Hernando County

Housing & Supportive Services (HSS)

HOME Investment Partnerships Program (HOME)

Program Guide

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ABOUT THIS GUIDE

This guide explains each section of the 2026 HOME Application in plain language and walks through the County's compliance expectations. It is a companion to the Application — use the two documents side by side. A glossary of acronyms and key terms appears on the next page.

Glossary of Terms Used in This Guide

You do not need to memorize these — refer back to this page any time you see an unfamiliar term or acronym. This is the same glossary included in the Application.

Term	What it means
AMI	Area Median Income — the midpoint income for Hernando County, used to set income limits for who can live in HOME-assisted units.
AFFH	Affirmatively Furthering Fair Housing — a federal requirement that HOME-funded projects actively promote fair housing choice, not just avoid discrimination.
BABA	Build America, Buy America Act — a federal requirement that iron, steel, and certain construction materials used on the project be produced in the United States.
CHDO	Community Housing Development Organization — a certified nonprofit that meets specific HUD requirements. A portion of the County's HOME funds is reserved (“set aside”) for CHDOs only. See Section 5.
CLA	Choice-Limiting Action — an action (like starting construction or signing a lease) taken before environmental review is complete. CLAs are prohibited because they could commit the project before HUD has approved it. See Section 7.
Davis-Bacon	A federal law requiring that construction workers on certain federally funded projects be paid prevailing local wage rates.
MBE/WBE	Minority-Owned and Woman-Owned Business Enterprise — federal outreach requirements to include these businesses in contracting opportunities.
NSPIRE	National Standards for the Physical Inspection of Real Estate — HUD's current property inspection standard, or an approved alternative. See Section 4.
PJ	Participating Jurisdiction — the local government administering HOME funds. For this application, the PJ is Hernando County.
ROF	Release of Funds — HUD's formal approval allowing federal funds to be spent, issued after environmental review is complete.
Section 3	A federal requirement to prioritize job and contracting opportunities for low-income residents and local businesses on HUD-funded projects.
Section 504	A federal law requiring housing funded with federal money to be accessible to persons with disabilities.
TBRA	Tenant-Based Rental Assistance — a HOME-eligible activity that provides rental subsidies directly to tenants, rather than funding a specific building.
UEI	Unique Entity Identifier — the ID number your organization uses to register in SAM.gov, required for federal funding.

HOME Program Compliance Requirements (Summary)

This guide provides instructions for completing the 2026 HOME Application. All applicants must follow HOME regulations, including:

- Section 3 — job and contracting opportunities for low-income residents
- MBE/WBE outreach — minority- and woman-owned business participation
- Build America, Buy America (BABA) — domestic sourcing of construction materials, where applicable
- Environmental Review — completed before any Choice-Limiting Actions occur (see Section 7)
- Affirmative Fair Housing Marketing
- Davis-Bacon prevailing wage requirements, where applicable

See the Glossary on the previous page if any of these terms are unfamiliar.

How to Apply

- Complete the 2026 HOME Application (Sections 1–9).
- Include every item on the Attachment Checklist (at the end of the Application).
- Submit your full application package to Housingandsupportiveservices@hernandocounty.us.

Section 1 — Applicant Information

Provide full organizational information, your UEI number, organization type, years of operation, mission, and HOME experience. Attach IRS documentation and CHDO certification, if applicable.

Section 2 — Project Identification

Section 2 collects the information needed to classify the project, confirm its eligibility under HUD's HOME regulations, and determine which requirements apply.

1. Identify the Eligible Activity Type

Select the HOME-eligible activity that best describes the proposed project:

- New Construction – Affordable Homeownership
- Rental Housing
- Tenant-Based Rental Assistance (TBRA)
- Rehabilitation
- CHDO Activity

Choose one activity, and make sure all subsequent project documentation matches HOME requirements for that activity type.

2. Provide the Project Name and Full Address

Provide the official project name and physical address (or parcel ID if an address is not yet assigned). This establishes geographic eligibility, confirms the project is within the jurisdiction, and allows the County to begin environmental review.

3. Identify the Target Population (AMI Level)

Specify the target Area Median Income (AMI) tier the project will serve. AMI targeting affects scoring, compliance requirements, and allowable rents.

