

PASCO COUNTY, FLORIDA  
STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM  
LOCAL HOUSING ASSISTANCE PLAN (LHAP)  
2006 - 2009

**I. PROGRAM DESCRIPTION**

**A. Name of participating local government and interlocal if applicable:**

Pasco County, Florida

Interlocal: Yes \_\_\_\_\_ No   X  

There are no interlocal agreements attached to those funds, but it should be noted that the cities of Dade City and Zephyrhills have agreements with the County to support homeowner rehabilitation projects in their areas with a cash contribution of 25% of the total cost. This allows city residents to receive a more favorable loan instrument from Pasco County, and for Dade City and Zephyrhills, replaces HOME Investment Partnership Program funds lost when they left the Pasco County HOME program.

The City of New Port Richey Community Redevelopment Agency also contributes to the rehabilitation projects within the city.

**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 Board of County Commissioners and information on neighborhood boundaries are maintained by the Community Development Division).

**C. Fiscal years covered by Plan:**

The strategies identified in this Plan will cover three years:

2006-07

**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 its expertise and talents to the implementation of the Plan.

1. Lenders: Lenders take applications from homebuyers, process those applications, verify information, and reserve funds on their behalf.

2. Realtors: Realtors explain the program to homebuyers and guide them through the application process.

3. Builders: Builders provide the same services as realtors and help the County meet the construction set aside.

4. 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.

5. 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.

6. 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 putting together 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 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**

Public input was received and sought by the following methods:

1. At the CDBG/POP/ESG Program kickoff, not-for-profit agencies and city recipients were informed about the planning process and invited to make comments.
2. The Plan was discussed with partner agencies of the Coalition for the Homeless.
3. The Plan was discussed with members of the United Way Executive Directors Association.
4. The Plan was advertised in both the *St. Petersburg Times* and the *Tampa Tribune*.

#### **H. Advertising and Outreach**

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

Newspaper advertisements.

Brochures mailed from office.

Brochures at public buildings, such as libraries.

Division newsletters to interested parties, such as lenders, realtors, builders and not-for-profit agencies.

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.

#### **I. Discrimination**

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, 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 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 how 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 Division that will refer clients to the proper agencies for assistance.
4. Foreclosure and Eviction Prevention: This Plan will fund counselors to aid homeowners that are threatened with foreclosure and tenants threatened with evictions. Funds will also be available to help these families.
5. Construction Services: This Plan will fund Division Housing Specialists and consulting architects 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% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

☐ Independent Study (copy attached)  
☒ U.S. Treasury Department OR  
☒ Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts.

**L. Income Limits, Rent Limits and Affordability**

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30% 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), 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.

**M. Wages to Work**

Should a 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 WAGES and Workforce Development Initiatives programs 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 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 submitted.

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

The Pasco County Board of County Commissioners finds, by resolution, that 5% of the local housing distribution plus 5% of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The Board has adopted a resolution that states that the cost of administering the program may not exceed 10% of the local housing distribution plus 5% of program income deposited into the trust fund.

The County has adopted the above findings in the attached resolution, **Exhibit E**.

**P. Essential Services Definition**

For the purposes of the Community Workforce Housing Innovation Pilot Program, essential service personnel is defined as households who earn less than 140% 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 that are teachers, law enforcement personnel, emergency service and medical personnel, and local government employees. When funds are allocated to a development that is being leveraged with funds under the Community Workforce Housing Innovation Pilot Program (CWHIP), the income limit may serve those households up to 140% area median income. However for the purposes of the SHIP Program the income limit of 120% AMI will apply

**II. LHAP HOUSING STRATEGIES**

**A. Name of Strategy: Homeownership**

a. 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:

