



**FLAGLER COUNTY & CITY OF PALM COAST**



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

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

**Amended February 5<sup>th</sup>, 2024**



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**Section I. Program Details**

**A. LG(s)**

Name of Local Government	Flagler County
Does this LHAP contain an interlocal agreement?	Yes
If yes, name of other local government(s)	City of Palm Coast

**B. Purpose of the program:**

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

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

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

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

**F. Leveraging:** The Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

**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 regular meeting of the Affordable Housing Advisory Committee.

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

**I. Waiting List/Priorities:** Applications will be collected on an ongoing basis and priority will be given to applicants meeting the priority categories listed below. The first qualified applicants in each priority category will be first served. The following priorities for funding (very low income, Special Needs, etc.) described/listed here apply to all strategies unless otherwise stated in an individual strategy in Section II:



a.	Special Needs
i.	Very Low Income
ii.	Low Income
iii.	Moderate Income
b.	Essential Services Personnel
i.	Very Low Income
ii.	Low Income
c.	Non-Special Needs and Non-Essential Services Personnel
i.	Very Low Income
ii.	Low Income

- J. **Discrimination:** In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, color, religion, sex, national origin, age, handicap, or marital status in the award application process for eligible housing. Flagler County Ordinance 90-11 establishes a policy to ensure equal opportunity to obtain adequate housing regardless of race, color, religion, ancestry, sex, age, familial status, disability, or national origin.
- K. **Support Services and Counseling:** Available support services may include but are not limited to: Homeownership education (Pre and Post), Credit Counseling, Tenant Counseling, Foreclosure Counseling, and Financial Coaching and Budget Management through qualified HUD-approved agencies. When funding is available the County will partner with HUD-certified agencies to provide comprehensive housing counseling and education services to residents in need of affordable housing.
- L. **Purchase Price Limits:** The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the average area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

U.S. Treasury Department	X
Local HFA Numbers	

- M. **Income Limits, Rent Limits and Affordability:** The Income and Rent Limits used in the SHIP Program are updated annually by the Department of Housing and Urban Development and posted at [www.floridahousing.org](http://www.floridahousing.org). *"Affordable" means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071, F.S. However, it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.*
- N. **Welfare Transition Program:** Should an eligible sponsor be used, a qualification system and selection criteria for applications for Awards to eligible sponsors shall be developed, which includes a description that



demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

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

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

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

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

Entity	Duties	Admin. Fee Percentage
County	All administrative duties	10%
Third Party Entity/Sub-recipient	N/A	

- R. First-time Homebuyer Definition:** For any strategies designed for first-time homebuyers, the following definition will apply: *An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers). A single parent who has only owned a home with a former spouse while married. An individual who is a displaced homemaker and has only owned with a spouse. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations. An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.*



- S. Project Delivery Costs:** No more than 5 percent of the award for expenses not covered by administrative budget to include home inspections for owner occupied rehab, recording fees for construction activities and purchase assistance, and fees for home maintenance classes.
- T. Essential Service Personnel Definition (ESP):** All county residents meeting program income limits and working full-time as a first responder, educator, health care or public health professional, or as a skilled building trades professional.
- U. Describe efforts to incorporate Green Building and Energy Saving products and processes:** Flagler County encourages the incorporation of sustainable, storm-resistant innovative design and energy and water conservation into new construction and rehabilitation projects for ongoing sustainability and affordability. The County will, when economically feasible, employ the following Green Building requirements on new construction, rehabilitation, and emergency repair projects:
1. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
  2. Low-flow or high-efficiency water fixtures in bathrooms—Florida Water Star qualified or WaterSense labeled products or the following specifications:
    - a. Toilets: dual flush, 1.28 gallons/flush or less,
    - b. Faucets: 1.5 gallons/minute or less,
    - c. Showerheads: 2.0 gallons/minute or less;
  3. Energy Star qualified water heater;
  4. Energy Star qualified refrigerator;
  5. Energy Star qualified dishwasher, if provided;
  6. Energy Star qualified washing machine, if provided in units;
  7. Energy Star qualified exhaust fans in all bathrooms; and
  8. Air conditioning: Minimum SEER of 16. Packaged units are allowed in studios and one-bedroom units with a minimum of 11.7 EER.
  9. Attic (ceiling) insulation: Minimum of R-38
  10. Light Emitting Diode (LED) bulbs or Energy Star light bulbs

Flagler County obtained its Green Local Government Designation from the Florida Green Building Coalition. Flagler County will adhere to the Florida Board Code Provision. Work write-ups will incorporate these specifications as well as specification for aging-in-place and wind mitigation when economically feasible in rehabilitation and construction projects.

- V. Describe efforts to meet the 20% Special Needs set-aside:** The County partners with social service agencies serving the designated special needs populations to identify and refer special-needs applicants to housing programs. In Flagler County, approximately 30% of the applicants for Owner Occupied Rehabilitation have met the definition of Special Needs, and this strategy will help achieve this goal. The Senior Home Modification strategy will be implemented in partnership with the County's Senior Services Division with priority for seniors with special needs.
- W. Describe efforts to reduce homelessness:** The County's Human Services Division mitigates homelessness by offering emergency housing assistance to asset-limited, income constrained households who have experienced a financial hardship. Flagler County works with the local Continuum of Care (CoC) and agencies serving persons experiencing homelessness through partnerships, referrals, and rental assistance



to connect citizens to stable housing solutions.

