CITY OF LARGO

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)


Adopted March 19, 2019 – Resolution No. 2229
Technical Revisions Adopted June 4, 2019 – Resolution No. 2239
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### Exhibits

| A. Administrative Budget for each fiscal year covered in the Plan |
| B. Timeline for Estimated Encumbrance and Expenditure           |
| C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan |
| D. Signed LHAP Certification                                    |
| E. Signed, dated, witnessed or attested adopting resolution     |
| F. Community Land Trust – Model Community Land Trust Add-On Language for Downpayment Assistance Strategies |
| G. Comprehensive Development Code - Chapter 14 – Affordable Housing |
I. Program Details:

A. LG(s)

<table>
<thead>
<tr>
<th>Name of Local Government</th>
<th>City of Largo</th>
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<tbody>
<tr>
<td>Does this LHAP contain an interlocal agreement?</td>
<td>No</td>
</tr>
<tr>
<td>If yes, name of other local government(s)</td>
<td>Not Applicable</td>
</tr>
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</table>

B. Purpose of the program:
- To meet the housing needs of the very low, low and moderate-income households;
- To expand production of and preserve affordable housing; and
- To further the housing element of the local government comprehensive plan specific to affordable housing.


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

E. Local Housing Partnership: The SHIP Program encourages building active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers and service organizations, providers of professional services related to affordable housing, advocates for low-income persons, real estate professionals, persons or entities that can provide housing or support services and lead agencies of the local continuums of care.

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 federal housing grants or programs.

G. Public Input: Public input was solicited through a public meeting at the City of Largo’s Community Development Advisory Board meeting. The Community Development Advisory Board consists of local residents from various neighborhoods in the community that provide input and recommendations to the Largo City Commission. A round-table discussion was also held with surrounding jurisdictions, local housing counseling providers, and a representative from a local lending institution to discuss best practices for downpayment assistance and owner-occupied housing rehabilitation programs. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability and copies of the Local Housing Assistance Plan were posted on the City’s website, Largo City Hall and the Largo Library Reference Desk.

H. Advertising and Outreach: SHIP funding availability shall be advertised in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Waiting List/Priorities: A waiting list will be established when there are eligible applicants for strategies that no longer have funding available. Those households on the waiting list will be notified of their status. Applicants will be maintained in an order that is consistent with the time applications were submitted as well as the
established funding priorities as described below.

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

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<tbody>
<tr>
<td>1.</td>
<td>Extremely Low Income (&lt;30% area median income adjusted for household size)</td>
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<tr>
<td>2.</td>
<td>Very Low Income (31-50% area median income)</td>
</tr>
<tr>
<td>3.</td>
<td>Low Income (51%-80% area median income)</td>
</tr>
<tr>
<td>4.</td>
<td>Moderate Income (81-120% area median income)</td>
</tr>
</tbody>
</table>

J. **Discrimination**: In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing. In addition, Pinellas County Code of Ordinances, Chapter 70 – Human Relations, Article I – Discrimination, prohibits discrimination in the areas of employment, government programs, and housing and public accommodations on the basis of race, color, religion, national origin, familial status, sex (including gender identity and gender expression), sexual orientation, and disability within the legal boundaries of Pinellas County, Florida, including all unincorporated and incorporated areas.

K. **Support Services and Counseling**: Support services are available from various sources. Available support services include but are not limited to: Homeownership Counseling (Pre and Post), foreclosure counseling, a coordinated entry system for people experiencing homelessness, emergency financial assistance, elderly chore services and fair housing legal counseling.

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

The methodology used is:

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<tr>
<td>U.S. Treasury Department</td>
<td>x</td>
</tr>
<tr>
<td>Local HFA Numbers</td>
<td></td>
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</table>

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

“Affordable” means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, it is not the intent to limit an individual household’s ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

N. **Welfare Transition Program**: Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given
preference in the selection process.

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

P. Administrative Budget: A line-item budget is attached as Exhibit A. The City finds that the monies deposited in the local housing assistance trust fund are necessary to administer and implement the local housing assistance plan.

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

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: “The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(19), and eligible municipalities receiving a local housing distribution of up to $350,000 may use up to 10 percent of program income for administrative costs.” The applicable local jurisdiction has adopted the above findings in the resolution attached as Exhibit E.

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

<table>
<thead>
<tr>
<th>Entity</th>
<th>Duties</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Local Government</td>
<td>SHIP Plans, Reports, Owner-Occupied Housing Rehabilitation/Replacement Administration, Affordable Housing Development Administration, review/monitoring Third Party Entity for Purchase Assistance Strategy, Disaster Assistance Strategy (depending on event scale)</td>
<td>90%</td>
</tr>
<tr>
<td>Third Party Entity/Sub-recipient</td>
<td>Purchase Assistance Strategy, Rental Deposit/Eviction Prevention Strategies, Disaster Assistance Strategy (depending on event scale)</td>
<td>10%</td>
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</tbody>
</table>

R. Project Delivery Costs: Project Delivery Costs will not exceed $5,000 per project. Project delivery costs for the Owner-Occupied Housing Rehabilitation Program include project-related activities, such as: performing inspections, developing work write-ups, performing construction bid tasks, managing construction contracts, and processing project payments. Project delivery costs for the Purchase Assistance Strategy include: housing counseling, homebuyer education, and inspections of the housing units.

S. Essential Service Personnel Definition: Active duty/reserve military personnel; teaches and educators;
employees of school districts, community colleges, or universities; police and fire personnel including police, fire, emergency medical services and 911 dispatchers; health care personnel and employees in health care related fields including employees of hospitals, assisted living facilities, medical providers and pharmacies, and skilled building trades personnel.

T. **Describe efforts to incorporate Green Building and Energy Saving products and processes:** The City of Largo’s Owner-Occupied Housing Rehabilitation Strategy provides up to a $5,000 grant to benefit energy conservation improvements. The following energy conservation, sustainability, and/or disaster resistance, will be incorporated into projects whenever financially feasible:

**Structural Items:**

1. Water saving plumbing fixtures;
2. Additional attic insulation to R-30;
3. Hip roof design for all new construction and reframing;
4. Hurricane clips to existing roof construction;
5. Secondary water membranes for roofs;
6. Pre-engineered roof trusses to reduce waste;
7. Reflective striping on roofs to reflect heat away;
8. Attic ventilation to include solar attic fans;
9. Programmable thermostats;
10. Ceiling fans to minimize heat/air conditioning usage;
11. SEER upgrades higher than code – SEER-15 available to homeowner for HVAC systems;
12. Energy Star appliances (or equivalent/higher standards) – including refrigerator and tankless or solar powered water heater;
13. Exhaust fans in all kitchens and baths to circulate air;
14. Utilize LED lighting;
15. Vinyl soffit and fascia;
16. Low odor and low VOC paints;
17. Seal ductwork;
18. Windows – impact glass required; insulated and low “e” available to homeowners;
19. Caulking and weather stripping;
20. Gutter and downspouts and door awnings to prevent water intrusion and flooding;
21. Metal studs where possible – resistance to infestation;
22. ICF (Insulated Concrete Form) or block construction for storm resistance, insulation factor and waste reduction for new and reconstruction;
23. Hurricane rated entrance doors and garage doors;
24. Contractor recycling of demolished materials, where possible;
25. Limit house sizes for reconstruction and new construction to conserve materials and energy usage; and
26. For reconstruction and new construction – design layout and placement of new home to maximize energy efficiency.

**Property/Landscaping Items:**

1. Drought resistant turf;
2. Grading away from housing to help prevent water intrusion;
3. Landscaping that promotes maximum summer shade;
4. Avoid excess plants/shrubs near the home (create humid microclimates);
5. Install bioswales; and
6. Maximize permeable membranes around the home.

U. **Describe efforts to meet the 20% Special Needs set-aside:** The SHIP application includes the statutory special needs definition and asks if any household member meets the definition. A significant portion of the City’s applicants regularly qualify as special needs. Through the Owner-Occupied Housing Rehabilitation Program, the City offers up to $5,000 as a Barrier Removal Grant.

V. **Describe efforts to reduce homelessness:** The City of Largo actively participates in countywide homeless planning efforts in partnership with the Pinellas Homeless Leadership Board, which serves as the Pinellas County Continuum of Care. City staff also participate in the annual homeless Point-in-Time count to obtain information on the street homeless population in the community. The City also funds homeless shelters and organizations through its federal Community Development Block Grant (CDBG) Program. People who contact the City of Largo directly for homeless services are referred to 2-1-1, where they can be referred to open shelter beds, and support agencies that can help get them prioritized for the countywide rapid re-housing programs. City staff also refer callers to [http://www.floridahousingsearch.org](http://www.floridahousingsearch.org) for affordable housing availability listings.

Although the programs have had limited success in the past, the SHIP LHAP contains two strategies that can also help people experiencing homelessness or at risk of homelessness in Largo: Rental Deposit Strategy and the Eviction Prevention Strategy. The City is continuing to evaluate the best method to implement these programs that will be effective. SHIP funding has also been very limited over the past few years, which is further limited by the cap on the amount of funding that can be used for rental strategies.

