



FLAGLER COUNTY

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

FISCAL YEARS COVERED

2013-2014

2014-2015

2015-2016

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FLAGLER COUNTY SHIP PROGRAM
FOR FISCAL YEARS
2013-2014; 2014-2015; 2015-2016

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I. PROGRAM DESCRIPTION

A. Name of the participating local government and Interlocal if Applicable:
Section 420.9072(5), F.S.

FLAGLER COUNTY

Interlocal : Yes X No

Name of participating local government(s) in the Interlocal Agreement:

CITY OF PALM COAST.

A copy of the Interlocal Agreement is attached as **Exhibit H.**

B. Purpose of the program:

Creation of the Plan is for the purpose of meeting the housing needs of the very low, low income and essential services personnel households (which includes moderate) to expand production of and preserve affordable housing and to further the housing element of the local government comprehensive plan specific to affordable housing.

Very low income persons are defined as households whose annual gross income does not exceed 50 percent of the Area Median Income (AMI). Low income persons are defined as households whose income does not exceed 80 percent of the AMI, and moderate income is defined as households whose income does not exceed 120 percent of the AMI.

Thirty percent (30%) of these funds will be utilized to assist very-low income families. Thirty percent (30%) of these funds will be utilized to assist low-income families. The remaining funds, if any, within all strategies will be used for income eligible families. SHIP funds cannot be used to purchase manufactured housing unless the manufactured housing is constructed after June 1994 and bear the Department of Community Affairs insignia. (Chapter 553, F.S.). No more than 20% of funds made available in each county and eligible municipality may be used to purchase or repair manufactured housing.

C. Fiscal years covered by the Plan:

2013/2014
2014/2015
2015/2016

D. Governance:

The SHIP Program is established in accordance with Section 420.9079, Florida Statutes and Chapter 67-37 Florida Administrative Code. The SHIP Program does further the housing element of the local government Comprehensive Plan. Cities and Counties must be in compliance with these applicable statutes and rules.

E. Local Housing Partnership

Flagler County's SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups. Flagler County partners with Habitat for Humanity, the United States Department of Agriculture (USDA) and Section 8.

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 a local match to obtain federal housing grants or programs.

G. Public Input:

Public input was solicited through face to face meetings with housing providers, social service providers and local lenders and neighborhood associations. Public input was solicited through the local newspaper in advertising the availability of funds. If no funding is made available, no notice of funds available will be advertised. Flagler County Board of County Commissioners adopted the LHAP by Resolution on March 4, 2013. The City of Palm Coast adopted the LHAP by Resolution on March 5, 2013. Both meetings were advertised on the City of Palm Coast and Flagler County websites. The draft LHAP document was made available to the public for comments at www.flaglercounty.org and www.ci.palm-coast.fl.us.

The annual reports and public comments are available for review and public comments on the Flagler County and the City of Palm Coast websites.

H. Advertising and Outreach

The county or eligible municipality or its administrative representative shall advertise the notice of funding availability 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. Flagler County will also provide notification of funding availability at the County offices by maintaining a supply of flyers that explain the assistance available to families of qualifying income levels.

I. Discrimination:

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

J. Support Services and Counseling:

Support services are available from various sources. Available support services may include but are not limited to:

Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, Mortgage Prevention Counseling and Transportation.

K. Purchase Price Limits:

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 can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

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

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

L. Income Limits, Rent Limits and Affordability:

The Income and Rent limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by the Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, Florida Statutes.

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, the County has developed a qualification system and selection criteria for applications for awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

N. Monitoring and First Right of Refusal:

In the case of rental housing, the staff or 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 the same 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 \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance whichever is longer unless 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 detailed listing including a line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**. These are presented on an annual basis for each State fiscal year submitted.

The City of Palm Coast and Flagler County finds that the monies deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. In accordance with Section 420.9075, Florida Statutes and Chapter 67-37, Florida Administrative Code, a county or 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. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties as defined in Section 120.52 (17) Florida Statutes and eligible municipalities receiving a local housing distribution of up to \$350,000, may use up to 10 percent of program income for administrative costs.

The City of Palm Coast and Flagler County has adopted the above findings in the resolution attached as **Exhibit E**.

P. Program Administration:

Administration of the local housing assistance plan is the responsibility of Flagler County. Should a third party entity or consultant contract for all or part of the administrative or other functions of the program provide in details the duties, qualification and selection criteria.

Q. Essential Services Personnel:

Essential services personnel includes teachers, educators, other school district employees, community college employees, police, sheriff, fire personnel, health care personnel, skilled building trades personnel, government employees and all other full-time employees whose income is between 80 percent and 120 percent of AMI for that jurisdiction.

R. Green Initiatives:

Flagler County has obtained their Green Local Government Designation from the Florida Green Building Coalition. Flagler County will adhere to the Florida Board Code Provision. Contractors working on SHIP rehabilitation and replacement homes will have to identify from the Florida Green Building Coalition (F.G.B.C) checklist (Schedule A, Version 6) which items they are

complying with.

The City of Palm Coast adopted Resolution No. 2008-75 in May 2008 which positioned the City with a "Leading by Example" posture. With this resolution and in relation to housing, the City committed to evaluate green development incentives and mandatory land development regulations.

As a result of Resolution 2008-75, the City of Palm Coast adopted the Unified Land Development Code (Ordinance 2008-16), which incorporated fifty-seven green elements into the code. In addition, the City of Palm Coast City Council adopted the Green Development Incentive Program Ordinance (Ordinance No. 2009-22) and Green Incentive Fee Waiver Resolution (Resolution No. 2009-182). The Green Development Incentive Program facilitates a voluntary program that promotes established green certification programs through an incentive-based approach. This Program targets cost reductions as follows: Single-family (\$300), Commercial (\$1,000), and Development (\$2,500). In addition, this Program provides the following incentives: permit review fast tracking, 100% building permit review waiver, one (1) no-cost Florida Green Building Coalition (FGBC) certification review by City staff per Program Participant for new single-family homes, educational workshops for general public and program participants, and promotion of participants and associated projects through City media resources.

II.

LHAP HOUSING STRATEGIES: *Chapter 67-37.005(5), F.A.C.*

Provide Description:

A. Name of the Strategy: Purchase Assistance without Rehabilitation.

- a. Summary of the Strategy: Provide first time homebuyers with purchase assistance, construction subsidy, (including County impact fees and private utility impact fees), principal reduction, mortgage interest rate subsidies, and/or direct mortgage loans, for very low, low, moderate income families and/or essential services personnel to allow the purchase of either new homes or existing homes. Flagler County SHIP funds may be used to purchase manufactured housing/mobile homes if the home is constructed after June 1994 and bears the Department of Community Affairs insignia. (Chapter 553, F.S.) Selection is first ready (first applicant who has fully completed the pre-screening process). A first time homebuyer is an eligible SHIP applicant who has not had an ownership interest in their principal residence for the past three (3) years. Applicants must contribute a minimum of \$500 for very low income, \$1,000 for low income and \$1,500 for moderate income towards the home purchase. Habitat for Humanity applicants contribute 800 hours of sweat equity in lieu of monetary

assistance.

These amounts can include paid out of closing (p.o.c.) amounts on the HUD settlement statement. Examples include: pest inspection, home inspection, real estate taxes, and sweat equity for Habitat for Humanity applicants.

Except for a first mortgage on the property, applicants cannot take out any other type of loan on the property for the full period of SHIP assistance. The only exception is a second SHIP lien in another category, and/or if an applicant applies for Community Development Block Grant (CDBG) rehabilitation funding through the City of Palm Coast entitlement program.

For purchase assistance, the Flagler County SHIP program will take third place behind Habitat for Humanity, Section 8, bond financing as provided by the state, and the local Housing Finance Agency which includes the down payment assistance associated with these programs.

Flagler County reserves the right to buy a property that has a SHIP mortgage at a foreclosure or tax lien sale in order to protect its loan interest.

- b. Fiscal Years Covered: For Fiscal Years 2013-2014, 2014-2015, 2015-2016.
- c. Income Categories to be served: Households to be served are very-low, low and moderate. Priority will be given to very-low and low income qualified applicants when necessary in order to meet the SHIP percentage requirements. Priority will also be given to seniors over the age of 62 or any disabled persons who receive Social Security Disability.
- d. Maximum award is noted on the Housing Delivery Goals Charts attached as Exhibit C.
- e. Terms, Recapture and Default. SHIP eligible assistance is provided as a Deferred Payment Loan (DPL). The deferred payment loan is defined as a soft second mortgage with zero percent (0%) interest for twenty (20) years. Such investment shall be secured by a mortgage and promissory note recorded in the County's Official Public Records. Should the property be sold during the first ten years of the second mortgage, or the homeowner should refinance the first mortgage to use equity in home within the first ten years, the full loan will become due and payable. If a person should sell or refinance the home between years eleven (11) to twenty (20), there will be a reduction of 10% of the

principal per year for each year of ownership between years eleven (11) and twenty (20). There will be no forgiveness period between years one (1) to ten (10). The sale or refinance of the home before 20 years will require repayment of the SHIP loan as program income. The SHIP amount shall be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

Subordination: An applicant may refinance the first mortgage loan to reduce the monthly payment through a lower interest rate and/or shorten the loan payoff period if approved by the Affordable Housing Advisory Committee. The applicant is not allowed any cash out from the refinance.

In the event of the death of the borrower during the term of the mortgage, the repayment requirement shall be tolled until the Property is probated, deeded, or otherwise transferred. A SHIP income-qualified heir may assume the mortgage. If there is no such qualified heir, the outstanding loan amount will become due and payable and must be repaid either through the sale or refinance of the property.

- f. Recipient Selection Criteria: A public notice shall be placed in the local newspaper advising of the availability of the funds. Applicants will be required to be pre-qualified through institutional first mortgage lenders, through the United States Department of Agriculture Rural Development Housing Service (USDA), Habitat for Humanity or similar programs. Pre-qualified applicants will be taken and processed on a first ready, first served basis (first applicant who has fully completed the pre-screening process). The county staff will be responsible for maintaining an inventory of contacts and housing programs to inform the public about their availability.