1. Homebuyer Assistance Program (HAP) – Provides down payment, closing cost and gap assistance to homebuyers.
  2. Purchase/Rehab Program – Provides rehabilitation assistance to new homebuyers.
  3. Impact Fee Assistance Program – Provides additional homebuyer assistance to buyers of new homes to cover impact fees.
  4. Target Area HAP – Provides heavily subsidized assistance to homebuyers in neighborhoods selected by the BCC (maps of target areas are included in all program information packets).
  5. Target Area Law Enforcement HAP – Provides heavily subsidized forgiveness loans to law enforcement professionals in neighborhoods selected by the BCC (maps of target areas are included in all program information packets).
  6. Pasco Opportunity program (POP) – Provides financing to not-for-profit agencies to develop homeownership.
  7. HAP – Section 8 Homeownership Program – Provides increased HAP assistance to Section 8 tenants through the Pasco County Housing Authority.
  8. HAP – Earned Income Tax Credit Program – Provides increased HAP assistance to homebuyers assisted through the Pasco County United Way through the Earned Income Tax Program from the Internal Revenue Service.
- b. Fiscal Years Available: All
- c. Income Category Served: All
- d. Maximum Award is noted on Housing Delivery Goal Chart
- e. Terms, Recapture and Default
1. HAP – All borrowers will be evaluated for their ability to pay back the County loan. If the front-end ratio is less than 28%, and the back end ratio is less than 38%, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred. The term of the payback loan will be adjusted in order that the payment is less than the ratios described above. All loans shall have a 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 - \$5,000	10 years
\$5,001 - \$10,000	15 years
\$10,001 - \$15,000	20 years
\$15,001 - \$20,000	25 years
More than \$20,001	30 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 6% or 3% below the Federal Prime Rate, whichever is higher.

2. Purchase/Rehab Program – Same as HAP.

3. Impact Fee Assistance Program – Rate shall be 0%, and due upon sale of the home. 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 6% or 3% below the Federal Prime Rate, whichever is higher.
4. Target Area HAP – Rates shall be 0%. All persons assisted shall receive a 5 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% - 38% standard mentioned above). If they cannot, the loan will be deferred for another 3 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 6% or 3% below the Federal Prime Rate, whichever is higher.
5. Target Area Law Enforcement HAP – Loan is forgiven over 3 years as long as homebuyer remains a law enforcement professional and the occupant of the house. 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 6% or 3% below the Federal Prime Rate, whichever is higher.
6. Pasco Opportunity Program (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.
7. HAP – Section 8 Homeownership Program – Same as HAP.
8. HAP – Earned Income Tax Credit Program – Same as HAP.

Shared Equity – For all programs listed above except for POP, the additional loan requirements shall apply:

- i. If the homebuyer sells or transfers the home within the first three years of assistance from the County, the County shall share 50% of the appreciated sales price with the homebuyer, 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 share 25% of the appreciated sales price with the homebuyer, in addition to the loan balance due the County.
- ii. 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.
- iii. 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.
- iv. Appreciation is defined as the gain a homebuyer receives from the sale of their home, less any reasonable title and real estate costs.
- v. 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, 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.

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.

f. Recipient Selection Criteria:

1. Sales price less than SHIP sales price limit.
2. Completion of homebuyer education class, or equivalent from POP agency.
3. First mortgage lender approval.
4. Demonstrated need for funding: Applicants must show that they have received maximum loan percentage from the lender and have put a minimum amount of their own funds into the purchase. This is defined as the following:

<b>MINIMUM OWNER INVESTMENT</b>		
<b>Sales Price</b>	<b>Income Level</b>	<b>Minimum Investment</b>
Under \$40,000	Very Low Income	\$ 250
	Low Income	400
	Moderate Income	500
\$40,001-55,000	Very Low Income	\$ 300
	Low Income	450
	Moderate Income	650
\$55,001-70,000	Very Low Income	\$ 350
	Low Income	600
	Moderate Income	850
\$70,001-85,000	Very Low Income	\$ 400
	Low Income	750
	Moderate Income	1,000
Over \$85,000	Very Low Income	\$ 500
	Low Income	1,250
	Moderate Income	1,500

5. For rehabilitation projects, it must be shown that the structure is feasible for rehabilitation. This is defined as the cost of rehabilitation does not exceed 49% of the projected market value after rehabilitation.
6. For rehabilitation projects, the total loan to value cannot exceed 110%.
7. Applicants in Board of County Commissioners-designated target areas, the HAP – Earned Income Tax Credit and HAP – Section 8 Homeownership Programs, POP assisted homes and new homes shall receive priority funding.

