

FLAGLER COUNTY

SHIP LOCAL HOUSING ASSISTANCE PLAN (LHAP)

FISCAL YEARS COVERED

2007-2008

2008-2009

2009-2010

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January 2007

FLAGLER COUNTY SHIP PROGRAM
FOR FISCAL YEARS
2007-2008; 2008-2009; 2009-2010

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I. PROGRAM DESCRIPTION Chapter 67-37.005 F.A.C. and Section 420.9072, F.S.

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

FLAGLER COUNTY

Interlocal : Yes _____ No X_____

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

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

B. Purpose of the program: Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C.

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. Program services are intended to be available on a county wide basis.

Incomes and Essential Personnel are defined as follows:

Very low income is defined as a person or household 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, and essential services personnel that include 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.

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 this strategy will be used for income eligible families. SHIP funds cannot be used to assist mobile homes or manufactured housing. However, manufactured buildings with the Department of Community Affairs insignia are permitted (Chapter 553, F.S.).

C. Fiscal years covered by the Plan: *Chapter 67-37.002, F.A.C.*

2007/2008
2008/2009
2009/2010

D. Governance: *Chapter 67-37.005(3)and(5)(i)F.A.C. and Section 420.9071(14)F.S.*

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 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 applicable statute and rules: Chapter 67-37 F.A.C. and Section 420.907-9079 F.S.

E. Local Housing Partnership *Section 420.9072(1)(a), F.S.*

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.

1. The Flagler County Housing Partnership (Flagler County Housing Task Force Advisory Committee) evolved over a two year period. In 1991, the Flagler County Board of County Commissioners appointed a "Housing Task Force" (H.T.F) as required by the County's Comprehensive Plan. In 1992, the County was successful in receiving its first Community Development Block Grant to rehabilitate housing. As part of the implementation of the grant, the membership of the committee was broadened to include representatives from low and moderate income neighborhoods. Finally, in April 1993, the Local Housing Partnership was appointed and the membership was broadened to bring in other participants in the housing process.

Membership includes a housing builder/developer representative, a banker, a homebuilding labor representative, representatives of the low-income to moderate income group, a provider of affordable housing, a real estate professional, a representative of a civic group, a representative from the community-based housing and service industry and an alternate member from the City of Palm Coast and three at-large members. The County and the City of Palm Coast included a representative of the City as an alternate H.T.F. member so that Flagler County's largest municipality would have active participation in housing activities. It is anticipated that responsibilities of the Partnership will continue to grow as the housing program develops.

F. Leveraging: *Chapter 67-37.007(1)(b)(c), F.A.C. and Section 420.9075(1)(a) and (1)(b3, and (1)(c), F.S.*

The Plans are 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:** *Chapter 67-37.005(3), F.A.C.*
 The Flagler County Housing Task Force Advisory Committee reviewed this plan at its regularly scheduled monthly meeting on February 13, 2007, which was open to the public. Its recommendation for approval was then forwarded to the Flagler County Board of County Commissioners, which adopted this plan at their regular meeting on March 19th, 2007.
- H. Advertising and Outreach** *Chapter 67-37.005(6)(a), F.A.C.*
 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 fund availability at the County offices by maintaining a supply of flyers that explain the assistance available to families of qualifying income levels.
- I. Discrimination:** *Section 420.9075(3)(c), F.S.*
 In accordance with the provisions of F.S.760.20-760.37, 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. Said anti-discrimination provisions shall be included in every SHIP related agreement.
- J. Support Services and Counseling:** *Chapter 67-37.005(5)(g), F.A.C.*
 In order to make home ownership a successful experience, it will be necessary to provide support services for the residents. Flagler County will enter into a partnership with a qualified agency to assist SHIP staff in providing the following services:
1. Financial Assistance Program - This will involve identifying eligible families desirous of home ownership and assisting these families to pre-qualify for mortgage financing from the various financial institutions as well as referring families for mortgage financing.
 The partner shall review budgets, credit history and prepare a plan for maintenance, improvement or repair. They will provide advice on how to plan for home ownership.
 2. Analysis of Benefits of Homeownership - The partner will also assist families by providing an analysis of the benefits of home ownership versus renting. Home ownership is not necessarily the best solution for all households.
 3. Home Ownership Education - The partner will assist in preparing families for contract, financing, maintenance and home ownership responsibilities. The partnership will assist in the preparation of a family budget and family plan.