All purchase assistance applicants will be required to attend and complete credit counseling and education classes through Mid-Florida Housing Partnership. Class certificates will become invalid after two years from the date of classes. Applicants must contractually agree to all SHIP program guidelines, repayment provisions and certify that the unit will be their primary residence.

- g. Sponsor Selection Criteria: The county staff will disseminate information to the public received from the state and other agencies and, in short, act as the managing implementation agency for the program. The use of outside consultants may be utilized for homebuyer pre-screening, pre-qualification, credit counseling and homebuyer education. The selection of a consultant will utilize the statutory criteria and the

County's purchasing policy. If at any time outside consultants are utilized their proposals shall be evaluated using the following criteria:

1. Projects including funding sources other than SHIP sources (10 points)
2. Capacity to Serve the Needs of Local Government Including Background (25 points)
3. Successful Experience with Managing and Implementing SHIP funds (20 points)
4. Key Staff and Qualifications (15 points)
5. Ability to Address the Needs of the Project (10 points)
6. Reputation and Client References (10 points)
7. Certified Minority/Women Owned Business Certification may be by State, Federal County or other Local Government The Federal definition of M/WBE must be met (5 points)
8. Proposed Fee Basis (5 points)
9. Welfare Transition Program sponsor. N/A

The previous criteria are shown in the required proposal format, not to be deviated from by the county.

Eligibility:

- i. SHIP applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
- ii. SHIP recipients may not receive SHIP assistance more than twice for the same property.
- iii. If there is a waiting list, a person on the waiting list who has not had any previous funding will always take precedence over an applicant who has had previous funding.

h. **Additional Information:**

A prospective homeowner receiving down payment assistance may receive a monetary amount from a person in the form of a gift. There will not be a maximum limit on the dollar amount the applicant can receive.

Flagler County SHIP funds may be used to purchase manufactured housing/mobile homes if the home is constructed after June 1994 and

bears the Department of Community Affairs insignia. (Chapter 553, F.S.).

B. Name of the Strategy: Replacement Housing

- a. Summary of the Strategy: To provide SHIP Assistance for Replacement Housing candidates. Selection is first ready (date of application and income/asset verifications completed), first qualified. For a house to be eligible, the cost must exceed eighty percent (80%) of the cost of new construction, or the property has hidden damage that was identified during a residential inspection by a licensed inspector, and the property will not qualify for rehabilitation and should be replaced. If the cost of a replacement home should exceed \$158,000 but be less than the maximum purchase price for a new or existing home of \$189,682 for Flagler County, the approval of the Board of County Commissioners must be obtained as per county policy. Eligible housing is any real property, including mobile homes, located within the municipality which is designated and intended for the primary purpose of providing decent, safe and sanitary residential units which are designed to meet Chapter 553, Florida Statutes. Priority will be given to seniors over the age of 62 or any disabled persons who receive Social Security Disability. The criteria for the demolition and replacement of a home is as follows: (1) To correct Health & Safety Issues, and (2) To correct Code Violations.

Except for a first mortgage on the property, applicants cannot take out any other type of loan on the property for the full period of SHIP assistance. The only exception is a second SHIP lien in another category, and/or if an applicant applies for Community Development Block Grant (CDBG) rehabilitation funding through the City of Palm Coast entitlement program.

- b. Fiscal Years Covered: For Fiscal Years 2013-2014, 2014-2015, and 2015-2016.
- c. Income Categories to be served: very-low and low-income families. This strategy will not be utilized for households above 80% of the median income.
- d. Maximum award is noted on the Housing Delivery Goals Charts.
- e. Terms, Recapture and Default: SHIP eligible assistance is provided as a Deferred Payment Loan (DPL). The deferred payment loan will be defined as a soft second mortgage with zero percent (0%) interest for thirty (30) years. Such investment shall be secured by a mortgage and promissory note recorded in the County's Official Public Records. Should the property be sold during the first ten years of the second mortgage, or the homeowner should refinance the first mortgage to use equity in home within the first ten years, the full loan will become due and

payable. If a person should refinance or sell the home between year eleven (11) and year thirty (30), there will be a reduction of 5% of the principal per year for each year of ownership between year eleven (11) and year thirty (30). There will be no forgiveness period of the principal between year one (1) and year ten (10). The sale of the home before 30 years will require the repayment of the SHIP loan as program income. The SHIP amount shall be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

Subordination: An applicant may refinance the first mortgage loan to reduce the monthly payment through a lower interest rate and/or shorten the loan payoff period. If approved by the Affordable Housing Advisory Committee, the applicant is not allowed any cash out from the refinance.

All Replacement Home applicants will be required to attend and complete a budget counseling and home maintenance class at the commencement of the application process with Mid-Florida Housing Partnership.

In the event of the death of the borrower during the term of the mortgage, the repayment requirement shall be tolled until the Property is probated, deeded, or otherwise transferred. A SHIP income-qualified heir may assume the mortgage. If there is no such qualified heir, the outstanding loan amount will become due and payable and must be repaid either through the sale or refinance of the property.

Flagler County reserves the right to buy a property that has a SHIP mortgage at a foreclosure or tax lien sale in order to protect its loan interest.

- f. Recipient Selection Criteria: Selection shall be in accordance with the Flagler County Housing Replacement Guidelines and also in accordance with state SHIP rules, regulations, and HUD standards by family size. The Flagler County Board of County Commissioners adopted the Flagler County Housing Replacement Guidelines on September 2, 1997 with amendments thereafter. These guidelines set forth eligibility requirements such as selection criteria, size of units and associated maximum unit costs. Owner-occupied dilapidated properties in Flagler County are eligible. Applicants living in areas targeted in either the Flagler County Comprehensive Plan or the Comprehensive Plans of any of the Municipalities within Flagler County as areas of distressed housing shall be given priority over applicants living in other areas of the county. Homes are chosen for replacement in order to correct health and safety issues, code violations and if the cost to rehabilitate the home exceeds the maximum rehabilitation strategy amount.

Selection of applicants is first ready (date of application and income/asset verifications completed), first qualified.

Awards are contingent upon income verification and the following criteria:

- i. The home must be located in Flagler County.
- ii. The applicant must be the homeowner and the deed must be in the homeowners name only.
- iii. The applicant must not be delinquent on any real property tax owed to Flagler County.
- iv. Home must have been occupied by the owner/applicant for the past three (3) years and at the time of application.
- v. Home must be covered by homeowners insurance before assistance and during the term of the SHIP mortgage assistance. The Flagler County SHIP program is to be included on the homeowner's insurance declarations page for notification of cancellation of insurance.
- vi. Owner must produce current utility bills for the property at the time of application.
- vii. The homeowner must reside in the home year round as indicated by homestead exemption.
- viii. Replacement unit costs cannot exceed the replacement home amount on the Housing Delivery Goals Chart. This includes demolishing the existing house, and reconstruction of a replacement unit. SHIP Program Eligibility is defined by the SHIP statute and rule. This strategy will also be included in the public notice for SHIP funds.
- ix. The appraised value of the home must not exceed the maximum sales price allowed in the SHIP program as specified under section (3) (a) as defined in Section 420.9075, Florida Statutes.

SHIP contractors demolishing and replacing a home will have to identify from the Green Home Certification checklist which items they are complying with.

Mortgage payments on the home's first mortgage must be current.

- g. Sponsor Selection Criteria:
The Flagler County Purchasing Policy guidelines are followed when procuring services.

Eligibility:

- i. SHIP applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
- ii. SHIP recipients may not receive SHIP assistance more than twice for the same property.
- iii. If there is a waiting list, a person on the waiting list who has not had any previous funding will always take precedence over an applicant who has had previous funding.

h. Additional Information: N/A.

C. Name of the Strategy: Rehabilitation

- a. Summary of the Strategy: The Rehabilitation Strategy provides funding for rehabilitation of eligible owner-occupied homes to correct code deficiencies and/or health and safety issues that pose a threat to the safety of the residents. Eligible housing is any real property, excluding mobile homes, located within Flagler County which are designated and intended for the primary purpose of providing decent safe and sanitary residential units which are designed to meet Chapter 553, Florida Statutes. Priority will be given to seniors over the age of 62 or any disabled person receiving Social Security Disability. All contractors shall be chosen using local purchasing policy procedures. The maximum award under this strategy shall not exceed \$35,000 for major rehabilitation. The Flagler County SHIP program will continue to work with the Community Action Agency through the weatherization program whenever possible. The weatherization program provides the homeowner with a free Energy Audit. Repairs shall also be guided by the Florida Green Building Coalition, Green Home Certification checklist, Schedule A, Version 6.00. SHIP contractors working on rehabilitation homes will have to identify from the checklist which items they are complying with. If the County determines that a unit needs major rehabilitation, the County may qualify the homeowner for the Replacement Housing strategy depending upon the availability of funding.

Flagler County will not repair manufactured or mobile homes.

Selection is first ready (date of application and income/asset verifications completed), first qualified. The order of priority for housing unit funding eligibility is as follows: (1) To correct Health & Safety Issues, (2) To correct Code Violations, (3) Other necessary repairs.

Except for a first mortgage on the property, applicants cannot take out any other type of loan on the property for the full period of SHIP

assistance. The only exception is a second SHIP lien in another category, and/or if an applicant applies for Community Development Block Grant (CDBG) rehabilitation funding through the City of Palm Coast entitlement program.

- b. Fiscal Years Covered: For Fiscal Years 2013-2014, 2014-2015, and 2015-2016 the County has determined that SHIP funds will be allocated to the Rehabilitation Strategy.
- c. Income Categories to be served: The funds will be used in the rehabilitation of owner occupied housing for very low and low-income families giving priority to very-low income households in order to meet required set-a-sides. This strategy will not be utilized for households above 80% of the median income.
- d. Maximum award is noted on the Housing Delivery Goals Charts attached as **Exhibit C**.
- e. Terms, Recapture and Default: SHIP eligible assistance is provided as a Deferred Payment Loan (DPL). The deferred payment loan will be defined as a soft second mortgage with zero percent (0%) interest as follows:

If the cost of rehabilitation (including all costs) does not exceed \$10,000.00, the recapture period will be seven (7) years. Such investment shall be secured by a mortgage and promissory note recorded in the County's Official Public Records. There will be no reduction for each year of ownership. Should the property be sold during the life of the second mortgage, or if there is a refinance of the first mortgage to use equity in the home, the full loan will become due and payable.