8. Applicants shall receive funding on a first-come, first-served basis.
- g. Sponsor Selection Criteria
  1. Sponsors must show that they possess the capacity, capability, experience, and the ability to work on homeownership programs.
  2. Proof of 501 (c) status.
  3. Agency must be in good financial standing.

**B. Name of Strategy: Home Owner Rehabilitation**

a. 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. Even though Pasco County has a relatively new housing stock, there are pockets of substandard housing throughout the County.

Pasco County will address home owner rehabilitation with the following programs:

1. Owner-Occupied Rehabilitation Program – Homeowners will receive assistance to rehabilitate their homes.
  2. Housing Investment Partnership Program – Provides rehabilitation assistance to homeowners, leveraging public and private funds.
  3. Target Area Owner – Occupied Rehab Program – Provides rehabilitation assistance to owner-occupants in targeted neighborhoods (maps of target areas are included in all program information packets).
  4. Housing Replacement Program – Replaces housing that is beyond rehabilitation with new homes. This also includes the refinancing of other debt.
  5. Target Area Replacement Program - Replaces housing that is beyond rehabilitation with new homes in targeted neighborhoods. This also includes the refinancing of other debt (maps of target areas are included in all program information packets).
  6. PascoFix! Program – Provides emergency and small repair assistance through not-for-profit agencies.
- b. Fiscal Years: All
- c. Income Category Served: All, except for Owner- Occupied Rehab, Housing Replacement and PascoFix! only serves low and very low income households
- d. Maximum Award is noted on Housing Delivery Goal Chart
- e. Terms, Recapture and Default
1. Owner-Occupied Rehabilitation Program – All borrowers will be evaluated for their ability to pay back the County loan. If the front-end ratio is less than 28%, and the back end ratio is less than 38%, then the loan shall be a monthly payback immediately upon loan closing. If not, the loan shall be deferred. The term of the payback loan will be adjusted in order that the payment is less than the ratios described above. 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% - 38% standard mentioned above). If they cannot, the loan will be deferred for another 3 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 6% or 3% below the Federal Prime Rate, whichever is higher.

2. 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% - 38% standard mentioned above). If they cannot, the loan will be deferred for another 3 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 6% or 3% below the Federal Prime Rate, whichever is higher.
3. Target Area Owner – Occupied Rehab Program – 0% 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% - 38% standard mentioned above). If they cannot, the loan will be deferred for another 3 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 6% or 3% below the Federal Prime Rate, whichever is higher.
4. Housing Replacement Program – Same as Owner-Occupied Rehabilitation Program.
5. Target Area Replacement Program – Same as Target Area Owner – Occupied Rehab Program.
6. PascoFix! Program – Same as 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.

f. Recipient Selection Criteria

1. County Property Appraiser assessment or appraisal must show that after-rehab or construction value is less than SHIP sales price limit, according to SHIP rules and statutes on how that is defined.
2. It must be shown that the structure is feasible for rehabilitation. This is defined as the cost of rehabilitation does not exceed 49% of the projected market value after rehabilitation. If it does not, then a replacement program must be used.

3. The total loan to value cannot exceed 95% for the Owner-Occupied Rehab and PascoFix Programs before rehabilitation. All other programs, the maximum loan to value percentage is 110%.
4. Applicants in Board of County Commissioners-designated target areas, the HIP Program, and Replacement Programs shall receive priority funding.
5. Applicants shall receive funding on a first-come, first-served basis.
6. Applicants must have acceptable credit. This is defined as follows:
  - a. Any bankruptcy must be discharged and at least eight months must have passed, and the client must have a six-month history of timely payments on at least two obligations.
  - b. All judgments must be paid off.
  - c. 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.
  - d. All medical collections and debts will be ignored.
  - e. Any bad debt more than three years old will be ignored.
  - f. Clients must be current with their mortgage.
  - g. If bad debt, collectively, is less than \$1,000.00 (including collections), they shall be ignored.
  - h. Student loan debt shall be ignored, even if in default.
  - i. 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 Consumer Credit Counseling Service of Central Florida and the Florida Gulfcoast, Inc.
  - j. Replacement housing applicants need proof of long-time residency status (one year). This is not necessary for replacement housing in the target areas.