## Section II. Housing Assistance Strategies

<b>A. Home Purchase Assistance with or without Rehabilitation</b>	Code 1, 2
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Summary: Funds will be awarded for down payment, closing costs, repairs, and gap financing to first-time homebuyers to purchase a newly constructed or existing home in Flagler County, including homes purchased from a Community Land Trust (CLT). A newly constructed home must have received a Certificate of Occupancy within the last 12 months.

- a. Eligible costs under this strategy may include gap financing, down payment and closing costs, and repairs. Eligible repairs are those needed to make the home habitable, improve safety or accessibility, correct building code violations, or prevent the imminent failure of a system or structure in the home as a result of its age, as identified by a home inspector. The amount of repairs funded through this strategy are limited to amount available from the maximum award.
- b. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- c. Income Categories to be served: Very low, low, and moderate
- d. Maximum Award:

Very Low	\$49,950 Purchase Assistance	\$30,000 Rehabilitation
Low	\$39,950 Purchase Assistance	\$30,000 Rehabilitation
Moderate	\$29,950 Purchase Assistance	\$20,000 Rehabilitation
- e. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred Loan secured by a note and mortgage
  - 2. Interest Rate: 0%
  - 3. Years in loan term: 15
  - 4. Forgiveness: The loan is forgiven at 10% per year beginning in year 6.
  - 5. Repayment: None required if the loan is in good standing.
  - 6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, foreclosure, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an heir who is SHIP-eligible under the state's maximum allowable income and who will occupy the home as a primary residence. If the legal heir does not complete a SHIP application with Flagler County within twelve months from the date of the qualifying homeowner's death, is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the County will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture payment.

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



An applicant may only refinance the first mortgage loan to reduce the monthly payment through a lower interest rate and/or shorten the loan payoff period. Flagler County will not approve a request to subordinate the SHIP loan if the refinance results in a cash out payment.

- f. Recipient/Tenant Selection Criteria: All applicants must first complete a HUD-Certified first-time home buyer’s class prior to being awarded assistance. Applicants must also demonstrate home-buyer readiness as evidenced by income and pre-approval letter from a lender of their choice. CLT homebuyers must attend a homebuyer education class that contains a Community Land Trust component and/or session with the CLT in addition to a homebuyer education class that requires CLT buyers to demonstrate and attest to a clear understanding of the terms of Community Land Trust homeownership.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information:

**SHIP Award:** Applicants must secure a first mortgage through an approved lender (no private owner or seller financing). The SHIP loan will be awarded in the amount of subsidy required to allow the homebuyer to purchase an affordable home and correct any necessary deficiencies observed by the home inspection report. The maximum award will not be awarded in all cases.

**Mobile Homes:** Purchases of manufactured/mobile homes less than 5 years old on land to be owned by the home buyer (assessed as real property) are eligible for assistance.

**Community Land Trusts:** This SHIP assistance is assumable to an income-eligible homebuyer. The terms of the Note and Mortgage shall allow subsequent purchasers to assume the loan with approval by the CLT. Otherwise, no repayment will be required during the term of the loan, provided the loan remains in good standing. Please see Exhibit G for additional instructions and information for CLT purchases.

<b>B. Owner Occupied Rehabilitation</b>	Code 3
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Summary: Funds will be awarded to repair owner-occupied homes in Flagler County to alleviate code violations, health hazards, life and safety issues, accessibility, electrical, plumbing, roofing, windows, indoor air quality, energy efficiency and structural items which preserve the life and use of the home. Funds may be used for disaster mitigation, to include gable-end reinforcement, shuttering of windows and doors, and the replacement of doors or windows with impact-rated materials where shuttering is not possible. For households with medical needs which rely on the availability of electricity (such as the refrigeration of medicines), a home generator may be funded.

- a. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- b. Income Categories to be served: Very low, low
- c. Maximum award: \$80,000
- d. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred Loan secured by a note and mortgage





2. Interest Rate: 0%
3. Years in loan term: 15
4. Forgiveness: The loan is forgiven at 10% per year beginning in year 6
5. Repayment: None required if the loan is in good standing.
6. Default: The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, foreclosure, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an heir who is SHIP-eligible under the state's maximum allowable income and who will occupy the home as a primary residence. If the legal heir does not complete a SHIP application with Flagler County within twelve months from the date of the qualifying homeowner's death, is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the County will try to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a recapture payment.

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

An applicant may only refinance the first mortgage loan to reduce the monthly payment through a lower interest rate and/or shorten the loan payoff period. Flagler County will not approve a request to subordinate the SHIP loan if the refinance results in a cash out payment.

e. Recipient/Tenant Selection Criteria:

1. Priority will follow the criteria listed in Section I; however, applicants identified by Senior Services Division of Flagler County's Health and Human Services Department as living in unsafe conditions will have priority.
2. Applicants who have applied for housing rehabilitation through the City of Palm Coast's Community Development Block Grant Program (CDBG) and who require additional funding through SHIP to remediate unsafe living conditions too costly for CDBG alone will be prioritized by the criteria listed in Section I of this LHAP, and the date they applied for CDBG will count toward their wait list standing for assistance for SHIP.
3. Mobile homes/manufactured homes must be built after 2007 and be on the owner's property.
4. Owner's mortgage and property taxes must not be in default.
5. Owners with reverse mortgages or home equity subordinate mortgages are not eligible under this fund strategy.

f. Sponsor Selection Criteria: N/A

g. Additional Information:

1. Project delivery costs will be granted to the homeowner.
2. Unforeseen, necessary changes to the scope of work resulting in additional costs that do not exceed \$5,000 may be granted to the homeowner upon determination and confirmation by the Housing Services Division.