AMI Tier Served	Scoring Priority
≤30% AMI	Highest Priority
31%–50% AMI	Secondary Priority
51%–80% AMI	Standard Eligibility

Projects serving lower-income households may receive priority under the County's scoring criteria, reflecting current HOME Program affordability goals.

4. Priority Target Areas (Geographic)

The following areas are designated as priority locations for revitalization, accessible services, and targeted federal investment:

- ZIP code 34602
- ZIP code 33523
- ZIP code 33597
- Kass Circle Redevelopment Agency Area

Projects located within these areas may receive additional scoring consideration, separate from and in addition to any AMI-based priority.

5. Provide a Detailed Project Timeline

Outline proposed start and end dates for major milestones, including acquisition, construction/rehab, leasing, and completion. The County uses this to assess project readiness, funding feasibility, and compliance with HUD commitment and expenditure deadlines.

6. Small-Scale Rental Projects

Indicate whether the rental project contains 1–7 units. Projects of this size qualify for streamlined monitoring under current federal rules.

7. Green Building Features (If Applicable)

If the project includes green building or energy-efficiency features, check "Yes," describe each feature in detail, and attach supporting documentation. Qualifying projects may be eligible for up to a 10% increase in the maximum per-unit subsidy.

Full documentation of green features is submitted once, in Section 3 of the Application — Section 2 only asks whether the project intends to claim this incentive.

Examples of Green Building Features

Energy Efficiency Measures:

- ENERGY STAR–rated windows, doors, appliances, or HVAC systems
- High-efficiency heat pumps or mini-split systems
- Enhanced insulation exceeding minimum code (e.g., spray foam or high-R batts)
- Air sealing to reduce building envelope leakage
- Energy-efficient lighting such as LED fixtures throughout

Water Conservation Features:

- EPA WaterSense–certified faucets, toilets, and showerheads
- Low-flow or dual-flush toilet systems
- Drought-resistant/native landscaping to reduce irrigation needs
- Rainwater harvesting or reclaimed water irrigation (if allowed locally)

Indoor Environmental Quality Improvements:

- Low- or no-VOC paints, adhesives, sealants, and flooring
- Mold-resistant drywall and materials
- Enhanced ventilation systems meeting ASHRAE standards
- Hardwired carbon monoxide/smoke detectors (required for some projects — see Section 4)

Sustainable Materials & Construction Practices:

- Use of recycled-content or locally sourced building materials
- Durable, long-lifespan materials reducing replacement frequency
- Construction waste recycling/diversion plans
- Low-embodied-carbon materials (e.g., certain cladding, wood products)

Site & Design Efficiency:

- Solar photovoltaic panels or solar-ready electrical infrastructure
- Cool roofs or reflective roofing materials
- High-efficiency hot water systems (tankless or heat-pump water heaters)
- EV charging readiness (conduit or infrastructure)

Resilience Features (Aligned with HUD Resiliency Priorities):

- Impact-rated windows (where applicable)
- Stormwater runoff controls
- Flood-resistant materials below base-flood elevation
- Backup battery systems for critical loads

8. Community Land Trust (CLT) Involvement (If Applicable)

If a CLT structure will be used, indicate "Yes," describe the CLT's structure, and explain the long-term affordability mechanism (ground lease, deed covenant, or purchase option). This ensures HOME-assisted units maintain affordability and meet resale/recapture standards.

9. Demonstrate Compliance with HOME Activity Requirements

Provide a narrative explaining how the project meets HOME eligibility and compliance criteria, including:

- Compliance with property standards
- Verification that eligible costs are included
- Assurance that tenant protections (where applicable) will be enforced
- Affirmation that income-eligible households will be served
- Confirmation that the project will meet affordability period requirements
- Evidence that the proposed activity is allowed and feasible under HOME regulations

Section 3 — Funding Request

Section 3 collects the financial information needed to determine project feasibility, eligibility, and compliance with HOME Program rules — sources, uses, soft costs, timing, and supporting documentation.

