City of Palm Coast, Florida
Agenda Item

Agenda Date: October 20, 2026 **Agenda Item:** H.3

Department COMMUNITY DEVELOPMENT **Division** PLANNING	**Amount** **Org/Account #**

Subject: RESOLUTION 2026-XX AMENDING POLICY RELATING TO THE STATE HOUSING INITIATIVE PARTNERSHIP PROGRAM LOCAL HOUSING ASSISTANCE PLAN PURCHASE ASSISTANCE PROGRAM FOR AFFORDABLE RENTAL DEVELOPMENT AND FIRST TIME HOMEBUYERS' DOWN PAYMENT ASSISTANCE.

Presenter: Joseph Hedgedus, Director Flagler County Health and Human Services and Jacqueline Gonzalez, Site Development Coordinator I

Attachments:

1. Presentation
2. Resolution
3. Draft LHAP

Background:

Florida Housing administers the State Housing Initiatives Partnership program (SHIP), which provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The program is designed to serve very low, low, and moderate-income families. SHIP funds are distributed to all 67 counties and 55 cities in Florida. The minimum allocation is $350,000 per county. In order to participate, local governments must establish a local housing assistance program and a local housing assistance plan (LHAP).

Flagler County Administers SHIP, in partnership with City. This Interlocal Agreement guides the relationship. SHIP statute allows funding of variety activities aimed at preserving and increasing the availability of affordable housing opportunities Activities must align with Rule 67-37 F.A.C. including income eligibility, affordability periods, & monitoring requirements.

The proposed amendment would allow the City to use SHIP funds to:

1. Support the development or preservation of affordable rental housing for eligible households; and
2. Provide down payment and closing-cost assistance to eligible first-time homebuyers.

These changes are intended to provide the City with greater flexibility in addressing local affordable housing needs while maintaining compliance with SHIP requirements.

The proposed amendment will help expand affordable housing opportunities, support homeownership, and provide additional resources for eligible Palm Coast residents

Recommended Action: **PLANNING STAFF RECOMMEND TO CITY COUNCIL THE APPROVAL OF RESOLUTION 2026-XX AMENDING POLICY RELATING TO THE STATE HOUSING ITITNATIVE PARTNERSHIP PROGRAM LOCAL HOUSING ASSISTANCE PLAN.**

Local Housing Assistance Plan

City of Palm Coast Workshop

Proposed LHAP Amendments

1. Affordable Rental Development Program
2. Purchase Assistance Program

Required Amendment

1. Manufactured Housing (Mobile Homes)

Flagler County Health & Human Services Division
City of Palm Coast Community Development

Purpose

Review the proposed amendments to the Local Housing Assistance Plan (LHAP)

- Outline amendments
- Summarize statutory requirements and SHIP compliance
- Present draft language and recommended implementation
- Gather direction and feedback from Council

Background: SHIP & LHAP Requirements

- Flagler County Administers SHIP, in partnership with City.
- ILA guides the relationship.
- SHIP statute allows funding of variety activities aimed at preserving and increasing the availability of affordable housing opportunities
- Allowable activities includes funding affordable rental development and down payment assistance programs.
  - Activities must align with Rule 67-37 F.A.C.
  - Includes income eligibility, affordability periods, & monitoring requirements

LHAP Amendment 1: Affordable Rental Development

- Increasing demand for affordable units across Palm Coast & Flagler County
  - Existing LHAP strategies focus primarily on homeownership
  - Rental opportunities expand access for various demographic groups
  - Supports long-term economic stability and community workforce housing needs
  - Provides an opportunity for local matching funds not drawn from General Fund at County/City

Current Local Context

- The prior Flagler LHAP included rental development strategies for FY 2022–2025
- Recent SHIP-supported rental initiatives include Phoenix Crossings
- Addition in 2026-28 LHAP ensures alignment with AHAC recommendations around increasing funding opportunities.

Current Local Context cont.

Countywide Data

- 29 subsidized housing units per 10K people in Flagler County, or 407 total.

  (*US Department of Housing and Urban Development; Office of Policy Development and Research - 2025)

- 10.3% of County residents (~12,900) live below poverty level - $15,960/yr.

  (*US Census Bureau; American Community Survey (ACS) – 2020-24

- 1000 SSI+ recipients in Flagler

  ($994 indiv. Or $1492/couple monthly income – 65+, blind, or qualifying disability, w/ limited resources under $3000).

  (SSA Disability Data Hub: SSDI & SSI Statistics | Wittenburg)

Current Local Context cont.

SHIP Lifetime

Rehab Liens	Lifetime Rental Exp.
82	$17,231.22
DPA Liens	
139	Lifetime Mortgage Exp.
Lifetime Disaster	$96,713.01
87	
Lifetime rent Assist	Lifetime Prgm Income
10	$1,830,435.41
Lifetime Mort. Assist	
29	Lifetime Disaster Exp.
Active Liens	$264,280.18
221	
Lifetime Rehabs	Lifetime Expenditure
205	$15,699,883.48
Lifetime Purchase	Total Units Assisted
570	901

Current Local Context cont.

SHIP Data Current

Purchase Asst.

- 51 Apps in Progress
- 13 completed/ waitlist
- 3 under review
- 10 awarded, looking for a home
- 142 Withdrawn, 4 Denied

Home Rehabilitation

- 74 Apps in Progress
- 38 completed/ waitlist
- 6 under review
- 6 awarded, looking for a home
- 104 Withdrawn, 21 Denied

Current Local Context cont.

