



**CITY OF LARGO**

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

**2022-2023, 2023-2024, 2024-2025**

**Resolution No. 2319 – April 5, 2022**



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**I. Program Details:**

**A. LG(s)**

Name of Local Government	City of Largo
Does this LHAP contain an interlocal agreement?	No
If yes, name of other local government(s)	Not Applicable

**B. Purpose of the program:**

- To meet the housing needs of the Very Low, Low, Moderate-Income, and 121-140% 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.

**C. Fiscal years covered by the Plan:** 2022-2023, 2023-2024, 2024-2025

**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.

**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. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and copies of the Local Housing Assistance Plan were posted on the City’s website, Largo City Hall, and the Largo Public Library Reference Desk. Incentives from the 2021 Affordable Housing Advisory Committee Report were also incorporated into the Local Housing Assistance Plan.

**G. 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.

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



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

1. Special Needs - Very-Low, Low, Moderate
2. Essential Services Personnel - Very-Low, Low, Moderate
3. After Special Needs and Essential Services Personnel – by income level – Very-Low, Low, Moderate, 121-140%

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

The methodology used is:

U.S. Treasury Department	X
Local HFA Numbers	

- L. **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.*

- M. **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.

- N. 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.
- O. Administrative Budget:** A line-item budget is attached as Exhibit A. The city finds that the moneys deposited in the local housing assistance trust fund are necessary to administer and implement the local housing assistance plan.

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

*Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states: "The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5 percent of program income deposited into the trust fund, except those 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.*

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

Entity	Duties	Percentage
Local Government	SHIP Plans, Reports, Owner-Occupied Housing Rehabilitation/Replacement Administration, Emergency Repair Program, Affordable Housing Development Administration, review/monitoring Third Party Entity for Purchase Assistance Strategy, Disaster Assistance Strategy (depending on event scale)	9%
Third Party Entity/Sub-recipient	Purchase Assistance Strategy, Owner-Occupied Affordable Housing Development Program, Rental Deposit/Eviction Prevention Strategies, Disaster Assistance Strategy (depending on event scale)	1%

- Q. First-time Homebuyer Definition:** The applicant must be a first-time homebuyer, who 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 because of a declared disaster or other such event (ex. fire) or a spouse fleeing domestic violence.

- R. Project Delivery Costs:** Project delivery Costs will not exceed 5% per project. Project Delivery Costs for the Owner-Occupied Housing Rehabilitation, Rental and Owner-Occupied Affordable Housing Development Programs include project-related activities, such as: performing inspections, developing work write-ups, performing construction bid tasks, managing construction contracts, and approving change orders and processing project payments. Project delivery costs for the Purchase Assistance Strategy ,Homebuyer Assistance and the Owner-Occupied Affordable Housing Program include: housing counseling, homebuyer education, and inspections of the housing units.
- S. Essential Service Personnel Definition (ESP):** ESP includes construction/manufacturing personnel, first responders inclusive of support staff, teachers and educators, healthcare personnel, government personnel, skilled building trades personnel, food service personnel, retail workers, and military service 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. Special flyers have been developed specifically to market the barrier removal grants as part of the Owner-Occupied Housing Rehabilitation Program. These flyers are available at City facilities, the Public Library and shared at City neighborhood events. Referrals to the program also come from the City's Community Standards Division (Code Enforcement) and the Police Department's Senior Services Program to the Owner-Occupied Housing Rehabilitation Program.

**V. Describe efforts to reduce homelessness:** The City of Largo actively participates in countywide homeless planning efforts in partnership with the Pinellas County Continuum of Care. City staff also participates 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> 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 also limits the amount of funding that can be used for rental strategies.





**Section II. LHAP Strategies:**

<b>A. Owner-Occupied Housing Rehabilitation</b>	Code: 3, 6
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a. Summary: 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 the presence of lead-based paint, and harden the home for disaster resistance. Eligible unit types include: single-family homes, townhomes, villas 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.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025
- c. **Income Categories to be Served:** Very-Low, Low and Moderate
- d. **Maximum Award:** \$ 75,000

Manufactured Homes: Limited to a Maximum Award of \$5,000 for general rehabilitation, the \$5,000 Barrier Removal Grant and the \$5,000 Energy Efficient Grant for a maximum amount of \$15,000.

- e. **Terms:**
  - 1. Repayment loan/deferred loan/grant:
    - i. Assistance will be provided in the form of a deferred payment forgivable loan secured by a note and mortgage.
    - ii. Grant items listed below do not require repayment:
      - Barrier Removal-up to \$5,000
      - Energy Efficiency Improvements – up to \$5,000
      - Toxic Substance Abatement -up to \$10,000
      - Sidewalk Installation (installation of sidewalk in front of the property for safety improvements
      - Temporary Relocation Costs
      - Project Delivery Costs
  - 2. Interest Rate: 0 %
  - 3. Years in loan term: 15 years
  - 4. Forgiveness: Beginning in the 6<sup>th</sup> year of the loan, the loan amount will be reduced by 10% per year on the anniversary date of the loan closing date until the end of the 15-year term, at which the loan will be satisfied unless a default occurs during the loan term.
  - 5. Repayment: None required as long as 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/Tenant Selection Criteria:**