4. Provide Educational Workshops – The partner will provide educational workshops which cover topics including, but not limited to family budgeting, home purchasing process, homeowner maintenance responsibilities, contracting repairs, and similar types of activities.
5. Continuous Outreach - The partner will also assist in providing continuous outreach for homeowners of units in need of being built or rehabilitated.

K. Purchase Price Limits: Section 420.9075(4)(c), F.S. and Chapter 67-37.007(6)F.A.C.
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 full 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. Maximum purchase price for a new and existing home is \$189,682.

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.

L. Income Limits, Rent Limits and Affordability:
Chapter 67-37.005(5)(e), F.A.C. and Section 420.9071(2), F.S.
 The income and rent limits used in the SHIP Program are updated annually from the the Department of Housing and Urban Development and distributed by 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 (19), (20) and (28), F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Wages to Work: *Chapter 67-37.005(6)(b)(7)F.A.C.*
 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: *Section 420.9075(3)(e) and (4) (f), F.S.*

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, the county 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.

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. Eligibility:

1. SHIP recipients having an open SHIP lien against their home will not be eligible to apply for additional assistance in the same category.
2. SHIP applicants shall not be eligible to reapply for SHIP assistance in the same category if funds were previously awarded to the applicant.
3. SHIP recipients may not receive financial assistance more than twice for the same property.
4. 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.

P. Administrative Budget: *Chapter 67-37.005(6)(f)3, F.A.C..*

A detailed listing including 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.

Flagler County finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. In accordance with Chapter 67-37, Florida Administrative Code, the cost of administering the plan shall be in accordance with SHIP rules.

SHIP Rules Provide:

“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. 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 F.S. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.”

Flagler County has adopted the above findings in the attached resolution, Exhibit E.

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

Provide Description:

A. Name of the Strategy: Downpayment/Closing Cost Assistance:

- a. Summary of the Strategy: Provide first time homebuyers with downpayment/closing cost assistance, construction subsidy, (including County impact fees and private utility impact fees), mortgage amount reduction, mortgage interest rate subsidies, and/or direct mortgage loans for very low, low income families and/or essential services personnel to allow the purchase of existing, newly constructed or newly rehabilitated affordable housing in accordance with the provisions of Section 420 Florida Statutes. 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.
- b. Fiscal Years Covered: For Fiscal Years 2007-2008, 2008-2009, 2009-2010 the County has determined that SHIP funds will be allocated to the Downpayment/Closing Cost Assistance Strategy.
- c. Income Categories to be served: The funds will be utilized for downpayment/closing cost assistance restricted to home buyers choosing homes which have been constructed or rehabilitated within twelve (12) months prior to or twelve (12) months after the date of execution of the contract for sale and purchase. Rehabilitation is defined as the repairs or improvements which are needed for safe or sanitary habitation, correction of substantial code violations or the creation of additional living space. No households with incomes exceeding the essential services personnel income limits are eligible to participate. Priority will be given to very-low and low income qualified applicants when necessary in order to meet the SHIP percentage requirements.
- 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). SHIP funds provided to owner occupants shall

be subject to subsidy recapture provisions which will be defined as a soft second mortgage with zero percent (0%) interest for thirty (30) years with three and one third percent (3.33%) reduction for each year of ownership. Should the property be sold during the life of the second mortgage or a refinance of first mortgage to use equity in home, the balance is due from the date of refinance or sale and twenty-five percent (25%) of any net profit earned at time of sale. The SHIP amount may be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

The house will be inspected annually to ensure that reasonable care is exercised in maintaining the unit. Reasonable means the homeowner uses prescribed preventative maintenance measures to ensure the home's longevity and is not abusive or neglectful. At the time of inspection homeowners must provide documentation that proves the property taxes and hazard insurance are current. If upon inspection, the homeowner has failed to maintain the house they have ninety (90) days to correct before a re-inspection. At that point, if still not corrected, the homeowner will be considered in default of the mortgage terms.