**II. LHAP Strategies:**

<table>
<thead>
<tr>
<th>A. Owner-Occupied Housing Rehabilitation</th>
<th>Code 3</th>
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<tbody>
<tr>
<td>a. <strong>Summary:</strong> SHIP funds will be awarded to income-eligible households to correct housing code deficiencies, remove barriers for persons with disabilities, make energy efficiency improvements, abate toxic substances (ex. lead-based paint or mold), and harden the home for disaster resistance. Eligible unit types include: single-family homes, townhomes, and condominiums. Manufactured homes are eligible if the occupant owns the unit and the home was constructed after June 1994 in accordance with Section 420.9075(5)(c), F.S. .</td>
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<tr>
<td>b. <strong>Fiscal Years Covered:</strong> 2019-2020, 2020-2021, 2021-2022</td>
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<tr>
<td>c. <strong>Income Categories to be Served:</strong> Very-Low, Low and Moderate</td>
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<td>d. <strong>Maximum Award:</strong> $75,000.00</td>
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*Manufactured Homes:* $15,000: Limited to a Maximum Award of $5,000 for general rehabilitation, the $5,000 Barrier Removal Grant and the $5,000 Energy Efficiency Grant.

Grant Items listed under the “Terms” section are included in the Maximum Award.
e. **Terms:**
   1. **Repayment Loan/Deferred Loan/Grant:**
      a. Assistance will be provided in the form of a deferred payment forgivable loan.
      b. Grant items listed below do not require repayment:
         i. Barrier Removal – up to $5,000
         ii. Energy Efficiency Improvements – up to $5,000
         iii. Toxic Substance Abatement – up to $10,000
         iv. Sidewalk Installation (installation of sidewalk in front of the property for safety improvements)
         v. Temporary Relocations Costs
         vi. Project Delivery Costs
   2. **Interest Rate:** 0%
   3. **Years in Loan Term:** 15 years
   4. **Forgiveness:** Beginning in the 6th year of the loan, the loan amount will be reduced by 10% per year on the anniversary date of the loan until the end of the 15-year term, at which time the loan will be satisfied unless a default occurs during the loan term.
   5. **Repayment:** None required as long as the loan is in good standing.
   6. **Default:**
      a. In the event any of the following conditions occur, the outstanding balance of the rehabilitation loan shall be in default and payable to the City of Largo:
         i. The sale of the property;
         ii. The property is leased or rented;
         iii. The property is refinanced with cash out to borrower;
         iv. The property is used as collateral for a home equity line of credit;
         v. The title is transferred, judicial sale levy, or foreclosure against the property; or
         vi. The qualifying homeowners(s) die(s) during the loan term (except as indicated below).
      b. If the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an income-eligible heir who will occupy the home as a primary residence (owner-occupant as indicated by Property Records and Homestead Exemption). If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.
      c. If the home is foreclosed on by a superior mortgage holder, the City of Largo will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing repayment.

f. **Recipient Selection Criteria:**
   1. Applicants must be the owner-occupant of the property.
   2. The applicant must be current on their property taxes and mortgage.
   3. Properties with open equity lines of credit, reverse mortgages or with other mortgages in default are ineligible.
   4. Applicant must have sufficient equity in the property for the rehabilitation loan. The amount of equity
in the property is calculated as such: 115% of the Property Appraiser Sales Comparison Value (to account for estimated post-rehabilitation value) multiplied by 95% (maximum loan to value), and less the balance of any mortgages on the property. If an appraisal was completed in the past 12 months, 95% of the appraised value can be used.

5. Applicants who have received rehabilitation grants through this Program in the past are ineligible for the same grant in the future.

6. Waiting List Prioritization:
   a. Emergency Needs (examples: active water leak, imminent fire hazard, substantial mold, physical inaccessibility, imminent risk of homelessness due to home conditions):
      i. Extremely Low Income
      ii. Very Low Income
      iii. Low Income
      iv. Moderate Income
   b. Special Needs Accommodations for residents needing home modifications to remain independent in their homes:
      v. Extremely Low Income
      vi. Very Low Income
      vii. Low Income
      viii. Moderate Income
   c. Non-Emergency/Non-Special Needs Cases:
      ix. Extremely Low Income
      x. Very Low Income
      xi. Low Income
      xii. Moderate Income

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

h. **Additional Information:**
   1. The property must be located in Largo city limits (property tax code “LA”).
   2. No more than 20% of the SHIP distribution may be used for manufactured housing.
   3. Manufactured homes must have been constructed after June 1994 to be eligible for improvements.

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<thead>
<tr>
<th>B. Owner-Occupied Home Replacement</th>
<th>Code 4</th>
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a. **Summary:** The City of Largo’s Housing Replacement Program provides an alternative when the home is deemed unrepairable (cost of rehabilitation exceeds the maximum rehabilitation amount of $75,000). The City of Largo financing assistance to help demolish and build a new home on the existing property.

b. **Fiscal Years Covered:** 2019-2020, 2020-2021, 2021-2022

c. **Income Categories to be Served:** Very Low and Low
d. **Maximum Award:** $250,000

e. **Terms:**

1. **Repayment Loan/Deferred Loan/Grant:** The following criteria below is used to determine if the project will have a Payback Loan, Deferred Loan or Grant:

   a. Very-Low Income Households: Monthly payment of $25 plus their escrowed property taxes and insurance and/or homeowners association fees. The payback loan amount will be based on the $25 loan payment. The balance of the loan will be set up as a deferred loan.

   b. Low-Income Households: The monthly payment will be calculated not to exceed a total Principal Insurance Taxes Insurance and homeowners'/condo fee (PITI) ratio of 30% of gross household income, with a minimum $25 per month plus escrow. The balance of the loan will be set up as a deferred loan.

2. The Items listed below will be provided as grants and shall not have payback requirements:

   a. Barrier Removal (only for Items that are not included in the general design of the housing unit (ramp, grab bars, etc.) – up to $5,000

   b. Temporary Relocations Costs

   c. Sidewalk Installation (installation of sidewalk in front of the property as part of site development)

   d. Project Delivery Costs

3. **Interest Rate:** 0%

4. **Years in Loan Term:** 20 years

5. **Forgiveness:** Demolition costs will be forgiven two years after project completion.

6. **Repayment:**

   a. Loans will be repaid on a monthly basis based on the owner’s ability to pay, as outlined in the “Repayment Loan/deferred Loan/Grant” section above. The amount covered by the deferred loan shall become due and payable at the end of the Loan Term. At that time, the client can request an extension to the deferral period or a payment plan. An extended deferment period or payment plan is subject to an analysis to determine the applicant’s ability to pay.

   b. For payback loans including escrow payments, the loan servicer will analyze the amount collected for property taxes and insurance once per year and, if necessary, will adjust payments to ensure that adequate amounts are escrowed.

   c. There will be no prepayment penalty. Borrowers may pay off all or any portion of the outstanding principal balance at any time.

7. **Default:**

   a. In the event any of the following conditions occur, the outstanding balance of the rehabilitation loan shall be in default and payable to the City of Largo.

      i. The sale of the property;

      ii. The property is leased or rented;
iii. The property is refinanced with cash out to borrower;
iv. The property is used as collateral for a home equity line of credit;
v. The title is transferred, judicial sale levy, or foreclosure against the property; or
vi. The qualifying homeowners(s) die(s) during the loan term (except as indicated below).

b. If the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an income-eligible heir who will occupy the home as a primary residence (owner-occupant as indicated by Property Records and Homestead Exemption). If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

c. If the home is foreclosed on by a superior mortgage holder, the City of Largo will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing repayment.

f. **Recipient Selection Criteria:**
   1. Applicants must be the owner-occupant of the property.
   2. Waiting List Prioritization:
      a. Special Needs
      b. Very Low Income
      c. Low Income


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

h. **Additional Information:**
   1. The property must be located in Largo city limits (property tax code “LA”).
   2. Funding is limited for this strategy due to the significant cost for replacement. If funding is not available and critical repairs are needed, the project can either be placed on a waiting list for funding or the project can revert back to Owner-Occupied Rehabilitation to address the most critical items within the Maximum Award for Owner-Occupied Rehabilitation.

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<tr>
<th><strong>C. Purchase Assistance Program</strong></th>
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<tr>
<td><strong>Summary:</strong> SHIP funds will be awarded for downpayment/closing cost assistance for first-time homebuyers through the City’s “Sold on Largo” program for new and existing homes, including homes purchased from a community land trust (CLT). The program is designed to provide guidance to first-time homebuyers through homebuyer education and housing counseling to prepare first-time homebuyers for homeownership.</td>
</tr>
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| **| 2 |

b. **Fiscal Years Covered:** 2019-2020, 2020-2021, 2021-2022

c. **Income Categories to be Served:** Very Low, Low and Moderated. **Maximum Award:** Each of the following Maximum Award amounts listed below includes $1,500 for Housing Quality Standards (HQS) inspection, homebuyer education and pre-purchase housing counseling:
   1. $36,500 – Very-Low Income
   2. $26,500– Low Income
   3. $11,500 - Moderate Income
e. **Terms:**

1. **Repayment Loan/Deferred Loan/Grant:**
   
a. Downpayment assistance funding will be awarded as a deferred loan secured by a recorded subordinate mortgage and note.

b. The cost for the HQS inspection and education/counseling are provided as a grant.

