properties, and construction of facilities based on funding availability and leveraging opportunities.
2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018
 3. Income Categories Served: Very low- and low.
 4. Maximum Award is Noted on Housing Delivery Goal Chart
 5. Terms, Recapture, and Default
 - a. Homeless Facility Development – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
 - b. Federal Rental Program Assistance – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
 - c. State Rental Program Assistance – Variable. To be negotiated with each developer based on the requirements of the state funding program.. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
 - d. Housing Authority Renovations Programs – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is

due and payable. Maximum funding will be determined based on funding availability.

- e. Rental Housing Preservation – 0% loan with variable terms depending on specifics of deal. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.

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 not-for-profit agency to manage the property.

The County may foreclose if the owner does not meet the terms of the recorded County mortgage and note.

6. Sponsor Selection Criteria

- a. Capacity and capability.
- b. Experience in development and working with assisted population.
- c. Leveraging.
- d. Site control.
- e. Neighborhood compatibility.
- f. Homeless Facility Development applicants must prove they have funds committed for the operation of the facility and that they are active members of the Coalition for the Homeless of Pasco County, Inc. 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.
- g. Participation in the Welfare Preservation Program, as mentioned above.
- h. 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.

E. **Name of Strategy: New Construction - Rental; Strategy Code: 21**

1. Summary

This strategy is intended to maintain and increase the amount of rental housing in the County. Not everyone can be or is suited to being a homeowner. Housing is needed for families wishing and having to live in a rental environment.

Pasco County will address rental housing with the following programs:

- a. Homeless Facility Development – Pasco County will provide the funds to aid a not-for-profit agency or the Pasco County Coalition itself apply for HUD funds or funds through the State of Florida.
 - b. Federal Rental Program Assistance – Funds will be made available for not-for-profit developers that need funds for HUD Section 202, HUD Section 811 programs, or the equivalent.
 - c. State Rental Program Assistance – Funds will be made available for developers of housing for the elderly or disabled that are applying for funds through the Florida Housing Finance Corporation.
 - d. Rental Housing Preservation – Funds will be made available to for-profit or not-for-profit entities that need assistance to preserve affordable housing that is to be constructed or subsidized by Federal or State funds.
 - e. Pasco County Housing Authority Facility Development – Funds will be provided to the Pasco County Housing Authority for the preservation of existing units, acquisition of new properties, and construction of facilities based on funding availability and leveraging opportunities.
2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018
 3. Income Categories Served: Very low- and low
 4. Maximum Award is Noted on Housing Delivery Goal Chart
 5. Terms, Recapture, and Default
 - a. Homeless Facility Development – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
 - b. Federal Rental Program Assistance – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
 - c. State Rental Program Assistance – Variable. To be negotiated with each developer deal specific. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.

- d. Housing Authority Facility Development Programs – 0% loan, due upon conversion from assisted use. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.
- e. Rental Housing Preservation – 0% loan with variable terms depending on specifics of deal. Funds may be provided as a grant if required for the project to receive leveraged funding. If funding is provided as a loan and the use is converted to anything other than the use approved at initial funding, the loan is due and payable. Maximum funding will be determined based on funding availability.

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 not-for-profit agency to manage the property.

The County may foreclose if the owner does not meet the terms of the County mortgage.

6. Sponsor Selection Criteria

- a. Capacity and capability.
- b. Experience in development and working with assisted population.
- c. Leveraging.
- d. Site control.
- e. Neighborhood compatibility.
- f. Homeless Facility Development applicants must prove they have funds committed for the operation of the facility and that they are active members of the Coalition for the Homeless of Pasco County, Inc. 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.
- g. Participation in the Welfare Preservation Program, as mentioned above.
- h. 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.

F. **Name of Strategy: Security and/or Utility Deposits – Rental; Strategy Code: 23**

1. Summary

This strategy is intended to assist residents to obtain rental housing in the County. Not everyone can be or is suited to being a homeowner. Housing is needed for families wishing and having to live in a rental environment.