If the cost of rehabilitation (including all costs) is more than \$10,000.00 but does not exceed \$20,000.00, the recapture period will be ten (10) years. Such investment shall be secured by a mortgage and promissory note recorded in the County's Official Public Records. There will be no reduction of principal for each year of ownership. Should the property be sold during the life of the second mortgage, or if there is a refinance of the first mortgage to use equity in the home, the full loan will become due and payable.

If cost of rehabilitation (including all costs) is more than \$20,000 but does not exceed \$35,000.00, the recapture period will be thirteen years (13). Such investment shall be secured by a mortgage and promissory

note recorded in the County's Official Public Records. There will be no reduction for each year of ownership. Should the property be sold during the life of the second mortgage, or if there is a refinance of the first mortgage to use equity in the home, the full loan will become due and payable.

The sale of the home before the expiration of the 7, 10 or 13 year recapture period will require repayment of the SHIP loan as program income. The SHIP amount shall be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

Mortgage payments on the first mortgage must be current.

Subordination: An applicant may refinance the first mortgage loan to reduce the monthly payment through a lower interest rate and/or shorten the loan payoff-period if approved by the Affordable Housing Advisory Committee. The applicant is not allowed any cash out from the refinance

All Rehabilitation Home applicants will be required to attend and complete a budget counseling and home maintenance class at the commencement of the application process.

In the event of the death of the borrower during the term of the mortgage, the repayment requirement shall be tolled until the Property is probated, deeded, or otherwise transferred. A SHIP income-qualified heir may assume the mortgage. If there is no such qualified heir, the outstanding loan amount will become due and payable and must be repaid either through the sale or refinance of the property.

Flagler County reserves the right to buy a property that has a SHIP mortgage at a foreclosure or tax lien sale in order to protect its loan interest.

- f. Recipient Selection Criteria: Applicant selection criteria for awarding SHIP funds to eligible households will be based on the priority of need with priority given to persons over the age of 62 or disabled persons receiving Social Security Disability and very low income households. As funds become available, eligible applicants will be notified from the waiting list. The SHIP Administrator will consider compliance with the LHAP and statutory requirements pertinent to the percentage of households served by income prior to notification. Awards will be contingent upon income verification and the following criteria:

- i. The home to be repaired must be located in Flagler County.

- ii. The applicant must be the homeowner and the deed must be in the homeowners name only.
- iii The home must be covered by homeowners insurance before assistance and during the term of the SHIP mortgage assistance. The Flagler County SHIP program is to be included on the homeowner's insurance declarations page for notification of cancellation of insurance.
- iv. The applicant must reside in the home year round as indicated by homestead exemption.
- v. The applicant must not be delinquent on any real property tax owed to Flagler County.
- vii. The appraised value of the home must not exceed the maximum sales price allowed in the SHIP program as specified under section (3) (a) as defined in Section 420.9075, Florida Statutes.

g. Sponsor Selection Criteria:

The Flagler County Purchasing Policy guidelines are followed when procuring services.

Eligibility:

- i. SHIP applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
- ii. SHIP recipients may not receive-SHIP assistance more than twice for the same property.
- iii. If there is a waiting list, a person on the waiting list who has not had any previous funding will always take precedence over an applicant who has had previous funding.

h. Additional Information: N/A

D. Name of the Strategy: Disaster Repair

- a. Summary of the Strategy: Flagler County is a coastal county that has in the past been adversely affected by Federal or state disasters as declared by Executive Order that were not necessarily associated with hurricanes. Some of the residents affected by these disasters have had limited resources to assist them with recovery in these events. This Disaster Repair strategy is not intended to be limited to hurricane events but to any disaster event that is declared as such by a state or federal disaster declaration and providing that SHIP funds are available. The total amount of funds allowed for the contingency strategy will depend

upon the amount of funds available. Funds will be used for protecting the occupant's homes from further damage through temporary measures such as tree removal, temporary roof repair, or use of plastic sheeting preceding window replacement. It may also be used for repairing structural and internal damage, roof repair/replacement, demolition costs, and retrofitting activities such as water proofing or elevating the structure in accordance with the National Flood Insurance Program and Chapter 161, Florida Statutes. Funds may also be used for payment of insurance deductibles for rehabilitation of homes covered under homeowner's insurance policies. The amount paid will be either the cost of repair or the amount of insurance deductible – whichever is the lesser amount up to the maximum amount allowed on the Housing Delivery Goals Chart. The requirement for homeowners insurance will be waived for the Disaster Repair Strategy. These funds, if available, are intended as a match for other forms of disaster assistance.

- b. Fiscal Years Covered: 2013-2014, 2014-2015, and 2015-2016
- c. Income Categories to be served: SHIP funds will be available to assist eligible families in all eligible income categories up to 120 percent of the AMI.
- d. Maximum award is noted on the Housing Delivery Goals Charts attached as **Exhibit C**.
- e. Terms, Recapture and Default: SHIP assistance will be provided in the form of a grant so individual recipients will not be required to repay funds.
- f. Recipient Selection Criteria: Applicant selection criteria for awarding SHIP funds to eligible households will be based on first come, first ready, first qualified (date of application and income/asset verifications completed).
- g. Sponsor Selection Criteria:
Flagler County SHIP office process applications.

Eligibility:

- i. SHIP applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
- ii. SHIP recipients may not receive SHIP assistance more than twice for the same property.
- iii. If there is a waiting list, a person on the waiting list who has not

had any previous funding will always take precedence over an applicant who has had previous funding.

h. Additional Information N/A

E. Name of the Strategy: Foreclosure Prevention

- a. Summary of the Strategy: To provide a Foreclosure Prevention program to qualified homeowners to avoid foreclosure and assist them in retaining their home. Funds will be provided as a grant to eligible homeowners to assist with bringing their mortgage payments current prior to the start of the foreclosure process. Eligible expenses include delinquent mortgage payments (principal, interest, taxes and insurance), attorney's fees, late fees and other customary fees. Mid-Florida Housing Partnership, Inc. conducts a pre-screening and intake of prospective homeowners to determine program eligibility. A face-to-face appointment is scheduled where the homeowner brings in all pertinent documentation regarding mortgage financials, income, assets, debts and expenses. In addition the applicant is required to provide both correspondence from the lender and a hardship letter. Intervention counseling is conducted. Budget and financials are analyzed. If the financials support the affordability of the mortgage payments and expenses and the one time help that Flagler County offers will completely cure the delinquency, then the applicant's package is forwarded to the Flagler County SHIP Administrator along with a summary memo requesting the funds and instructions for delivery of said funds.
- b. Fiscal Years Covered: 2013-2014, 2014-2015, and 2015-2016
- c. Income Categories to be served: SHIP funds will be available to assist eligible families in all eligible income categories up to 120 percent of the AMI.
- d. Maximum award is noted on the Housing Delivery Goals Charts attached as **Exhibit C**.
- e. Terms, Recapture and Default. Assistance will be provided in the form of a grant so individual recipients will not be required to repay funds used for mortgage foreclosure intervention. Funds are leveraged primarily with the private lending sources.
- f. Recipient Selection Criteria: Funds are made available to anyone who is qualified under the SHIP guidelines limited to one instance per household. Additional criteria are as follows:

1. The applicant must show their ability to continue to maintain their mortgage payments after assistance is given.
 2. Foreclosure prevention applicants must show that the nonpayment of their mortgage is due to the following eligible reasons:
 - i. Loss of employment
 - ii. Sudden medical expenses
 - iii. Divorce or separation
 - iv. Death in the family
 - v. Unforeseen home repair bills
 - vi. Underemployed – whereby an applicant's work hours have been reduced.
 3. The applicant must undergo credit counseling.
- g. Sponsor Selection Criteria: The county staff will disseminate information to the public received from the state and other agencies and, in short, act as the managing implementation agency for the program. The use of outside consultants may be utilized for homebuyer pre-screening, pre-qualification, credit counseling and homebuyer education. The selection of a consultant will utilize the statutory criteria and the County's purchasing policy. If at any time outside consultants are utilized their proposals shall be evaluated using the following criteria:
1. Projects including funding sources other than SHIP sources (10 points)
 2. Capacity to Serve the Needs of Local Government Including Background (25 points)
 3. Successful Experience with Managing and Implementing SHIP funds (20 points)
 4. Key Staff and Qualifications (15 points)
 5. Ability to Address the Needs of the Project (10 points)
 6. Reputation and Client References (10 points)
 7. Certified Minority/Women Owned Business Certification may be by State, Federal County or Local Government The Federal definition of M/WBE must be met (5 points)
 8. Proposed Fee Basis (5 points)
 9. Welfare Transition Program sponsor N/A

The criteria are shown in the required proposed format, not to be deviated from by the county.

Eligibility:

- i. SHIP Applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
 - ii. SHIP recipients may not receive financial assistance more than twice for the same property.
 - iii. If there is a waiting list, a person on the waiting list who has not had any previous funding will always take precedence over an applicant who has had previous funding.
- h. Additional Information: N/A

III. LHAP INCENTIVE STRATEGIES

FLAGLER COUNTY

Section 420.9071(16), F.S.

Approved December 2012 until December 31, 2015

A. Name of the Strategy: Expedited Permitting

The processing of approvals of development orders or permits, as defined in s.163.3164(15) and (16) for affordable housing projects is expedited to a greater degree than other projects.

In Flagler County, permits for affordable housing projects are expedited to a greater degree than other projects by standard custom and practice. All rehabilitation and replacement home construction projects were processed through the expedited permit strategy. At this time, the County's Housing Element of the Comprehensive Plan does not include any specific policies that pertain to expedited permitting; however, both Policies C.1.1.3 and C.1.1.4 foster the County's current practice to expedite affordable housing permits:

Policy C.1.1.4: Flagler County shall continue to use its Affordable Housing Advisory Committee to assess very low, low and moderate income housing needs and recommend programs that could be instituted to facilitate the implementation of the County's Housing Goals, Objectives and Policies.