2. **Interest Rate:** 0%

3. **Years in loan Term:** 20 years

4. **Forgiveness:** N/A

5. **Repayment:** The deferred subordinate mortgage becomes due at the end of the loan term. At that time, the loan will revert to a payback loan through monthly installments at an interest rate not to exceed the original interest rate indicated on the promissory note. The extended period or payment plan is subject to an analysis to determine the applicant’s ability to pay. Factors included in the analysis include: the current household income and the current PITI ratio of the household.

6. **Default:**

   a. In the event any of the following conditions occur, the loan shall be in default and payable to the City of Largo:

      i. The sale of the property;

      ii. The property is leased or rented;

      iii. The property is refinanced with cash out to the borrower;

      iv. The property is used as collateral for a home equity line of credit;

      v. The original borrower(s) is no longer the owner-occupant of the property;

      vi. The title is transferred, judicial sale levy, or foreclosure against the property; or

      vii. The qualifying homeowners(s) die(s) during the loan term (except as indicated below).

   b. If the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an income-eligible heir who will occupy the home as a primary residence (owner-occupant as indicated by Property Records and Homestead Exemption). If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

   c. If the home is foreclosed on by a superior mortgage holder, the City of Largo will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing repayment.

f. **Recipient Selection Criteria:**

1. Property to be purchased must become the primary residence of the buyer.

2. The applicant must be a first-time homebuyer, which is defined as not having owned and occupied a unit as a personal residence within three (3) years from the date of application. Exceptions to this requirement are: applicants whose dwelling was destroyed as a result of a declared disaster or other such event (ex. fire) or a spouse fleeing domestic violence.

3. **Waiting List Priority:** Applicants will be ranked for assistance based on first-qualified, first-eligible basis
following receipt of a complete application, income qualification, first mortgage approval, and completion of the City-approved Homebuyer Education class. CLT homebuyers must attend a homebuyer education class that contains a CLT component and/or session with the CLT in addition to a homebuyer education class that requires CLT buyers to demonstrate and attest to a clear understanding of the terms of CLT homeownership.

4. Applicants must be able to obtain a first mortgage from a licensed lending institution. The first mortgage term cannot exceed a term of 30 years with a fixed rate. Subprime mortgages are ineligible.

g. **Sponsor Selection Criteria:** Not Applicable

h. **Additional Information:**
1. The property must be located in Largo City limits (Property Tax Code “LA”).
2. Eligible housing units include: single-family detached homes, townhomes and condominiums.
3. All buyers must complete a City-approved eight (8) hour homebuyer education class and a financial fitness class through a HUD-approved housing counseling agency. The homebuyer education class must be taken prior to closing. The financial fitness class must be taken within 6 months of closing. One-on-one housing counseling is also available to assist households with working toward their goal of homeownership.
4. Other state, federal, county, private and homeowner contributions may be leveraged with SHIP funds.
5. All properties must meet the HUD HQS standards. An inspection is required to verify that the property meets applicable safety/code requirements.
6. Applicants will be required to contribute $1,000. Required pre-paid items that the homebuyer pays, such as earnest money deposit, appraisal fees, home inspection fees, and homeowner’s insurance, qualify as part of this contribution.
7. The sales price cannot exceed the City's Maximum Purchase Price (see Section I.L. of this document).
8. Refer to Exhibit F for additional instructions for downpayment assistance with CLT’s.

---

**D. Owner-Occupied Affordable Housing Development Program**

<table>
<thead>
<tr>
<th>9, 10</th>
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</thead>
</table>

a. **Summary:** Funds will be awarded to developers of affordable housing for rehabilitation, reconstruction or new construction of affordable owner-occupied housing units. The program assists in infill redevelopment since there is minimal vacant land available in the City, which is often cost-prohibitive for affordable housing developers to pursue without assistance. The program aides in bringing vacant, dilapidated properties up to code either through rehabilitation or reconstruction of existing units and construction of housing units on vacant infill lots. The program may also provide assistance with impact fee and building permit fees for multi-unit owner-occupied affordable housing.

Eligible costs include: property acquisition, demolition/clearance, site improvements, payment of impact fees, rehabilitation and new construction.

Houses rehabilitated or constructed will be sold to SHIP income-eligible buyers. Financial assistance (Homebuyer Assistance) will also be provided to the homebuyer of the housing unit in the form of downpayment/closing cost assistance.
b. **Fiscal Years Covered**: 2019-2020, 2020-2021, 2021-2022

c. **Income Categories to be Served**: Very Low, Low and Moderate

d. **Maximum Award**:
   1. *Developer Awards*: $250,000 per unit
   2. *Homebuyer Assistance*: Each of the following Maximum Award amounts listed below includes $1,500 for Housing Quality Standards (HQS) inspection, homebuyer education and pre-purchase housing counseling:
      a. $46,500– Very-Low Income
      b. $46,500– Low Income
      c. $36,500 - Moderate Income

e. **Terms**:
   1. *Repayment Loan/Deferred Loan/Grant*:
      a. *Developer Assistance*: Funds will be awarded as a repayment loan secured by a recorded mortgage and note.
      b. *Homebuyer Assistance*: Funds will be awarded as a deferred subordinate loan secured by a recorded subordinate mortgage and note.

2. **Interest Rate**: 0% (both developer and homebuyer assistance)

3. **Years in Loan Term**:
   a. *Developer Assistance*: Not to Exceed 2 Years
   b. *Homebuyer Assistance*: 20 Years

4. **Forgiveness**:
   a. *Developer Assistance*: The City recognizes there is a higher cost to redevelop such properties than there would be on new housing construction on vacant lots, and therefore, total project costs typically exceed the post-construction appraised value and consequent sales price of the homes. Upon sale of the housing unit to an income-eligible household, the total project costs that exceed the sale price of the home will be forgiven (SHIP subsidy).

5. **Repayment**:
   a. *Developer Assistance*: The full amount of the project costs provided by SHIP funds will be awarded as a loan at the time of assistance is provided to the Developer. At the end of the project, the amount of SHIP funds provided, less the SHIP subsidy (see Forgiveness above) are due and payable from the proceeds at re-sale to an income-eligible homebuyer.

   b. *Homebuyer Assistance*
      The deferred subordinate mortgage becomes due at the end of the loan term. At that time, the loan will revert to payback loan through monthly installments at an interest rate not to exceed the original interest rate indicated on the promissory note. The extended period or payment plan is subject to an analysis to determine the applicant’s ability to pay.

6. **Default**:
   a. *Developer Assistance*: A default will be determined as: failure to complete and sell the unit within
two years; sale, transfer, or conveyance of property to a non-income eligible household or prior to completion of the unit; conversion to another use; failure to maintain standards for compliance as required by any of the funding sources. If any of these occur, the amount of SHIP funds provided to the Developer, including any portion of the developer fee paid will be due and payable. A default will also occur if the property is not sold to an income eligible household within the term of the Developer’s SHIP loan.

b. Homebuyer Assistance:
   i. In the event any of the following conditions occur, the loan shall be in default and payable to the City:
      a. The sale of the property;
      b. The property is leased or rented;
      c. The property is refinanced with cash out to the borrower;
      d. The property is used as collateral for a home equity line of credit;
      e. The original borrower(s) is no longer the owner-occupant of the property;
      f. The title is transferred, judicial sale levy, or foreclosure against the property; or
      g. The qualifying homeowner(s) die(s) during the loan term (except as indicated below).

   ii. If the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an income-eligible heir who will occupy the home as a primary residence (owner-occupant as indicated by Property Records and Homestead Exemption). If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

   ii. Shared Equity: During the first ten-years, a shared equity provision will be utilized to maintain the affordability of the unit. Equity sharing is required unless the housing unit is re-sold to an income-eligible client at no more than the Maximum Purchase Price during the term of the equity sharing provision.
      a. For Homebuyer Assistance cases, the shared equity provision will be included in the Homebuyer Assistance mortgage and note.
      b. For Habitat for Humanity (or similar) cases that do not use the Homebuyer Assistance, a Land Use Restriction Agreement will be recorded with the land for the shared equity provision.
      c. Shared Equity:
         1. If the homebuyer sells or transfers the home within the first year of the purchase, 100% of the appreciation portion of the sales price plus the outstanding loan balance on the homebuyer assistance will be due to the City. The amount of equity payable to the City reduces by 10% per each full year for a ten-year period.
         2. “Appreciation” is defined as the gain between the original purchase price by the homebuyer and the re-sale price, less any reasonable title and real estate costs associated with the re-sale and less the value of home improvements as defined in sub-section 3. below.
         3. If the homebuyer has performed any permitted improvements on the property, the permitted value of the work shall be added to the basis of the initial sales price in the determination of the shared equity.
         4. If the homebuyer sells the property to a family member, spouse or ex-spouse, or
any other friend or acquaintance, the City may order an appraisal to determine if the sales price is equitable and require the shared equity amount to be determined by that valuation.