Countywide Affordable Housing

Flagler Unincorporated -- 0 deed restricted, affordable units

Palm Coast –TBD Aff. Units, waitlists status, vacancy rate

Bunnell – Flagler Housing Authority

- 142 applicants on public housing waiting list (132 units).
- Annual attrition rate is 11%.

- 323 applicants on our HCV waiting list (360 vouchers allocated, scattered site throughout county).
- Annual attrition rate is 10%.

Flagler Beach – TBD Units, waitlists status, vacancy rate

Proposed LHAP Amendment 1 - Summary*

Add Affordable Rental Development as an allowable activity

- Authorize SHIP funds for new construction, rehabilitation, and infrastructure
- Units must serve households at ≤80% AMI and comply with rent limits
- Require competitive solicitation (NOFA/RFP). All projects will need to meet local land zoning, permitting approvals and development codes.
- Includes compliance elements, monitoring requirements and affordability period of 15–30 years depending on investment.

*see attached Draft LHAP with redline Amendments

Ongoing: Compliance & Monitoring

- Annual recertification of tenants
  - Rent limits tied to HUD income data
  - Recorded land-use or affordability restrictions
  - First right of refusal for nonprofits if sold w/in affordability period

Funding Source & Considerations

- SHIP allocations vary by fiscal year
  - Project awards typically capped (e.g., $200k–$250K)
  - Funding is limited to ≤25% of SHIP year allocation, unless amended by statute
  - Supports layered financing required by larger projects via local match funding, making proposals more competitive to state and federal funders

Proposed LHAP Amendment 2: Purchase Assistance Program

Purchase Assistance Program was revised in the 2026-28 LHAP, narrowing eligible applicants and adding stricter shared equity and resale component.

- Propose returning Purchase Assistance LHAP strategy to prior scope, broadening eligible populations while still allowing prioritizing populations of first responders/public employees.
- Propose removing the recently added Shared Equity and Resale components in current LHAP, due to burden on owner and SHIP.

Proposed LHAP Amendment 2 - Summary*

- Purchase Assistance Program
  - Funds down payment, closing costs, repairs, and gap financing to first-time homebuyers to purchase a newly constructed or existing home in Flagler County.
  - Eligible repairs are those needed to make the home habitable, improve safety or accessibility.
  - Pre-purchase education and post-purchase counseling are mandatory to support informed and sustainable homeownership.
- Adjustments
  - Remove restriction of only first responder/public employees, creating difficulty meeting required income and special needs groups served (VLI,LI, Mod., disabled)
  - Requires pursuing shared equity and resale restrictions for 3 months, then reverts to standard early sale covenants - loan repayment based on years remaining
  - Slight reduction in maximum award amounts, to reflect best practice and market.

*see attached Draft LHAP

Ongoing: Compliance & Monitoring

- Regular Lien monitoring conducted by County staff
  - Recorded land-use for affordability restrictions
  - First right of refusal if sold in affordability period

Funding Source & Considerations

- SHIP allocations vary by fiscal year
  - Project awards capped ($110K - $80K Purchase + $30K Rehab)
  - Allows up to 75% of SHIP allocation on construction-related activities (rehabilitation, new construction, and emergency repairs).

Required LHAP Amendment 1 - Summary*

Florida Senate Bill 594 requires including specific strategies addressing manufactured and mobile homes, allowing use of SHIP funds for:

- Relocation Assistance: for owners and tenants evicted due to mobile home park closures.
- Lot rent assistance: for manufactured home owner, paid to lot/landlord, capped at a maximum of six months.
- Rehabilitation and emergency repairs: like home rehabilitation program.
- Removal of the 20% cap that previously restricted how much SHIP funding local governments could allocate toward manufactured housing.

*see attached Draft LHAP with redline Amendments

Local Housing Assistance Plan

Questions?

Feedback?

RESOLUTION 2026-___
GRANT AGREEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING AMENDING THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR 2026-2028; DIRECTING THE SUBMISSION OF THE LHAP AMENDMENTS TO THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE CITY MANAGER, OR DESIGNEE TO EXECUTE THE NECESSARY DOCUMENTS AND CERTIFICATIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

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

WHEREAS, Sections 420.907 through 420.9079, Florida Statutes, the State Housing Initiatives Partnership ("SHIP") Act; and Chapter 67-37, Florida Administrative Code, require local governments to develop a one- to three-year Local Housing Assistance Plan ("LHAP") outlining how the funds from the Act will be used; and

WHEREAS, in furtherance of the State's objectives, Flagler County and the City of Palm Coast entered into an Inter Local Agreement (ILA) for the Joint Local Housing Assistance Program on April 7, 2009, establishing collaborative roles and responsibilities among participating entities for the provision, management, and funding of eligible housing activities; and

WHEREAS, the ILA was amended on February 9, 2026, further clarifying aspects updating the LHAP, as well as appointments to and oversight of the Affordable Housing Advisory Committee (AHAC) and Community Development Block Grant (CDBG) Committee Citizen Advisory Task Force; and

WHEREAS, in accordance with the SHIP statute and the ILA, the County serve as the lead agency for the development, implementation, monitoring, and periodic amendment of the Local Housing Assistance Plan ("LHAP"); and

WHEREAS, on July 15, 2025, the Palm Coast City Council adopted Resolution 2025-96 approving the Flagler County LHAP for 2026-2028; and subsequently on August

4, 2025, the Flagler County Board of County Commissioners (the "Board") adopted Resolution 2025-64 approving the County's LHAP for 2026-2028; and

WHEREAS, the Board now desires to amend the previously approved LHAP 2026-2028.