1. Applicants must be the owner-occupant of the property.
2. The applicant must be current on their property taxes and mortgage.  
Properties with open equity lines of credit or reverse mortgages or with other mortgages in default are ineligible.
3. Applicant must have sufficient equity in the property for the rehabilitation loan.
4. Housing unit must be reasonably free of clutter to the extent that required home inspection and construction could be completed without significant removal/movement of non-furniture items. The owner is responsible for cleaning up junk, trash and debris code violations on the property prior to application approval. This will be confirmed during the one-hour initial inspection.
5. Property cannot be located in a Special Flood Hazard Area unless a Flood Elevation Certificate is on file with the City showing the property is elevated above Base Flood Elevation.
6. Applicants who have received rehabilitation grants through this Program or through other City Housing Programs in the past are ineligible for the same grant in the future.
7. Waiting List Prioritization:
  1. Emergency Needs (examples: active water leak, imminent fire hazard, physical inaccessibility, imminent risk of homelessness due to home conditions):
    - a. Extremely-Low Income
    - b. Very-Low Income
    - c. Low Income
    - d. Moderate Income
  2. Special Needs Accommodations for residents needing home modifications to remain independent in their homes:
    - a. Extremely-Low Income
    - b. Very-Low Income
    - c. Low Income
    - d. Moderate Income



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

h. **Additional Information:**

1. The property must be 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.

<b>B. Owner-Occupied Home Replacement</b>	Code: 4
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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). Program funding can be used to demolish and build a new home on the existing property.

b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025

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

d. **Maximum Award:** \$260,000

e. **Terms:**

1. Repayment loan/deferred loan/grant:  
The following items are loans:

- a. **Very-Low Income Households:** There will be two loans recorded on the property for construction costs: 1) A 20- year 0% interest payback loan of \$25 monthly loan payment plus escrow costs for taxes and insurance, and 2) a deferred 0% interest construction loan for 20 years for the remainder of the construction costs. Once the first payback loan is paid, the deferred construction loan will be modified to convert a portion of the deferred loan to a payback loan to keep the same month payment amount.
- b. **Low-Income Households:** There will be two loans recorded on the property for construction costs: 1) A 20-year 0% interest payback loan for which payments will not exceed 30% of the household's gross monthly income for Principal, Interest, Taxes, Insurance (PITI) and homeowner's association fees, and 2) A deferred 0% interest construction loan for 20 years for the remainder of the construction costs. Once the first payback loan is paid, the deferred construction loan will be modified to convert a portion of the deferred loan to a payback loan keeping the same month payment amount. Any exceptions to this calculation (e.g. retiring within the next 2-5 years) must be requested in writing by the homeowner detailing the request for the exception, and any such exception must be reviewed and approved by the City Housing Manager.
- c. The Items listed below will be provided as grants and shall not have payback requirements:
  - Barrier Removal (only for Items that are not included in the general design of the housing unit (e.g. ramp)– up to \$5,000
  - Temporary Relocations Costs



- Sidewalk Installation (installation of sidewalk in front of the property as part of site development)
- Project Delivery Costs

2. Interest Rate: 0%

3. Years in loan term: 20 years

4. Forgiveness: N/A

5. Repayment:

- a. Loans will be repaid monthly based on the owner's income level as outlined in the "Repayment Loan/deferred Loan/Grant" section above. If a default occurs during the loan term, the remaining balance must be repaid to the City.
- 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.

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).
  - vii. 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 eligible for loan assumption, or chooses not to use the loan assumption process, the balance of the loan(s) will be due and payable.
  - viii. 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/Tenant Selection Criteria:**

1. Applicants must be the owner-occupant of the property.
2. Housing unit must be reasonably free of clutter to the extent that required home inspection can be completed and relocation of household items for reconstruction would not require additional storage/relocation of household items above reasonable quantities for a single-family home. The owner is responsible for cleaning up junk, trash and debris code violations on the property prior to application



approval.

3. Property cannot be located in a Special Flood Hazard Area unless a Flood Elevation Certificate is on file with the City showing the property is elevated above Base Flood Elevation.
4. Waiting List Prioritization:
  - a. Very-Low Income
  - b. Low Income

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

h. **Additional Information:**

1. The property must be 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.

<b>C. Purchase Assistance Program</b>	Code: 2
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a. **Summary:** SHIP funds will be awarded for downpayment/closing cost assistance for first-time homebuyers through the City's "Sold on Largo" program. The program also provides guidance to first-time homebuyers through homebuyer education and housing counseling to prepare first-time homebuyers for homeownership.

b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025

c. **Income Categories to be Served:** Very-Low, Low, Moderate, and 121-140%

d. **Maximum Award:**

Each of the following Maximum Award amounts listed below include \$1,500 for Housing Quality Standards (HQS) inspection, homebuyer education and pre-purchase housing counseling. Homebuyer education and pre-purchase counseling are provided through the subrecipient agency administering the Purchase Assistance Program. HQS inspections are performed by a project deliverable provider. The cost for the HQS Inspection and education/counseling is provided as a grant:

1. \$57,200 (\$55,700 downpayment assistance + \$1,500) – Very-Low Income/Low Income
2. \$41,500 (\$40,000 downpayment assistance + \$1,500)-Moderate Income
3. \$16,500 (\$15,000 downpayment assistance + \$1,500) - 121-140% AMI

e. **Terms:**

1. Repayment loan/deferred loan/grant:
  - i. Downpayment assistance funding will be awarded as a deferred loan secured by a recorded subordinate mortgage and note.
  - ii. 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 after the loan term. At that time, the loan will revert to a payback loan through monthly installments. At the end of the deferment period, a repayment schedule will be established in accordance with the Largo's Loan Re-deferral/Payback Policy, as attached which may be amended from time.
5. 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/Tenant Selection Criteria:**
  1. Property to be purchased must be the primary residence of the buyer.
  2. The applicant must be a first-time homebuyer in accordance with Section I.Q.
  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.
  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 and must have a fixed rate. Subprime mortgages are ineligible.
- g. **Sponsor Selection Criteria:** Not Applicable
- h. **Additional Information:**
  1. The property being purchased must be 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 through a HUD-approved housing counseling agency. The homebuyer education class must be taken prior to 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).

<b>D. Owner-Occupied Affordable Housing Development Program</b>	Code: 9,10
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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 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 for multi-unit owner-occupied affordable housing developments.

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: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very-Low, Low and Moderate
- d. Maximum Award:
  - Developer Assistance:* \$260,000/unit
  - Homebuyer Assistance:* Each of the following Maximum Award amounts listed below includes, \$1,500 for Housing Quality Standards (HQS) or Uniform Physical Conditions Standard (UPCS) inspection, homebuyer education and pre-purchase housing counseling. The cost for the HQS or UPCS Inspection and education/counseling is provided as a grant:
    1. \$57,200 (\$55,700 downpayment assistance + \$1,500) – Very -Low Income/Low Income
    2. \$41,500 (\$40,000 downpayment assistance + \$1,500)-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. Project Delivery Costs will be provided as a grant.
- b. Homebuyer Assistance: Funds will be awarded as a deferred subordinate loan secured by a recorded subordinate mortgage and note.
  - c. Project delivery costs are considered a grant.
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: Due to the high cost of redevelopment of parcels in the City that often includes demolition and clearance costs, and increasing construction/land costs, upon sale of the housing unit to an income-eligible household, the total project costs that exceed the sale price of the home may be forgiven (SHIP subsidy). The City will evaluate the developer's application to determine if anticipated amounts that would be forgiven are reasonable.
  5. Repayment:
    - a. Developer Assistance: When the home is sold to an eligible buyer or the two-year term expires, 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. The Developer may apply for up to a 12% developer fee, based on the amount of City SHIP funding being provided. The Developer fee does not require repayment.
    - 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: 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 with program requirements. 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 Affordable Housing Development 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 homeowners(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.
- a. For Homebuyer Assistance cases, the shared equity provision (as described below) 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.
- iii. 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/Tenant Selection Criteria:**

- 1. Applicants will be ranked for assistance based on first-qualified, first-eligible basis following receipt of a complete application, income qualification, first mortgage approval, completion of the City-approved Homebuyer Education class, and a one-on-one housing counseling session.
- 2. The applicant must be a first-time homebuyer as defined in Section I.Q.
- 3. Property to be purchased must become the primary residence of the buyer.
- 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.
- 5. 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. In the case of Habitat for Humanity, or similar projects, where clients are selected at the beginning of the project (to assist with construction), waiting list priorities of the developer may be used.

g. **Sponsor Selection Criteria:**

Applications from project sponsors (developers) will be reviewed on an ongoing basis, pending funding received. 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 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 through a HUD-approved housing counseling agency. The homebuyer education class must be taken prior to 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).