Affordable housing projects will be processed in the next available Planning Board or Board of County Commissioners meetings regardless of the application closing date, provided the applications meet the legal notice requirements.

Affordable housing projects will be approved as priority projects. The affordable housing projects will be moved to the front of the agenda at the County Technical Review Committee and Planning Board meetings. Processing the affordable housing projects at the next available Planning Board or Board of County Commissioner meetings regardless of application closing dates will result in a reduction of five to fifteen days of time. This time reduction will result in measurable savings of project cost and interest.

B. The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Impact fees and utility capacity charges are needed to provide revenue for constructing capacity producing capital improvements necessary to accommodate growth. Overall, this impact fee revenue partially funds construction of major roadways, libraries, schools, parks, correctional facilities,

fire/EMS facilities, law enforcement facilities, and public buildings. Because these fees are based on fair share payments by the people benefiting from the capital improvements, impact fees and utility capacity charges cannot be waived or reduced for any individual group or category of construction. On the other hand, these fees increase the cost of housing and put a burden on the production of affordable housing projects. To lessen the impact on affordable housing projects, the cost of impact fees may be paid by other funding sources. Flagler County presently has an exemption for low-income housing from educational facilities impact fees (excerpted from the Flagler County Code of Ordinances, Chapter 17-142. Low income housing exemption, (c) Exemptions for low-income housing):

- (1) Dwelling units constructed or mobile homes installed for low- income and very low-income residents shall be exempt from the educational facilities impact fees.
- (2) As a condition of the exemption, the owner must agree to execute and record a lien against the property for a period of ten (10) years guaranteeing that the proposed dwelling unit will continue to be used for low-income and very low-income residents. The lien against the property shall be subject only to the lien for general taxes. In the event that the unit is no longer used for low-income or very low-income housing, then the county can compel the owner to pay the impact fee amount plus interest from which the owner or any prior owner was exempt. The interest rate is the prevailing interest rate applied against the original, exempted educational facilities impact fee amount at the time that the "unit is no longer used for low-income or very low-income housing". The interest rate would be applied to the principal (the educational facilities impact fee amount) for the number of years (prior to the tolling of the ten (10) year period of the exemption) that the educational facilities impact fee exemption was claimed. The lien shall run with the land and apply to subsequent owners for a period of ten (10) years.
- (3) Any claim for an exemption must be made no later than the time of application for a building permit or a permit for a residential mobile home installation. Any claim not so made shall be deemed waived.
- (4) The county administrator shall be authorized to determine whether a particular dwelling unit falls within the exemption for low-income or very low-income housing pursuant to the provisions of this section. Determinations of the county administrator shall be subject to the

appeals procedures set forth in section 17-147 below. (Ord. No. 04-20, § 13, 12-6-04)

Waiving impact fees does not eliminate the cost of the infrastructure that the impact fees are designed to pay for. Either new development or existing residents must pay the cost of needed infrastructure improvements. If new development, which puts additional demand on county facilities and services, does not pay its fair share of infrastructure cost through impact fees, then existing residents will have to pay those costs through higher fees or taxes. Flagler County will modify impact fee requirements, including reduction of fees and alternative methods of fee payment for affordable housing from special funding sources.

B(a) Name of the Strategy: Ongoing Review Process.

a. There is an ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

Prior to the adoption of new land development regulations, the Planning and Development Board will review new regulations for consistency with the adopted Comprehensive Plan. The Long Range Planning Board and/or the County Housing Task Force will be used to review all policies.

Policy C.1.1.3: Continue to review ordinances, codes, and regulations and the permitting process for the purpose of eliminating excessive requirements, and amending or adding other requirements in order to increase private sector participation in meeting the housing needs, while continuing to ensure the health, welfare and safety of the residents. The health, safety, and general welfare of the County's residents is preserved through the implementation of zoning and land development regulations. As a policy in the County's adopted Comprehensive Plan, Housing Element Policy C.1.1.3 as cited is implemented through the County's Land Development Code. The policy calls for a continuing review of "ordinance, codes, and regulations and the permitting process"; this is being achieved through the work of the Planning and Development Board and the Affordable Housing Advisory Committee, including other ad hoc committees as may be created by the Board of County Commissioners from time to time to accomplish this task.

C. The allowance of flexibility in densities for affordable housing.

Within Flagler County, the future land use map and zoning district designations establish a maximum density or intensity for all properties. Overall, density is an important factor in forming the character of a community and the preferred lifestyle of its residents. While higher densities may result in lower housing costs, higher across the board densities do not always translate into lower

housing prices. Consequently, the preferred method for reducing housing costs through increased density is to provide affordable housing density bonuses associated with affordable housing projects. Currently, Housing Element Policy C.1.1.2 and LDC Section 3.03.09.02 provide affordable housing projects up to an estimated 11% density bonus over the maximum density established by the underlying land use designation.

Currently, Housing Element Policy C.1.1.2 and Section 3.03.09.02(D) (2) of the LDC provide for affordable housing density bonuses:

Policy C.1.1.2: Flagler County shall continue to encourage the private sector to provide affordable housing for very-low, low and moderate income families through the use of the Housing Density Bonus System.

The County's Affordable Housing Density Bonus Provisions are codified in Section 3.03.09.02(D) (2) of the LDC:

2. Maximum density – Nine (9) units per acre with an affordable multifamily density bonus of an additional one (1) unit per acre for a total of ten (10) units per acre. The affordable multifamily density bonus is awarded provided the following criteria are met:

a. Definitions:

Affordable multifamily unit: A multifamily unit which is available to a household earning one hundred (100) percent or less of the county's median income, adjusted for family size, which can be rented or purchased in the market without spending more than thirty (30) percent of its income.

Land Use restriction agreement: A deed restriction which establishes the responsibilities of the developer and his successors.

Low income household: A household in the county which earns less than eighty (80) percent of the county's median income, adjusted for family size.

Moderate income household: A household in the county which earns eighty (80) to one hundred (100) percent of the county's median income, adjusted for family size.

b. At least ten (10) percent of the project's units must be designed as affordable multifamily units for low and moderate income households. A maximum of thirty (30) percent of the project's units may be designated as affordable housing for low income households and a maximum of thirty (30) percent of the project's units may be designated for moderate

income households. A minimum of forty (40) percent of the units must remain market rate units.

- c. The maximum percentages listed above for low to moderate income units may not be exceeded for a minimum of a fifteen-year period. To insure compliance with this provision, the property owner shall execute a land use restriction agreement with the county, which specifies the low to moderate income occupancy requirements for the property, including the number of rental units which will be subject to affordability provisions, the rent limits, the income limits proposed, and the affordability period. The land use restriction agreement shall require the developer and his successors to submit an annual report to the county for the purpose of monitoring compliance with the agreement.

The allowance of an up to 11% density bonus for affordable housing projects provides for the development of affordable housing projects with higher densities and/or higher yields. These provisions are appropriate tools for providing density increases for affordable housing projects.

Though not typically used, the inclusion in the LDC of cluster housing provides an additional tool, through an accompanying Planned Unit Development zoning designation, to accomplish higher densities and preserve open space than would otherwise be accomplished through a standard zoning category within the LDC. It is anticipated that other options will be explored as part of the County's Comprehensive Plan update process and the update to the Land Development Code that will follow.

Flagler County will make an allowance of flexibility in densities for affordable housing in the land use planning process, subject to maintaining consistency with the County Comprehensive Plan and Florida Statutes.

D. The reservation of infrastructure capacity for housing for very-low income persons, low-income persons, and moderate-income persons.

The Flagler County Comprehensive Plan provides that no development, including housing development, shall be approved unless there is sufficient infrastructure capacity available to serve the development. These requirements are contained in Article VIII, Consistency and Concurrency Determination, of the County's LDC. This concurrency management requirement serves as the principal mechanism for ensuring that growth is managed in a manner consistent with the provisions of the comprehensive plan. In Flagler County, there is only one type of concurrency certificate. The Certificate requires a payment of 25% of the impact fees to reserve

the capacity.

Reserving infrastructure capacity upfront for a project is important if there are deficiencies in concurrency-related facilities. In Flagler County, there is sufficient capacity in all concurrency-related facilities to accommodate development projects.

Therefore, reserving capacity upfront is not a critical issue at this time. To reserve capacity for one project, however, means that the reserved capacity is not available for other projects.

E. The allowance of affordable accessory residential units in residential zoning districts.

Through its Land Development Code, Flagler County permits the construction of a guest quarters in the Agriculture zoning district with Special Exception approval by the Planning Board.

Flagler County will make an allowance of affordable accessory residential units pursuant to FS, 163.31771 for extremely-low-income, very-low income, low income, or moderate-income persons as (as defined in FS, 420.0004) in residential zoning districts in the upcoming revisions of the Flagler County Land Development Code, including making provisions for "mother-in-law" or "caretaker family suites." (currently not included in all residential districts in the LDC and consistent with Board of County Commission action on February 1, 2010 amending Chapter 19 of the Flagler County Code). The latter would be in areas to be located within a single family home while the "affordable accessory residential units" would be a separate unit.

F. The reduction of parking and setback requirements for affordable housing.

As structured, the County's Land Development Code (LDC) establishes minimum setback and lot size requirements for both single family residential zoning districts and multiple family residential zoning districts. These setback requirements provide a standard separation between houses and between houses and roadways. Certain zoning districts found within the LDC have smaller setbacks, some (R-1c and R-1d zoning districts) with zero lot line setbacks on the side property lines. Affordable housing projects could use those specific zoning districts to utilize the side setback requirement. There is also the option to rezone to the PUD zoning district, which gives you the ability to create customized setback and parking requirements.

While rear yard setbacks typically run from 20 feet to 15 feet, the minimum front yard setback on all single family homes from the edge of right-of-way is twenty five (25) feet. This setback distance allows for cars to be parked in the driveway and not block the sidewalk or impede pedestrian movement.