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

SECTION 1. LEGISLATIVE AND ADMINISTRATIVE FINDINGS. The above recitals (whereas clauses) are hereby adopted as the findings of the City Council of the City of Palm Coast.

SECTION 2. LHAP AMENDMENTS. The City Council of the City of Palm Coast hereby approves the amended LHAP 2026-2028 as shown in strike-though (deletions) and underline (additions) in the document titled "Flagler Palm Coast 2026-28 LHAP Rent Dev, Purchase Asst. and Manufactured Housing Amnd.", attached to and made a part of this Resolution. Except as amended herein, all other provisions of the LHAP 2026-2028 remain in full force and effect.

SECTION 3. AUTHORIZATION TO SUBMIT. Per the ILA, the Flagler County Housing Services Program Manager, or designee, is directed to submit this Resolution and its attachment to the Florida Housing Finance Corporation as required by State Law.

SECTION 4. SEVERABILITY. It is hereby declared to be the intention of the City Council of the City of Palm Coast that the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution.

SECTION 5. CONFLICTS. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed.

SECTION 6. IMPLEMENTING ACTIONS. The City of Palm Coast City Manager is hereby authorized to execute any documents and certifications required by the Florida Housing Finance Corporation related to this LHAP amendment.

SECTION 7. EFFECTIVE DATE. This Resolution shall become effective immediately upon adoption.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on the 20th day of October 2026.

ATTEST: CITY OF PALM COAST

_____ _____

KALEY COOK, CITY CLERK MICHAEL NORRIS, MAYOR

APPROVED AS TO FORM AND LEGALITY

_____

MARCUS DUFFY, CITY ATTORNEY

Attachment: Exhibit "A" LHAP Report

FLAGLER COUNTY & CITY OF PALM COAST

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP)

LOCAL HOUSING ASSISTANCE PLAN (LHAP)

2025-2026 | 2026-2027 | 2027-2028

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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 F. Interlocal Agreement G. Shared Equity Resale Formula and Policies	

I. PROGRAM DETAILS

A. **LG(s)**

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

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:** 2025-2026, 2026-2027, 2027-2028

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:** Flagler County promotes a Local Housing Partnership by coordinating efforts between government entities, lending institutions, builders and developers, nonprofit and community-based housing providers, professional service providers, advocates for low-income households, real estate professionals, service organizations, and the lead agency of the local Continuum of Care.

Through its SHIP Program activities, Flagler County engages these partners to increase affordable housing opportunities, deliver supportive services, provide homebuyer education, expand financing access, and preserve long-term housing stability for income-eligible residents.

H. **Leveraging:** Flagler County increases the availability of affordable housing by combining local resources, cost-saving measures, and outside funding sources within a coordinated Local Housing Partnership. SHIP funds are used to leverage and supplement other Florida Housing Finance Corporation programs, serve as match for federal and state housing grants, and strengthen local housing initiatives.

The County actively pursues grants such as the Hurricane Loss Mitigation Program (HLMP) to improve the resilience of the local housing stock and often combines SHIP and HLMP funds to complete rehabilitation and storm hardening for eligible households. Additionally, Flagler County collaborates with the City of Palm Coast to streamline project delivery for home purchase and rehabilitation activities requiring both SHIP and city-administered funding sources, such as the Community Development Block Grant (CDBG).

These combined efforts enhance the effectiveness of local affordable housing strategies and maximize the impact of available resources.

I. **Public Input**: Flagler County solicited public input in the development of the Local Housing Assistance Plan through a combination of public engagement, stakeholder outreach, and online posting. A public survey and the draft LHAP were made available through the County website. Input was solicited at outreach events such as the April Housing Fair and the Spring Fling social services event.

Stakeholder feedback was also sought from organizations including the Housing Authority, Habitat for Humanity, St. Johns Housing Partnership, Mid Florida Housing Partnership, and internal partners such as Flagler County Emergency Management, Human Services, and Administrative Services staff and City of Palm Coast Community Development Staff.

The draft LHAP will be presented at a publicly noticed Palm Coast City Council meeting and subsequently at a publicly noticed Board of County Commissioners meeting, providing multiple opportunities for public comment prior to final adoption.

J. **Advertising and Outreach:** Flagler County advertises the availability of SHIP funds through a notice published in a newspaper of general circulation, such as the Palm Coast Observer, at least 30 days prior to the beginning of the application period. In addition, public news releases are issued through local media outlets, and updates are provided at public meetings, including Affordable Housing Advisory Committee (AHAC) meetings and Board of County Commissioners meetings.

If funding is unavailable due to an active waiting list, no notice of funding availability will be required in accordance with SHIP program rules.

K. **Waiting List/Priorities:** A waiting list will be maintained for applicants who submit complete applications and appear likely to meet eligibility requirements based on the information provided. Applications are accepted year-round for most strategies. For Purchase Assistance, the waitlist may be closed when ten or more potentially eligible applications are received. Applicants will be notified of their status and placed on the waiting list in the order their completed application was received, along with any applicable funding priorities outlined in this plan.

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. **Priority Level 1:** Very Low-Income households with Special Needs
b. **Priority Level 2:** Low Income households with Special Needs
c. **Priority Level 3:** Very Low-Income households
d. **Priority Level 4:** Low Income households employed in Essential Services
e. **Priority Level 5:** Low Income households
f. **Priority Level 6:** Moderate Income households with Special Needs
g. **Priority Level 7:** All other eligible households

For Shared Equity Purchase Assistance strategy, funds will only be awarded to essential service personnel and applicants converting Housing Choice vouchers to homeownership.