<b>E. Rental Affordable Housing Development Program</b>	Code: 14, 21
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a. **Summary:** This strategy is designed to provide local investment/contribution toward the creation of new affordable rental housing or preservation of rental affordable housing in partnership with private and non-profit developers. This strategy can be utilized in conjunction with affordable incentives offered in the City of Largo [Comprehensive Development Code \(CDC\), \[RD20\]](#) the [West Bay Drive Community Redevelopment District Plan](#), and the [Clearwater-Largo Road CRD Plan](#) such as affordable housing density bonuses. Rental units such as single family, duplex, triplex and multi-family units are eligible under this program. Special needs housing is also eligible under this program. Funding may be used for property acquisition, rehabilitation or construction of small-scale rental developments, such as infill duplexes or single-family homes; however, limitations on funding also restrict the amount available for these purposes as well.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025
- c. **Income Categories to be Served:** Very Low and Low
- d. **Maximum Award:** 260,000/unit, or no more than \$1,000,000 per development (based on funding availability)
- e. **Terms:**
  - 1. Repayment loan/deferred loan/grant:
    - i. Funds will be awarded as a loan secured by a recorded subordinate mortgage and note.
    - ii. Funding for Very-Low Income Units: Deferred, forgivable loan
    - iii. Funding for Low-Income Units: Re-payable loan with payment starting from three (3) years from the loan date to provide for construction, lease-up and property stabilization and then amortized for the remaining loan term.
    - iv. Project delivery costs are considered a grant.
  - 2. Interest Rate:
    - a. 0%, 2% (see Loan Term below)
  - 3. Years in Loan Term:
    - a) 15 years for projects with a 2% interest rate (see above)
    - b) 30 years for projects with a 0% interest rate, including for projects eligible for the deferred mortgage (serving Very-Low Income households).
  - 4. Forgiveness: Funding for Very-Low Income Units Only: Loans will be forgiven at the end of the 30-year loan term
  - 5. Repayment: Funding for Low-Income Units: Monthly payments on payback loans will be made on the loan starting after the three-year lease-up period. Deferred payment loans for very-low income units do not require payback unless a default occurs during the loan term. The Developer may apply for up to a 12% developer fee, based on the amount of City SHIP funding being provided. The Developer fee



does not require repayment.

6. Default: The loan will be considered in default and due and payable if any of the following occur:

- a) Failure to complete the project, including lease-up of assisted units, within the time requirements of the awarded funding;
- b) Failure to maintain program compliance requirements as required by SHIP; and/or
- c) Conversion to another use.

f. **Recipient/Tenant Selection Criteria:** All households that occupy a SHIP assisted unit must be selected on a first-qualified, first-served basis and 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.
  - e. 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. When providing subordinate financing, the senior lender's underwriting will be used.
- 3. 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.
- 2. Loan terms above can be flexible if the project is receiving federal/state funding, such as Low-Income Housing Tax Credits, that have specific terms for local government match. Such terms will be incorporated into a Development Agreement.



<b>F. Rental Eviction Prevention Program</b>	Code: 13
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a. **Summary:** 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. Examples of short-term financial hardship can include, but are not limited to: furlough, short-term reduction in work hours, unpaid medical leave from work for a certain period of time, gap in employment where new/re-employment has a set start date, client had a recent significant necessary expense (ex. major medical expense or car repair bill) that hindered their ability to pay rent, or if the client had a short-term financial hardship in the past six (6) months and needs help catching up on bills to avoid eviction). Assistance can include up to six (6) months past due rent and late fees related to the lease.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025
- c. **Income Categories to be served:** Very-Low and 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/Tenant Selection Criteria:**
  - 1. Applicants will be ranked for assistance based on a first-qualified, first-eligible basis with the priorities described in Section I.(I) of this Plan.
  - 2. Applicant must be in danger of being evicted from their rental dwelling because of late or non-payment as a result of an unavoidable, short-term financial hardship.
  - 3. Gross annual household income limits cannot exceed limits outlined above. This is 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.

<b>G. Rental &amp; Utility Start-Up Program</b>	Code: 23
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a. **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).

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025
- c. **Income Categories to be served:** Very Low and 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/Tenant Selection Criteria:**
  - 1. Applicants will be referred through the Coordinated Entry System, Rapid Re-Housing Programs, or other similar housing programs in Pinellas County.
  - 2. Applicants must be 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) or Uniform Physical Conditions Standards (UPCS) inspection. The cost of the HQS or UPCS inspection can be included as Project Delivery Costs.

<b>H. Disaster Assistance</b>	Code: 5, 16
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- a. 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. Temporary rent and utility payments up to twelve months to assist tenants financially impacted by a declared disaster.
  - 4. Temporary mortgage and utility payments up to twelve months to assist homeowners financially impacted by a declared disaster.



5. Foreclosure counseling.
6. Strategies included in the approved LHAP that benefit applicants directly affected by the declared disaster; and/or
7. 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.

- b. **Fiscal Years Covered:** 2022-2023, 2023-2024, 2024-2025
- c. **Income Categories to be served:** Very-Low, Low and Moderate
- d. **Maximum award:** \$15,000
- e. **Terms:**
  1. Repayment loan/deferred loan/grant: Grant
  2. Interest Rate: N/A
  3. Years in loan term: N/A
  4. Forgiveness: N/A
  5. Repayment: N/A
  6. Default: N/A
- f. **Recipient/Tenant Selection Criteria:**
  1. The property must be located within Largo city limits (property tax code "LA").
  2. Waiting List Priorities:
    - a. First-qualified, first served, with priority for very-low income households.
- g. **Sponsor Selection Criteria:** A sponsor may be selected during a disaster declaration in or to provide project delivery services for assistance to households in the community. Sponsors selection will be based on an agency's experience and capacity to carry out project delivery. A project delivery fee will be determined based on the scope of the project based on the type of disaster and assistance being provided to households.
- 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 agencies for eligible activities above will be applied to the funds requested from the applicant first before SHIP funding. In the event there are substantial wait lists (ex. for rent assistance) that require an extended period of time, the City may waive the requirement to first pursue the other funding first. All applicants will still be required to sign an agreement that includes duplication of benefits requirements that any funding received for the same items requested by this Program shall be deducted from the funding amount if



not yet paid or refunded to the City SHIP Program for any duplicate payments.