<b>C. Roof Replacement</b>	Code 3, 6
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Summary: Funds will be used to replace the roof of an owner-occupied home in Flagler County when there is an active leak; the insurance company is requesting roof-replacement to maintain insurance; or the owner's roof has a lifespan of less than 6 years left. If available, some of the award may be used to trim tree branches within 6 ft of the roof if doing so will protect the roof. Soffit and fascia repair and gutter replacement may be included in this strategy if necessary and if the maximum award will cover it.

- a. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- b. Income Categories to be served: Very low, low
- c. Maximum award: \$25,000
- d. Terms:
  - 1. Repayment loan/deferred loan/grant: Deferred Loan secured by a note and mortgage
  - 2. Interest Rate: 0%
  - 3. Years in loan term: Five years
  - 4. Forgiveness: The loan is forgiven at the end of the term
  - 5. Repayment: None, as long as the loan is in good standing
  - 6. The loan will be determined to be in default if any of the following occurs during the loan term: sale, transfer, foreclosure, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.
  - 7. In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by an heir who is SHIP-eligible under the state's maximum allowable income and who will occupy the home as a primary residence. If the legal heir does not complete a SHIP application with Flagler County within twelve months from the date of the qualifying homeowner's death, is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.
- e. Recipient/Tenant Selection Criteria: Applicants requiring other structural repairs such as interior wall repairs as a result of an actively leaking roof, or whose repairs are estimated beyond the maximum award of this program strategy will be referred to the Owner-Occupied Rehabilitation program wait-list.
- f. Sponsor Selection Criteria: N/A
- g. Additional Information:
  - 1. Applicants must occupy the property as their primary residence and have ownership of the home.
  - 2. Project delivery costs will be granted to the Owner.
  - 3. Unforeseen, necessary changes to the scope of work resulting in additional costs that do not exceed \$1,500 may be granted to the homeowner upon determination and confirmation by the Housing Services Division.
  - 4. The home should be in otherwise good condition, or the homeowner will be referred to the Owner-Occupied Rehabilitation Program.
  - 5. Mobile homes/manufactured homes must be built after 2007 and be on the owner's property.
  - 6. Owner's mortgage and property taxes must not be in default.
  - 7. Owners with reverse mortgages or home equity subordinate mortgages are not eligible.



<b>D. Senior Barrier Free Home Modification</b>	<b>Code 3</b>
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Summary: Funds will be awarded to homeowners aged 60 and older in need of modifications to their homes to allow for aging in place. Allowable modifications include the installation of wheelchair ramps, walk-in showers, comfort height toilets, widened doorways, stair lifts, and grab bars.

- a. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- b. Income Categories to be served: Very low, low
- c. Maximum award: \$10,000
- d. Terms:
  - 1. Repayment loan/deferred loan/grant: Grant
  - 2. Interest Rate: N/A
  - 3. Years in loan term: N/A
  - 4. Forgiveness: N/A
  - 5. Repayment: N/A
  - 6. Default: N/A
- e. Recipient/Tenant Selection Criteria:
  - 1. Priority will be given to eligible applicants on wait lists for services through the county's Senior Services Division.
  - 2. Applicant must be the primary homeowner
  - 3. The property taxes must be current
  - 4. The home must be the applicant homeowner's primary residence as evidenced by a homestead exemption
- f. Sponsor Selection Criteria: N/A

<b>E. Small Project Rental Development</b>	<b>Code 14, 21</b>
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Summary of Strategy: This strategy is designed to assist eligible nonprofit sponsor organizations with producing or preserving affordable rental housing in Flagler County, FL. This strategy will help with new construction or rehabilitation of affordable rental units for developments of 30 or fewer units.

- a. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- b. Income Categories to be served: Very low, low
- c. Maximum award: \$82,500 per unit; Total development: \$330,000
- d. Terms:
  - 1. Repayment loan/deferred loan/grant: This is a deferred loan secured by a mortgage and note.
  - 2. Interest Rate: 0%



3. Years in loan term: 30
  4. Forgiveness: The deferred loan will be forgiven at the end of the affordability period.
  5. Repayment: None as long as the loan is in good standing
  6. Default: A default will be determined as:
    - i. Sale, transfer, or conveyance of property; conversion to another use.
    - ii. The mortgagee is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the property.
    - iii. The SHIP-assisted units are leased or rented to persons other than eligible tenants.
    - iv. The SHIP-assistance units are leased for rental rates that exceed the maximum allowable rates.
      - a. If any of the above defaults occur, the outstanding balance will be due and payable. Any payoff funds due to the County must be repaid within 180 days of the date of default.
      - b. If any project assisted under this strategy is offered for sale before completion of the affordability period, eligible nonprofit housing provider organizations must have a first right of refusal to purchase at the current market value for continued rental and occupancy by eligible households.
      - c. If the property is foreclosed on by a superior mortgage holder, the County will attempt to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.
- e. Recipient Selection Criteria: Tenants must be selected on a first-qualified, first-served basis.
- f. Sponsor Selection Criteria:
1. Priority will be given to sponsors with financing through Florida Housing Finance Corporation and whose developments serve special needs households as defined in s. 420.0004(13), F.S.:
    - i. Adults with disabling conditions requiring independent living services to maintain housing or develop independent living skills.
    - ii. Young adults formerly in foster care eligible for services under s. 409.1451(5), F.S.
    - iii. Survivors of domestic violence as defined in s. 741.28, F.S.
    - iv. Persons receiving benefits under Social Security Disability Insurance or Supplemental Security Income Program, or Veterans Disability benefits.
  2. Sponsors will be selected through a publicly advertised competitive application process posted through the county's vendor portal. Sponsor selection outside of the advertised competitive application may be encumbered by the local government at their discretion when funding is being requested as a match for Florida Housing Finance Corporation or Federal competitive cycles. Eligible sponsors will, at minimum, meet the following criteria:
    - i. Eligible sponsors will be a non-profit community-based organization having obtained official



designation as a 501(C)(3) and in operation for more than 12 months.