Applicants will be served in order of priority, beginning with the earliest application in the highest priority level.

Priority Override for Emergency Conditions
Flagler County Housing Services may override the priority order only in rare and critical cases where a condition poses an imminent and severe threat to life, health, or safety, or where failure to act would result in immediate loss of housing.

Examples of qualifying emergency conditions include (but are not limited to):

- Severe roof failure causing structural instability, ceiling collapse, or active water intrusion affecting electrical systems.
- Electrical panel failure creating a verified fire hazard (as confirmed by a licensed professional).
- Septic or plumbing failure that renders the home uninhabitable (e.g., complete loss of water, sewage backflow).
- Code violations or condemnation notices requiring immediate correction to prevent displacement.
- Court-ordered eviction or relocation due to an unsafe condition within the home.
- Inability to return home from medical rehabilitation due to the condition of the home, including inaccessible entryways, bathrooms, or other hazards that prevent safe mobility or care.

Inoperable HVAC units or roof leaks, while serious, do not qualify for override unless they pose an immediate and documented threat to safety or habitability.

This provision ensures Housing Services can respond swiftly to urgent situations while preserving fairness for households already awaiting assistance for serious—but non-emergency—needs.

L. **Discrimination:** In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate based on 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.

M. **Support Services and Counseling:** Flagler County will be issuing Requests for Proposals through its OpenGov.com portal for homeownership support to include credit counseling, pre-and -post purchase counseling, and foreclosure prevention counseling and. The Flagler County Extension Office provides First Time Homebuyer classes in English and Spanish.

N. **Purchase Price Limits:** 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.

The methodology used is:

U.S. Treasury Department	x
Local HFA Numbers	

O. **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.

"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.

P. **Welfare Transition Program:** Should an eligible sponsor be utilized, Flagler County will apply a qualification and selection system that includes a preference for eligible sponsors employing personnel from the Welfare Transition Program (WTP). Sponsors demonstrating WTP employment will receive priority consideration during the selection process through either bonus scoring or tie-breaker advantage, as outlined in application materials. Documentation verifying WTP employment will be required at the time of application.

Q. **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.

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

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

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

S. **Program Administration:** Administration of the local housing assistance plan will be

performed by:

Entity	Duties	Admin. Fee Percentage
Local Government	Flagler County administers all aspects of SHIP funding.	10%

T. **First-time Homebuyer Definition:** An individual shall be considered a first-time homebuyer if they meet any of the following criteria:
   a. Has not owned a principal residence during the 3 years preceding the date of purchase. If married, this applies to both spouses.
   b. Is a single parent who only owned a home jointly with a former spouse.
   c. Is a displaced homemaker who only owned a home jointly with a spouse.
   d. Has only owned a principal residence that is considered substandard housing, including but not limited to units that:
      i. Were not permanently affixed to a permanent foundation; or
      ii. Did not meet applicable building codes and could not be brought into compliance for less than the cost of constructing a new permanent structure.
      iii. Ownership of a mobile or manufactured home constructed prior to June 15, 1994, shall be considered ownership of substandard housing for the purpose of first-time homebuyer eligibility.
   e. **Rental and Investment Property Exclusion:**
      Ownership of rental or investment property within the past 3 years disqualifies an applicant, unless:
      i. The property is heirs' property or was inherited and is located more than 50 miles from the applicant's current residence in Flagler County; and
      ii. The applicant cannot occupy, maintain or liquidate the subject property.

   Documentation is required for all exceptions, and final eligibility is subject to program approval.

U. **Project Delivery Costs:** Project delivery costs shall not exceed 5 percent of the award for expenses not covered by the administrative budget to include home inspections, cost estimation, contractor walk-throughs, change-order reviews, and final inspections, homeowner education, and recording fees for owner occupied rehab..

V. **Essential Service Personnel Definition (ESP):** Essential Services Personnel (ESP) includes individuals who are regular, permanent employees working in Flagler County in the following sectors**:**
   a. Public, charter, or private school employees
   b. First responders, including law enforcement, fire rescue, and emergency medical personnel
   c. Health care providers and behavioral health professionals
   d. Community and social services personnel employed by nonprofit or government organizations who support the delivery of services to individuals or families.
   e. Laborers and building trades professionals
   f. Public infrastructure and environmental services employees, including those working in water, sewer, sanitation, roads, or vector control.

W. **Describe efforts to incorporate Green Building and Energy Saving products and processes:** Flagler County encourages the integration of sustainable, storm-resistant, and energy-efficient practices in rehabilitation projects to support long-term affordability, resilience, and environmental sustainability. Where feasible and practical, the County incorporates measures such as:
   1. Use of environmentally friendly materials, including low or no-VOC products.
   2. Installation of water-saving fixtures and appliances that meet recognized efficiency standards, such as WaterSense or similar.
   3. Selection of energy-efficient systems, appliances, and lighting, such as Energy Star-rated products.
   4. Improvement of insulation, ventilation, and sealing to enhance energy efficiency and indoor air quality.
   5. Incorporation of accessibility features that support aging-in-place, including comfort-height toilets and walk-in showers.
   6. Reinforcement of structural elements, such as roof-to-wall connections, to improve storm resistance.

Specifications are developed with qualified professionals to meet industry standards and project needs. A blower door test is conducted for all whole-home rehabilitations by a third-party consultant to identify air leakage and guide energy efficiency improvements in the scope of work.

X. **Describe efforts to meet the 20% Special Needs set-aside:** Flagler County prioritizes Special Needs households across its SHIP programs through identification at intake and funding flexibility within existing strategies.