5. Under no condition shall the shared equity amount be more than double the original City assistance.

6. The City may waive the equity sharing provision during the ten year period if the following conditions are met:
   a. The home has been in compliance up to the point of the re-sale;
   b. The home is sold during that ten-year period to another income-eligible homebuyer, as certified by the City; and
   c. The home is sold at a price not to exceed the currently adopted Maximum Sales Purchase Price at the time of the re-sale.

   iv. If the home is foreclosed on by a superior mortgage holder, the City of Largo will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing repayment.

f. **Recipient Selection Criteria:**

1. The applicant must be a first-time homebuyer, which is defined as not having owned and occupied a unit as a personal residence within three (3) years from the date of application. Exceptions to this requirement are: applicants whose dwelling was destroyed as a result of a declared disaster or other such event (ex. fire) or a spouse fleeing domestic violence.

2. Property to be purchased must be the principal residence of the buyer.

3. Applicants must be able to obtain a first mortgage from a licensed lending institution. The first mortgage term cannot exceed a term of 30 years with a fixed rate. Subprime mortgages are ineligible.

4. Waiting List Priority: A waiting list will not be utilized for households to purchase homes through this program. Applications will not be accepted on a housing unit until the unit is listed for sale.


g. **Sponsor Selection Criteria:** Applications from project sponsors (developers) will be reviewed on an ongoing basis, pending funding availability. The following factors will be taken into consideration when reviewing proposals:

1. Capacity and capability to carry out the project, including financial capacity and capability;

2. Experience in completing affordable housing projects;

3. Leveraging;

4. Timeframe for project completion;

5. Compatibility with the City’s Comprehensive Development Code;

6. Use of green building and disaster hardening features/techniques;

7. Funding availability; and

8. Whether the sponsor employs personnel from the Welfare Transition Program.

h. **Additional Information:**

1. The property must be located in Largo City limits (Property Tax Code “LA”).

2. Eligible housing units include: single-family detached homes, townhomes and condominiums.

3. All buyers receiving Homebuyer Assistance must complete a City-approved eight (8) hour homebuyer education class and a financial fitness class through a HUD-approved housing counseling agency. The homebuyer education class must be taken prior to closing. The financial fitness class must be taken within 6 months of closing.
4. Other state, federal, county, private and homeowner contributions may be leveraged with SHIP funds.
5. Applicants using the Homebuyer Assistance will be required to contribute $1,000. Required pre-paid items that the homebuyer pays, such as earnest money deposit, appraisal fees, home inspection fees, and homeowner’s insurance, qualify as part of this contribution. In the case of Habitat for Humanity projects, the homebuyers contribute sweat equity hours toward their home purchase.
6. The sales price cannot exceed the City’s Maximum Purchase Price (see Section I.L. of this document).

E. Rental Affordable Housing Development Program

<table>
<thead>
<tr>
<th>Code 14, 21</th>
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</table>

a. Summary: This strategy is designed to provide local investment/contribution toward the creation of new affordable rental housing in partnership with private and non-profit developers. This strategy can be utilized in conjunction with affordable incentives offered in Chapter 14 of the City of Largo Comprehensive Development Code (CDC), such as affordable housing density bonuses. Rental units such as single family, duplex, triplex and multifamily units are eligible under this program. Special needs housing is also eligible under this program.

Due to the City’s limited SHIP funding available for rental housing, this program is mainly for gap financing and/or local match to leverage acquisition or construction financing from other funding sources. Funding may be used for property acquisition, rehabilitation or construction.


c. Income Categories to be Served: Extremely Low, Very Low, Low

d. Maximum Award: $200,000 per unit

e. Terms:

1. Repayment Loan/Deferred loan/Grant:
   a. Funds will be awarded as a loan secured by a recorded subordinate mortgage and note. Payment will be deferred for three (3) years to provide for construction, lease-up and property stabilization and then amortized for the remaining loan term.
   b. For units reserved specifically for 50% median income or lower: Assistance will be provided in the form of a deferred payment loan.
   c. Project delivery costs are considered a grant.

2. Interest Rate:
   a. 0% / 2% (2% interest if 15 Year Term or 0% interest if 30 Year Term)

3. Years in Loan Term:
   a. 15 years for projects with a 2% interest rate (see above)-Low Income
   b. 30 years for projects with a 0% interest rate, including for projects eligible for the deferred mortgage (serving Very Low Income).

4. Forgiveness: Loans will be forgiven at the end of the loan term only for loans for units reserved for 50%
median income households.

5. **Repayment**: Monthly payments on payback loans will be made on the loan starting after the three-year lease-up period. The loan will be amortized over the remaining years (12 years for a 15-year term or 27 years for a 30-year term). Deferred payment loans do not require payback unless a default occurs during the loan term.

6. **Default**: The loan will be considered in default and due and payable if any of the following occur:
   a. Sale of the property;
   b. Transfer of the property;
   c. Conversion to another use; and/or
   d. Failure to maintain compliance standards as required by the funding source.

f. **Recipient Selection Criteria**: All households that occupy a SHIP assisted unit must be income eligible for the program as determined by the City of Largo staff or third party entity hired by the developer to annually monitor for compliance.

g. **Sponsor/Sub-recipient Selection Criteria**:
   1. Affordable Housing Development applications will be funded on a first qualified, first eligible basis.

   2. Applications will be reviewed based on the following:
      a. Funding availability and funds leveraged from other sources;
      b. Income ranges served and affordability of units;
      c. Past performance and timeframe for project completion; and
      d. Other factors, such as energy/sustainability and disaster resistance components.

3. Proposed projects are reviewed by staff to determine project viability and the developer’s ability to repay a loan under the terms and conditions requested.

4. When providing subordinate financing, the senior lender’s underwriting will be used.

5. Preference will be given to sponsors who employ personnel from the Welfare Transition Program.

h. **Additional Information**:
   1. Developers 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 non-profit organizations for purchase at the current market value for continued occupancy by eligible persons.
F. Rental Eviction Prevention Program

<table>
<thead>
<tr>
<th>Code 13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summary:</strong> The Eviction Prevention Program assists and protects families and individuals from eviction from their rental units, due to a disruption in payment caused by an unavoidable short-term financial hardship. Assistance can include up to six (6) months past due rent and late fees related to the lease.</td>
</tr>
</tbody>
</table>

b. **Fiscal Years Covered:** 2019-2020, 2020-2021, 2021-2022

c. **Income Categories to be Served:** Extremely Low, Very Low, Low

d. **Maximum Award:** $10,000

e. **Terms:**
   1. *Repayment Loan/Deferred Loan/Grant:* Grant
   2. *Interest Rate:* N/A
   3. *Years in Loan Term:* N/A
   4. *Forgiveness:* N/A
   5. *Repayment:* N/A
   6. *Default:* N/A

f. **Recipient Selection Criteria:**
   1. Applicants will be ranked for assistance based on a first-qualified, first-eligible basis with the priorities for Emergency, Special Needs, Essential Services Personnel and income groups as described in Section I.(l) of this Plan.
   2. Applicants must show ability to resume monthly rent payments after assistance is given.
   3. Gross annual household income limits cannot exceed limits outlined above.
   4. This is a one-time grant per household.

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

h. **Additional Information:**
   1. Rental property must be in Largo city limits (property tax code “LA”).
   2. Rental rates cannot exceed the maximum SHIP-approved rental rates for the client’s income level.
   3. The City will utilize a third-party subrecipient to administer this strategy. The City will utilize a Request for Proposals (RFP) process or piggyback on established contracts for similar services that have used an RFP (or similar) process with other local jurisdictions and/or Pinellas County. Preference will be given to eligible subrecipients that have proven experience in managing eviction prevention programs.
G. Rental & Utility Start-Up Program

Summary: This strategy is targeted to homeless and at-risk of homeless households to acquire quality, safe, decent and affordable rental housing. Eligible expenses include rental and utility deposits and associated application fees. Assistance for very-low income homeless households can include up to six (6) months of rental assistance (rent subsidy).


c. Income Categories to be Served: Extremely Low, Very low, Low

d. Maximum Award: $10,000

e. Terms:
   1. Repayment Loan/Deferred Loan/Grant: Grant
   2. Interest Rate: N/A
   3. Years in Loan Term: N/A
   4. Forgiveness: N/A
   5. Repayment: N/A
   6. Default: N/A

f. Recipient Selection Criteria:
   1. Applicants will be referred through the Coordinated Entry System established for Pinellas County.
   2. Applicants must homeless or have imminent risk of homelessness.
   3. Assistance will be provided on a first qualified, first served basis.

g. Sponsor Selection Criteria: N/A

h. Additional Information:
   1. The household is required to have minimum twelve month lease.
   2. The unit must pass a Housing Quality Standards (HQS) inspection. The cost of the HQS inspection can be included as Project Delivery Costs.