- ii. Eligible sponsors will have or be partnered with an entity with an established record of construction and/or rehabilitation of affordable housing.
- iii. Eligible sponsors will be required to provide substantial evidence of its ability to construct or otherwise deliver a completed project occupied by eligible tenants within the stated expenditure deadline.
- ii. The non-profit must provide evidence of financial sustainability for the 30-year term by means of pro-forma and other financial plans.
- iii. All funding awards will be subject to closing on other funding sources.

g. Additional Information:

- 1. Units must be rented to income-eligible tenants within 24 months of signing a development agreement with Flagler County Board of County Commissioners.
- 2. Maximum per-unit and per-project awards are contingent upon availability of funding and may be less than the maximum amounts, but they will not exceed the amounts listed in this strategy.
- 3. Eligible sponsors must pay the recording fees.

Flagler County must monitor each funded unit or may rely on a another government entity or Florida Housing Finance Corporation’s monitoring for the 30-year term as delineated under Florida Administrative Code 67-37.007(15)

<b>E. Disaster Assistance</b>	Code 5, 16
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Summary of Strategy: Funds will be provided to eligible Flagler County residents to assist with short-term rental or mortgage payments, insurance deductibles, or home repairs due to a disaster declared by the President or Governor. Additionally, utility payments may be covered as part of the rental or mortgage assistance.

- a. Fiscal Years Covered: 2022-2023, 2023-2024, 2024-2025
- b. Income Categories to be served: Very low, low, and moderate
- c. Maximum award: Repair: \$10,000  
Deductible: \$5,000  
Rental Assistance: \$10,000  
Mortgage Assistance: \$10,000
- d. Terms:
  - 2. Repayment loan/deferred loan/grant: Grant
  - 3. Interest Rate: N/A
  - 4. Years in loan term: N/A
  - 5. Forgiveness: N/A
  - 6. Repayment: N/A
  - 7. Default: N/A
- e. Recipient/Tenant Selection Criteria:



1. Applicants must file for and use proceeds from insurance as first option if applicable.
2. Applicants must document that this assistance is not duplicated with any other form of assistance.
3. Applicants must provide proof of loss of employment or income resulting from a declared disaster for each month the applicant is requesting rental or mortgage assistance.

f. Sponsor Selection Criteria: N/A

g. Additional Information: Funds for disaster assistance will only be allocated from unencumbered funds or additional funds awarded through Florida Housing Finance Corporation for the disaster.  
Manufactured/mobile homes must be built after 2007 and be properly installed on the owner's property.

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### III. LHAP Incentive Strategies

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

#### Flagler County Incentives

**A. Expedited Permitting:**

**The processing of approvals of development orders or permits for affordable housing projects is expedited to a greater degree than other projects, as provided in s.163.3177(6)(f)(3).**

In Flagler County, permits for affordable housing projects are expedited to a greater degree than other projects by standard custom and practice. Permits for affordable housing projects are reviewed within ten days.

County staff is considering the development of initial forms allowing the self-identification of affordable housing projects.

**B. Ongoing Review Process:**

**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.**

In Flagler County, ongoing review is accomplished through the staff report for Board consideration and action which accompanies each proposed action item. All policies impacting housing affordability are reviewed by the county's Planning and Development Board as well as the Affordable Housing Advisory committee.

Staff is considering the implementation of a housing impact statement form to be used for policies impacting housing affordability.

**C. OTHER INCENTIVE STRATEGIES ADOPTED:**

- **Allowance of Fee Waivers for Affordable Housing**

Flagler County presently has an exemption from the educational facilities impact fee for units housing Very Low to Low Income Households. The exemption is secured via a 10-year lien.

Any residential construction that qualifies as Affordable Housing and meets the requirements of Section 16-79 of the Flagler County Code of Ordinances may be exempted from impact fee payment. (Ord. No. 2021-05, § 2, 6-21-21)

Staff plans to review possible fund sources as well as the feasibility of a Housing Trust Fund which could be used to mitigate these fees for the development of housing identified as affordable, and staff will provide findings to the Affordable Housing Advisory Committee prior to the development of their annual report.



- **The Allowance of Flexibility in Densities for Affordable Housing.**

Currently, Housing Element Policy C.1.1.2 and the Article III, Section 3.03.09.02 Flagler County Land Development Code (LDC) provide affordable housing projects up to an estimated 11% density bonus over the maximum density established by the underlying land use designation.

The inclusion in the LDC of cluster housing provides an additional tool, through an accompanying Planned Unit Development (PUD) zoning or Planned Affordable Development (PAD) zoning designation, to accomplish higher densities and preserve open space than would otherwise be accomplished through a standard zoning category within the LDC.

Staff plans to review density options and will provide the findings to the Affordable Housing Advisory Committee prior the annual report deadline.