For residential uses, the county requires two parking spaces for each dwelling unit. This requirement is detailed in LDC Section 3.06.04 as follows:

A. Off-street parking space requirements.

1. Single and two-family dwellings: Two (2) spaces per dwelling unit.
2. Multi-family dwellings: One and one-half (1.5) spaces per dwelling unit (one bedroom units); one and three-quarters (1.75) spaces per dwelling unit (two-bedroom units); two (2) spaces per dwelling unit (three (3) bedrooms or more).
3. Planned unit development: Shall meet the space requirements of that particular occupancy. (Exception: The parking requirements of non residential uses in a PUD may be approved by the county commission)

To ensure health and safety, all residential development must meet current minimum parking and setback requirements (or received appropriate variances) for the appropriate zoning district as established in the County's LDC. For example, the County's 25 foot minimum front yard setback provides enough distance for parking a vehicle in a driveway without the vehicle projecting into the sidewalk. Reducing or eliminating parking requirements will force residents to park in roadway rights-of-way. This can create safety issues unless minimum mandatory widths are increased.

G. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Certain zoning districts are in existence to create smaller lot sizes. Flagler County does have the ability in the Land Development Code for zero lot lines as side yard setbacks in three zoning districts: R-1c, R-1d, and PUD. The PUD zoning district gives a developer the ability to create customized dimensional requirements, along with parking and setback requirements.

Generally, the PUD rezoning and site plan process serve as a mechanism whereby the county can approve projects with reduced setbacks and/or mixed uses. The advantage of using the PUD district instead of traditional zoning is that an applicant can increase or at least maximize his development project's density. In the PUD district, however, there are development required trade-offs, such as additional landscaping, which are required to gain the waivers for smaller lots and higher yield. These trade-offs can have the effect of off-setting any housing unit price reductions due to increasing yield.

Flagler County will consider including new language to expedite permitting through subdivision and site design when the Flagler County Land Development Code is rewritten.

H. The modification of street requirements for affordable housing.

As adopted, the county's existing sidewalk and street requirements provide for minimum construction standards to ensure public safety. Section 4.06.02(D) (2) (Subdivision Improvement and Design Standards) of the LDC sets the minimum right-of-way width for a local or residential street at 50 feet. However, minimum lane widths are 11 feet. The following is the county's current minimum right-of-way requirement:

4.06.02 Roads

D. Minimum Subdivision Road Right-of-Ways Widths.

1. All subdivision roads shall be provided with sufficient right-of-way or easement width by dedication to contain their entire construction and their appurtenances, including drainage facilities, ditches, slopes, sight distance and traffic control devices.
2. The minimum right-of-way for vehicular travel is fifty (50) feet.
3. Specific right-of-way requirements are defined in the public works manual and are dependent upon the required typical section for anticipated traffic volume.
4. Subdivision roads shall be designed and constructed in accordance with Flagler County Standards and Specifications as contained in its public works manual.

As structured, the County's minimum street right-of-way width requirements are based on the minimum area needed to accommodate the various improvements that must be located in the right-of-way. Besides travel lanes, sidewalks, and drainage facilities, these improvements include water and sewer lines, gas lines, phone lines, cable lines, and others. Since the referenced improvements must be provided for in the road right-of-way, the County has determined that the minimum right of way width must be 50 feet.

At 50 feet, the County's minimum local road right-of-way width requirement is minimal. Consequently, no right-of-way width modification is necessary. County staff feels that the 50-foot minimum right-of-way width is already the

minimum relieve that could be considered and still further the combined goals of protecting the health, safety, and general welfare while promoting the provision of affordable housing. In sum, the Statute appears to require that the County address a modification of street requirements and County staff feels that the minimum width already provided for within the County's Code is the minimum that can be considered, hence requiring no modification to the Code specific to reducing right-of-way width to promote the provision of affordable housing.

I. The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Each year, before the adoption of any new ordinances, local governments are to determine the amount of increase in the cost of affordable housing by adopting any new ordinance or updating an existing ordinance that may impact the provision of housing. Then the local government is to report annually to the State regarding how much the cost of housing had increased through these actions. Before adopting a new ordinance to increase impact fees, the local government is to advise the amount of additional cost of housing within their jurisdiction.

In Flagler County, this is typically accomplished through the staff report for Board consideration and action which accompanies each proposed action item, including ordinance adoption. The consideration of this requirement formalizes what already occurs as part of the staff review for Board of County Commissioner agenda items.

J. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

In 2006, the Florida State Legislature passed HB 1363 relating to affordable housing. One provision of that bill was that each local government must prepare an inventory of all real property that it owns within its jurisdiction that is appropriate for use as affordable housing.

Beginning in July 2007 then every three (3) years thereafter, Flagler County is required to prepare an inventory list of all real property within its jurisdiction to which the county holds fee simple title and is appropriate for use as affordable housing. The Board through their review of the inventory list and input from staff and the general public found that none of the county-owned properties were appropriate for affordable housing.

Consistent with state law, the Board of County Commissioners reviewed and approved an inventory list of county owned properties. Of all the properties on that list, none were determined to be appropriate for affordable housing.

However, the County recognizes and acknowledges that donating county-owned surplus lands to non-profit housing organizations would reduce the cost of affordable housing units on the donated properties and is an appropriate affordable housing tool and will continue to evaluate the inventory of county owned surplus properties for appropriate affordable housing sites.

K. The support of development near transportation hubs and major employment centers and mixed-use developments.

In Flagler County, the Future Land Use Map (FLUM) identifies areas appropriate for residential development and the appropriate density for those areas. The objective of the FLUM is to create a land use pattern that situates residential development in close proximity to schools, health care facilities, employment centers, and major roadways.

In Flagler County, the FLUM is an important tool in establishing appropriate locations for residential development. Generally, the map provides for residential development to be located near compatible land uses, existing neighborhoods, and proximate to public transportation, major employment centers, and community services. Ideally, affordable housing projects should be located near employment centers and transportation hubs for additional savings in terms of transportation cost and travel time. For that reason, the county supports locating affordable housing developments near transportation hubs, major employment centers and mixed use developments by expediting the permit process for these types of housing projects.

LHAP INCENTIVE STRATEGIES CITY OF PALM COAST

Section 420.9071(16), F.S. Approved October 2, 2012 until December 31, 2015

A. Name of the Strategy: Expedited Permitting

The processing of approvals of development orders or permits, as defined in s.163.3164(7) and (8) for affordable housing projects is expedited to a greater degree than other projects.

Development Orders and Permits for affordable housing projects will be expedited to a greater degree than other projects by standard custom and practice. All rehabilitation and replacement home construction projects will be processed through the expedited permit strategy. The Community Development Director or designee will shepherd applications through each level of review that are considered an affordable housing project. For the purpose of the expedited permit process, affordable housing projects will be identified as those projects assisted with state or federal housing funds as confirmed by the Flagler County SHIP Administrator.

Specifically, Policy 3.1.1.4 notes that expedited site plan review and permitting should be considered as an action to promote affordable housing. Expedite development orders and permits for affordable housing projects as described above.

B. The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Impact fees are one-time charges applied towards new construction to obtain revenues necessary to make capital improvements. Overall, these impact fees increase the cost of housing. Legally, impact fees must be applied to all activities that create a demand for capital facilities. Consequently, impact fees cannot be waived or reduced.

Waiving impact fees does not eliminate the cost of the infrastructure that the impact fees are designed to pay for. Either new development or existing residents must pay the cost of needed infrastructure improvements. If new development, which puts additional demand on county facilities and services, does not pay its fair share of infrastructure cost through impact fees, then existing residents will have to pay those costs through higher fees or taxes. To lessen the impact on affordable housing projects, the cost of impact fees may be paid by other funding sources.

Staff notes that the Educational Facilities Impact Fee Ordinance (adopted Countywide, including the City of Palm Coast) includes an exemption for low-income housing from educational facilities impact fees, when certain conditions are met.

Changes to fully implement this incentive are not recommended at this time because any reductions to impact fees for affordable housing units would result in higher taxes and housing costs for the rest of the City's residents in order to provide the necessary infrastructure.

C. The allowance of flexibility in densities for affordable housing.

The future land use map and zoning district designations establish a maximum density or intensity for all properties. Overall, density is an important factor in forming the character of a community and the preferred lifestyle of its residents. While higher densities may result in lower housing costs, higher across the board densities do not always translate into lower housing prices. Consequently, the preferred method for reducing housing costs through increased density is to provide affordable housing density bonuses associated with affordable housing projects.

The City of Palm Coast Unified Land Development Code (ULDC) allows opportunities for flexible densities for affordable housing. One mechanism available to a potential developer is the use of the Master Planned Development (MPD) zoning district. This zoning district provides developers the flexibility to establish specific develop standards (such as lot sizes, setbacks, lot coverage, etc.) for specific projects.

Continue to encourage developers of affordable housing projects to utilize the MPD zoning district in order to allow for flexible densities. At the recommendation of the Flagler County Affordable Housing Advisory Committee, staff will draft specific language for consideration during the comprehensive plan update and subsequent update of the Land Development Code to assist affordable/workforce housing developers and staff in reviewing eligibility of projects for affordable/workforce housing density bonuses.

D. The reservation of infrastructure capacity for housing for very-low income persons, low-income persons, and moderate-income persons.

Consistent with state law, the City's Comprehensive Plan provides that no development, including housing development, shall be approved unless there is sufficient infrastructure capacity available to serve the development.

These requirements are also contained in Chapter 7, Concurrency Management System, of the City's ULDC. This concurrency management requirement serves as the principal mechanism for ensuring that growth is managed in a manner consistent with the provisions of the comprehensive plan.

Reserving infrastructure capacity upfront for a project is important if there are deficiencies in concurrency-related facilities. Like waiving impact fees, allowing reservation of capacities without payment for affordable housing projects is unfair to other development.

Changes to implement this incentive are not recommended at this time, since implementation would result in inequities.

E. The allowance of affordable accessory residential units in residential zoning districts.

The City of Palm Coast Unified Land Development Code (ULDC) does not permit the construction of accessory residential units in any residential zoning district.

Changes to implement this incentive are not recommended at this time.