H. Disaster Assistance

Summary: The Disaster Strategy provides assistance to households following a disaster as declared by the President of the United States or Governor of the State of Florida. This strategy will only be implemented in the event of a disaster using any funds that have not yet been encumbered or with additional disaster funds allocated by Florida Housing Finance Corporation. SHIP disaster funds may be used for items such as, but not limited to:

1. Interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;
2. Payment of insurance deductibles for rehabilitation of homes covered under homeowners’ insurance policies;
3. Strategies included in the approved LHAP that benefit applicants directly affected by the declared disaster; and/or

4. Other activities as proposed by the City and approved by Florida Housing.

Assistance will only be provided for repairs not covered by insurance or other disaster programs.


c. Income Categories to be Served: Very Low, Low and Moderate

d. Maximum Award: $10,000

e. Terms:
1. Repayment Loan/Deferred Loan/Grant: Grant
2. Interest Rate: N/A
3. Years in Loan Term: N/A
4. Forgiveness: N/A
5. Repayment: N/A
6. Default: N/A

f. Recipient Selection Criteria:
1. Applicant(s) must own and occupy the property as principal residence.
2. The residence must have been damaged in a declared disaster area.
3. The property must be located within Largo city limits (property tax code “LA”).
4. Eligibility will be performed on an expedited basis and may include alternative forms of documentation, such as current pay stubs and benefits letters, as well as oral verification of employment wages, other income and assets.
5. Waiting List Priorities:
   a. Emergency Repairs – Immediate Threat to Health and Safety
      i. Special Needs & Very-Low Income
      ii. Low Income
      iii. Moderate Income
   b. Repairs to mitigate residual damage to the home (ex. spread of mold)
      i. Special Needs & Very-Low Income
      ii. Low Income
      iii. Moderate Income

g. Sponsor Selection Criteria: N/A

h. Additional Information:
1. Annual funding is not allocated toward this Strategy. In the event of a disaster declaration, unencumbered funds and/or additional funds award through Florida Housing Finance Corporation for the disaster will be used to fund this Strategy.
2. Documentation must be provided that the applicant has attempted to obtain all other resources first, such as insurance coverage, Federal Emergency Management Agency (FEMA) funds and any funding available through the Small Business Administration. Funding received from these for related repairs
will be applied to the cost of repairs first.

III. LHAP Incentive Strategies

In addition to the required Incentive Strategy A and Strategy B, include all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

A. Name of the Strategy: Expedited Permitting
   Permits as defined in s. 163.3177 (6) (f) (3) for affordable housing projects are expedited to a greater degree than other projects.

   Provide a description of the procedures used to implement this strategy:

   The City of Largo shall endeavor to expedite processing of all affordable housing projects (AHP).

   Definition: An AHP is a housing development or rehabilitation that is sponsored, funded, or owned by a not-for-profit or government agency that requires habitation by very low, low, moderate or middle income households; or has signed or will sign a Community Development approved deed restriction limiting habitation to very low, low, moderate or median income (0% - 120% of median income) households.

   Processing: Applicants desiring an AHP designation will apply to the Housing Manager in the Community Development Department. The Housing Manager will determine if the project meets the AHP criteria within five (5) working days of receipt of all required application information.

   Once the project receives the AHP designation, the Housing Manager, or his/her designee, will notify the Building Division, Planning Division and Fire Rescue Department, if applicable, of the designation and will schedule a meeting for the Applicant with these offices to discuss and accelerate the processing schedule. AHP projects will be processed before all non-AHP projects.

   The Housing Manager or his/her designee will monitor the progress of the site development review, the fire and building plans reviews and the issuance of permits.

   Community Development staff will provide continuous review of the process to ensure that AHP’s are receiving the expedited permitting. Any new ideas for more efficient processing and permitting systems will be submitted to the offices involved, to the Community Development Director and to the City Commission/Administration for review and approval.

B. Name of the Strategy: Ongoing Review Process
   An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

   Provide a description of the procedures used to implement this strategy:

   The City has adopted a policy in the Housing Element of the Comprehensive Plan requiring the review of all city policies, prior to adoption, to determine their impact on the cost of housing (Objective 1.1.7-Housing Element).

C. Other Incentive Strategies Adopted:
Development Fees: Impact fees and development fees may be paid (or waived for some fees) for on behalf of the developers of affordable units in accordance with the Impact Fee Assistance Strategies. Under the Impact Fee Assistance Strategies, SHIP funds may be utilized to pay impact fees, infrastructure improvements, and development fees on behalf of the developer/builder for qualified set-aside units, provided program funds are available. The incentives have been adopted in Chapter 14 of the Largo Comprehensive Development Code.

Code Lien Waiver Program for Affordable Housing: The City adopted a Code Lien Waiver Program for non-profit affordable housing developers. The program allows code liens to be administratively forgiven if a residential property with code liens is purchased by a non-profit affordable housing developer for rehabilitation/reconstruction of the housing unit. This program eliminates the process and risk of going before the Code Enforcement Board to request a lien reduction, which was a barrier for affordable housing developers to risk purchasing properties with significant code liens.

Transfer of Development Rights: Developments may utilize the City’s “Transfer of Development Rights” codes to transfer the density and intensity for affordable housing units from environmentally sensitive parcels of land to areas more suited for development. The code provisions for the utilization of Transfer of Development Rights are located in Section 4.7 of the Largo Comprehensive Development Code.

Increased Densities: Density bonuses may be permitted in all land use designations that allow residential uses. The density bonus is based on the number of units per each size of unit (1-bedroom, 2-bedroom, 3-bedroom), and the number of units set aside at the 80% and 50% of gross median income levels. The code provisions for the utilization of the density bonus are located in Chapter 14 of the Largo Comprehensive Development Code.

The City also allows a smaller lot size for duplexes and triplexes than what would otherwise be required on a “per-unit” basis for the same number of units. The duplex/triplex standards are established in Section 15.1 of the Largo Comprehensive Development Code.

Additional density bonuses are available for the creation of workforce housing (up to 120% of area median income) in the Clearwater-Largo Road Community Redevelopment District. Information on these density bonus incentives are included in Chapter 7 of the Largo Comprehensive Development Code and further described in the City’s adopted West Bay Drive and Clearwater-Largo Road Community Redevelopment District Plan.

Reduced Parking Requirements: Reduced parking requirements are permitted for Assisted Living Facilities based on the mobility of the clients served and the medical accommodations provided. The parking standards are established in Subsection Section 9 of the Largo Comprehensive Development Code.

Land Bank Inventory: An inventory of locally owned public lands suitable for affordable housing will be maintained. All properties identified will be presented to the City Commission for inclusion in the Largo Affordable Housing Program. The term “suitable” is defined as City-owned, appropriate for affordable housing based on land use, location and site conditions and not already earmarked
for a specific City use.

**Proximity:** Support the development of affordable housing near transportation hubs, major employment centers and mixed use developments.

**Development Standards:** The following alternative development standards are permitted for affordable housing developments: (A) Hammerheads and Y-shaped turn-a-rounds may be used in lieu of cul-de-sacs; (B) Transfer of development rights is permitted from conservation areas to upland areas; (C) Zero lot line developments are allowed in all land use designations; (D) Density exchange for open space and other community amenities in order to enhance environmental quality is permissible; (E) There are no minimum floor area requirements for residential uses within residential land use designations; (F) Infill lots within existing single-family subdivisions may be development even if less than the 5,000 square feet minimum lot size; (H) Clustering of dwelling units is permitted on lots less than 5,000 square feet, provided the total site does not violate the gross density permitted; and (H) There are no minimum lot widths contained in the CDC. The alternative development standards are established in Chapter 14 of the Largo Comprehensive Development Code.

**Homebuyer Seminar:** The City actively participates in the annual housing “fair” (HOPE Expo). This is a free informational workshop and exhibit for potential home owners. The event is sponsored by non-profit housing providers, such as Tampa Bay Community Development Corporation, Community Services Foundation, local lenders, realty professionals, municipalities, and other housing-related service providers.

### IV. EXHIBITS:

A. Administrative Budget for each fiscal year covered in the Plan.

B. Timeline for Estimated Encumbrance and Expenditure.

C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.

D. Signed LHAP Certification.

E. Signed, dated, witnessed or attested adopting resolution.

F. Community Land Trust – Model Community Land Trust Add-On Language for Downpayment Assistance Strategies

G. Comprehensive Development Code - Chapter 14 – Affordable Housing
### Fiscal Year: 2019-2020

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tr>
<td>Estimated SHIP Funds for Fiscal Year:</td>
<td>$113,012.00</td>
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<tr>
<td>Salaries and Benefits</td>
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<tr>
<td>Office Supplies and Equipment</td>
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<td>Travel Per diem Workshops, etc.</td>
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<tr>
<td>Advertising</td>
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<tr>
<td>Other*</td>
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<td><strong>Total</strong></td>
<td>$11,300.00</td>
</tr>
<tr>
<td>Admin %</td>
<td>10.00%</td>
</tr>
</tbody>
</table>

*All "other" items need to be detailed here and are subject to review and approval by the SHIP review committee. Project Delivery Costs that are outside of administrative costs are not to be included here, but must be detailed in the LHAP main document.*

Details: "Other" budget item is for one-third of the cost of the housing software management license fees for the four Housing staff. All projects funded by SHIP are managed through this system and the loan portfolio included in this program.
Exhibit B
Timeline for SHIP Expenditures

The City of Largo affirms that funds allocated for these fiscal years will meet the following deadlines:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Encumbered</th>
<th>Expended</th>
<th>1st Year AR</th>
<th>2nd Year AR</th>
<th>Closeout AR</th>
</tr>
</thead>
</table>

If funds allocated for these fiscal years is not anticipated to meet any of the deadlines in the table above, Florida Housing Finance Corporation will be notified according to the following chart:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Funds Not Encumbered</th>
<th>Funds Not Expended</th>
<th>1st Year AR Not Submitted</th>
<th>2nd Year AR Not Submitted</th>
<th>Closeout AR Not Submitted</th>
</tr>
</thead>
</table>

Requests for Expenditure Extensions (close-out year ONLY) must be received by FHFC by June 15 of the year in which funds are required to be expended. The extension request shall be emailed to robert.dearduff@floridahousing.org and terry.auringer@floridahousing.org and include:

1. A statement that “(city/county) requests an extension to the expenditure deadline for fiscal year _________________.
2. The amount of funds that is not expended.
3. The amount of funds that is not encumbered or has been recaptured.
4. A detailed plan of how/when the money will be expended.

Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit (September 15) the annual report online detailing all funds that have been expended. Please email terry.auringer@floridahousing.org when you are ready to “submit” the AR.

Other Key Deadlines:

AHAC reports are due for each local government the same year as the local government’s LHAP being submitted. Local governments receiving the minimum or less allocation are not required to report.
## FLORIDA HOUSING FINANCE CORPORATION
### HOUSING DELIVERY GOALS CHART
#### 2019-2020

<table>
<thead>
<tr>
<th>Name of Local Government:</th>
<th>City of Largo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Funds (Anticipated allocation only):</td>
<td>$ 113,012</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Strategies</th>
<th>Qualifies for 75% set-aside</th>
<th>VLI Units</th>
<th>Max. SHIP Award</th>
<th>LI Units</th>
<th>Max. SHIP Award</th>
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<td>$15,000</td>
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| Total Homeownership | 1 | 1 | 0 | $99,712.00 | $0.00 | $0.00 | $99,712.00 | 2 |

**Purchase Price Limits:**
- New: $271,165
- Existing: $271,165

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<th>Rental</th>
<th>Qualifies for 75% set-aside</th>
<th>VLI Units</th>
<th>Max. SHIP Award</th>
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<td>23</td>
<td>Rental &amp; Utility Start-Up Program</td>
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| Total Rental | 0 | 0 | 0 | $0.00 | $0.00 | $0.00 | $0.00 | 0 |

**Administration Fees**
- $11,300

**Home Ownership Counseling**
- $2,000

**Total All Funds**
- $113,012

### Set-Asides

- **Percentage Construction/Rehab (75% requirement)**
  - 88.2%

- **Homeownership % (65% requirement)**
  - 88.2%

- **Rental Restriction (25%)**
  - 0.0%

- **Very-Low Income (30% requirement)**
  - $75,000

- **Low Income (30% requirement)**
  - $75,000

- **Moderate Income**
  - $ -
## FLORIDA HOUSING FINANCE CORPORATION
### HOUSING DELIVERY GOALS CHART
#### 2020-2021

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<tr>
<th>Code</th>
<th>Strategies</th>
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<tr>
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<td>$75,000</td>
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**Purchase Price Limits:**
- New: $271,165
- Existing: $271,165

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**Administration Fees**: $11,300, 10%
**Home Ownership Counseling**: $2,000

**Total All Funds**: $113,012

### Set-Asides
- **Percentage Construction/Rehab (75% requirement)**: 88.2%, OK
- **Homeownership % (65% requirement)**: 88.2%, OK
- **Rental Restriction (25%)**: 0.0%, OK
- **Very-Low Income (30% requirement)**: $75,000, 66.4%, OK
- **Low Income (30% requirement)**: $75,000, 66.4%, OK
- **Moderate Income**: $0, 0.0%, OK
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</table>

| Administration Fees | $ 11,300 | 10% | OK |
| Home Ownership Counseling | $ 2,000 | |
| Total All Funds | $ 113,012 | OK |

| Percentage Construction/Rehab (75% requirement) | 88.2% | OK |
| Homeownership % (65% requirement) | 88.2% | OK |
| Rental Restriction (25%) | 0.0% | OK |
| Very-Low Income (30% requirement) | $ 75,000 | 66.4% | OK |
| Low Income (30% requirement) | $ 75,000 | 66.4% | OK |
| Moderate Income | $ - | 0.0% |
CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION

Local Government or Interlocal Entity: City of Largo

Certifies that:

(1) The availability of SHIP funds will be advertised pursuant to program requirements in 420.907-420.9079, 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, color, national origin, sex, handicap, familial status, or religion.

(3) A process to determine eligibility and for selection of recipients for funds has been developed.

(4) Recipients of funds will be required to contractually commit to program guidelines and loan terms.

(5) Florida Housing will be notified promptly if the local government /interlocal entity will be unable to comply with any provision of the local housing assistance plan (LHAP).

(6) The LHAP provides a plan for the encumbrance of funds within twelve months of the end of the State fiscal year in which they are received and a plan for the expenditure of SHIP funds including allocation, program income and recaptured funds within 24 months following the end of the State fiscal year in which they are received.

(7) The LHAP 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 LHAP.

(8) Amendments to the approved LHAP shall be provided to the Florida Housing for review and/or approval within 21 days after adoption.

(9) The trust fund exists with a qualified depository for all SHIP funds as well as program income or recaptured funds.

(10) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.

(11) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements (CAFR). An electronic copy of the CAFR or a hyperlink to the document shall be provided to Florida Housing by June 30 of the applicable year.
(12) Evidence of compliance with the Florida Single Audit Act, as referenced in Section 215.97, F.S. shall be provided to Florida Housing by June 30 of the applicable year.

(13) SHIP funds will not be pledged for debt service on bonds.

(14) 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.

(15) 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 serve eligible persons.

(16) Rental Units constructed or rehabilitated with SHIP funds shall be monitored for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e). To the extent another governmental entity provides periodic monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility.

(17) The LHAP meets the requirements of Section 420.907-9079 FS, and Rule Chapter 67-37 FAC.

(18) The provisions of Chapter 83-220, Laws of Florida have not been implemented (except for Miami-Dade County).

Witness

Chief Elected Official or designee

Henry Schubert, City Manager

Witness

Type Name and Title

Date

Attest:

(Seal)
RESOLUTION 2229

A RESOLUTION OF THE CITY OF LARGO, FLORIDA
APPROVING THE 2019-2022 LOCAL HOUSING ASSISTANCE
PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES
PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907-
420.9079, FLORIDA STATUTES; AND RULE CHAPTER 67-37,
FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND
DIRECTING THE CITY MANAGER 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, ss. 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, F.S. It is found that five percent (5%) of the local
housing distribution plus five percent (5%) 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 10 percent of the local housing distribution plus five percent (5%) of program
income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible
municipalities receiving a local housing distribution of up to $350,000 may use up to 10 percent of
program income for administrative costs.

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

WHEREAS, the City Commission finds that it is in the best interest of the public for the City of
Largo to submit the Local Housing Assistance Plan for review and approval so as to qualify for said
documentary stamp tax funds; and
NOW THEREFORE, BE IT RESOLVED BY THE LARGO CITY COMMISSION THAT:

Section 1: The City Commission of the City of Largo hereby approves the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420.9079, Florida Statutes, for fiscal years 2019-2020, 2020-2021, 2021-2022.

Section 2: The City Manager 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.

PASSED AND ADOPTED THIS 19TH DAY OF March, 2019.

Louise E. Brown, Mayor

(Seal)

REVIEWED AND APPROVED:

Alan Zimmer, City Attorney

City or County Clerk

ATTEST:

Diane Bruner, City Clerk

City of Largo

(Seal)
RESOLUTION NO. 2239

A RESOLUTION OF THE CITY OF LARGO, FLORIDA, APPROVING REVISIONS TO THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (SHIP) FY 2019-2022 LOCAL HOUSING ASSISTANCE PLAN TO INCORPORATE REVISIONS REQUESTED BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN REVISIONS TO THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY NECESSARY DOCUMENTS OR CERTIFICATIONS REQUESTED BY THE STATE; 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, ss. 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 (SHIP Plan) outlining how funds will be used; and

WHEREAS, the City Commission adopted Resolution No. 2229 on March 19, 2019 which approved the City of Largo’s State Fiscal Year 2019-2022 SHIP Plan for submittal to the Florida Housing Finance Corporation, which serves as the lead state agency for the SHIP Program; and

WHEREAS, the Florida Housing Finance Corporation’s Plan Review Committee requested revisions to the City’s SHIP Plan; and

WHEREAS, the revisions to the SHIP Plan attached hereto address the requested changes from the Florida Housing Finance Corporation; and

WHEREAS, the City Commission finds that it is in the best interest of the public for the City of Largo to approve the technical revisions to the SHIP Plan so as to qualify for said documentary stamp tax funds; and

NOW THEREFORE, BE IT RESOLVED BY THE LARGO CITY COMMISSION THAT:

Section 1: The City Commission of the City of Largo hereby approves the revisions to the FY 2019-2022 Local Housing Assistance Plan, as attached and incorporated hereto for final submission to the Florida Housing Finance Corporation as required by ss. 420.907-420.9079, Florida Statutes, for fiscal years 2019-2020, 2020-2021, 2021-2022.

Section 2: The City Manager 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 terms and conditions of said program.
Section 3: This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS 18th DAY OF June, 2019.