- **The allowance of affordable accessory residential units in residential zoning districts.**

Flagler County plans to review allowances of affordable accessory residential units pursuant to Section 163.3177(1), Florida Statutes, for extremely-low-income, very-low income, low income, or moderate-income persons as (as defined in Section, 420.0004, Florida Statutes) in residential zoning districts in upcoming revisions of the Flagler County Land Development Code.

- **PAD – Planned Affordable Development.**

Flagler County adopted the Planned Affordable Development (PAD) zoning district to provide an opportunity for innovative affordable housing solutions for first time homeowners and workforce housing while providing improved use of land, protection of valuable natural features in the community, desirable land use mix, and more economical public services.

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

The PUD rezoning and site plan process provides an avenue for reduced setbacks and/or mixed use approval by the Board of County Commissioners.

The PAD (Planned Affordable Development) district is reviewed, and approval of a PAD development follows the procedures and submittal requirements as a planned unit development with regulatory incentives permissible by the county commission through waivers or modifications of the regulatory provisions.

- **Preparation of a Printed Inventory of Locally Owned Public Lands.**

Flagler County prepares a list of surplus lands suitable for housing in accordance with 125.379 F.S.

Flagler County Housing Division updates the list annually on its website a [www.flaglercounty.gov/ship](http://www.flaglercounty.gov/ship).

- **The adoption of land development regulations promoting the provision of affordable housing.**





The Planned Affordable Development (PAD) zoning district provides incentives in the form of financial or regulatory modifications. Regulatory incentives are provided by the county commission in the form of waivers or modifications to regulatory provisions pertaining to land development regulations, provided such waivers and modifications are not in conflict with Florida Law. Examples of such waivers or modifications are density, setbacks, lot coverage, accessory structures, landscape requirements and minimum living area.

Staff will research possibilities of a workforce overlay district and will provide an update to the Affordable Housing Advisory Committee on that possibility before the close of 2023.

- **Affordable Housing Initiatives Plan**

Flagler County plans to work with the other municipalities in determining an actionable roadmap to incentivize affordably priced housing through an inter-municipal housing retreat. The goal is to assess the current and anticipated gaps in housing options for the current and expected population. The plan is to identify innovative solutions to resolve those gaps within the unique local context of Flagler County and its incorporated municipalities. The county will work with the Florida Housing Coalition to initiate this retreat in 2023.

## City of Palm Coast Incentives

### A. Expedited Permitting

**The processing of approvals of development orders or permits for affordable housing projects is expedited to a greater degree than other projects, as provided in s.163.3177(6)(f)(3).**

Development Orders and Permits for affordable housing projects will be expedited to a greater degree than other projects by standard custom and practice.

The City currently completes building permit reviews for residential uses within a 5-7 day time frame, and it will be the City's objective to review permits for affordable housing within 5 days.

Along with any other projects in the City, affordable housing projects have the opportunity to be expedited through the City's TRX process (Technical Review Extreme). This is a pro bono process that allows a developer City staff from various development review disciplines such as utilities, stormwater, planning, building. The TRX review team provides comments on the development proposal which allows the developer to make corrections and adjustments before formally submitting their development plans.

The TRX process allows a developer to save time and money by consolidating the review process. A project manager of the City is the main contact for a developer rather than having to coordinate with each of the various departments, additionally, rather than having to pay an application or submittal fee each time a plan is submitted. A developer may address all if not most of staff's concerns on a proposed development prior to formal submittal. Additionally, this expedites the review time after formal submittal.



**B. Ongoing Review Process**

**An ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption.**

Before 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.

As part of the staff report provided to City Council during the adoption review process for ordinances, an analysis is provided for benefit of the City Council and the public. This analysis is reviewed and included as part of the record, during a formal City Council public hearing process that results in consideration of all impacts of a proposed ordinance.

To assure that impacts of ordinances and legislation on affordable housing are comprehensively reviewed, the city will consider, as appropriate, Comprehensive Plan policies to require consultation review of ordinances with appropriate advisory boards such as the Citizens Advisory Task Force and/or Planning and Land Development Regulation Board.

**C. OTHER INCENTIVE STRATEGIES ADOPTED:**

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

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 resulting in a 10-year lien for units housing very low to low income residents.

At the recommendation of the Affordable Housing Advisory Committee, City staff plans to review possible fund sources to be used to replace fees for affordable housing. Staff will present the findings to the committee prior to the committee's completion of the annual report.

- **The allowance of flexibility in densities for affordable housing.**

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.

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.

City staff will explore the potential for a Planned Affordable Development ordinance consistent with the county's at the recommendation of the Affordable housing Advisory Committee and will



present findings to the committee prior to the deadline of the committee's annual report.

- **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.

- **The allowance of affordable accessory residential units in residential zoning districts.**

The City of Palm Coast Unified Land Development Code (ULDC) permits accessory structures without a full kitchen in a residential zoning district. Accessory structures shall not be located in public drainage or utility easements or within the required building setbacks. In addition, accessory structures, other than fences, walls, arbors, trellises, pergolas, and detached garages or as otherwise specified in the Code, shall be located behind the front and side street building facades of the principal structure. The ULDC does not permit the construction of accessory residential units (which includes a full kitchen facility) in any residential zoning district.

- **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. 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.

- **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.

- **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.

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

The City of Palm Coast prepares a list of surplus lands suitable for housing in accordance with s. 125.379 F.S.

Staff is pursuing the option of publishing the list on the City website at the recommendation of the Affordable Housing Advisory Committee.

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

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.