Should the homeowner become deceased during the term of the mortgage, this recapture reduction shall be tolled upon the death of the homeowner until the property is probated, deeded or otherwise transferred to an individual including an heir related by blood or marriage to the homeowner who qualifies for assistance under the SHIP Housing Assistance Program, and makes successful application for SHIP assistance to assume the mortgage if they qualify to do so under SHIP guidelines. If there is no such person, the amount must be recaptured either through sale or refinance of the said 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 Rural Housing Service (USDA) or similar government programs. Pre-qualified applicants will be taken and processed on a first ready, first served basis. The county staff will be responsible for maintaining an inventory of contacts and housing programs to inform the public about their availability.

- g. Sponsor Selection Criteria: The county staff will be responsible for supporting the Housing Partnership for ongoing activities associated with the SHIP program and for receiving training related to the ongoing progress of the SHIP program. 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
2 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)

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

- h. Additional Information: All program income generated by loan repayments, reimbursements, interest earnings or related payments shall be deposited into a local assistance trust fund and shall be expended in support of SHIP eligible activities.

A gift, whether it be land, cash or other, or a combination thereof, can be no more than ten percent (10%) of the total package. Total package is defined as house, lot/parcel, sewer/water, impact fees, labor and materials.

B. Name of the Strategy: Replacement Housing

- a. Summary of the Strategy: Provide SHIP Assistance for Replacement candidates. SHIP funds used for this purpose shall be allocated only for activities that are dually eligible under Section 420 of the Florida Statutes. If costs for rehabilitation of these units exceed the maximum limit of \$35,000 or the property has hidden damage that was identified during a residential inspection by a licensed inspector, then the property will not qualify for rehabilitation and should be replaced.
- b. Fiscal Years Covered: For Fiscal Years 2007-2008, 2008-2009, and 2009-2010 the County has determined that SHIP funds will be allocated to the Replacement Housing Strategy.
- c. Income Categories to be served: The funds will be used in the construction of replacement housing for very-low and low-income families.

- 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). SHIP funds provided to owner occupants shall be subject to subsidy recapture provisions which will be defined as a soft second mortgage with zero percent (0%) interest for thirty (30) years with three and one third percent (3.33%) reduction for each year of ownership. Should the property be sold during the life of the second mortgage or a refinance of first mortgage to use equity in home, the balance is due from the date of refinance or sale and twenty-five percent of any net profit earned at time of sale. The SHIP amount may be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

The house will be inspected annually to ensure that reasonable care is exercised in maintaining the unit. Reasonable means the homeowner uses prescribed preventative maintenance measures to ensure the home's longevity and is not abusive or neglectful. At the time of inspection homeowners must provide documentation that proves the property taxes and hazard insurance are current. If upon inspection, the home owner has failed to maintain the house they have ninety (90) days to correct before a re-inspection. At that point, if still not corrected, the homeowner will be considered in default of the mortgage terms.

Should the homeowner become deceased during the term of the mortgage, this recapture reduction shall be tolled upon the death of the homeowner until the property is probated, deeded or otherwise transferred to an individual including an heir related by blood or marriage to the homeowner who qualifies for assistance under the SHIP Housing Assistance Program, and makes successful application for SHIP assistance to assume the mortgage if they qualify to do so under SHIP guidelines. If there is no such person, the amount must be recaptured either through sale or refinance of the said property.

- f. Recipient Selection Criteria: Selection shall be in accordance with the Flagler County Housing Replacement Guidelines and also in accordance with state SHIP rules and regulations. 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. Selection is first ready with priority given first to disabled and/or handicapped head of household; second to participants over 62 years of age; third to participants with families of five or more and fourth to participants with families of four or less. It is required that the homeowner has clear title to the lot, the home is their primary residence and the homeowner can produce current utility bills for the property. Replacement unit costs cannot exceed the sum of \$158,000; this includes demolishing the existing house, and reconstruction of a replacement unit. SHIP Program Eligibility is defined by

Section 8. Funds shall be deemed to be encumbered when the Housing Task Force Advisory Board (HTF), by formal motion, sets it aside for housing replacement. This strategy will also be included in the public notice for SHIP funds.