   Special Needs households are served under the Owner-Occupied Rehabilitation strategy through both grant-funded Tier 1 accessibility modifications (up to $15,000) and broader rehabilitation projects when eligible. In addition, Flagler County targets Special Needs voucher holders through the Voucher Deposit Assistance Program and the Voucher Conversion Homeownership initiative.

   These efforts ensure that at least 20% of SHIP funds benefit Special Needs households annually, consistent with statutory requirements.

Y. **Describe efforts to reduce homelessness:** Flagler County reduces the risk of homelessness through a combination of housing stabilization, emergency assistance, and supportive services. The County's rehabilitation programs address critical repairs needed to maintain insurance coverage and safe occupancy, preventing financial strain and potential foreclosure for low- and moderate-income homeowners.

   In addition, the Human Services Division provides emergency housing assistance to asset-limited households experiencing temporary financial hardship, helping them remain housed during periods of instability. Through the Indigent Health Care program, the County provides medical assistance to uninsured residents, helping individuals recover from illness or injury, maintain employment or access disability benefits, and avoid housing instability.

   These combined efforts reduce pathways into homelessness and strengthen the County's overall housing security framework.

II. HOUSING STRATEGIES

A. Nonprofit-Built Homes – Homebuyer Assistance	Code 2

Summary: This strategy provides subordinate purchase assistance to first-time homebuyers purchasing a newly constructed home through a nonprofit affordable housing provider such as Habitat for Humanity or a Community Land Trust (CLT). Assistance is provided for down payment, closing costs, and principal reduction to support an affordable first mortgage. Homes must have received a Certificate of Occupancy within the past 12 months.

b. **Fiscal Years Covered:** 2025-2026, 2026-2027, 2027-2028

c. **Income Categories to be served:** Very low and low

d. **Maximum award:**

Very Low: $90,000
Low: $60,000

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 years
4. Forgiveness: The loan is forgiven at 10% per year, beginning in year six, through year fifteen (100% forgiveness at year 15).
5. Repayment: none required if the loan is in good standing.
6. Default: In the event of default, the outstanding balance becomes immediately due and payable. The loan will be in default if any of the following occur:

    a. Sale, transfer, or conveyance of the property without County approval.
    b. Foreclosure by a superior mortgage holder.
    c. Conversion of the property to rental.
    d. Loss of homestead exemption status or failure to occupy as a primary residence.

Heir Provisions: If the qualifying homeowner dies during the loan term, the loan may be assumed by an heir who is SHIP-eligible and agrees to occupy the home as their primary residence. The heir must apply within twelve (12) months of the homeowner's death. If no qualifying heir applies, or if eligibility requirements are not met, the full outstanding balance will be due.
Foreclosure: if the property is foreclosed upon by a superior mortgage holder, the County may pursue legal action to recover funds if financially feasible. The County reserves the right to acquire the property at a foreclosure or tax sale to protect the SHIP loan interest.

Refinancing: Permitted only to reduce the interest rate, lower the monthly payment,

or shorten the loan payoff period. Cash-out refinancing, including for home improvements, is not permitted.

f. **Recipient/Tenant Selection Criteria:** All applicants must be first-time home buyers as defined in this plan:

1. Homebuyer Readiness:

    a. Must complete a HUD-certified first-time home buyer course or applicable Community Land Trust homebuyer course.
    b. Must engage in credit counseling with a HUD-Certified housing counseling agency.
    c. Must engage in post-purchase counseling with a HUD-Certified housing counseling agency.
    d. Must provide proof of acceptance into a housing program such as Flagler Habitat for Humanity or another nonprofit organization, such as a Community Land Trust.

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

h. **Additional Information**

1. **Allowable Home Purchases:** *Owner Occupancy Requirement:* The home must be purchased solely for owner occupancy, and the homeowner must obtain a homestead exemption on the property.
    a. Affordability Provision: The affordable housing agency must ensure that the home remains affordable for a minimum of 15 years through program-enforceable requirements (e.g., mortgage terms, resale restrictions)

2. **Coordination with the City of Palm Coast:** While applicants may initially apply through either the County's SHIP program or the City of Palm Coast's CDBG program, eligibility information gathered in one program may be used to assist in verifying eligibility for the other. This allows for streamlined applicant processing but does not imply automatic eligibility or approval under both programs. SHIP eligibility will be verified by the County.

3. **Subordination:** will only be approved when it aligns with the County's affordability goals and protects the public investment. Flagler County will consider subordination of SHIP loans when it is necessary to support other federal or state affordable housing loan programs that:
    a. Require a higher lien position for program compliance,
    b. Provide critical assistance to very low- to moderate-income homebuyers; or
    c. Bridge affordability gaps, even if the other program provides a smaller financial contribution.

4. **Transfer and Repayment Provisions (in Deed-Back Scenarios):** If the property is deeded back to the affordable housing developer or sponsor, the following provisions apply:
    a. **For community Land Trusts (CLTS) (in Deed-Back or Resale Scenarios)**:

- The SHIP mortgage may be transferred to the subsequent SHIP-eligible buyer without repayment, provided that the CLT or shared equity model imposes permanent resale restrictions that maintain affordability.

b. **For other nonprofit developers (e.g., Habitat for Humanity, CHDOs):**

1. If the home is deeded back to the provider for resale, repayment may be waived at the County's discretion only if:

- The subsequent buyer is SHIP-eligible
- A new SHIP mortgage is recorded, and
- The County is notified and approves the transfer prior to the sale

B. Purchase Assistance, with or without Rehabilitation	Code 1, 2

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.