**IV. EXHIBITS:**

Required

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

Optional

- F. Interlocal Agreement
- G. Community Land Trust Policy
- H. Subordination Policy

**(Local Government name)**

Fiscal Year: 2022-2023	
Estimated SHIP Funds for Fiscal Year:	\$ 1,156,274.00
Salaries and Benefits	\$1,000
Office Supplies and Equipment	\$ 2,500.00
Travel Per diem Workshops, etc.	\$ 2,000.00
Advertising	\$ 1,000.00
Other*	\$ 11,600.00
<b>Total</b>	<b>\$ 18,100.00</b>
Admin %	1.57%
	<b>OK</b>

Fiscal Year 2023-2024	
Estimated SHIP Funds for Fiscal Year:	\$ 1,438,115.00
Salaries and Benefits	\$ 74,975.00
Office Supplies and Equipment	\$ 11,965.00
Travel Per diem Workshops, etc.	\$ 1,000.00
Advertising	\$ 1,000.00
Other*	\$ 54,421.00
<b>Total</b>	<b>\$ 143,361.00</b>
Admin %	9.97%
	<b>OK</b>

Fiscal Year 2025-2026	
Estimated SHIP Funds for Fiscal Year:	\$ 1,438,115.00
Salaries and Benefits	\$ 74,975.00
Office Supplies and Equipment	\$ 11,965.00
Travel Per diem Workshops, etc.	\$ 2,250.00
Advertising	\$ 20.00
Other*	\$ 54,421.00
<b>Total</b>	<b>\$ 143,631.00</b>
Admin %	9.99%
	<b>OK</b>

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

Details: \*Other contracted services to include credit card processing fee for lien recordings, inspections for walk-aways, and anticipated housing counseling to provide pre-screening and intake for purchase assistance, and bank analysis fees. Possible salary tranfer.

2024

**Exhibit B  
Timeline for SHIP Expenditures**

Flagler County Board of County Commissioners affirms that funds allocated for these fiscal years will meet the following deadlines:

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

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

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

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

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

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

**Other Key Deadlines:**

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

**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
**2022-2023**

<b>Name of Local Government:</b>		<b>Flagler County Board of County Commissioners/ City of Palm Coast</b>										
<b>Estimated Funds (Anticipated allocation only):</b>			<b>\$ 1,156,274</b>									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
3	Owner Occupied Rehab	Yes	4	\$80,000	3	\$80,000			\$560,000.00	\$0.00	\$560,000.00	7
3	Roof Replacement	Yes	7	\$25,000	5	\$25,000			\$300,000.00	\$0.00	\$300,000.00	12
3	Senior Home Modification	Yes	2	\$10,000	2	\$10,000			\$40,000.00	\$0.00	\$40,000.00	4
1,2	Purchase Assistance With or Without Rehab	Yes	1	\$49,950	3	\$39,950	1	\$49,950	\$219,750.00	\$0.00	\$219,750.00	5
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Homeownership</b>		14		13		1		\$1,119,750.00	\$0.00	\$1,119,750.00	28
<b>Purchase Price Limits:</b>			<b>New</b>	\$ 481,176	<b>Existing</b>	\$ 481,176						

OK OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Rental</b>		0		0		0		\$0.00	\$0.00	\$0.00	0
	<b>Administration Fees</b>			\$ 7,100		1%		OK				
	<b>Home Ownership Counseling</b>			\$ 11,000								
<b>Total All Funds</b>				\$ 1,137,850		OK						

**Set-Asides**

Percentage Construction/Rehab (75% requirement)		96.8%	OK
Homeownership % (65% requirement)		96.8%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 564,950	48.9%	OK
Low Income (30% requirement)	\$ 504,850	43.7%	OK
Moderate Income	\$ 49,950	4.3%	



FLORIDA HOUSING FINANCE CORPORATION												
HOUSING DELIVERY GOALS CHART												
2023-2024												
Name of Local Government:			Flagler County Board of County Commissioners / City of Palm Coast									
Estimated Funds (Anticipated allocation only):			\$ 1,438,115									
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
3	Owner Occupied Rehab	Yes	4	\$80,000	3	\$80,000			\$560,000.00	\$0.00	\$560,000.00	7
3	Roof Replacement	Yes	5	\$25,000	3	\$25,000			\$200,000.00	\$0.00	\$200,000.00	8
3	Senior Home Modification	Yes	2	\$10,000	1	\$10,000			\$30,000.00	\$0.00	\$30,000.00	3
1,2	Purchase Assistance With or Without Rehab	Yes	1	\$79,950	1	\$69,950			\$149,900.00	\$0.00	\$149,900.00	2
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Homeownership</b>		12		8		0		\$939,900.00	\$0.00	\$939,900.00	20
Purchase Price Limits:			New	\$ 481,176	Existing	\$ 481,176						

OK OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
14,21	Small Project Rental Development	Yes	2	\$82,500	2	\$82,500			\$330,000.00	\$0.00	\$330,000.00	4
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Rental</b>		2		2		0		\$330,000.00	\$0.00	\$330,000.00	4
	Administration Fees			\$ 143,361		10%		OK				
	Home Ownership Counseling			\$ -								
<b>Total All Funds</b>				\$ 1,413,261		OK						

Set-Asides

Percentage Construction/Rehab (75% requirement)		88.3%	OK
Homeownership % (65% requirement)		65.4%	OK
Rental Restriction (25%)		22.9%	OK
Very-Low Income (30% requirement)	\$ 709,950	49.4%	OK
Low Income (30% requirement)	\$ 394,950	27.5%	OK
Moderate Income	\$ -	0.0%	