g. Sponsor Selection Criteria

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

**C. Name of Strategy: Rental Housing**

a. 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:

1. Homeless Facility Development – Pasco County will provide the funds to aid a not-for profit agency or the Pasco County Coalition itself apply for apply for Department of Housing and Urban Development funds or funds through the State of Florida.
  2. Rental Deposit Program – Funds will be provided for the homeless or those at the risk of homelessness to put a deposit down to rent a housing unit.
  3. Federal Rental Program Assistance – Funds will be made available for not-for-profit developers that need funds for HUD Section 202 or HUD Section 811 programs, or the equivalent.
  4. 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.
  5. Rental Utility Protection Program – Funds will be provided to renters that are late on their utility bills and are in danger of having those utilities turned off.
  6. Eviction Protection Program – Funds will be made available to renters that are in danger of being evicted from their dwelling units.
  7. Housing Authority Construction Programs – Funds will be made available to Housing Authorities that have buildings or facilities in need of renovation, replacement, or expansion of facilities.
  8. Aged-Out Foster Children Rental Program – Funds will be made available for both acquisition and rehabilitation to not-for-profit agencies that assist this special needs group. It is anticipated that the buildings used by this program will be units obtained through foreclosure or tax deed sale by Pasco County.
  9. Group Home Development – Funds will be made available to not-for-profit agencies that manage group homes for developmentally disabled adults. Funds will be used for new construction, rehabilitation, or creation of additional living space.
- b. Fiscal Years – All
- c. Income categories served: All will serve Very Low and Low Income families.
- d. Maximum Award in noted on Housing Delivery Goal Chart
- e. Terms, Recapture and Default
1. Homeless Facility Development – 0% loan, due upon conversion from assisted use.
  2. Rental Deposit Program – This will be a grant.
  3. Federal Rental Program Assistance – 0% loan, due upon conversion from assisted use.

4. State Rental Program Assistance – Variable. To be negotiated with each developer deal specific.
5. Rental Utility Protection Program – This will be a grant.
6. Eviction Protection Program – This will be a grant.
7. Housing Authority Renovations Programs – 0% loan, due upon conversion from assisted use.
8. Aged-Out Foster Children Rental program –0% loan, with variable terms depending on specifics of deal.
9. Group Home Development – 0% loan, due upon conversion of assisted use.

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.

f. Recipient Selection Criteria

1. 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 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, and are not eligible under any conditions. 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-served basis.
2. Applicants using the Rental Utility Protection Program must meet the following criteria: very low and low income, must be in danger of having one of their utilities turned off because of late or non-payment. 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, and are not eligible under any conditions. 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-served basis.
3. Applicants using the Eviction Protection Program must meet the following criteria: very low and low income, must be in danger of being kicked out of their rental dwelling unit because of late or non-payment. 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. Applicants cannot rent mobile homes, and are not eligible under any conditions. 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-served basis.

g. Sponsor Selection Criteria

1. Capacity and capability.
2. Experience in development and working with assisted population.
3. Leveraging.
4. Site control.
5. Neighborhood compatibility.
6. 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.
7. Participation in the Wages to Work program, as mentioned above.

**D. Name of Strategy: Homeowner Preservation**

a. Summary of Strategy: It is not only important to help people become homeowners, it is also important to make sure those homeowners stay in their homes. The programs under these strategies are designed to assist households that need funds to either stop their homes from being foreclosed, sold for non-payment of taxes, or protect if it is damaged.