1. Sources & Uses

Applicants must provide a complete Sources & Uses statement: the total development cost, the exact amount of HOME funds requested, and every other funding source in the project budget (federal, state, or local grants; bank loans; LIHTC equity; private financing; deferred developer fees; partner or in-kind contributions). For each source, list the amount and status (Committed or Pending). Total Sources must equal Total Uses. Award letters for committed sources must be attached.

Project feasibility is evaluated based on the strength of committed funds — pending sources carry less weight in review.

2. Pre-Commitment Soft Costs

List eligible pre-commitment soft costs incurred within 24 months prior to the HOME commitment. These costs are reimbursable only if included in the written agreement, and may include:

- Environmental studies, reviews, or assessments
- Title evidence
- Legal fees
- Accounting fees
- Lender origination fees
- Credit reports
- Appraisals (private or lender-required)
- Independent cost estimates
- Zoning or planning filing fees
- Other third-party lender/underwriter reports

3. Green Building Documentation (If Applicable)

If claiming the green building incentive, identify the proposed standard, attach supporting documentation showing how it will be met, and include all green features in the project description and budget. Eligible projects may receive up to a 10% increase in maximum per-unit subsidy.

4. Income Verification Method

Explain how household income will be verified, selecting one method:

- Review of source documents (pay stubs, tax returns, bank statements, etc.)
- Safe harbor methods — accepting income verified by LIHTC, TANF, Medicaid, or other approved programs

Also describe the timing of income certification and your procedures for documenting and maintaining files.

5. Budget Categories for Requested HOME Funds

Break down the requested HOME funding into specific categories: Acquisition, Rehabilitation/Construction, Relocation (if applicable), Developer Fee (subject to cap), Soft Costs eligible under HOME, and CHDO-specific eligible costs (if applicable).

6. Estimated Expenditure Timeline

Provide a detailed expenditure timeline for each funded activity (start date and end date). HUD mandates timely expenditure of HOME funds.

Section 4 — Project Description & Compliance

Section 4 gives the County a comprehensive understanding of the project's scope, objectives, community benefits, and regulatory compliance under the 2025 Final Rule — affordability, property conditions, monitoring, and tenant protections.

1. Project Narrative

Describe the purpose of the project (the need it addresses), its primary goals (e.g., increasing affordable units, serving specific income groups, stabilizing neighborhoods), and its community impact (economic benefits, improved housing quality, reduced overcrowding, expanded housing options for vulnerable populations). This narrative should align with the activity type selected in Section 2.

2. Demonstration of Compliance with HOME Requirements

Explain how the project complies with eligible use of HOME funds, required property standards at completion, income-eligible household designation, environmental review requirements, and alignment with HOME-funded activity categories.

3. Period of Affordability

The required affordability period is determined by the amount of HOME investment per unit, or by activity type for new construction.

HOME Investment per Unit	Minimum Affordability Period
Under $25,000	5 years
$25,000 – $50,000	10 years
Over $50,000	15 years
New Construction (any amount)	20 years

These are MINIMUM periods. The County retains discretion to require a longer affordability period for a given project. Applicants must confirm they understand and will comply with the applicable duration, including maintaining income eligibility and rent restrictions for the entire period — and should confirm the exact period with the County before finalizing budgets and legal documents.

4. Property Standards & Inspection Requirements

Describe how the project will meet property standards and inspection protocols at completion and throughout the affordability period.

NSPIRE or HUD-Approved Alternative Inspection Standard

Select which inspection standard will be used and provide a compliance plan. For projects using NSPIRE, provide a sampling methodology:

Project Size (HOME units)	Minimum Units Inspected
20 or fewer	At least 4 units
20 – 130	20% of HOME units
More than 130	Per NSPIRE sampling methodology

This is the same sampling table referenced in Section 6 — it only needs to be completed once, in the Application's Section 4.

CO & Smoke Detection Requirements

Explain whether devices will be hardwired (required for new construction) or sealed 10-year battery units (allowed in certain rehab/homeownership cases with written exception), and how installation will comply with HOME and local code requirements.

Post-Acquisition Rehab Timeline (Homeownership Projects)

If purchasing substandard housing, provide a plan to bring units up to property standards within 6 months. Explain if a 12-month extension may be needed, with justification.