F. The reduction of parking and setback requirements for affordable housing.

The City's Unified Land Development Code (ULDC) establishes minimum setback and lot size requirements for both single family residential zoning districts and multiple family residential zoning districts. Each zoning district's setback varies from another; these variations depend on the minimum lot width and minimum lots size for that zoning district. Affordable housing projects should identify those specific zoning districts to identify the most favorable setback requirements for a particular project. Developers of affordable housing also have the option to rezone and utilize the Master Planned Development (MPD) zoning district. This zoning district allows great flexibility in customizing setback and parking requirements.

For residential uses, the City requires two parking spaces for each single-family dwelling, duplex, and townhouse unit. For multifamily dwellings, the ULDC requires the following:

- 1 space per efficiency unit,
- 1.5 spaces per 1 bedroom,
- 2 spaces per 2 bedrooms and over, and
- 1 space per 4 units for guest parking.

Affordable housing developers also have the option of utilizing the Master Planned Development (MPD) zoning district. This zoning district provides flexibility in the required number of minimum parking based on evidence that other standards would be more reasonable.

Continue to encourage developers of affordable housing projects to utilize the MPD zoning district in order to reduce parking and setback requirements.

G. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

The City of Palm Coast Unified Land Development Code (ULDC) allows opportunities for an affordable housing developer to provide zero lot line configurations for affordable housing. One mechanism available to a potential developer is the use of the Master Planned Development (MPD) zoning district. This zoning district provides developers the flexibility to establish specific develop standards (such as lot sizes, setbacks, lot coverage, etc.) for specific projects.

Additionally, the ULDC permits townhouse residential development. This type of development allows a developer to construct a minimum of three (3) attached units and a maximum of eight (8) attached units per building.

Continue to encourage developers of affordable housing projects to utilize the MPD zoning district in order to allow for flexible lot configurations.

H. The modification of street requirements for affordable housing.

The City of Palm Coast Unified Land Development Code (ULDC) allows opportunities for an affordable housing developer to modify street requirements for affordable housing. One mechanism available to a potential developer is the use of the Master Planned Development (MPD) zoning district. This zoning district provides developers the flexibility to establish specific develop standards (such as lot sizes, setbacks, lot coverage, etc.) for specific projects.

Continue to encourage developers of affordable housing projects to utilize the MPD zoning district in order to modify street requirements.

I. The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Each year, before the adoption of any new ordinances, local governments are to determine the amount of increase in the cost of affordable housing by adopting any new ordinance or updating an existing ordinance that may impact the provision of housing. Then the local government is to report annually to the State regarding how much the cost of housing had increased through these actions. Before adopting a new ordinance to increase impact fees, the local government is to advise the amount of additional cost of housing within their jurisdiction.

Before the adoption of any new regulations or policies, the City will determine the impacts of adopting such ordinance on the cost of housing. When applicable, staff will include an analysis of the impact of any policy, procedure, ordinance, regulation, or plan provision upon the cost of housing in the City.

Consider costs to housing when the City considers policies, procedures, ordinance, regulations, or plan provisions as described above.

J. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

In 2006, the Florida State Legislature passed HB 1363 relating to affordable housing. One provision of that bill was that each local government must prepare an inventory of all real property that it owns within its jurisdiction that is appropriate for use as affordable housing. The City of Palm Coast will compile a list of all real property within its jurisdiction to which the city holds fee simple title

and is appropriate for use as affordable housing.

Prepare an inventory of all city-owned property for analysis and determination of its appropriateness for affordable housing.

K. The support of development near transportation hubs and major employment centers and mixed-use developments.

The City of Palm Coast does not have any identifiable transportation hub. However, the City's Comprehensive Plan and Future Land Use Map (FLUM) identify areas appropriate for mixed use development and appropriate for Village Center development. These village center areas are appropriate for developments with higher densities and intensities.

The purpose of the Mixed Use development designation is to provide opportunities for residents to work, shop, engage in recreational activities, attend school and religious services in reasonably close proximity to residential dwellings. Typically, affordable housing projects should be located strategically within proximity of services and employment opportunities. Development of affordable housing as part of a mixed use project or within proximity of available services and employment opportunities is encouraged and promoted by the comprehensive plan.

No changes recommended at this time.

IV. EXHIBITS:

- A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.**
- B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005(6)(d) and (f) F.A.C.* A separate timeline for each fiscal year covered in this plan is attached as B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.**
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the Plan: *Chapter 67-37.005*, F.A.C. Completed HDGC for each fiscal year. Exhibit C.**
- D. Certification Page: *Chapter 67-37.005(7)*, F.A.C. Signed Certification. Exhibit D.**

- E. **Adopting Resolution:** *Section 420.9072(2)(b)2, F.S.*
Original signed, dated, witnessed or attested adopting resolution. **Exhibit E.**
- F. **Program Information Sheet:**
Completed program information sheet. **Exhibit F.**
- G. **Ordinance:** No change from the original Ordinance
- H. **Interlocal Agreement:**
Attached as **Exhibit H**

ADMINISTRATIVE BUDGET FOR EACH FISCAL YEAR

ADMINISTRATIVE BUDGET FOR EACH
FISCAL YEAR

LHAP 2013

Exhibit A

67-37.005(1), F.A.C.

Effective Date: 11/09

Flagler County

Estimated Allocation for Calculating:	\$	350,000.00	
Fiscal Year <u>2013-2014</u>			
Salaries and Benefits	\$	27,140.00	
Office Supplies and Equipment	\$	500.00	
Travel Perdiem Workshops, etc	\$	2,000.00	
Advertising	\$	300.00	
Annual Software - Rehab Pro	\$	800.00	
Postage/Communications/Printing	\$	760.00	
Gas	\$	500.00	
Bank Fees	\$	2,000.00	
Misc Exps	\$	1,000.00	
Total	\$	35,000.00	0
Fiscal Year <u>2014-2015</u>			
Salaries and Benefits	\$	27,140.00	
Office Supplies and Equipment	\$	500.00	
Travel Perdiem Workshops, etc	\$	2,000.00	
Advertising	\$	300.00	
Annual Software - Rehab Pro	\$	800.00	
Postage/Communications/Printing	\$	760.00	
Gas	\$	500.00	
Bank Fees	\$	2,000.00	
Misc Exps	\$	1,000.00	
Total	\$	35,000.00	0
Fiscal Year <u>2015-2016</u>			
Salaries and Benefits	\$	27,140.00	
Office Supplies and Equipment	\$	500.00	
Travel Perdiem Workshops, etc	\$	2,000.00	
Advertising	\$	300.00	
Annual Software - Rehab Pro	\$	800.00	
Postage/Communications/Printing	\$	760.00	
Gas	\$	500.00	
Bank Fees	\$	2,000.00	
Misc Exps	\$	1,000.00	
Total	\$	35,000.00	0

FLORIDA HOUSING FINANCE CORPORATION

HOUSING DELIVERY GOALS CHART#2002

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2014-2015

Please check applicable box, & if Amendment, enter number																
														New Plan: X		
														Amendment:		
														Fiscal Yr. Closeout: 2015		
Name of Local Government: FLAGLER COUNTY																
Available Funds:																
\$350,000.00																
A																
			New Construction			Rehab/Repair			Without Construction			D			E	
VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units	F	
HOME OWNERSHIP STRATEGIES																
1	\$50,000	4	\$40,000	0	\$4,000	\$130,000.00					\$130,000.00	37.14%	5			
0	\$189,682		\$0	0	\$0	\$0.00					\$0.00	0.00%	0			
3	\$35,000	2	\$35,000	0		\$175,000.00					\$175,000.00	50.00%	5			
1	\$15,000	0	\$15,000	0	\$15,000	\$0.00					\$10,000.00	2.86%	1			
0	\$4,000	0	\$4,000	0	\$4,000						\$0.00	0.00%	0			
Subtotal 1 (Home Ownership)																
5		6		0		\$140,000.00					\$175,000.00	90.00%	11			
RENTAL STRATEGIES																
VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units	F				
0		0		0		\$0.00			\$0.00	0.00%	0					
Subtotal 2 (Non-Home Ownership)																
0		0		0		\$0.00			\$0.00	0.00%	0					
Administration Fees																
Admin. From Program Income																
Home Ownership Counseling																
GRAND TOTAL																
5		6		0		\$140,000.00	\$175,000.00	\$0.00	\$350,000.00	100.00%	11					
Add Subtotals 1 & 2, plus all Admin. & HO Counseling																
Percentage Construction/Reh																
Maximum Allowable																
Purchase Price:																
New																
Existing																
\$189,682																
\$189,682																
Max Amount Program Income For Admin: \$0.00																
Allocation Breakdown																
Amount																
Very-Low Income																
Low Income																
Moderate Income																
TOTAL																
\$315,000.00																
90.0%																
Projected Program Income:																
Projected Recaptured Funds:																
Distribution:																
Total Available Funds:																
\$350,000.00																
43																

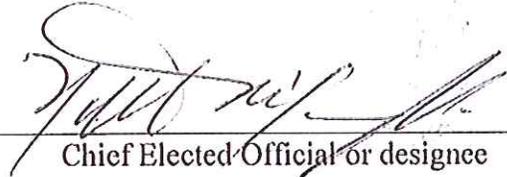
**CERTIFICATION TO
FLORIDA HOUSING FINANCE CORPORATION**

Name of Local Government: FLAGLER COUNTY

- (1) The local government will advertise the availability of SHIP funds, if available, pursuant to Florida Statutes.
- (2) All SHIP funds will be expended in a manner which will insure that there will be no discrimination on the basis of race, creed, religion, color, age, sex, familial or marital status, handicap, or national origin.
- (3) A process for selection of recipients for funds has been developed.
- (4) The eligible municipality or county has developed a qualification system for applications for assistance.
- (5) Recipients of funds will be required to contractually commit to program guidelines.
- (6) The Florida Housing Finance Corporation will be notified promptly if, at any time, the local government (or interlocal entity) will be unable to comply with the provisions the plan.
- (7) The Local Housing Assistance Plan shall provide for the expenditure of SHIP funds within 24 months following the end of the State fiscal year in which they are received.
- (8) The plan conforms to the Local Government Comprehensive Plan, or that an amendment to the Local Government Comprehensive Plan will be initiated at the next available opportunity to insure conformance with the Local Housing Assistance Plan.
- (9) Amendments and Technical Revisions to the approved Local Housing Assistance Plan shall be provided to the Corporation within 21 days after adoption.
- (10) The trust fund shall be established with a qualified depository for all SHIP funds as well as moneys generated from activities as program income.
- (11) Amounts on deposit in the local housing assistance trust fund shall be invested as permitted by law.
- (12) The local housing assistance trust fund shall be separately stated as a special revenue fund in the local governments audited financial statements, copies of the audits will be forwarded to the Corporation by June 30 of each calendar year.