### 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 of all or a portion of the units by very low, low, moderate or middle income households; or has signed or will sign a Community Development approved land use restriction limiting habitation of all or a portion of the units 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.

The City will continue to have a key person/liaison to guide affordable housing developments through the process. The City will seek to streamline the site plan review process by modifying criteria for when the development agreement process would or would not be required.

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). The review process includes impact review on items such as property tax or impact fee changes



in City Commissions memos along with an annual review of the comprehensive impacts from any adopted ordinance, regulation, or policy changes from the prior year as part of the annual SHIP Report.

C. Other Incentive Strategies Adopted:

**Development Fees** 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 and in accordance with the Local Housing Assistance Plan. Developers may apply through the Affordable Housing Development Program for such incentives.

The City will pursue implementation of the following 2021 AHAC Report recommendations:

- Explore feasibility of lower permit costs for smaller square footage housing units as part of The City's larger permit fee study.
- Perform analysis of The City's development fees and impact fees to determine if fees could be waived or reduced for affordable housing.

**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.

**Flexible Densities:** The City provides density bonuses throughout the community, with more substantial bonuses being in the Community Redevelopment Districts (CRDs) and Tri-City Activity Center to focus higher density housing near employment and transit areas. Largo Mall Activity Center includes a density bonus for design standards, but currently does not offer a density bonus for affordable housing.

The City will pursue implementation of the following from the 2021 AHAC Report recommendations:

- Use consistent methods for calculating density across the City (ongoing effort as plans and codes are updated)
- Eliminate the density cap of 18 units/acre in Citywide density bonus codes (still retain language with cap of next highest land use category).
- Add the income level for 81-120% to the citywide density bonus structure with a tiered approach based on the income levels served.





- Remove cap on the percentage of units that can be affordable in developments for owner-occupied and rental housing. Commission direction on this incentive is to provide an alternative for rental developments to the Development Agreement process that would streamline review but still allow public review.

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 affordable housing in the Clearwater-Largo Road Community Redevelopment District, West Bay Drive District and Tri-City Special Area Plan. 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. Density bonuses serving a variety of income levels are also available in the Tri-City Special Area Plan in Section 7.2.6 of the Largo Comprehensive Development Code.

**Reservation of Infrastructure Capacity:** Largo does not provide this incentive because infrastructure capacity has not been an issue in housing development in the City. The City will pursue the 2021 AHAC Report recommendations:

- Continue to analyze implementation parameters of the greywater density bonus legislation and monitor the impact of such.
- Seek to consider new methodologies/partnerships for sustainable design that can help offset infrastructure impacts.
- Incorporate universal design components into development incentives to increase the number of units accessible for people with disabilities and to enable aging in place

**Parking & Setback Requirements:** Reduced parking requirements are permitted for Assisted Living Facilities based on the mobility of the clients served and the medical accommodations provided. The City provides offsets for enhanced bike parking amenities. The parking standards are established in Subsection Section 9 of the Largo Comprehensive Development Code.

**Public Land 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 criteria for determining suitability are as follows:

1. Land Use:
  - a. Future Land Use Designation allows or conditionally allows residential uses.
  - b. Property is not currently used or earmarked for a different specific City use. A change in use/planned change in use of a City property will require re-evaluation for affordable housing suitability.
2. Resiliency:
  - a. Property is not located in a Coastal High Hazard Area/100-year flood zone or area containing other environmentally sensitive land (e.g., wetlands).



- i. For properties in these zones, determine if the residential density permitted on the property would be eligible for Transfer of Development Rights or Density Averaging to properties outside of these zones/sensitive areas.
3. Environmental/Social Justice:
- a. The location would not be impacted by adverse environmental/social justice factors (e.g., proximity to an incompatible industrial use). Conditional suitability can be considered for the property if mitigation components were included.

**Support of Development Near Transportation Hubs:** The Comprehensive Plan supports development near transportation hubs and major employment centers primarily through the focus on activity centers. The Comprehensive Development Code (CDC) recognized the Downtown Multimodal Activity Center (DMAC) which includes both CRD's within its boundaries and the Largo Mall Activity Center (LMAC). Within these centers, the City created a new land use designation of Residential High, which allows for increased density of up to 30 dwelling units/acre to encourage increased development in the Activity Centers.

The City will pursue implementation of the following from the 2021 AHAC Report recommendation:

- Provide an increased density bonus for affordable housing in the Largo Mall Activity Center (currently limited to the citywide density bonus available in Chapter 14 of the CDC).

**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.

**Affordable Accessory Residential Units (ADUs):** ADUs are permitted on the City's Comprehensive Development Code (CDC) in the West Bay Drive and Clearwater-Largo Road CRDs only. Section 163.31771(4), Florida Statutes requires a property owner to sign an affidavit attesting that the unit will be "rented at an affordable rate to an extremely-low income, very-low-income, low-income, or moderate-income person or persons".