Pasco County will address rental housing with the following programs:

- a. Rental Deposit Program – Funds will be provided for the homeless, those at the risk of homelessness, or those displaced from affordable housing due to mobile home closure or apartment conversions to put a deposit down to rent a housing unit.
 - b. Utility Deposit Program - Funds will be provided for the homeless, those at the risk of homelessness, or those displaced from affordable housing due to mobile home closures or apartment conversions to provide a utility deposit fund to assist in renting a housing unit. Instead of the funds being refunded to an individual renter, they will be deposited into a fund for future utility rental deposits.
 - c. Rental Utility Protection Program – Funds will be provided to renters who are late on their utility bills and are in danger of having those utilities turned off.
2. Fiscal Years: 2015-2016, 2016-2017, 2017-2018
 3. Income Categories Served: Very low- and low.
 4. Maximum Award is Noted on Housing Delivery Goal Chart
 5. Terms, Recapture, and Default
 - a. Rental Deposit Program – This will be a grant.
 - b. Utility Deposit Program – This will be a grant.
 - c. Rental Utility Protection Program – This will be a grant.
 6. Recipient Selection Criteria
 - a. Applicants using the Rental Deposit Program must meet the following criteria: Very-low and low-income, must be homeless, or at risk of homeless because of the inability to pay the rental deposit (first and last and one extra month is also defined as rental deposit under this program). The lease must be for at least one year. Assistance is limited to a one-time award. Applicants cannot rent mobile homes. Eligibility and determination will be performed on an expedited basis 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. Assistance shall be done on a first-come, first-qualified, first-served basis.
 - b. Applicants using the Utility Deposit Program must meet the following criteria: Very-low and low-income, must be homeless, or at risk of homelessness because of the inability to pay the utility deposit. Must sign at least an one-year lease. Assistance is limited to a one-time award. Applicants cannot rent mobile

homes. Eligibility and determination will be performed on an expedited basis 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. Assistance shall be done on a first-come, first-qualified, first-served basis.

- c. Applicants using the Rental Utility Protection Program must meet the following criteria: Very-low and low-income and must be in danger of having one of their utilities turned off because of late or nonpayment. Applicants must show that they have the ability to pay their utilities in the future without further assistance from the County. Assistance is limited to a one-time award basis per twelve-month period. Applicants cannot rent mobile homes. Eligibility and determination will be performed on an expedited basis 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. Assistance shall be done on a first-come, first-qualified, first-served basis.
7. Sponsor Selection Criteria: N/A

IV. LHAP INCENTIVE STRATEGIES

Since the Affordable Housing Advisory Committee (AHAC) was reinstated in 2007, Pasco County has consistently received forward-thinking, proactive recommendations from its committee members. In 2014, staff and committee members again focused on creating implementable policies and procedures that will assist in increasing the accessibility and affordability of housing in Pasco County.

The committee addressed two fundamental deliverables required by the AHAC: The processing of approvals of development orders or permits as defined in Section 163.3174(7) and (8), Florida Statutes, for affordable housing projects is expedited; and the establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Pasco County has implemented some significant measures since the initial re-creation of the AHAC in 2008, to assist affordable housing developments to be constructed in a timely and cost effective manner. During the 2008 AHAC, the committee recommended that there should be an employee designated as an ombudsman for affordable housing. This employee would provide technical assistance to developers before permit application, and walk through all applications as they go through the system. The ombudsman would also ensure that the application is given preferential treatment from all reviewers, and will stay and assist the reviewer as that person completes that function. The Pasco County Planning and Development Department designated a staff member to serve as ombudsman for affordable housing developments. In addition, the Pasco County Community Development Division has incorporated an expedited permit review form that wraps around permit applications, notifying Central Permitting that this is a permit application that needs to be reviewed expeditiously. Community Development also assists agencies in working through the central permitting process, providing technical assistance and contact information for agency partners in need of support, and ensures that expedited requests are met. Most recently, the County has chosen to again overhaul the development review process by increasing staff and implementing technology improvements. These changes will assist all development in reducing administrative processing time. **The committee has suggested that further review of these improvements, once fully implemented, to determine if any additional improvements can be made to further enhance accessibility and affordability of housing.**