- 13) An interlocal entity shall have its local housing assistance trust fund separately audited for each state fiscal year, and the audit forwarded to the Corporation by June 30.
- 14) SHIP funds will not be pledged for debt service on bonds or as rent subsidies.
- 15) Developers receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from other federal programs shall comply with all Federal and SHIP program requirements.
- 16) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to service eligible persons.
- 17) Rental units constructed or rehabilitated with SHIP funds shall be monitored annually for 15 years for compliance with tenant income requirements and affordability requirements or as required in Section 420.9075 (3)(e)
- 18) The Plan meets the requirements of Section 420-907-9079 FS, and Rule Chapter 67-37 FAC, and how each of those requirements shall be met.
- 19) The provisions of Chapter 83-220, Laws of Florida *has not* been implemented:
(except for Miami Dade County)

Witness



Chief Elected Official or designee

Witness

NATE McLAUGHLIN, CHAIR

Type Name and Title

Date

OR



Attest:
(Seal)

RESOLUTION 2013 - 37
AMENDED LOCAL HOUSING ASSISTANCE PROGRAM (LHAP)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING THE AMENDED LOCAL HOUSING ASSISTANCE PLAN, AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 420.907 THROUGH 420.9079, FLORIDA STATUTES, AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTING ACTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Palm Coast and Flagler County Board of County Commissioners entered into an Interlocal Agreement for a Joint Local Housing Assistance Program on April 7, 2009; and

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

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, Sections 420.907 through 420.9079, Florida Statutes, 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, the Affordable Housing Advisory Committee (AHAC) has recommended approval of the three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation; and

WHEREAS, the City Council approved the Local Housing Assistance Plan on March 5, 2013, which was subsequently submitted by Flagler County to the Florida Housing Finance Corporation for review; and

WHEREAS, the Florida Housing Finance Corporation has requested minor changes to the previously submitted Local Housing Assistance Plan; and

WHEREAS, the City Council finds that it is in the best interest of the public to approve the amended Local Housing Assistance Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, AS FOLLOWS:

SECTION 1. APPROVE AMENDED LOCAL HOUSING ASSISTANCE PLAN.

The City Council of the City of Palm Coast hereby approves the amended Local Housing Assistance Plan, as attached hereto and incorporated herein by reference as Exhibit "A."

SECTION 2. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

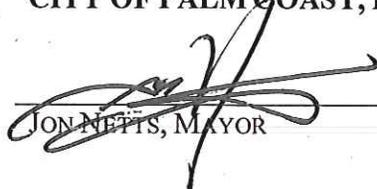
SECTION 3. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 4. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution, including approving additional minor changes to the amended Local Housing Assistance Plan as requested by the Florida Housing Finance Corporation.

SECTION 5. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 7th day of May 2013.

CITY OF PALM COAST, FLORIDA


JON NETTIS, MAYOR

ATTEST:


VIRGINIA A. SMITH, CITY CLERK

Attachment: Exhibit "A" – Amended Local Housing Assistance Plan

Approved as to form and legality


William E. Reischmann, Jr., Esq.
City Attorney



I Herby Certify This
To Be A True And Correct
Copy Of The Original
Dated This 9 Day Of May
2013

Virginia A. Smith
City Clerk

FLAGLER COUNTY RESOLUTION # 2013 - 17

A RESOLUTION OF THE FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS APPROVING REVISIONS TO THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT PURSUANT TO SECTION 420.9072(3), FLORIDA STATUTES AND CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING THE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS TO EXECUTE THE NECESSARY DOCUMENTS AND CERTIFICATIONS; AUTHORIZING THE SUBMISSION OF THE REVISED LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL; AND PROVIDING FOR AN EFFECTIVE DATE.

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

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, Sections 420.907-420.9079, Florida Statutes and 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, the Affordable Housing Advisory Committee (AHAC) prepared a three-year Local Housing Assistance Plan for submission to the Florida Housing Finance Corporation, which was approved by the Board of County Commissioners on March 4, 2013; and

WHEREAS, the review committee established by the Florida Housing Finance Corporation reviewed the Local Housing Assistance Plan and determined that revisions are necessary; and

WHEREAS, revisions have been made and were approved by the AHAC on April 9, 2013; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF FLAGLER COUNTY, FLORIDA THAT:

Section 1: The Flagler County Board of County Commissioners hereby approves the revisions to the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by Sections 420.907-420.9079, Florida Statutes, for fiscal years 2013-2014, 2014-2015 and 2015-2016.

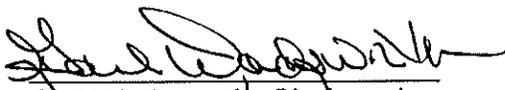
Section 2: The Chairman of the Flagler County Board of County Commissioners is hereby designated and authorized to execute any documents and certifications required by the Florida Housing Finance Corporation as related to the revised Local Housing Assistance Plan, and to do all things necessary and proper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

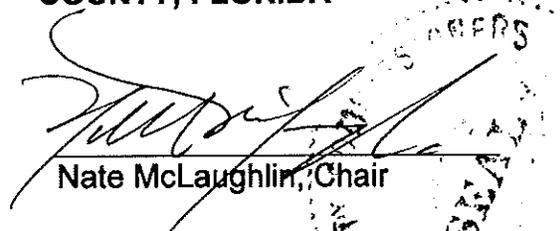
Section 3: EFFECTIVE DATE. This Resolution shall take effect upon its adoption.

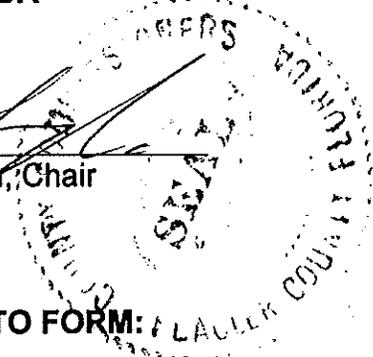
ADOPTED THIS 6 DAY OF May 2013.

**BOARD OF COUNTY
COMMISSIONERS OF FLAGLER
COUNTY, FLORIDA**

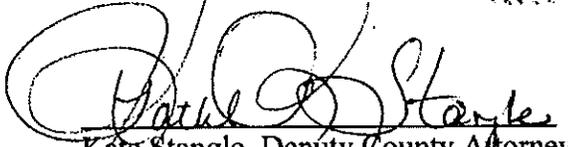
ATTEST:


Gail Wadsworth, Clerk and
Ex Officio Clerk to the Board


Nate McLaughlin, Chair



APPROVED AS TO FORM:


Kate Stangle, Deputy County Attorney

**STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM
PROGRAM INFORMATION SHEET**

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

Local Government	Flagler County
Chief Elected Official	Nate McLaughlin
Address	1769 East Moody Blvd, Building 2, Bunnell, FL 32110
SHIP Administrator	Valerie Bradley
Address	1769 East Moody Blvd, Building 2, Bunnell, FL 32110
Telephone	386-313-4037
EMAIL	vbradley@flaglercounty.org
Alternate SHIP Contact	
Telephone	
EMAIL	
Interlocal Agreement (list other local governments in interlocal)	City of Palm Coast
Local Government Employer Federal ID #	59-6000605
Disbursement (list bank account information if changed from previous)	
Other Information	

Please attach this form as Exhibit F and submit along with your completed LHAP.

**INTERLOCAL AGREEMENT FOR THE
JOINT LOCAL HOUSING ASSISTANCE PROGRAM**

This **INTERLOCAL AGREEMENT** ("Agreement") is made and entered into by and between **FLAGLER COUNTY**, a political subdivision of the State of Florida (the "County"), whose address is 1769 East Moody Boulevard, Building 2, Bunnell, FL 32110, and the **CITY OF PALM COAST**, a Florida municipal corporation ("City"), whose address is 160 Cypress Point Parkway, Suite B-106, Palm Coast, FL 32164, hereinafter collectively referred to as "the Parties."

WITNESSETH

WHEREAS, the City and County desire to cooperate in order to provide for the housing needs of their citizens efficiently and in the most cost effective manner; and

WHEREAS, the State Housing Initiative Partnership Act, Florida Statutes §§ 420-907 - 420-9079 ("SHIP"); provides for the establishment of local housing assistance programs; and

WHEREAS, Flagler County is an approved county and the City of Palm Coast is an eligible municipality within Flagler County, Florida to provide local housing assistance under SHIP; and

WHEREAS, the Parties wish to provide for the housing needs of their citizens, and to promote the efficient location, design, and provision of affordable housing; and

WHEREAS, the County has an established local housing assistance program and qualified staff who manage the program; and

WHEREAS, the City is eligible to receive direct disbursements as authorized by SHIP and is eligible to establish a local housing assistance program; and

WHEREAS, the City and County wish to provide housing assistance to those areas with the greatest needs regardless of jurisdictional boundaries; and

WHEREAS, SHIP encourages the establishment of joint local housing assistance programs, and provides for the entering into of interlocal agreements for the establishment and implementation of such joint programs; and

WHEREAS, the Parties wish to establish a joint local housing assistance program for the purpose of establishing and implementing a more comprehensive local housing assistance program; and

WHEREAS, SHIP authorizes monies to be distributed to approved counties and eligible municipalities within the county pursuant to an interlocal agreement; and

WHEREAS, the Parties desire to distribute monies available under SHIP pursuant to this Agreement and to provide for the County's implementation and administration of SHIP's requirements; and

WHEREAS, the Parties desire to distribute other funding that may become available for housing programs consistent with this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

1. **Definitions.** For the purposes of this Agreement, the definitions contained in SHIP and Chapter 67-37, Florida Administrative Code, as they may be amended from time to time, are adopted herein by reference.