Eligible repairs are those needed to make existing homes habitable, improve safety or accessibility, correct building code violations, or prevent the imminent failure of a system or structure in the home because of its age, as identified by a home inspector. The number of repairs funded through this strategy are limited to amount available from the maximum award.

Pre-purchase education and post-purchase counseling are mandatory to support informed and sustainable homeownership. This strategy will prioritize eligibility, but not limit it to, first-time homebuyers qualified as essential services personnel as defined in this plan or eligible to convert Housing Choice Vouchers to homeownership.

b. **Fiscal Years Covered:** 2025-2026, 2026-2027, 2027-2028

c. **Income Categories to be served**: Very low, low and moderate

d. **Maximum award:** $110,000

Very Low: $80,000, plus up to $30,000 in rehabilitation
Low: $60,000, plus up to $30,000 in rehabilitation
Moderate: $30,000, plus up to $20,000

e. **Terms:**

1. Repayment loan/deferred loan/grant: Deferred loan secured by a recorded mortgage and note.
2. Interest Rate: 0%
3. Years in loan term: 15 years
4. Forgiveness: The loan is forgiven at 10% per year beginning in year 6.

5. Repayment: None if the loan is in good standing.
6. Default: The loan will be in default if any of the following occur during the loan term and without prior written notice to and approval from Flagler County for:
   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 determines 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.

   Upon default, the loan balance becomes immediately due and payable. The County shall recover the original SHIP subsidy and any excess net proceeds resulting from an unapproved sale above the allowable resale price.

f. **Recipient/Tenant Selection Criteria**:

All Applicants must:

- Be first-time homebuyers as defined in the LHAP
- Complete HUD-certified pre-purchase education and credit counseling
- Attend post-purchase counseling within 6 months of closing

g. **Sponsor Selection Criteria:** Not Applicable

h. **Additional Information:**

1. **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.

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

3. **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.

4. **Resale Restrictions:** Assisted homes/homeowners will first pursue resale to a SHIP-eligible buyer (in coordination with the SHIP program) at an affordable price, using a resale formula defined as the:
   a. Original purchase price plus three percent (3%) simple annual appreciation, calculated based on the number of full years completed from the date of closing to the date of resale.
   b. Upon sale to an eligible buyer, the amount eligible for assistance will be retained in the sales price of the home. Any amount above will be recaptured.

   If the SHIP assisted selling homeowner cannot secure an interested and SHIP-eligible buyer within 3 months of declaring to SHIP administrator pursuit of sale, resale to non-SHIP eligible buyers is allowed, consistent with remaining loan forgiveness and early repayment clauses.

5. **Deed Restriction Acknowledgment:** All participating buyers shall sign an acknowledgment at closing confirming they have received, reviewed, and understand the recorded deed restriction and resale provisions. A copy of the deed restriction must be provided and explained during pre-closing counseling.

6. **Sales Below Formula Price (Selling at a Loss):** If the home is sold for less than the original purchase price, the County may reduce the required subsidy transfer to a level proportionate to the original subsidy-to-purchase price ratio. Specifically, the maximum subsidy required to be transferred shall equal the resale price multiplied by the ratio of the original SHIP assistance to the original purchase price.

   Transferred Subsidy = (Resale Price) × (Original SHIP Assistance ÷ Original Purchase Price)

   This approach ensures the share of public investment remains proportionate to the home's current value. No additional reductions will be applied based on time. All adjustments must be documented and justified in the program file.

C. Owner Occupied Rehabilitation	Code 3

Summary: This strategy helps income-eligible, owner-occupied households in Flagler County with the rehabilitation of homes to improve safety, habitability, resilience, accessibility, and long-term housing preservation. Priority is given to critical health and safety issues, followed by major system failures, preventative repairs necessary to avoid further deterioration, and energy or storm resilience enhancements. Aesthetic improvements are not eligible unless directly tied to structural stability or program compliance.

a. **Fiscal Years Covered:** 2025-2026, 2026-2027, 2027-2028

b. **Income Categories to be served**: Very low and low

c. **Maximum award:** $90,000

d. **Terms:**

1. Repayment loan/deferred loan/grant:
   a. $0.00-$15,000: Grant
   b. $15,001-$90,000: Deferred loan secured by recorded mortgage and note

2. Interest Rate: 0%

3. Years in loan term:

   a. $0.00-$15,000: Grant (tier I)
   b. $15,001-$30,000: 5 Years (tier II)
   c. $30,001-$90,000: 15 Years (tier III)

4. Forgiveness:
   a. Grants are fully forgiven.
   b. 5-year loans are forgiven in full at the end of the term.
   c. 15-year loans are forgiven at 10% per year, beginning in Year 6.

5. Repayment: none required if loan is in good standing

6. Default: Loan is in default if any of the following occur during the term:
   a. Sale, transfer, or conveyance of property without County approval
   b. Foreclosure
   c. Conversion to rental use
   d. Loss of homestead exemption
   e. Failure to maintain primary residence

   Upon default, the outstanding balance is due and payable. If the homeowner dies during the term, the loan may be assumed by a SHIP-eligible heir who occupies the home as their primary residence and completes eligibility verification within 12 months. Otherwise, the full balance becomes due, and a Notice of Default will be recorded.

   Refinancing is only permitted to reduce monthly payments or interest rates, or to shorten the loan term. Cash-out refinancing is not permitted. The County may allow subordination or refinancing for critical home repairs that preserve habitability and affordability. The County reserves the right to deny requests that compromise affordability or increase foreclosure risk.

e. **Recipient/Tenant Selection Criteria:**

1. The property must be owner-occupied and homesteaded, as evidenced by a current homestead exemption.
2. Mortgage and property tax payments must be current at the time of application and

remain current throughout the rehabilitation process.