Pasco County staff reviewed the existing procedure established by the County to review policies, procedures, ordinances, regulations, or plan provisions that could increase the cost of housing with the committee. In this last fiscal year, none of the above were implemented that would directly increase the cost of housing. **At that time, the committee was satisfied with the procedure that is implemented to review these measures; however, they asked that the County contemplate the reduction or elimination of administrative and/or impact fees to further incentivize developers and contractors building and/or rehabilitating affordable housing in targeted areas.**

The committee focused on two distinct areas that will impact the accessibility and affordability of housing in Pasco County: barriers to affordable housing and the creation of a guaranteed affordable housing inventory through a Nexus Study and inclusionary zoning ordinance.

Affordable Housing Advisory Committee Recommendation No. 1: Address Financial and Procedural Barriers to Affordable Housing Land Development Code and Comprehensive Plan Implementation

The committee used a list of barriers to affordable housing as its baseline, ranking them based on their role in hindering affordable housing opportunities in Pasco County. After the barriers were ranked, they were broken down into two types of barriers: procedural requirements, and requirements that increase cost to developers/homeowners. While we recognize that some of the procedural requirements may indirectly increase the cost of housing, the barrier is more in the length of time for processing or design to accommodate the requirements associated with the barriers, not the cost itself.

Procedural Requirements

1. **Barriers Identified:** Parking, Setbacks, Open Space, Minimum Lot Size, and Building Height
 - a. **Recommended Course of Action to Address:** Many of these concerns can be rectified through the alternative standard process at plan review; however, proposing an alternative affordable housing mechanism such as accessory dwelling units could also provide an additional option to allow for additional density within the current approval framework for housing developments. In addition, proposing that these requirements be lessened or more accommodating for those developments meeting affordable housing criteria would assist in creating further incentives for developers to construct affordable housing. Revisit targeted areas to reflect those currently identified by the Pasco County Community Development Division in its Consolidated Plan.
 - b. **Impact:** Increases affordable housing; increases density to support transit. Deconcentrates affordable housing by providing opportunities for development and redevelopment. Encourages infill development.
2. **Barrier Identified:** Administrative Processing Procedures
 - a. **Recommended Course of Action to Address:** Continue to monitor planning and development processes and procedures. If there is not sufficient processing timeframe adjustments as noted by the BCC, these processing procedures should be addressed. In addition, contemplate the revision of administrative processing procedures by granting further assistance to developers and contractors seeking to construct affordable housing.
 - b. **Impact:** Expedites approvals, and makes affordable housing a policy priority
3. **Barrier Identified:** Fee and Dedication Requirements
 - a. **Recommended Course of Action to Address:** Monitor and review fee schedule and relationship to decreased processing times. In addition, contemplate the reduction or elimination of these fees to further incentivize developers and contractors building and/or rehabilitating affordable housing in targeted areas.
 - b. **Impact:** Reduces up front cost and incentivizes developers to construct affordable housing.

Requirements that Increase Cost to Developers/Homeowners

4. **Barrier Identified:** Sidewalk Requirements
 - a. **Recommended Course of Action to Address:** Many of these concerns can be rectified through the alternative standard process at plan review; however, proposing an alternative affordable housing mechanism such as accessory dwelling units could also provide an additional option to allow for additional density within the current approval framework for housing developments.
 - b. **Impact:** Increases affordable housing; increases density to support transit.
5. **Barrier Identified:** Street Width
 - a. **Recommended Course of Action to Address:** Evaluate other types of housing units (such as accessory dwelling units). Evaluate the Land Development Code to determine if it makes sense to impose a typical cross section in an older neighborhood looking to revitalize/rehabilitate.
 - b. **Impact:** Increases affordable housing; increases density to support transit. Reduces overall cost by providing additional density on existing lots.
6. **Barrier Identified:** Rehabilitation/Reconstruction Requirements
 - a. **Recommended Course of Action to Address:** Evaluate conditions that can be addressed that are impediments to large scale revitalization; limited to changes to some rehabilitation standards based on building code requirements.
 - b. **Impact:** Encourages infill development and redevelopment, and allows for existing communities to be sustainable.