An ADU Incentive Program is available in the West Bay Drive CRD where a property owner can be reimbursed up to \$8,000 for permitting and review fees for the ADU once the final inspection is passed on the unit.

The City will pursue implementation from the 2021 AHAC Report recommendations:



- Modify the City's Development Code to allow ADUs citywide to expand naturally occurring affordable housing units and accommodate aging family members.
- ADU Conditions/Design Standards:
  - Consider minimum leasing periods except for family members (who would not be on a lease) to prevent use of vacation/short-term rentals of these units.
  - Continue requirement of primary home to be owner-occupied.
  - Expand eligibility for garage conversions as an affordable option expanding.
  - Consider reducing parking restrictions for ADUs (e.g., Allow bike parking offsets if garages are converted).
  - Explore the use of funds to assist with construction of ADUs

**Flexible Lot Configurations:** Design flexibilities are permitted for affordable housing mainly related to street and sidewalk design. Citywide regulations allow some flexibility in location of all homes (not limited to affordable homes) on the lots. The City will pursue the following recommendations from the 2021 AHAC report;

- Amend the Development Code to allow a single-family home to be built back on a non-conforming lot and improve flexibilities for other code requirements to accommodate site constraints for smaller lots.
- Consider adopting new land use categories or standards that would accommodate different types/scale of housing.

**Modification of Street Requirements:** The Affordable Housing Chapter of the CDC permits some flexibility in design standards-such as Y-shaped turnarounds in lieu of cul-de sacs, reduction of right-of-way from 50 feet to 36 feet, permitting sidewalks on one side of the street instead of both sides.

**Downpayment Assistance for Homeownership: Homebuyer Seminar:** The City actively participates in the annual housing "fair" (HOPE Expo). This is a free informational workshop and exhibit for potential homeowners. 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.

Based on the 2021 Affordable Housing Advisory Committee Report recommendations, the City increased the downpayment assistance amounts for the Purchase Assistance and Homebuyer Assistance Programs to account for the significant increases in home purchase prices.



**IV. EXHIBITS:**

Required

- A. Administrative Budget for each fiscal year covered in the Plan.
- B. Timeline for Estimated Encumbrance and Expenditure.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the plan.
- D. Signed LHAP Certification.
- E. Signed, dated, witnessed, or attested adopting resolution.

Optional

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



**City of Largo**

Fiscal Year: 2022-2023	
Estimated SHIP Funds for Fiscal Year:	\$ 559,913.00
Salaries and Benefits	\$ 43,831.00
Office Supplies and Equipment	\$ 300.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$ 9,360.00
<b>Total</b>	<b>\$ 55,991.00</b>
Admin %	10.00%
<b>OK</b>	

Fiscal Year 2023-2024	
Estimated SHIP Funds for Fiscal Year:	\$ 559,913.00
Salaries and Benefits	\$ 43,831.00
Office Supplies and Equipment	\$ 300.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$ 9,360.00
<b>Total</b>	<b>\$ 55,991.00</b>
Admin %	10.00%
<b>OK</b>	

Fiscal Year 2024-2025	
Estimated SHIP Funds for Fiscal Year:	\$ 559,913.00
Salaries and Benefits	\$ 43,831.00
Office Supplies and Equipment	\$ 300.00
Travel Per diem Workshops, etc.	\$ 1,500.00
Advertising	\$ 1,000.00
Other*	\$ 9,360.00
<b>Total</b>	<b>\$ 55,991.00</b>
Admin %	10.00%
<b>OK</b>	

\*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.

Other: \$1680/year for Neighborly Software License, estimated \$60/month loan servicing fee (depends on # of active loans), 3rd party admin cost for Purchase Assistance Program

**Exhibit B**  
**Timeline for SHIP Expenditures**

City of Largo affirms that funds allocated for these fiscal years will  
(local government)  
meet the following deadlines:

<b>Fiscal Year</b>	<b>Encumbered</b>	<b>Expended</b>	<b>Interim Report</b>	<b>Closeout Report</b>
<b>2022-2023</b>	6/30/2024	6/30/2025	9/15/2024	9/15/2025
<b>2023-2024</b>	6/30/2025	6/30/2026	9/15/2025	9/15/2026
<b>2024-2025</b>	6/30/2026	6/30/2027	9/15/2026	9/15/2027

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

<b>Fiscal Year</b>	<b>Funds Not Expended</b>	<b>Closeout AR Not Submitted</b>
<b>2022-2023</b>	3/30/2025	6/15/2025
<b>2023-2024</b>	3/30/2026	6/15/2026
<b>2024-2025</b>	3/30/2027	6/15/2027

**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](mailto:robert.dearduff@floridahousing.org) and [cameka.gardner@floridahousing.org](mailto:cameka.gardner@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 [cameka.gardner@floridahousing.org](mailto:cameka.gardner@floridahousing.org) when you are ready to "submit" the AR.*

**Other Key Deadlines:**

AHAC reports are now due annually by December 31. Local governments receiving the minimum (or less) allocation may choose not to report.