- g. Sponsor Selection Criteria: The County staff will be responsible for supporting the Housing Partnership for ongoing activities associated with the SHIP program and for receiving training related to the ongoing progress of the SHIP program. 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
2 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)

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

- h. Additional Information: All program income generated by loan repayments, reimbursements, interest earnings or related payments shall be deposited into a local assistance trust fund, and shall be expended in support of SHIP eligible activities.

A gift, whether it be land, cash or other, or a combination thereof, can be no more than ten percent (10%) of the total package. Total package is defined as house, lot/parcel, sewer/water, impact fees, labor and materials.

C. Name of the Strategy: Owner-Occupied Rehabilitation

- a. Summary of the Strategy: The Owner Occupied 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. The program will focus on low, very low income households, seniors over the age of 62, and housing retrofit for the disabled. All contractors shall be chosen using local purchasing policy procedures. The maximum award under this strategy shall not exceed \$35,000 for major rehabilitation, including program administrative costs. Selection is first ready with priority given to disabled and/or handicapped head of household; second to participants over 62 years of age; third to participants with families of five or more and fourth to participants with families of four or less. The following types of assistance will be provided: Major and Moderate Rehabilitation and Emergency/Minor Repair.

1. Major and Moderate Rehabilitation

Description: These strategies provide a zero interest loan for rehabilitation of existing housing units. Estimated costs for major rehabilitation costs shall be at least \$25,000, but not exceed the maximum allowable limit of \$35,000 per household. Major rehabilitation is defined as construction costs to rehabilitate a housing unit that exceeds fifty percent (50%) of the assessed property value of the structure. Estimated construction costs for moderate rehabilitation shall be more than \$5,000 and less than \$25,000. If the County determines that a unit needs major rehabilitation, at its discretion, the County may demolish that unit and construct a replacement unit on the same property.

2. Emergency/Minor Rehabilitation

Description: This strategy provides a zero interest loan assistance for emergency/minor rehabilitation of existing housing units. The maximum award per household shall not exceed \$5,000.

Emergency repairs are defined as rehabilitation to correct or eliminate threats to life, safety and/or health. The homeowner must demonstrate they do not have the financial capability to make the needed repair(s). The local Building Department must certify that an emergency situation exists.

- b. Fiscal Years Covered: For Fiscal Years 2007-2008, 2008-2009, and 2009-2010 the County has determined that SHIP funds will be allocated to the Owner-Occupied 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.
- 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). SHIP funds provided to owner occupants shall be subject to subsidy recapture provisions which will be defined as a soft second mortgage with zero percent (0%) interest for thirty (30) years with three and one third percent (3.33%) reduction for each year of ownership for moderate and major rehabilitation and five years with twenty percent (20%) for minor rehabilitation. Should the property be sold during the life of the second mortgage or a refinance of first mortgage to use equity in home, the balance is due from the date of refinance or sale and twenty-five percent of any net profit earned at time of sale. The SHIP amount may be subject to 100% repayment under certain conditions (i.e. fraud, deception, etc). Such conditions shall be set forth in the loan documents.

The house will be inspected annually to ensure that reasonable care is exercised in maintaining the unit. Reasonable means the homeowner uses prescribed preventative maintenance measures to ensure the home's longevity and is not abusive or neglectful. At the time of inspection homeowners must provide documentation that proves the property taxes and hazard insurance are current. If upon inspection, the home owner has failed to maintain the house they have ninety (90) days to correct before a re-inspection. At that point, if still not corrected, the homeowner will be considered in default of the mortgage terms.

Should the homeowner become deceased during the term of the mortgage, this recapture reduction shall be tolled upon the death of the homeowner until the property is probated, deeded or otherwise transferred to an individual including an heir related by blood or marriage to the homeowner who qualifies for assistance under the SHIP Housing Assistance Program, and makes successful application for SHIP assistance to assume the mortgage if they qualify to do so under SHIP guidelines. If there is no such person, the amount must be recaptured either through sale or refinance of the said property.