Affordable Housing Advisory Committee Recommendation No. 2: Develop an Inclusionary Zoning Policy and Ordinance

The second recommendation of the AHAC was to develop an inclusionary zoning policy and ordinance. To implement this recommendation, the committee broke down the recommendation into three specific steps: developing the inclusionary zone policy framework; creating an inclusionary zoning/nexus fee task force to review the proposed policy; and developing and adopting the inclusionary zoning ordinance.

Inclusionary Zoning Policy Development

The committee recommended that any inclusionary zoning policy must address new construction and redevelopment, as well as provide opportunities for rental and homeownership. One of the unique aspects the committee asked to review was the potential for using fees generated through this program for rehabilitation to assist in maintaining existing communities. In addition, the committee also agreed that geographic restrictions for use of funds needed to be established, to ensure that housing is made

available to individuals working in supportive service fields necessary to support residential and nonresidential development. In addition, geographic restrictions would ensure that funds would be reinvested in communities where redevelopment is occurring.

It was also determined that, while incentivizing developers to construct affordable housing units within the neighborhood being developed is preferred, not all developers have the capacity or desire to construct affordable housing. This triggered significant discussion related to fee in lieu and other mechanisms to fund affordable housing within the County.

These discussions were formulated into an inclusionary zoning action plan, which identified the following recommended courses of action and associated impact.

Action Plan Objectives

- a. **Recommended Course of Action:** Evaluate alternatives to inclusionary zoning, including but not limited to fee in lieu, land dedication, construction off site, and development right transfer.
- b. **Impact:** Create comprehensive inclusionary zoning policy, while addressing benefits and possible weaknesses of the various alternatives used in other jurisdictions. Identify the best practices for Pasco County, with the knowledge of existing affordable housing needs and supply.
- c. **Recommended Course of Action:** Identify mechanisms to utilize funding, such as rental, homeownership, new construction, and rehabilitation.
- d. **Impact:** Identify types of uses allowable under proposed inclusionary zoning policy and ordinance.
- e. **Recommended Course of Action:** Identify monitoring needs, funding opportunities and limitations, and responsible parties.
- f. **Impact:** Creation and sustainability of long term affordability practices and restrictions; identification of administrative funds needed for implementation.
- g. **Recommended Course of Action:** Identify appropriate incentives for project-based construction, in lieu of off-site development.
- h. **Impact:** Determine what policy priorities are for construction on site versus construction off-site. Financial incentive ties to policy priority.
- i. **Recommended Course of Action:** Identify geographic restrictions for fees to be expended, if fee in lieu is an opportunity identified for consideration.
- j. **Impact:** Create geographic restrictions for affordable housing construction, ensuring that affordable housing is available to those that will work in fields necessary to support

residential and nonresidential development; reinvest funds in neighborhoods where redevelopment is occurring.

k. **Recommended Course of Action:** Develop Inclusionary Zoning Ordinance

l. **Impact:** Implement an effective, comprehensive affordable housing strategy

Inclusionary Zoning/Nexus Fee Task Force

Upon receipt of the options as prepared by the County staff, the inclusionary zoning/nexus fee task force will be developed to review and rank them in order of feasibility. This committee shall contain representatives from the development and affordable housing community that have insight into the impacts and benefits of the inclusionary zoning policy recommendations. The highest ranked recommendations will be developed into an inclusionary zoning ordinance that will be presented to the BCC for approval.

Inclusionary Zoning Ordinance

Once the recommendations are ranked by the task force, a draft ordinance will be developed and presented to the BCC for their review and approval.

Affordable Housing Advisory Committee Recommendation No. 3: Complete a Nexus Study

The AHAC recommended that a comprehensive Nexus Study be completed to identify the need for affordable housing in the County and identify the appropriate mechanism for financing the gap between available and necessary housing. This study will also determine the connection between growth in various sectors of the economy and the need for affordable housing, questions that the data currently available related to affordable housing does not answer. This study should be completed by a consultant with experience in completing affordable housing Nexus Evaluations, and should provide baseline information that will assist the County in making recommendations on inclusionary zoning policies and procedures.