FLORIDA HOUSING FINANCE CORPORATION													
HOUSING DELIVERY GOALS CHART													
2022-2023													
Name of Local Government:				City of Largo									
Estimated Funds (Anticipated allocation only):				\$ 559,913									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units	
	Homeownership												
3	Owner-Occupied Housing Rehabilitation	Yes	3	\$75,000	2	\$75,000	1	\$67,720	\$442,720.00	\$0.00	\$442,720.00	6	
4	Owner-Occupied Home Replacement	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0	
2	Purchase Assistance Program	No		\$57,200	1	\$57,200		\$41,500	\$0.00	\$57,200.00	\$57,200.00	1	
9,10	Owner-Occupied Affordable Housing Dev. Program	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0	
5	Disaster Assistance	Yes		\$15,000		\$15,000			\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
Total Homeownership			3		3		1		\$442,720.00	\$57,200.00	\$499,920.00	7	
Purchase Price Limits:			New	\$ 311,980	Existing	\$ 311,980							
			OK	OK									
Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units	
14,21	Rental Affordable Housing Development Program	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0	
13	Rental Eviction Prevention Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0	
23	Rental & Utility Start-Up Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
									\$0.00	\$0.00	\$0.00	0	
Total Rental			0		0		0		\$0.00	\$0.00	\$0.00	0	
Administration Fees				\$ 55,991	10%		OK						
Home Ownership Counseling				\$ 4,000									
Total All Funds				\$ 559,911	OK								
Set-Asides													
Percentage Construction/Rehab (75% requirement)			79.1%		OK								
Homeownership % (65% requirement)			89.3%		OK								
Rental Restriction (25%)			0.0%		OK								
Very-Low Income (30% requirement)			\$ 225,000	40.2%	OK								
Low Income (30% requirement)			\$ 207,200	37.0%	OK								
Moderate Income			\$ 67,720	12.1%									

## FLORIDA HOUSING FINANCE CORPORATION

## HOUSING DELIVERY GOALS CHART

2023-2024

Estimated Funds (Anticipated allocation only):													\$ 559,913	
Code	Strategies		Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units	
	Homeownership													
3	Owner-Occupied Housing Rehabilitation		Yes	3	\$75,000	2	\$75,000	1	\$67,720	\$442,720.00	\$0.00	\$442,720.00	6	
4	Owner-Occupied Home Replacement		Yes		\$260,000		\$260,000		\$0	\$0.00	\$0.00	\$0.00	0	
2	Purchase Assistance Program		No		\$57,200	1	\$57,200		\$41,500	\$0.00	\$57,200.00	\$57,200.00	1	
9,10	Owner-Occupied Affordable Housing Development Program		Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0	
5	Disaster Assistance		Yes		\$15,000		\$15,000			\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
										\$0.00	\$0.00	\$0.00	0	
	Total Homeownership			3		3		1		\$442,720.00	\$57,200.00	\$499,920.00	7	
Purchase Price Limits:				New	\$ 311,980	Existing	\$ 311,980							

OK

OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
14,21	Rental Affordable Housing Development Program	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0
13	Rental Eviction Prevention Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0
23	Rental & Utility Start-Up Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	Total Rental		0		0		0		\$0.00	\$0.00	\$0.00	0
Administration Fees				\$ 55,991		10%		OK				
Home Ownership Counseling				\$ 4,000								
Total All Funds				\$ 559,911	OK							

## Set-Asides

Percentage Construction/Rehab (75% requirement)		79.1%	OK
Homeownership % (65% requirement)		89.3%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 225,000	40.2%	OK
Low Income (30% requirement)	\$ 207,200	37.0%	OK
Moderate Income	\$ 67,720	12.1%	



FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2024-2025												
Name of Local Government:												
Estimated Funds (Anticipated allocation only):			\$ 559,913									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
	Homeownership											
3	Owner-Occupied Housing Rehabilitation	Yes	3	\$75,000	2	\$75,000	1	\$67,720	\$442,720.00	\$0.00	\$442,720.00	6
4	Owner-Occupied Home Replacement	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0
2	Purchase Assistance Program	No		\$57,200	1	\$57,200		\$41,500	\$0.00	\$57,200.00	\$57,200.00	1
9,10	Owner-Occupied Affordable Housing Development Program	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0
5	Disaster Assistance	Yes		\$15,000		\$15,000			\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
Total Homeownership			3		3		1		\$442,720.00	\$57,200.00	\$499,920.00	7
Purchase Price Limits:			New	\$ 311,980	Existing	\$ 311,980						

OK OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	Construction	Without Construction	Total	Units
14,21	Rental Affordable Housing Development Program	Yes		\$260,000		\$260,000			\$0.00	\$0.00	\$0.00	0
13	Rental Eviction Prevention Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0
23	Rental & Utility Start-Up Program	No		\$10,000		\$10,000			\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
Total Rental			0		0		0		\$0.00	\$0.00	\$0.00	0
Administration Fees				\$ 55,991		10%		OK				
Home Ownership Counseling				\$ 4,000								
Total All Funds				\$ 559,911		OK						