[Signature]
Louis L. Brown, Mayor

(SEAL)

REVIEWED AND APPROVED:

[Signature]
Alan Zimm, City Attorney

City or County Clerk

[Signature]
[Seal]
City of [City Name], Florida

[Signature]
[Seal]
City of [City Name], Florida

[Signature]
[Seal]
City of [City Name], Florida
Exhibit F

Additional Instructions and Information for Down Payment Assistance for Community Land Trust Purchases

To qualify, homes must be purchased from a City-approved community land trust (CLT). The CLT will execute a 99-year ground lease with the homebuyer. A memorandum of that ground lease is recorded in the public records immediately following the deed. The terms of the ground lease restrict the resale of the property to an income eligible household and provide a right of repurchase to the CLT in the event of default. The CLT must approve the subsequent homebuyer. In the event of a default, the CLT must notify the City whether it intends to exercise its right of repurchase. In the event the CLT is not willing or able to exercise its right of repurchase, it shall transfer its right of repurchase to City, giving City the right, but not the obligation to purchase the property.

The assistance shall be treated as a development cost pay-down to further reduce the sales price to the homebuyer. The assistance amount shall be excluded from the Base Price and Formula Price as defined in the ground lease. The balance of the assistance must be included in the Purchase Option Price as defined in the ground lease to repay the funds to the City in the event of default. If the maximum subsidy was not provided to the first homebuyer, the City may provide additional assistance to the subsequent buyer to ensure that the property remains affordable, up to the amount of the maximum subsidy allowable at the time of subsequent purchase minus the original subsidy amount provided to the first homebuyer. Any additional SHIP investment will extend the original loan term. At the end of the loan term, the loan will be forgiven, and the lien released. However, the CLT ground lease will remain in effect and the requirements for residency, resale price, and subsequent buyer’s income eligibility will continue. The CLT may request satisfaction of a loan and release of the lien during the term of the loan on behalf of a homeowner or seller, and under certain defined circumstances, with approval granted by the City on a case-by-case basis.

When selling a CLT home, the seller must notify the CLT. The CLT will then enter into a purchase and sale agreement with the seller, that will get assigned to the subsequent homebuyer. The Purchase Option Price for the CLT will be calculated as follows:

\[
\text{Purchase Option Price} = \text{Formula Price} + \text{Payoff Amount of Deferred Payment Loans}
\]

The Formula Price is calculated using a Base Price calculated by subtracting the amount of down payment assistance from the purchase price. For example:

- **Purchase Price**: $185,000
- **MINUS Assistance Provided (maximum)**: $55,000
- **EQUALS Base Price (sales price) for first buyer**: $130,000

Base price is the amount the buyer would need to finance (plus transaction costs) and is used to calculate the Formula Price in the ground lease.

Suppose the Formula (re-sale) Price in the ground lease is calculated by a 1% annual increase to the Base Price, compounded. Suppose the home is sold after 5 years. To calculate the Purchase Option Price (price that will go in the purchase and sale agreement between the CLT and the seller), first calculate the Formula Price:
Formula Price = Base Price x Compound Rate

Calculated as follows:

Year 1 = $130,000 x 1.01 = $131,300
Year 2 = $131,300 x 1.01 = $132,613
Year 3 = $131,613 x 1.01 = $133,939
Year 4 = $133,939 x 1.01 = $135,379
Year 5 = $135,379 x 1.01 = $136,631

Formula Price = $136,631

Purchase Option Price = $136,631 + $55,000 = $191,631

The price to the subsequent buyer equals the Purchase Option price minus the assumed down payment assistance:

Purchase Option Price: $191,631
DPA assumed: - $55,000
Sales price for subsequent buyer: $136,631 (New Base Price for Formula Price)

The new price should be affordable to the subsequent buyer without additional subsidy.

At the end of the loan term, the value of the Purchase Option Price will be equal to the Formula Price.
Section 14.1 Affordable Housing Developments (AHDs)

14.1.1 Purpose – This Section outlines the development process, requirements, and incentives available to residential developments designated as Affordable Housing Developments (AHDs). It is intended to implement Ordinance No. 94-08, as amended, entitled, “Affordable Housing Incentive Plan,” adopted by the City Commission on January 18, 1994.

Assisting and providing affordable housing increases home ownership opportunities by reducing the total cost of housing in the marketplace:

A. Ensures the availability of sufficient and affordable rental housing by providing incentives to stimulate production;

B. Permits households to freely choose among the different housing options and tenures which are available in an unrestricted market; and

C. Encourages a balanced and mixed economic community.

14.1.2 Definitions

Section 11.1 Purpose and Authority

A. Affordable housing - Quality-designed housing which is available to a household earning one hundred-twenty (120) percent or less of the area median income (adjusted for family size), which can be rented or purchased in the market without spending more than thirty (30) percent of household income.

B. Land use restriction agreement – An agreement binding the parties to limit the use of property to a particular use for the term of the agreement.

C. Set-Aside – The total number of units in a subdivision or multifamily development that are made available for households earning one hundred-twenty (120) percent or less of area median income, adjusted for household size.

D. Qualifying unit – Set-aside unit occupied by an income eligible household.

E. Affordable housing development (AHD) – A residential development which incorporates market rate units with set-aside units. A single-family infill lot is also considered an AHD if it complies with the AHD criteria of this CDC (see Section 14.1.3).

14.1.3 Minimum Criteria for AHD Designation – Single-family and multifamily residential developments and single-family infill lots are eligible for designation as an AHD, provided the following minimum criteria are met:

A. Applicant/builder requirement – The applicant must be the site developer and/or builder of the development, unless adequate provisions are in place to ensure the cost savings gained from an AHD subdivision accrue to the future lower income buyer.

B. Quality design and unit distribution – The applicant must commit to quality design and achieve comparable unit distribution for qualified units.

C. Set-aside requirement – At least ten (10) percent and no more than thirty (30) percent of the units permitted by the residential land use designation must be Set-Aside. Housing developments financed with Low Income Housing Tax Credits (LIHTC) will be considered eligible for an AHD designation, provided the income mix is consistent with the then current LIHTC program requirements. Proposed LIHTC developments located within difficult development areas, as defined by the U.S. Department of Housing and Urban Development, that are also located within the Largo Mall Area Activity Center or the Tri-City Mall/Largo Town Center Area Activity Center are permitted to set-aside up to 100 percent (100%) of the units for affordable housing.
D. **Within the Community Redevelopment Districts** – Housing developments in the City’s CRD’s financed with LIHTC may designate up to seventy (70) percent of the units as affordable and thirty (30) percent of the units as market rate provided the development is consistent with the respective Community Redevelopment District Plan. Within the Clearwater-Largo Community Redevelopment District (CLR-CRD) the City Commission may allow a project to exceed the maximum Set-Aside if it finds that the project meets all of the following criteria:

1. Consistent with the requirements of the Clearwater Largo Road Community Redevelopment Plan and furthers the intent of the Plan.
2. Consistent with the Housing Element of the City of Largo Comprehensive Plan.
3. The development is physically connected to the street and sidewalk network of the surrounding community.
4. The development is compatible with, and integrated into, the scale and character of the surrounding community.
5. The project includes amenities and architectural design equivalent to market-rate housing in the surrounding area.

6. A Development Agreement must be entered into pursuant to the requirements of this CDC, prior to issuance of building permits.

E. **Sale or transfer of infill lots** – Infill lots must be sold or transferred to eligible persons whose incomes do not exceed one hundred-twenty (120) percent of median income for the area as established by the Department of Housing and Urban Development. Prior to the sale of the lot, the prospective buyer must be certified by the City’s Community Development Department to meet the income eligibility criteria.

F. **Maximum Set-Aside sale price** – The maximum sale price of the Set-Aside units or infill lot shall not exceed ninety (90) percent of the median purchase price for the area provided annually by the Florida Housing Finance Corporation for the SHIP program and established by the United States Department of Treasury.

### 14.1.4 Types of Incentives Available for AHDs

A. **Fee payment** – Impact fees and development permit fees will be paid on behalf of the developer/builder utilizing State Housing Incentive Partnership (SHIP) program funds for qualified Set-Aside lots or units, provided program funds are available. Fees paid on behalf of the developer/builder are subject to a five-year recapture period and to all other applicable requirements of the SHIP program. See Section 14.1.6.

B. **Density bonus** – Density increases to reduce overall land costs are available to the site developer based upon the percentage of qualified Set-Aside units provided. See Table 14-2. In order to be utilize an affordable housing density bonus, the developer must enter into an affordable housing density bonus agreement requiring the developer, its successors and assigns to maintain a certain ratio of AHD units, providing for fees for failure to maintain said ratio, providing for security for the payment of said fees, providing that the agreement shall be recorded and construed as a covenant running with the land binding all successor owners of the site, and providing for a 30 year term. The affordable housing density bonus agreement shall be subject to the review and approval of the City Manager and City Attorney.

C. **Alternative development standards** – Alternative development standards may be applied to the AHD project to reduce construction and site preparation costs.

### 14.1.5 Development Review Process
A. Review process – See Section 3.2.2, Full Scale or Section 3.3.2, City Commission Review, if a Development Agreement is required.

B. Applicant’s responsibilities – Failure to comply with conditions listed on the staff report or obtain permits required from outside agencies such as Pinellas County, Florida Department of Transportation, and Southwest Florida Water Management District may result in delays and possible denial of a DO.

14.1.6 Impact and Development Fees – Impact and development fees may be paid on behalf of the builder/developer as follows:

A. DO/permit fees - Qualifying Set-Aside units and AHD infill lots requiring a Development Permit only shall not be required to pay fees for review and approval of development plans.