Pasco County will address homeowner preservation through the following programs:

1. Foreclosure Prevention Program – Provides assistance to homeowners under threat of foreclosure from mortgage holders.
  2. Insurance and Taxes Payment Program – Provides assistance to homeowners to pay for their taxes and insurance
  3. 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
- b. Fiscal Years Available: All.
- c. Income Categories Served: All
- d. Maximum Award is noted on Housing Delivery Goal Chart
- e. Terms, Recapture and Default
1. Foreclosure Prevention – Three year, 0% 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% - 38% standard mentioned above under HAP). 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 6% or 3% below the Federal Prime Rate, whichever is higher. If the foreclosure prevention assistance is associated with an FHASecure Loan insured by the

Federal Housing Administration, it will be a deferred loan for five instead of three years.

2. Insurance and Taxes Payment Program – Due upon sale, vacation, or rental of home, or upon the borrower's death.
3. Homeowner Utility Protection Program – This will be a grant.

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. 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.

f. Recipient Selection Criteria:

1. Home value less than SHIP sales price limit.
2. For Foreclosure Prevention, completion of counseling with Division's counseling agency.
3. Foreclosure prevention applicants must show that the nonpayment of their mortgage is not through their own doing. Eligible reasons are:
  - a. Loss of employment.
  - b. Sudden medical expenses.
  - c. Divorce or separation.
  - d. Death in the family.
  - e. Unforeseen home repair bills.
  - f. 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 they can make monthly mortgage payments.

4. Insurance and Taxes Program applicants must be very-low income, with a family member 62 years of age or older, or a family member with a disability receiving disability payments from Social Security.

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.

Also, there can be no more than 50% debt to value on the property.

- g. Sponsor Selection Criteria – No sponsors will be involved in this strategy.

**E. Name of Strategy: Disaster Mitigation Strategy**

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

These funds can be used for the following activities:

1. Purchase of emergency supplies to waterproof damaged homes.
  2. Interim repairs to avoid further damage, such as tree and debris removal required to make individual housing units habitable.
  3. Construction of wells or repair of existing wells where public water is unavailable.
  4. Payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies.
  5. Security deposits and temporary rental assistance for displaced households (this program can only be implemented if the Governor issues an Executive Order authorizing it).
  6. Removal of incipient hazards that may damage a structure.
- b. Fiscal Years Available: All
  - c. Income Category Served: All
  - d. Maximum Award noted on Housing Delivery Goal Chart
  - e. Terms, Recapture and Default

All homeowners that receive assistance that includes repair or construction on a housing unit shall receive a 0%, 10 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% - 38% standard mentioned above under HAP). 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 6% or 3% below the Federal Prime Rate, whichever is higher.

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. 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

f. Recipient Selection Criteria

1. If a homeowner, the assessed value of the home must be less than the SHIP sales price limit.
2. First come, first served. This criterion may be changed by the Board of County Commissioners if warranted by the nature of a natural disaster.
3. All households assisted must be victims of the declared disaster. This may be certified by an outside party, or by the Community Development Division.

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.

- g. Sponsor Selection Criteria- no sponsor will be used for this strategy, however, Pascofix agencies may become involved in some of the rehabilitation projects.

## Incentive Plan

### A. Name of Strategy: Expedited Permitting

Expedited Process of Permits: Pasco County shall endeavor to expedited processing of all affordable projects (AP). AP is a housing development or rehabilitation that:

- A. Is sponsored, funded, or owned by a not-for-profit or government agency that requires habitation by low-, very low-, and moderate-income persons; or has signed or will sign a Community Development-approved deed restriction limiting initial habitation to low-, very low-, and moderate-income households.
- B. In order to receive an AP designation, applicants would apply through Community Development. AP designation will be ruled upon within one week of receipt of all required application information. Once so designated, the division would notify the following departments of the designation:
  1. Growth Management Department
  2. Zoning/Code Compliance Division
  3. Development Review Services Department

The project coordinator shall then set up a meeting with the above-listed departments to discuss and expedite the processing schedule.