3. Eligible mobile homes must have been constructed after June 15, 1994, and be located on land owned by the applicant to qualify for lien-secured assistance.
4. All eligible mobile homes on owned real property will be processed as Tier 3 rehabilitation projects and must undergo a third-party inspection and formal scope of work development prior to award.
5. Households with open Home Equity Lines of Credit (HELOCs), reverse mortgages, unresolved title issues, or trust/LLC ownership lacking lien authority are ineligible.
6. Project delivery costs for inspection and scope development will be included in the total award amount.
7. Mobile homes determined by the third-party consultant to be structurally unsound, economically infeasible to repair within program limits, or otherwise unsuitable for long-term preservation may be deemed ineligible for lien-based assistance.
    a. However, where an immediate, narrowly defined life-safety or habitability issue exists (e.g., unsafe entry steps, failed HVAC), the County may approve Tier 1 grant-funded assistance for that limited repair if it aligns with SHIP goals.
    b. Eligible mobile homes located on leased land are not eligible for lien-based assistance and are limited to Tier 1 grant-funded repairs only.

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

g. **Additional Information:** N/A

D. New Start Deposit Assistance Program	Code 23

Summary: This strategy provides financial assistance for security and utility deposits to help eligible renters secure stable housing. Assistance is available to:

- Individuals and families with a new Housing Choice Voucher.
- Households identified by Flagler County Human Services as at risk of homelessness.

This funding reduces upfront financial barriers, enabling qualified households to obtain and maintain affordable housing.

a. **Fiscal Years Covered:** 2025-2026, 2026-2027, 2027-2028

b. **Income Categories to be served**: Very low, low

c. **Maximum award:** $3,000

d. **Terms:**
1. Repayment loan/deferred loan/grant: Assistance will be provided on behalf of the applicant in the form of a 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. Applicants must either:
   a. Hold a new Housing Choice Voucher issued by the Flagler County Housing Authority, **or**
   b. Be identified by Flagler County Human Services as currently experiencing homelessness or at imminent risk of homelessness.
   c. Eligibility is determined by Flagler County Human Services' Emergency Assistance Program.
2. Referrals may come from the Flagler County Housing Authority or other community partners, but all intake, eligibility determination, and award processing will be conducted by Flagler County Human Services.
3. Primary applicant must possess a Florida State ID or Driver License
4. Assistance is provided on a first-qualified, first-served basis, subject to funding availability.

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

g. **Additional Information:**

1. Eligible Expenses:
   a. Security Deposits
   b. Utility Deposits (only when paired with rental deposit assistance)
   c. Standalone Utility assistance is not eligible
2. One Time Assistance Limit:
   a. Assistance is limited to one-time use per household and may not be used for multiple relocations.
   b. Exceptions may be granted in cases of documented hardship, including:
      - No-fault eviction
      - Domestic violence
      - Uninhabitable living conditions
3. Housing Navigation and Habitability Standard:
   a. Applicants are responsible for locating their own unit within Flagler County.
   b. The unit must meet HUD Habitability Standards, Florida Minimum Housing Code, or applicable local standards as verified by Human Services.
   c. Unit must result in a legally binding lease agreement
   d. Unit cannot be rented from a family member

5. Limited Funding Availability:

Funding for all applicants under this strategy is restricted available funding not to exceed 25% of the fund year allocation.

E. Rental Development with Long Term Affordability	Code 14, 21

Summary: This strategy provides SHIP funds as a local contribution to an eligible sponsor/developer to build or rehabilitate rental units for households meeting income and rent limits with a long-term affordability requirement. Funds may be used for hard costs, gap financing, impact/permit fees benefiting eligible units, or other eligible development costs permitted under SHIP and FHFC programs. The strategy is designed to be leveraged with FHFC funding (e.g., LIHTC, SAIL, bonds) and to rely on FHFC monitoring where applicable.

a. **Fiscal Years Covered:** 2025-2026, 2026-2027, 2027-2028

b. **Income Categories to be served**: Very low, low

c. **Maximum award:** $25,000 per eligible unit; up to $350,000 per development

d. **Terms:**
1. Repayment loan/deferred loan/grant: Deferred loan secured by a recorded mortgage and note
2. Interest Rate: 0%
3. Years in loan term: 30 years
4. Forgiveness: None; Loan is satisfied at the end of the term
5. Repayment: Due upon non-compliance or sale/transfer in violation of Right of First Refusal (ROFR)/transfer provisions
6. Default: Sale/transfer without ROFR, failure to maintain restricted unit count, rent/income non-compliance, failure to complete within SHIP timelines
7. Completion: Project must be encumbered/expended within SHIP timelines and be placed in service within 24 months, with shovel-ready evidence (site control, approvals, financing path)
8. Affordability Covenant: The affordability covenant and SHIP loan obligations shall run with the land and bind all successors and assigns for the remaining affordability term. Any transfer during the affordability period requires County approval and execution of an Assumption Agreement. The County retains a Right of First Refusal to purchase the property at market value. If the County declines, transfer may occur only to an eligible nonprofit or affordable housing entity approved by the County, or to a purchaser who agrees to assume all obligations. Written notice of intent to transfer must be provided to the County at least sixty (60) days prior to closing. The SHIP mortgage and note shall remain in place until the affordability term expires.