**FLORIDA HOUSING FINANCE CORPORATION**  
**HOUSING DELIVERY GOALS CHART**  
**2024-2025**

\ **Flagler County Board of County Commissioners / City of Palm Coast**

Estimated Funds (Anticipated allocation only):		\$ 1,438,115										
Code	Strategies	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
	Homeownership											
3	Owner Occupied Rehab	Yes	4	\$80,000	3	\$80,000			\$560,000.00	\$0.00	\$560,000.00	7
3	Roof Replacement	Yes	10	\$25,000	4	\$25,000			\$350,000.00	\$0.00	\$350,000.00	14
3	Senior Home Modification	Yes	1	\$10,000	1	\$10,000			\$20,000.00	\$0.00	\$20,000.00	2
1,2	Purchase Assistance With or Without Rehab	Yes	1	\$79,950	3	\$69,950	1	\$49,950	\$339,750.00	\$0.00	\$339,750.00	5
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Homeownership</b>		16		11		1		\$1,269,750.00	\$0.00	\$1,269,750.00	28
<b>Purchase Price Limits:</b>			<b>New</b>	\$ 481,176	<b>Existing</b>	\$ 481,176						

OK OK

Code	Rental	Qualifies for 75% set-aside	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	Mod Units	Max. SHIP Award	New Construction	Without Construction	Total	Units
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
									\$0.00	\$0.00	\$0.00	0
	<b>Total Rental</b>		0		0		0		\$0.00	\$0.00	\$0.00	0
	<b>Administration Fees</b>			\$ 143,811		10%		OK				
	<b>Home Ownership Counseling</b>			\$ 18,000								
<b>Total All Funds</b>				\$ 1,431,561		OK						

**Set-Asides**

Percentage Construction/Rehab (75% requirement)		88.3%	OK
Homeownership % (65% requirement)		88.3%	OK
Rental Restriction (25%)		0.0%	OK
Very-Low Income (30% requirement)	\$ 659,950	45.9%	OK
Low Income (30% requirement)	\$ 559,850	38.9%	OK
Moderate Income	\$ 49,950	3.5%	





RESOLUTION 2024- 12

**A RESOLUTION OF THE FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS APPROVING AN AMENDMENT TO THE LOCAL HOUSING ASSISTANCE PLAN AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SECTIONS 420.907 THROUGH 420.9079, FLORIDA STATUTES, AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE CHAIR TO EXECUTE ANY NECESSARY DOCUMENTS AND CERTIFICATIONS NEEDED BY THE STATE; AUTHORIZING THE SUBMISSION OF THE AMENDMENT TO THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.**

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

**WHEREAS**, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes, and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one- to three-year Local Housing Assistance Plan outlining how funds will be used; and

**WHEREAS**, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

**WHEREAS**, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; The methodology and purchase prices used are defined in the attached Local Housing Assistance Plan; and

**WHEREAS**, as required by s. 420.9075, F.S., it is found 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 s. 120.52(19), F.S., and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.

**WHEREAS**, on June 6<sup>th</sup>, 2022, the Flagler County Board of County Commissioners approved its three-year Local Housing Assistance Plan for fiscal years 2022-2023, 2023-2024, 2024-2025, which was also approved by the Florida Housing Finance Corporation; and

**WHEREAS**, the Flagler County Board of County Commissioners finds that a new funding strategy to support rental development projects is necessary to meet the housing needs of the very low, low income households in Flagler County, and desires to amend its Local Housing Assistance Plan to include this funding strategy for submission to the Florida Housing Finance Corporation in accordance with the SHIP Act; and

**WHEREAS**, the Flagler County Board of County Commissioners finds that it is in the best interest of the public for the Flagler County Housing Services Division to submit the amendment to the Local Housing Assistance Plan for review and approval so as to qualify for said documentary stamp tax funds; and

**NOW THEREFORE**, be it resolved by the Flagler County Board of County Commissioners that:

**Section 1:** The Flagler County Board of County Commissioners hereby approves the amendment to the Local Housing Assistance Plan, as attached and incorporated hereto for submission to the Florida Housing Finance Corporation as required by ss. 420.907-420-9079, Florida Statutes, for fiscal years 2022-2023, 2023-2024, 2024-2025.

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

**Section 3:** This resolution shall take effect immediately upon its adoption.

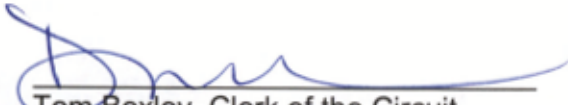
PASSED AND ADOPTED this 5<sup>th</sup> day of February, 2024.

BOARD OF COUNTY COMMISSIONERS  
FLAGLER COUNTY, FLORIDA

BY:   
Andrew S. Dance, Chair



ATTEST:

  
Tom Bexley, Clerk of the Circuit  
Court and Comptroller

APPROVED AS TO FORM:

Ronda L. Moore Digitally signed by Ronda L. Moore  
Date: 2024.02.24 10:51:08 -0500

\_\_\_\_\_  
Ronda L. Moore,  
Assistant County Attorney

**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.

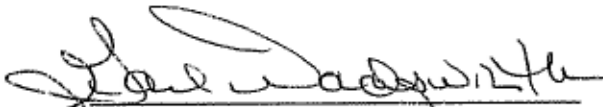
**18. Filing of Interlocal Agreement.** Pursuant to the provisions of Section 163.01 (11), Florida Statute, this Interlocal Agreement shall be filed with the Clerk of the Circuit Court in and for Flagler County, Florida.