After the project was permitted, County staff would meet with the applicant to see if anything could be done to quicken the permitting system. This will serve as a review of the process to ensure that AP'S will receive expedited permitting. Any ideas for expediting that are conceived

at this meeting will be forwarded to the County Administrator, the Board of County Commissioners, and the Affordable Housing Advisory Committee for review.

- C. Single-family new homes and rehabilitation projects funded by the Division will be reviewed in five days instead of the normal period.

**B. Name of Strategy: On-going Process of Review**

Amendments to the Pasco County Land Development Code that affect the cost of housing that go before the Board of County Commissioners shall contain information on how it shall impact the cost of housing. If there is an impact, the agenda item shall contain a good faith estimate of increased cost per unit.

**EXHIBIT A – ADMINISTRATIVE BUDGET**

<b>FISCAL YEAR 2006-07</b>	
Loan Servicing	\$ 60,000.00
Salaries and Benefits	192,000.00
Office Supplies and Equipment	1,000.00
Travel Plus Per Diem	2,000.00
Computer Services and Equipment	200.00
Courier Services	500.00
Advertising	800.00
Membership, Subscriptions	1,200.00
Printing	1,100.00
Insurance (Liability, Auto, Building)	12,000.00
Mileage, Gas, Oil, Vehicle Maint.	1,000.00
Postage/Insurance/Other	5,600.00
CDFI Consultant	5,000.00
Professional Services	5,000.00
Legal Services	5,000.00
<b>TOTAL</b>	<b>\$292,400.00</b>

<b>FISCAL YEAR 2007-2008</b>	
Loan Servicing	\$ 60,000.00
Salaries and Benefits	192,000.00
Office Supplies and Equipment	1,000.00
Travel Plus Per Diem	2,000.00
Computer Services and Equipment	200.00
Courier Services	500.00
Advertising	800.00
Membership, Subscriptions	1,200.00
Printing	1,100.00
Insurance (Liability, Auto, Building)	12,000.00
Mileage, Gas, Oil, Vehicle Maint.	1,000.00
Postage/Insurance/Other	5,600.00
CDFI Consultant	5,000.00
Professional Services	5,000.00
Legal Services	5,000.00
Planning Study for Inclusionary Zoning and Linkage fees	80,000.00
<b>TOTAL</b>	<b>\$372,400.00</b>

<b>FISCAL YEAR 2008-2009</b>	
Loan Servicing	\$ 60,000.00
Salaries and Benefits	192,000.00
Office Supplies and Equipment	1,000.00
Travel Plus Per Diem	2,000.00
Computer Services and Equipment	200.00
Courier Services	500.00
Advertising	800.00
Membership, Subscriptions	1,200.00
Printing	1,100.00
Insurance (Liability, Auto, Building)	12,000.00
Mileage, Gas, Oil, Vehicle Maint.	1,000.00
Postage/Insurance/Other	5,600.00
CDFI Consultant	5,000.00
Professional Services	5,000.00
Legal Services	5,000.00
<b>TOTAL</b>	<b>\$292,400.00</b>

**EXHIBIT B – TIMELINE OF FUNDS EXPENDITURES**

	2006-2007	2007-2008	2008-2009
Funds Received	July 2006	July 2007	July 2008
Advertise Availability of Funds	June 2006	June 2007	June 2008
Application Period	July 2006 – June 2008	July 2007 – June 2009	July 2008 – June 2010
Program Year Starts	July 2006	July 2007	July 2008
Annual Report Due	September 2007, September 2008, September 2009	September 2008, September 2009, September 2010	September 2009, September 2010, September 2011
Funds Encumbered	June 2008	June 2009	June 2010
Funds Expended	June 2009	June 2010	June 2011

In December of each year, the Plan will be reviewed to see if the County can meet program encumbrance and expenditure deadlines. If it is not being met, the Plan may be amended or funds may be shifted to other strategies.

**EXHIBIT C – HOUSING DELIVERY GOAL CHARTS (SEE ATTACHED)**