If the BCC determines that inclusionary zoning is not the appropriate course of action the findings of the Nexus Study, as well as the recommendations from staff and the task force, will be useful for the implementation of accessory unit policies and other affordable housing options.

Estimated Work Plan and Timeline

The BCC approved the following work plan and estimated timeline for implementation of the Affordable Housing Advisory Committee’s Local Housing Incentive Plan Recommendations:

Timeframe	Work to Be Completed
FY15, Q3	Program Budget Development (Including Scope of Work)
FY16, Q1	Begin Nexus Study; Begin Barriers Analysis (Land Development Code)
FY16, Q4	Nexus Study Complete; BCC Workshop to Discuss Results
FY17, Q4	Inclusionary Zoning Ordinance Adoption
FY18 Q4 - FY19 Q2	Evaluation Cycle to Review Ordinance

V. EXHIBITS

A. Exhibit A: Administrative Budget

Pasco County

Fiscal Year: 2015-2016	
Estimated Allocation for Calculating:	\$ 3,000,000.00
Salaries and Benefits	\$164,800.00
Office Supplies and Equipment	2,500.00
Travel Per Diem Workshops, etc.	2,500.00
Advertising	500.00
Loan Servicing	61,600.00
Memberships	600.00
Communications and Equipment	3,500.00
Insurance and Bonds	5,000.00
Professional Services	2,500.00
Postage	500.00
Vehicles, Maintenance, and Fuel	6,000.00
Total	\$250,000.00
Fiscal Year: 2016-2017	
Estimated Allocation for Calculating:	\$3,000,000.00
Salaries and Benefits	\$164,800.00
Office Supplies and Equipment	2,500.00
Travel Per Diem Workshops, etc.	2,500.00
Advertising	500.00
Loan Servicing	61,600.00
Memberships	600.00
Communications and Equipment	3,500.00
Insurance and Bonds	5,000.00
Professional Services	2,500.00
Postage	500.00
Vehicles, Maintenance, and Fuel	6,000.00
Total	\$250,000.00

Fiscal Year 2017-2018	
Estimated Allocation for Calculating:	\$3,000,000.00
Salaries and Benefits	\$164,800.00
Office Supplies and Equipment	2,500.00
Travel Per Diem Workshops, etc.	2,500.00
Advertising	500.00
Loan Servicing	61,600.00
Memberships	600.00
Communications and Equipment	3,500.00
Insurance and Bonds	5,000.00
Professional Services	2,500.00
Postage	500.00
Vehicles, Maintenance, and Fuel	6,000.00
Total	\$250,000.00

B. Exhibit B: Timetables for Fiscal Years 2015/16 - 2017/18

C. Exhibit C: Housing Delivery Goal Charts for Fiscal Years 2015/16 - 2017/18

D. Exhibit D: Signed Certification

CERTIFICATION TO FLORIDA HOUSING FINANCE CORPORATION

Local Government: Pasco County, Florida

1. The local government will advertise the availability of State Housing Initiatives Partnership (SHIP) funds pursuant to Florida Statutes.
2. All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
3. A process for selection of recipients for funds has been developed.
4. The eligible municipality or County has developed a qualification system for applications for awards.
5. Recipients of funds will be required to contractually commit to program guidelines.
6. The Florida Housing Finance Corporation (FHFC) will be notified promptly if the local government (or interlocal entity) will be unable to comply with the provisions the plan.
7. The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.
8. The Plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.
9. Amendments to the approved Local Housing Assistance Plan shall be provided to the FHFC within 21 days after adoption.
10. The trust fund shall be established with a qualified depository for all SHIP funds as well as monies generated from activities such as interest earned on loans.
11. Amounts on deposit in the Local Housing Assistance Trust Fund shall be invested as permitted by law.
12. The Local Housing Assistance Trust Fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the FHFC as soon as available.
13. An interlocal entity shall have its Local Housing Assistance Trust Fund separately audited for each State fiscal year, and the audit forwarded to the FHFC as soon as possible.
14. SHIP funds will not be pledged for debt service on bonds or as rent subsidies.
15. Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements,

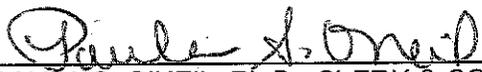
similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.

16. Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
17. Rental units constructed or rehabilitated with SHIP funds shall be monitored at least annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e), Florida Statutes.
18. The Plan meets the requirements of Section 420.907-9079, Florida Statutes; and Rule Chapter 67-37 Florida Administrative Code, and how each of those requirements shall be met.
19. The provisions of Chapter 83-220, Laws of Florida has or X has not been implemented.

(SEAL)



ATTEST:



PAULA S. O'NEIL, Ph.D., CLERK & COMPTRROLLER

BOARD OF COUNTY COMMISSIONERS
OF PASCO COUNTY, FLORIDA



THEODORE J. SCHRADER, CHAIRMAN
APPROVED
IN SESSION

 MAY 19 2015
Date
PASCO COUNTY
BCC

E. Exhibit E: Resolution Adopting Local Housing Assistance Plan

BY THE BOARD OF COUNTY COMMISSIONERS

RESOLUTION NO. 15-164

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PASCO COUNTY, FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTION 420.907-420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE CHAIRMAN TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, Subsection 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one to three-year Local Housing Assistance Plan outlining how funds will be used; and

WHEREAS, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

WHEREAS, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; the methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

WHEREAS, as required by Section 420.9075, Florida Statutes, it is found that five (5) percent of the local housing distribution plus five (5) percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed ten (10) percent of the local housing distribution plus five (5) percent of program income deposited into the trust fund, except that small counties, as defined in Section 120.52(17), Florida Statutes,

and eligible municipalities receiving a local housing distribution of up to \$350,000.00 may use up to ten (10) percent of program income for administrative costs.

WHEREAS, the Pasco County Community Development Division has prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

WHEREAS, the Board of County Commissioners finds that it is in the best interest of the public for Pasco County to submit the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Pasco County, Florida, in regular session duly assembled that:

Section 1: The Board of County Commissioners of Pasco County, Florida, hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by Subsection 420.907-420-9079, Florida Statutes, for fiscal years 2016-2018.

Section 2: The Chairman is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the Local Housing Assistance Plan, and to do all things necessary and proper to carry out the term and conditions of said program.

Section 3: This resolution shall take effect immediately upon its adoption.

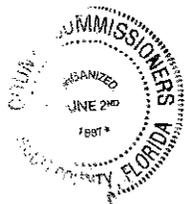
DONE AND RESOLVED this 19 day of May, 2015.

(SEAL)

ATTEST:



PAULA S. O'NEIL, Ph.D., CLERK & COMPTROLLER



BOARD OF COUNTY COMMISSIONERS OF
PASCO COUNTY, FLORIDA



THEODORE J. SCHRADER, CHAIRMAN
PASCO COUNTY
BCC

APPROVED
IN SESSION

MAY 19 2015

F. Exhibit F: Program Information Sheet

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM PROGRAM INFORMATION SHEET

The following information must be furnished to the FHFC before any funds can be disbursed.

Local Government:	Pasco County, Florida
Chief Elected Official:	Theodore J. Schrader, Chairman
Address:	37918 Meridian Avenue Dade City, Florida 33525
SHIP Administrator:	George Romagnoli, AICP Community Development Manager
Address:	5640 Main Street, Suite 200 New Port Richey, Florida 34652
Telephone:	(727) 834-3445
Email:	gromagnoli@pascocountyfl.net
Alternate SHIP Contact:	Michelle Miller Senior Community Development Specialist
Telephone:	(727) 834-3445
Email:	mlmiller@pascocountyfl.net
Local Government Employer Federal ID No.:	59-6000793
Other Information:	Not Applicable

G. Exhibit G: Ordinance - Not Applicable

H. Exhibit H: Interlocal Agreement - Not Applicable

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