B. Impact fees - The following impact fees may be paid on behalf of the builder/developer for Set-Aside units, provided SHIP housing is available: Transportation, Sewer, Water, Parkland and Recreation Facility, and Radon.

14.1.7 Density Bonus – Density bonuses shall be permitted in all land use designations that allow residential uses. The bonus shall not exceed the maximum density of the next highest land use designation. For land uses allowing fifteen (15) or more units per acre, the bonus shall not result in a density increase above eighteen (18) units per acre. The use of the density bonus shall not require a land use plan amendment.

<table>
<thead>
<tr>
<th>Table 14-1: Affordability Rating</th>
</tr>
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<tbody>
<tr>
<td>Household</td>
</tr>
<tr>
<td>Income</td>
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<tr>
<td>80%</td>
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<tr>
<td>50%</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Table 14-2: Maximum Density Bonus Per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating</td>
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<tr>
<td></td>
</tr>
<tr>
<td>A</td>
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<tr>
<td>B</td>
</tr>
<tr>
<td>C</td>
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<tr>
<td>D</td>
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</tbody>
</table>

A. Density bonus calculation – Tables 14-1 and 14-2 depict the maximum number of additional units allowed, based upon the initial percentage of affordable units proposed and the bedroom mix provided.

B. Other CDC requirements – The use of density bonuses shall not violate the compatibility, concurrency, design, or performance standards of this CDC.

C. Within the CRDs – Developments in the City’s Community Redevelopment Districts are eligible for a density bonus not to exceed twenty (20) percent of the current allowable density, provided the development is consistent with the respective Community Redevelopment District Plan.

For example, if the maximum density is fifteen (15) units per acre, then an AHD could increase the density to eighteen (18) units per acre (15 x 0.2 = 3; 15 + 3 = 18).

14.1.8 Alternative Development Standards – The intent of furnishing a menu of alternative development standards is to provide flexibility in design for the developer/builder, while ensuring design parity and quality. The use of standards singularly, or in combination, which would negatively affect the visual quality of the residential development violates the purpose of the AHD subsection, and therefore, shall not be permitted. Upon acceptance of a residential development as an AHD designation, the development may be permitted
to use the following alternative development standards:

A. Hammerheads and Y-shaped turn-a-rounds may be used in lieu of cul-de-sacs.

B. Right-of-way for local streets may be reduced from fifty (50) feet to thirty-six (36) feet and sidewalks may be located on easements rather than the right-of-way.

C. Sidewalks may be permitted on only one side of the street.

D. Private streets are permitted.

E. Sidewalks may adjoin the curb for one stop placement of both.

C. Zero lot line developments are allowed in all land use designations.

D. Density exchange for open space and other community amenities in order to enhance environmental quality is permissible.

E. There are no minimum floor area requirements for residential uses within residential land use designations.

F. Infill lots within existing single-family subdivisions may be developed even if less than the 5,000 square feet minimum lot size.

G. Clustering of dwelling units is permitted on lots less than 5,000 square feet, provided the total site does not violate the gross density permitted.

H. There are no minimum lot widths contained in the CDC.

J. Pre-application conferences are provided to applicants with the opportunity to explore the housing proposal’s feasibility without incurring expensive engineering/architectural work (see Section 3.3.4.D.)

K. Printed manuals on compatibility, design review, concurrency, the development process, and a schedule of impact fees are available upon request.

L. Neighborhood meetings are provided to come to consensus regarding any objections identified by adjacent residents.

M. Development reviews are approved administratively rather than by citizen advisory boards.

N. Provisions exist for administrative waiver of dimensional criteria.

14.1.10 Land Use Restriction Agreements – Properties receiving an AHD designation shall be subject to covenants and restrictions running with the land for a period of five years. Anyone who purchases a lot with an AHD designation must comply with the provisions of the associated land use restriction agreement. The agreement shall be recorded in the official records in Pinellas County, shall be binding on all successors in interest for a period of five (5) years for owner-occupied units and fifteen (15) years for renter-occupied units, and shall be in a form acceptable to the City Attorney. At a minimum, the land use restriction agreement shall include the following provisions:

A. All units

(1) A statement that the impact fees and development fees shall be subject to recapture by the City for a
period of five (5) years should the property no longer meet the terms of the Land Use Agreement.

(2) The total amount of fees subject to recapture.

(3) A commitment to quality, equity, and unit distribution throughout the AHD subdivision.

(4) A statement that all transactions will comply with the Fair Housing requirements established in the City Code of Ordinances.

B. Fee simple units

(1) A statement that the maximum sale price of the unit shall be based on the most current maximums for new homes not exceeding ninety (90) percent of the median purchase price for the area as established by the United States Department of Treasury, or a lower amount as determined by City Commission.

(2) A statement that prior to the sale of the unit, at any time during the recapture period, all prospective buyers must be certified by the City’s Community Development Department to have met the income eligibility requirements.

(3) A statement that the unit must be sold or transferred to eligible persons whose income does not exceed one hundred-twenty (120) percent of median income for the area as established by the Department of Housing and Urban Development.

Example:

1) The project: An applicant has a 10-acre site with a land use designation of Residential Medium (15 u/a). The applicant proposes that 40% of the units will be affordable to households with incomes under 50% of median income and will have 3 bedrooms.

2) Determine Affordability Rating: An affordability rating of D would be applied to this proposal giving the development a density increase of 7 units per acre.

3) Determine Maximum Pre-Bonus Density: The maximum number of units allowed on this 10 acre parcel would be (15 u/a x 10 acres = 150 units). However, in accordance with the intensity equivalency requirements of this CDC (See Chapter 9), 3-bedroom units have the minimum required lot area of 3,960 s.f. Therefore, a maximum of 11 units per acre would be allowed for this project before the density bonus is granted.

\[
10 \text{ acres} \times 43560 \text{ s.f./acre} = 435,600 \text{ s.f.}
\]

\[
435,600 \text{ s.f.} / 3,960 \text{ s.f. minimum lot area} = 110 \text{ units}
\]

110 units / 10 acres = 11 units per acre

4) Add the Density Bonus: A total of 180 units are allowed including a density bonus of 70 units. (10 acres, 7 density bonus units per acre = 70 additional units + 110 original units = 180 total units.) Although the density becomes 18 units per acre (180 units / 10 acres = 18 u/a), the land use designation remains Residential Medium.

14.1.11 Special Needs Housing – Special needs housing, e.g., handicap housing, shall receive the incentives for income-eligible individuals, provided appropriate documentation is furnished as proof that the development is sponsored by a private nonprofit organization and the Department of Housing and Urban Development has provided a Binding Letter of Commitment.

14.1.12 AHD Program Management – Participation in the AHD program is voluntary, and therefore, it is the
obligation of the applicant and their heirs and assigns to willingly accept the responsibilities and enforce the provisions which are inherent with an AHD designation.

**A. AHD responsibilities** - The various parties which have responsibilities as a result of an AHD designation include: the property owner, developer, builder, manager, homeowner, and tenant.

1. Property owners and managers - An AHD designation for a multifamily rental development must ensure the income occupancy requirements are met, document tenant eligibility, establish affordable unit rents, use acceptable lease agreements, and provide a monitoring report to the Community Development Department each year the development retains its AHD designation.

2. Tenants – Qualified tenants, as part of the lease, must agree to provide the information necessary to document income eligibility. In return for this responsibility, the tenant receives a standard unit at affordable rents.

3. Developers/builders - Developers/builders who request AHD designation receive financial benefits in the development process through reduced holding costs, land costs, and site preparation/construction costs. In return, the developer/builder is responsible for signing a land use restriction agreement which specifies the lower income occupancy requirements for the owner-occupied unit or rental unit and the applicable affordability provisions for these units. The provisions remain in effect for five (5) and fifteen (15) years for owner- and renter-occupied units, respectively.

4. Homeowners – The homeowner is responsible for maintaining the unit as his principal residence for five years. The unit may only be sold in full compliance with the terms of the land use restriction agreement.

**B. Income eligibility** - The AHD applicant and/or manager shall be required to document that the prospective homeowner or tenant purchasing or renting a qualifying unit is income eligible. Documenting prospective homeowner and tenant eligibility involves determining household annual income, verification, and obtaining an income certification.

The Community Development Department maintains specific procedures regarding what to count and not to count as income when calculating a prospective owner’s or tenant's annual income.

If this income figure falls within the applicable AHD Program income limits, the prospective owner or tenant is eligible. All household income information provided by the prospective owner or tenant must be verified for accuracy. The AHD applicant, property owner, or manager must obtain a written statement from the prospective owner or tenant that the income information provided is accurate and complete. Homes and rental units that have been documented as income eligible may be designated as Qualifying Units.

**C. Affordable purchase prices and rents** - The purchase price to prospective homeowners, or the rents charged to tenants in Qualifying Units, are controlled. To ensure the affordability of these units, the Land Use Restriction Agreement establishes a set of maximum prices or rents that can be sold or charged for Qualifying Units. The purchase prices and rent limits are based upon area median income and are subject to change annually, usually between March and June of each year. Income limits and rent limits may be obtained from the Community Development Department. AHD applicants are required to abide by the Fair Housing requirements as contained in the Largo Code of Ordinances.