**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.

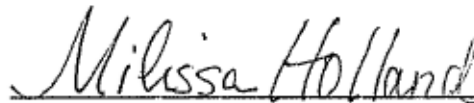
**IN WITNESS WHEREOF**, the Parties have made and executed this Agreement on the respective dates under each signature.

ATTEST:

BOARD OF COUNTY COMMISSIONERS,  
OF FLAGLER COUNTY, FLORIDA



Gail Wadsworth, Clerk and  
Ex Officio Clerk of the Board



Milissa Holland, Chair


Date: APRIL 6, 2009

Approved as to form:

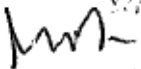


Albert J Hadeed, County Attorney


ATTEST:

  
Clare Hoeni, City Clerk

Approved as to form:

  
William E. Reischmann, Jr., City Attorney

CITY OF PALM COAST, FLORIDA

  
Jon Netts, Mayor  
Date: 4/7/09

**EXHIBIT G**  
**Additional Instructions & Information for Down Payment Assistance**  
**for Community Land Trust Purchases**

To qualify, homes must be purchased from a County-approved Community Land Trust (CLT). The CLT will execute a 99-year ground lease with the homebuyer. A memorandum of that ground lease is recorded in the public records immediately following the deed. The terms of the ground lease restrict the resale of the property to an income eligible household and provide a right of repurchase to the CLT in the event of default. The CLT must approve the subsequent homebuyer.

In the event of a default, the CLT must notify Flagler County whether it intends to exercise its right of repurchase. In the event the CLT is not willing or able to exercise its right of repurchase, it shall transfer its right of repurchase to Flagler County, giving the County the right, but not the obligation to purchase the property.

The assistance shall be treated as a development cost pay-down to further reduce the sales price to the homebuyer. The assistance amount shall be excluded from the Base Price and Formula Price as defined in the ground lease. The balance of the assistance must be included in the Purchase Option Price as defined in the ground lease to repay the funds to Flagler County in the event of default. If the maximum subsidy was not provided to the first homebuyer, Flagler County may provide additional assistance to the subsequent buyer to ensure that the property remains affordable, up to the amount of the maximum subsidy allowable at the time of subsequent purchase minus the original subsidy amount provided to the first homebuyer.

Any additional SHIP investment will extend the original loan term. At the end of the loan term, the loan will be forgiven and the lien released. However, the CLT ground lease will remain in effect and the requirements for residency, resale price, and subsequent buyer's income eligibility will continue. The CLT may request satisfaction of a loan and release of the lien during the term of the loan on behalf of a homeowner or seller, and under certain defined circumstances, with approval granted by the County on a case-by-case basis.

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

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

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

Purchase Price:	\$185,000
MINUS Assistance Provided (maximum):	<u>- \$55,000</u>
EQUALS Base Price (sales price) for first buyer:	<b>\$130,000</b>

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

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

Formula Price= Base Price x Compound Rate Calculated as follows:

Year 1 = \$130,100 x 1.01 = \$131,300

Year 2 = \$131,300 x 1.01 = \$132,613

Year 3 = \$131,613 x 1.01 = \$133,939

Year 4 = \$133,939 x 1.01 = \$135,379

Year 5 = \$135,379 x 1.01 = \$136,631

Formula Price= \$136,631

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

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

Purchase Option Price: \$191,631

DPA assumed: \$55,000

Sales price for subsequent buyer: **\$136,631** (New Base Price for Formula Price)

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

At the end of the loan term, the value of the Purchase Option Price will be equal to the Formula Price.



## Exhibit H

### **SUBORDINATION POLICY**

1. Flagler County will subordinate SHIP loans to lending institutions.
2. Requests for subordination must be in writing from the lending institution and submitted to:  
  
Housing Services Program Manager, Flagler County Board of County Commissioners, 1000 Belle Terre Blvd, Palm Coast, FL 32164
3. Requests for subordination contain the following documents:
  - Proof of licensure to do business in the State of Florida.
  - Authorization for Release of Information signed by the homeowner (signatures will be verified).
  - A Good Faith Estimate.
  - Complete terms and conditions of the new loan.
  - Terms and conditions of the original loan
  - Whether the taxes and insurance payments are included in the new loan or whether the homeowner will be responsible for them.
  - Whether or not any of the homeowner's equity will be used to pay bills to consolidate debts.
  - What the applicant's current monthly mortgage (PITI) is and what it will be after the refinance.
  - What the total closing fees will be to refinance and length of time required to pay closing costs

\*Requesters will need to provide documentation of the original loan terms to ensure compliance with this subordination policy.

Note: Consideration will not be given to any request for waiver of the subordination policy without this information. Additional information may be required.

1. The County will only agree to subordinate if the following conditions are met:
  - The new interest rate is at least one percent (1%) lower than the original interest rate
  - The new loan is a fixed rate loan
  - The new monthly payment including principal, interest, taxes and insurance (PITI) is lower than the original monthly payment or the loan term has been reduced by five or more years
  - The Loan to Value ratio is or under 80%
  - Closing costs and/or fees can be recovered within 4 years
2. After approval by the Housing Division, The County Attorney's office must review the request and prepare the subordination document. The Chair of the Board of County Commissioners must sign the document, and completion of the signing is subject to the scheduled Board of County Commissioners meetings.
3. The lending institution is responsible for recording the subordination document within 45 days of receipt.