- f. Recipient Selection Criteria: Applicant selection criteria for awarding SHIP funds to eligible households will be based on the priority of need. Priority will be given to very low-income applicants, seniors and housing retrofit for the disabled. As funds become available, eligible applicants will be notified. 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:

1. The home to be repaired must be located in Flagler County;
2. The applicant must have clear title (ownership) to the property to be repaired;
3. The applicant must not be delinquent on any real property tax owed to Flagler County;

4. The applicant must reside in the home year round and have a homestead exemption;
5. The appraised value of the home must not exceed the maximum sales prices allowed in the SHIP program as specified under section (3) (a) as defined in the Florida Statutes 420.9075.

g. Sponsor Selection Criteria: The County staff will be responsible for supporting the Housing Partnership for ongoing activities associated with the SHIP program and for receiving training related to the ongoing progress of the SHIP program. The county staff will disseminate information to the public received from the 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
2 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)

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

h. Additional Information: All program income generated by loan repayments, reimbursements, interest earnings or related payments shall be deposited into a local assistance trust fund and shall be expended in support of SHIP eligible activities.

D. Name of the Strategy: Disaster Mitigation/Recovery Contingency Strategy:

- a. Summary of the Strategy: Flagler County is a coastal county that has in the past been adversely affected by presidentially, state or locally declared natural 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 Mitigation/Recovery contingency strategy is not intended to be limited to hurricane events but to any natural disaster event that is declared as such by a local, 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 unit replacement, repairing structural 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. These funds, if available, are intended as a match for other forms of disaster assistance.
- b. Fiscal Years Covered: For Fiscal Years 2007-2008, 2008-2009, and 2009-2010 the County has determined that SHIP funds will be allocated to the Disaster Mitigation/Recovery Contingency Strategy.
- c. Income Categories to be served: SHIP funds will be available to assist eligible families in the very low and low-income categories, moderate, and essential services personnel.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
- 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: Assistance will be available for SHIP eligible homeowners in the very low, low income families, and/or essential services personnel. Income eligible homeowners will be served on a first ready, first served basis.
- g. Sponsor Selection Criteria: The County staff will be responsible for supporting the Housing Partnership for ongoing activities associated with the SHIP program and for receiving training related to the ongoing progress of the SHIP program. 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
2 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)

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

E. Name of the Strategy: Mortgage Foreclosure Intervention Strategy:

- a. Summary of the Strategy: Provide a Mortgage Foreclosure Intervention 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.
- b. Fiscal Years Covered: For Fiscal Years 2007-2008, 2008-2009, and 2009-2010 the County has determined that SHIP funds will be allocated to the Mortgage Foreclosure Intervention Strategy.
- c. Income Categories to be served: SHIP funds will be available to assist eligible families in the very low and low-income categories.
- d. Maximum award is noted on the Housing Delivery Goals Charts:
- 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 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
 3. The applicant must undergo credit counseling.
- g. Sponsor Selection Criteria: The County staff will be responsible for supporting the Housing Partnership for ongoing activities associated with the SHIP program and receiving training related to the ongoing progress of the SHIP program. 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
2 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)
- The criteria are shown in the required proposed format, not to be deviated from by the county.

III. LHAP INCENTIVE STRATEGIES

Section 420.9071(16), F.S.

A. Name of the Strategy: Expedited Permitting

- a. Summary of the Strategy: Permits as defined in F.S. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

For the purposes of this incentive plan, expedited processing primarily addresses development review. Presently, the Preliminary/Final Plat approval process can be completed in 120 days (4 months). Site development plan review can be completed in 45 days. Special Exception can be approved within 45 days. Issuance of building permits for individual single-family homes can be completed in five (5) working days. Building permits for multi-family projects can be completed in two (2) weeks.

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. Name of the Strategy: Ongoing Review Process

- a. There will be 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, either the Long Range Planning Board or the Planning 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, procedures, ordinances and land development regulations that will have significant impact on the cost of housing. This review process provides the mechanism for proposed regulatory changes to be examined for impacts on affordability prior to implementation.

IV. EXHIBITS:

January 2007

- 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 **Exhibit 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 is attached as **Exhibit C.**
- D. Certification Page:** *Chapter 67-37.005(7), F.A.C.*
Signed Certification is attached as **Exhibit D.**
- E. Adopting Resolution:** *Section 420.9072(2)(b)2, F.S.*
Original signed, dated, witnessed or attested adopting resolution is attached as **Exhibit E.**
- F. Program Information Sheet:**
Completed program information sheet is attached as **Exhibit F.**