5. Accessibility, Lead-Based Paint, and Hazard Compliance

Describe compliance with Section 504 accessibility requirements, Fair Housing Act design and construction standards, and lead-based paint regulations (testing, clearance, safe-work practices). Include the number of accessible units, if applicable, and planned accessibility features.

6. Tenant Protections & Required Tenancy Addenda

Identify which HOME Tenancy Addendum applies (Rental Housing, TBRA, or Security Deposit Assistance) and describe compliance with required tenant protections: written notices of adverse actions, prohibition on retaliation and unreasonable interference, and good-cause termination standards. These protections must be incorporated into project policies and lease documents.

7. Rent Alignment & Tenant Contribution Rules

Explain how rents will be structured to comply with HOME rent limits. For tenants assisted under other subsidy programs (e.g., Section 8), the applicant must allow tenants to pay 30% of adjusted income or 10% of gross income, while the owner may accept full contract rent from the subsidy program.

8. Market Analysis & Feasibility

Summarize key findings from the attached third-party market study: local demand for the proposed unit type and AMI range, comparable rents, vacancy rates or market saturation, and evidence the project is financially viable.

9. Community Engagement Documentation

Describe community engagement efforts and attach documentation, including at least five (5) letters of support, public meeting evidence (sign-in sheets, agendas), and notes or summaries of neighborhood or stakeholder feedback.

Section 5 — CHDO-Specific Requirements

Complete this section only if seeking Community Housing Development Organization (CHDO) set-aside funds. CHDOs must meet strict federal requirements under the HOME Final Rule, demonstrating capacity, accountability, and organizational structure aligned with HUD standards.

1. CHDO Certification Documentation

Indicate whether the organization is currently certified. If yes, attach current CHDO certification from the County. If no, the organization must apply for CHDO certification before seeking CHDO set-aside funds.

2. Organizational Capacity Requirements

Demonstrate the experience and staffing needed to carry out the project: a capacity statement, staff qualifications (resumes or summaries of relevant experience), confirmation that paid staff — not volunteers — lead key CHDO activities, and a description of how volunteers will supplement (not replace) essential functions.

3. CHDO Role in the Proposed Project

Identify the CHDO's role: Developer, Owner, or Sponsor. Each carries different federal compliance obligations.

4. Board Composition & Accountability Requirements

Confirm the board includes low-income community representatives and that the service area is Hernando County specifically — not a statewide service area. Attach board composition documents: roster, identification of low-income representatives, and supporting documentation of eligibility (e.g., residency).

5. CHDO Ownership Requirements (If Applicable)

If the CHDO will own the property (particularly via ground lease), confirm it has (or will have) site control for the full affordability period. Ownership transfers are restricted and may only occur to another nonprofit if the CHDO loses capacity. Attach documentation of the ownership structure (fee simple, ground lease, CLT partnership, etc.).

6. Required Attachments for CHDO Applicants

CHDO certification, organizational chart, key staff resumes, board composition documentation, proof of low-income community accountability, most recent fiscal year financial statements, and CHDO policies and procedures related to development, ownership, and project management.

Section 6 — Development Details

Section 6 provides a comprehensive breakdown of the physical and operational characteristics of the proposed development, ensuring feasibility, compliance, and appropriate design for the targeted population.

1. Unit Mix by Area Median Income (AMI)

Complete the unit mix table showing how many units at each bedroom size (SRO, 1-BR, 2-BR, 3-BR, 4-BR) are designated at each AMI tier (≤30%, 31–50%, 51–80%). This confirms the project serves income-eligible households, aligns with HOME rent limits, and complies with County and federal targeting priorities.

2. Accessibility Features (Section 504 / Fair Housing / ADA)

Describe physical accessibility features: units meeting Section 504 mobility or sensory requirements; accessible common areas (ramps, ADA-compliant restrooms, elevators, tactile indicators); Fair Housing Act design standards for new multifamily housing; and the number/location of 504-compliant units. Also confirm compliance with Lead-Based Paint rules and other HUD-required hazard mitigation standards.

3. Amenities (Common & Unit-Level)

List amenities available to residents — community or meeting rooms, playgrounds or outdoor recreation, on-site laundry, security or controlled access, and transportation accommodations (bike racks, parking, bus access). Amenities should be consistent with the target population's needs and comparable to similar area projects.