2. **Establishment of Joint Local Housing Assistance Program.** The Parties agree to establish a joint local housing assistance program ("Program"), pursuant to the requirements of §§ 420.907 - 420.9079, Florida Statutes, or any amended or successor statute, and other applicable law. The Program shall consist of the County's current Local Housing Assistance Plan (LHAP) which shall be adopted by resolution of each of the Parties. The LHAP shall only be amended by resolution of each of the Parties pursuant to the provisions of SHIP. Technical revisions shall be approved by resolutions of the Parties. Incentive Strategies applicable to the City shall be included in the LHAP by May 2, 2010. The Parties agree to cooperate in developing future joint updates to the LHAP.

3. **Administration of the Program.** The County shall be solely responsible for the administration and implementation of the Program in accordance with the provisions of SHIP.

- a. The County shall prepare and provide the City one annual report consistent with Florida Statutes..
- b. The County shall establish, or cause to be established, all of the administrative criteria or requirements necessary or desirable to implement SHIP.

4. **Administration of Trust Fund.** The County has established a specially designated and dedicated Affordable Housing Assistance Trust Fund (~~"Trust Fund"~~) within the official fiscal and accounting records of the County. All monies received from the state on behalf of the City or the County pursuant to SHIP, and any funds received or budgeted on behalf of the City or the County to provide funding for the Program, shall be deposited into the Affordable Housing Assistance Trust Fund~~County's Trust Fund~~.

- a. -The Parties agree that under SHIP, the amount allowed for administrative costs does not cover the County's current costs associated with administering the program. If changes occur to SHIP to allow for additional

funds for administrative costs, the Parties agree to take all actions necessary to ensure that the County's costs associated with administering the program are reimbursed through SHIP to the maximum extent possible.

~~The Parties agree to take all actions necessary to maximize the amount (or percentage) of administrative costs allowable pursuant to SHIP.~~

- b. Any required audit shall be performed in accordance with the provisions of SHIP, as well as the provisions of Sections 218.39 and 215.97, Florida Statutes, or any amended or successor statute, as well as Chapter 10.550, Rules of the Auditor General.

5. Distribution of Funds Available Pursuant to SHIP / Affordable Housing Programs. All monies available to the City and the County pursuant to SHIP or other affordable housing programs shall be distributed to the County as provided in the SHIP Act or other affordable housing program regulations.

- a. Directions to Corporation. The City and the County direct the Florida Housing Finance Corporation (the "Corporation") or any other affordable housing agencies to distribute the monies allocated in accordance with this Agreement.
- b. Deposit of Funds. The monies distributed by the Corporation or any other affordable housing agency will be deposited into the Affordable Housing Assistance Trust Fund~~Flagler County Trust Fund~~.
- c. The Corporation or other agency shall be notified by the Parties of any change in this Agreement.
- d. The County shall administer and distribute the funding in accordance with the adopted LHAP pursuant to the provisions of the SHIP Act or any other applicable regulation and this Agreement.
- e. The City and County wish to provide housing assistance -regardless of jurisdictional boundaries, and therefore will not restrict the distribution of SHIP Program funds to any particular jurisdictional boundary.
- f. The County shall utilize good faith efforts to recapture SHIP Program funding. The County shall return all recaptured and recycled SHIP Program funds into the Affordable Housing Assistance Trust Fund~~Flagler County Trust Fund~~.

6. Expenditure of Funds Available Pursuant to SHIP. The County will ensure that SHIP funds disbursed from the Affordable Housing Assistance Trust Fund~~Flagler County Trust Fund~~ are at all times expended in accordance with SHIP's

requirements, provide income verification and certification for all applicants for SHIP funding assistance, monitor and determine applicant eligibility and the amount of SHIP funding assistance pursuant to SHIP's guidelines.

7. Appointment to Flagler County Affordable Housing Advisory Committee ("AHAC"). As vacancies occur on AHAC, the City and County shall share in the appointment of members to fill those seats whenever possible on an alternating basis, and the positions shall be filled with representatives from the various industry groups specified in the SHIP Act as may be amended from time to time. The first appointment following the approval of this Agreement shall be by the City. To the extent possible, representation on AHAC shall be roughly divided between City and County appointees.

8. Modification of Agreement. This Agreement may only be modified by written agreement of the Parties and adopted with the same formalities as the adoption of this Agreement. Amendments to the Program or this Agreement shall not become effective until reviewed and approved in accordance with SHIP.

9. Administration of Other Available Funds for Affordable/Workforce Housing Program. Upon mutual agreement of the Parties, the City may transfer to the County any other available funds dedicated for implementation of affordable/workforce housing programs or projects. Expenditure of such funds shall be for programs or projects within the municipal boundaries of the City.

10. Cooperation and Coordination of other Federal/State Programs. The City at its discretion may elect to participate in other Federal/State Programs (i.e. CDBG, Neighborhood Stabilization Program, etc.) provided no such program operates through the County or the joint City/County LHAP without the mutual consent of the Parties. The City may elect to coordinate with the County to implement and share the administration costs of such programs with the County. Agreements for such cooperative efforts shall be memorialized in a Memorandum of Agreement between the City Manager and the County Administrator.

11. Term and Termination of Agreement.

a. Term of Agreement. The term of this Agreement shall run concurrently with the distribution of monies pursuant to the Act (which is currently based on the fiscal year of the State of Florida, i.e. July 1 through June 30), unless earlier terminated pursuant to other provisions of this Agreement. For so long as this Agreement remains effective, the Parties agree that they will not do anything to jeopardize the other Party's right to receive its distributions pursuant to SHIP.

b. Termination of Agreement. No later than January 1 of each year, the City or the County may elect to terminate this agreement without cause by providing written

notice of termination to the other Party. In the event of a notice of termination, this Agreement shall terminate and be of no further force or effect as to either Party on July 1 of the year following the receipt of the termination notice; provided, however, that all Program funds (which includes the state distribution and program income received) by the County prior to the date of termination shall continue to be governed by the provisions of this Agreement as if the termination had not occurred. In the event of a termination, the Parties agree to mutually advise the Corporation of the termination of this Agreement, and to provide for the continued orderly payment of those funds to be distributed pursuant to SHIP necessary to fulfill outstanding encumbrances, if any.

12. Interpretation. The language of this Agreement has been agreed to by both Parties to express their mutual intent and no rule of strict construction shall be applied against either Party. The headings contained in this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement.

13. Notices. Whenever either Party desires to give notice unto the other, such notice must be in writing, sent by registered United States mail, return receipt requested, addressed to the Party for whom it is intended at the place specified below. The place for giving of notice shall remain the same until it shall have been changed by written notice in compliance with the provision of this paragraph. For the present, the Parties designate the following as the respective place for giving of notice:

FOR FLAGLER COUNTY:

Flagler County
County Administrator
1769 E. Moody Blvd., Bldg. #2, Suite #302
Bunnell, Florida 32110

With copy to:
SHIP Administrator, Office of Financial Services
1769 E. Moody Blvd., Bldg. #2, Suite #307
Bunnell, Florida 32110

FOR THE CITY OF PALM COAST:

City of Palm Coast
City Manager
160 Cypress Point Parkway, Suite B-106
Palm Coast, Florida 32164

With copy to:
Director of Community Development
160 Cypress Point Parkway, Suite B-106
Palm Coast, Florida 32164

14. Severability. Any provision of this Agreement held by a court of competent jurisdiction to be invalid, illegal, or unenforceable shall be severable and shall not be construed to render the remainder to be invalid, illegal, or unenforceable.

15. Effective Date. The effective date of this Agreement shall be the date upon which both Parties have approved this Agreement or July 1, 2009, whichever occurs later.

16. Liability. Nothing is intended to serve as a waiver of sovereign immunity by any Party to which sovereign immunity may be applicable. Nothing shall be construed as consent by a state agency or political subdivision of the State of Florida to be sued by third parties in any matter arising out of this Agreement or any other contract. All Parties are municipal corporations or political subdivisions of the State of Florida as defined in Section 768.28, Florida Statutes, or any amended or successor statute, and agree to be fully responsible for acts and omissions of their agents or employees to the extent permitted by law.

17. Limitations of Agreement. It is not the intent of this agreement to change the jurisdiction of the Parties in any manner except as specifically provided. All other policies, rules, regulations and ordinances of the Parties will continue to apply as to properties located within the jurisdictional boundaries of each Party.

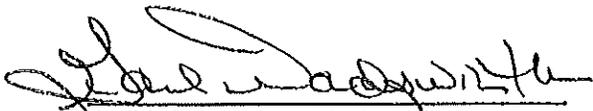
18. Filing of Interlocal Agreement. Pursuant to the provisions of Section 163.01 (11), Florida Statute, this Interlocal Agreement shall be filed with the Clerk of the Circuit Court in and for Flagler County, Florida.

19. Employee Status. Persons employed by either Party in the performance of services and functions pursuant to this Agreement shall not be deemed to be employees of the other Party nor shall they have any claim to pension, worker's compensation, civil service or other employee rights or privileges granted by the other Party to its officers and employees.

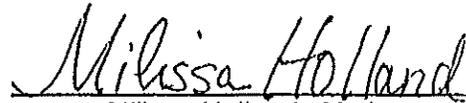
IN WITNESS WHEREOF, the Parties have made and executed this Agreement on the respective dates under each signature.

ATTEST:

BOARD OF COUNTY COMMISSIONERS,
OF FLAGLER COUNTY, FLORIDA



Gall Wadsworth, Clerk and
Ex Officio Clerk of the Board



Milissa Holland, Chair

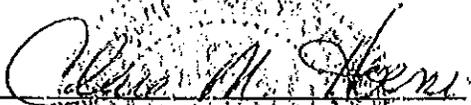
Date: APRIL 6, 2009

Approved as to form:



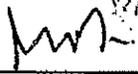
Albert J. Hadeed, County Attorney

ATTEST:



Clare Hoehn, City Clerk

Approved as to form:



William E. Reischmann, Jr., City Attorney

CITY OF PALM COAST, FLORIDA



Jon Nettis, Mayor
Date: 4/7/09