Set-Asides

Percentage Construction/Rehab (75% requirement)		79.1%	OK
Homeownership % (65% requirement)		89.3%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 225,000	40.2%	OK
Low Income (30% requirement)	\$ 207,200	37.0%	OK
Moderate Income	\$ 67,720	12.1%	

**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 ensure 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 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

*Henry Schubert*

\_\_\_\_\_  
Chief Elected Official or designee

\_\_\_\_\_  
Witness

Henry Schubert, City Manger

\_\_\_\_\_  
Type Name and Title

\_\_\_\_\_  
Date

OR

*William L. Bruner*  
\_\_\_\_\_  
Attest:



RESOLUTION 2319

**A RESOLUTION OF THE CITY OF LARGO, FLORIDA APPROVING THE 2022-2025 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 Session 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 ten percent (10%) 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 ten percent (10%) 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.



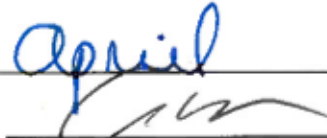
NOW THEREFORE, BE IT RESOLVED BY THE LARGO CITY COMMISSION THAT:

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 2022-2023, 2023-2024, 2024-2025.

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 5th DAY OF April, 2022.


  
\_\_\_\_\_  
Louis L. "Woody" Brown, Mayor

(SEAL)


REVIEWED AND APPROVED:

  
\_\_\_\_\_  
City Attorney

ATTEST:

  
\_\_\_\_\_  
Diane Bruner, City Clerk



CITY OF LARGO – COMMUNITY DEVELOPMENT DEPARTMENT POLICIES AND PROCEDURES MANUAL	
<b>Policy:</b> Loan Redeferral - Payback	<b>Policy Number:</b> SOP 34
<b>Originating Department/Division:</b> Community Development - Housing	
<b>Effective Date:</b> 3/29/22	<b>Approved By:</b> 
<b>Supersedes Policy:</b> SOP 34 dated 5/27/21	<b>Dated:</b> 3/29/22

## POLICY

This policy is intended to review loans whose deferral period has expired. It is the intent of the City of Largo to determine if the loan would be re-deferred or converted to a payback mortgage.

## PROCEDURE

Each request for loan re-deferral for the City of Largo's Housing Division programs will be handled on a case by case basis. However, the following general conditions will apply: Upon expiration of the deferment period under the original loan terms for Down Payment Assistance and Housing Rehabilitation programs, the following will need to be reviewed to determine if the loan will be re-deferred or converted to a payback mortgage:

A new income analysis:

- Current mortgage statement- must be current on payments
- Tax return for the most recent year
- Income Self-Certification form
- Must be current on Property Taxes & have Homeowner's Insurance

The client's current household income level and household size, based on the Income Self-Certification form, will be used as the basis for the determination the new terms of the loan. The tax return serves as supporting documentation to the self-certification. If there is a significant difference between the two documents, or the household anticipates a significant life change in the next five years, the Housing Division reserves the right to request additional information from the client. A significant life event may include, but is not limited to, retirement or pending birth of a child in the household.

All persons age 18 or older must sign the Income Self-Certification and provide tax returns if not filing jointly.

***If it is necessary to extend the total loan period (current and planned payback or re-deferral period) for reasons of affordability to a total loan period more than 30 years, a full new Residential Income Certification process must be used to confirm the person is still income eligible (per SHIP manual) and all necessary documents must be provided by the client for such.***

The current Monthly Principal and interest on mortgage(s) (PITI) ratio will be calculated. The PITI shall not exceed 30% of the household income. In the event the client has a first mortgage and making payments, this will be taken inconsideration for a re-deferral for the remaining terms of the first mortgage.

If the request does not meet the above, the loan would be converted to a Payback loan based on the affordability of the PITI calculations not to exceed 30% of the household income. The payback loan period will be determined based on the maximum amount the client can pay to retain a PITI ratio of 30% in loan

term increments of 10, 15, or 20 years, with the exception of loans less than \$15,000 will utilize 5 year payback unless longer time is necessary to retain maximum 30% PITI.

The interest rate may be converted to a 0% loan for the following situations:

- The households' current income is at or below 50% AMI;
- The current loan balance has doubled since the loan was originated due to interest rates; or
- If the interest rate adjustment is necessary to meet 30% PITI affordability of the household if still necessary with maximum loan terms.

The Housing Finance Specialist will conduct an initial review of the request for compliance and will send request the Housing Division Manager, who will review and approve/deny.

If the request meets the above criteria to re-defer, the Housing Finance Specialist will complete a Loan Modification Agreement (LMA) for City Attorney and City Manager approval. Once approved, the LMA will be recorded in Pinellas County Public Records.

In Neighborly software, the Housing Finance Specialist will close the current loan and reopen a new loan with the new terms. The Housing Finance Specialist will notify the Finance Department and will establish a new account with the loan payback servicing company if a payback loan is established. If the client does not have a first mortgage/escrow, an escrow account can be established through the loan servicer as well.

END OF POLICY