4. Utilities & Utility Allowance Method

Indicate how utilities will be handled and select the utility allowance method: the HUD Utility Schedule Model, the applicable Public Housing Authority (PHA) utility allowance, or a HUD-approved alternative. Attach the chosen schedule and, if applicable, documentation of the calculation.

Cable and broadband are not utilities and may not be included in utility allowances.

5. Inspection Sampling Plan & Standard

Identify the applicable inspection standard (NSPIRE or HUD-approved alternative).

The sampling requirements by project size are the same table shown in Section 4 — refer back there rather than recalculating. Attach the full inspection sampling plan and any alternative-standard acceptance documentation.

6. Feasibility Documentation (Market Study Summary)

Summarize the third-party market analysis attached to the Application Checklist: demand by AMI and bedroom size, comparable properties and rent comparisons, market vacancy and absorption trends, and confirmation of financial feasibility. The full market study must be attached separately.

7. Additional Development Detail Requirements

Also provide: Section 504-unit count, utilities included or excluded from rent, full amenities list, NSPIRE compliance plan (including CO/smoke detector details), and any unit design features (e.g., green building components consistent with Section 2).

Section 7 — Site Control

Section 7 is a critical compliance component. HUD requires applicants to demonstrate site control and certify that no Choice-Limiting Actions (CLAs) have occurred prior to completion of environmental review and receipt of the official Release of Funds (ROF). This protects the project's federal eligibility and ensures compliance with 24 CFR Part 58 environmental regulations.

1. Documentation of Site Control

If the applicant owns the site, attach proof of ownership: recorded deed, title commitment or policy, or settlement statement (HUD-1 or Closing Disclosure). If the applicant does not yet own the site, attach documentation of site control: option contract, purchase and sale agreement, ground lease or long-term leasehold agreement, or a letter of intent (if accepted by the County as interim documentation). Documentation must show control of the site for a sufficient term, the right to develop the property, and no expiration dates that would threaten project feasibility.

2. Certification of No Choice-Limiting Actions (CLA Certification)

Applicants must sign a formal certification confirming that no prohibited actions have occurred or will occur prior to environmental clearance and HUD Release of Funds, including:

- Land acquisition (if HOME funds may be used for acquisition)
- Execution of construction contracts
- Physical work on the site (demolition, excavation, clearing, grading)
- Issuing or pulling building permits prior to environmental clearance
- Execution of leases or marketing the project to tenants
- Any action that commits or expends funds (public or private) in a way that assumes approval of the project

These actions are prohibited because they imply the project has already begun, or will proceed, regardless of the outcome of environmental review.

3. Why the Certification Matters

Signing this certification keeps the project eligible for HOME funding, avoids violating federal environmental regulations, and allows HUD to legally release funds once the County completes required environmental review. Violations may result in project ineligibility, repayment of funds, or delays in approval.

4. Applicant Signature Requirement

The CLA Certification requires the printed name and title of the authorized signatory, organization name, signature, and date. This becomes a legally binding document within the application package.

Section 8 — Fair Housing

HUD requires that HOME-funded projects affirmatively further fair housing and do not contribute to segregation or exclusion. Applicants must address each of the following in their narrative.

1. Promotion of Housing Choice

Describe how the project increases meaningful housing choice for low-income households — affordable units near transportation, employment, schools, or services; expanded opportunities for vulnerable populations; a variety of unit sizes or accessible units; or added affordable housing where it is currently limited.

2. Compliance With Fair Housing Act Requirements

Explain compliance with the Fair Housing Act and other nondiscrimination laws (race, color, national origin, religion, sex, familial status, disability), and confirm compliance with federal design and construction requirements — accessible common areas and routes, adaptive design elements, and accessible public/common-use facilities. For multifamily rental, discuss both FHA design requirements and Section 504 accessibility standards.

3. Addressing Minority Concentration & Low-Income Areas

Describe how the project's location avoids increasing minority concentration in already segregated areas, helps reduce racial or economic segregation where applicable, increases access to higher-opportunity areas, and avoids disproportionately concentrating low-income tenants. Explain why the selected site is appropriate given market need, neighborhood characteristics, access to resources, and alignment with local planning goals.

4. Non-Discrimination Toward Voucher Holders (Source-of-Income Protections)

Confirm the project does not exclude applicants with federal, state, or local tenant-based rental assistance (Housing Choice Vouchers, TBRA, VASH, or other subsidies), and does not impose screening criteria that would effectively disqualify voucher holders.

5. How the Project Will Affirmatively Further Fair Housing (AFFH)

Describe steps the project will take: outreach to diverse communities, accessible marketing materials, Fair Housing signage and disclosures, non-discriminatory tenant selection procedures, and reasonable accommodation policies.

6. Documentation & Attachments

Section 8 itself requires no separate attachments, but related documentation belongs on the Attachment Checklist — Fair Housing certifications, accessibility documentation (Section 504, FHA design compliance), and the utility allowance method, if relevant to rent structure.

Section 9 — Support Services

Where supportive services are proposed or necessary for the target population, HUD requires applicants to demonstrate the capacity, partnerships, and financial sustainability to deliver these services throughout the affordability period.

1. Description of Resident Support Services

Provide a detailed overview of services available to residents, tailored to the project's target population (e.g., seniors, extremely low-income households, persons with disabilities):

- Housing Stability — case management, housing navigation/retention, eviction prevention, crisis intervention
- Economic Mobility — employment readiness, job training, financial literacy, benefits enrollment assistance
- Health & Wellness — behavioral health, substance-use counseling, preventive screenings, wellness programming
- Family & Youth — after-school programs, parenting support, childcare or referrals
- Senior/Disability — accessibility assistance, in-home support coordination, transportation, health monitoring

2. Memorandums of Understanding (MOUs) or Service Provider Agreements

Attach MOUs or partnership agreements with each service provider. Agreements must identify the provider, describe specific services and delivery method (on-site, virtual, referral-based), outline roles and responsibilities, state the agreement's duration (aligned with the project's operational period), and confirm there is no duplication of services and that partners are qualified.

3. Long-Term Sustainability of Services

Explain how services will be funded and sustained over time:

- Financial Sustainability — funding sources, multi-year commitments, plans to secure future funding; note that HOME funds may not pay for ongoing services, so identify alternative sources
- Organizational Capacity — staff capacity to coordinate/monitor services, experience operating supportive programs, administrative systems for tracking participation and outcomes
- Operational Feasibility — how services integrate into property operations, how residents access them, and how effectiveness will be assessed

4. Alignment With Project Goals and Target Population

Show how services support project outcomes and resident needs: how they reduce barriers to housing stability, how resident needs informed service selection, and expected outcomes (e.g., improved employment, reduced turnover, increased community stability).

Attachment Checklist

Mark each item Attached or N/A on the corresponding checklist in the Application.

General

- Detailed Project Budget
- Site Control Documentation (deed, option, or purchase contract)
- Organizational Capacity Statement
- Certifications (Fair Housing, Lead-Based Paint, Section 504)
- Independent Third-Party Market Study
- Letters of Support & Community Meeting Evidence (at least 5 letters)

Project-Specific

- Architectural Plans / Preliminary Drawings
- Construction Cost Estimates
- Scope of Work (Owner-Occupied Rehab)
- Property Condition Assessment
- Program Guidelines (TBRA)
- Sample Lease Agreement (TBRA)

2025 Final Rule Attachments

- HOME Tenancy Addendum (Rental / TBRA / Security Deposit Assistance)
- CO & Smoke Detection Compliance Plan
- Inspection Sampling Plan & Standard (NSPIRE or HUD-approved alternative)
- Utility Allowance Method & Schedule (HUD model / PHA / HUD-approved)
- TBRA Rental Assistance Contract Template (tri-party or two agreements)
- Green Building Standard Documentation (if claiming up to +10% max per-unit subsidy)
- Pre-Commitment Soft Costs Documentation + written-agreement language

CHDO Applicants

- CHDO Certification Documentation
- Org Chart & Key Staff Resumes
- Evidence of Board Composition (including low-income representation; no statewide service area)
- Financial Statements (most recent fiscal year)
- Policies & Procedures related to CHDO activities