Tenant Terms:
Annual tenant eligibility and rent compliance monitored for 30 years. FHFC monitoring may be relied upon where applicable.

e. **Recipient/Tenant Selection Criteria:**

First-qualified, first-served with priorities:
1. Very Low with Special Needs

2. Very Low
3. Low with Special Needs
4. Low

f. **Sponsor Selection Criteria:**

First-qualified, first-served via Flagler County Request for Qualifications.

Sponsors must demonstrate:

- Financing commitments or viable FHFC application
- Capacity to deliver within statutory timelines
- Verifiable evidence units will be filled with eligible tenants within 24 months.
- Acceptance of Affordability Covenant

g. **Additional Information:**

- **Location Preference & Legal Compliance**: SHIP investment is preferred in areas designated for multi-family or mixed-use under the comprehensive plan and zoning.
- **Floating Units**: SHIP restrictions apply only to SHIP-assisted units. Restricted units may float within the property, provided the total number and bedroom mix remain constant.
- **Income & Rent Limits:** Restricted units shall serve households at ≤80% AMI (Flagler County) with gross rents ≤ HUD-published limits by bedroom size; if HUD ceases publishing, gross rent shall not exceed 30% of 80% AMI adjusted for household size using HUD AMI or successor methodology.
- **Right of First Refusal & Transferability:** County has first right of refusal to purchase at market value during the affordability period. If the County declines, transfer may occur to an eligible nonprofit or affordable housing entity approved by the County, provided the purchaser assumes the SHIP loan and covenant. SHIP assistance is transferable with the property for continued compliance.
- **Monitoring Reliance:** FHFC monitoring reports will be accepted in lieu of local monitoring where applicable.
- **Limited Funding Availability:** Funding for all applicants under this strategy is restricted available funding not to exceed 25% of the fund year allocation and available program income.
- **Competitive Solicitation:** the County's Procurement and Contracts division will issue a competitive solicitation though the county's approve procurement Portal, OpenGov in July when funding is available.

F. Manufactured Housing (Mobile Homes)	Code 3, 28, 29

a. Summary: The manufactured housing strategy may provide funds for:

1. Relocation assistance for persons who are deprived of affordable housing due to closure of a mobile home park in accordance with 723.003, F.S. (code 28)
2. Lot rent assistance to owners of manufactured housing/mobile homes not to exceed six months (code 29)
3. Rehabilitation/emergency repairs (code 3)

b. Fiscal Years Covered: 2026-2027, 2027-2028, 2028-2029

c. Income Categories to be served: Very low, low and moderate

d. Maximum award: $10,000 (relocation assistance)
$5,000 (lot rental assistance)
$15,000 (rehab/emergency repairs)

e. Terms:

1. Repayment loan/deferred loan/grant: For relocation assistance and lot rent assistance, the funds are awarded as a grant. For rehab/emergency repairs the loan is secured by a note and mortgage/lien.
2. Interest Rate: 0%
3. Years in loan term: N/A for relocation assistance and lot assistance, 10 years for rehab/emergency repairs
4. Forgiveness: N/A for relocation assistance and lot assistance, forgiven at the end of the term for rehab/emergency repairs.
5. Repayment: N/A for relocation assistance and lot assistance. None required for rehab/emergency repairs as long as loan is in good standing.
6. Default: N/A for relocation assistance and lot assistance. For rehab/emergency repairs, the loan will be determined to be in default if any of the following occurs during the Loan term: sale, transfer, 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 a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.

If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

f. Recipient/Tenant Selection Criteria: Applicants will be assisted on a first-qualified, first-served basis with priorities detailed in Section I.I being met first.

g. Sponsor Selection Criteria: N/A

h. Additional Information: Manufactured housing constructed after June 1994 is eligible.

G. Disaster Assistance	Code 5, 16

Summary: This strategy provides grant-funded assistance to very low- and low-income households in Flagler County impacted by a State or Federal disaster declaration. Eligible activities include: (1) temporary rental or mortgage assistance, including utilities, for up to three months to prevent housing loss due to disaster-related income reduction; (2) insurance deductible assistance for owner-occupied home repairs; and (3) security and utility deposit assistance for households permanently displaced due to disaster-related unit damage. Assistance is only available during an active disaster declaration and does not cover hotel stays or temporary shelter.

a. Fiscal Years Covered: 2025-2026, 2026-2027, 2027-2028

b. Income Categories to be served: Very low, low

c. Maximum award:

- Temporary Rental or Mortgage Assistance: Up to $2,000 per month, for a maximum of 3 months (total cap of $6,000 per household)
- Insurance Deductible: Up to $8,000

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. Assistance is provided on a first-qualified, first-served basis, subject to eligibility and funding availability.
2. Applicants must provide:
   a. Proof of disaster-related property damage (e.g., photos, contractor estimates, insurance claim notices).
   b. For rental or mortgage assistance, applicants must show either:
      - Sustained and significant loss of household income directly resulting from the declared disaster, or
      - Permanent displacement from a rental unit or home due to disaster-related damage not covered by insurance or other assistance.
   c. Acceptable documentation may include:
      - For loss of income:
        - Employer statements
        - Proof of workplace closure

- Reduction in hours or pay
- Termination notices
- Canceled contracts
- Notarized affidavits
- Other verifiable documentation

- For displacement due to property damage:
  - Lease agreement showing prior occupancy
  - Written notice from landlord or property manager
  - Code enforcement report or disaster inspection
  - Insurance claim denial or insufficient coverage notice
  - Photos or documentation of damage to rental unit

3. The following are not eligible under this strategy:
   a. Minor disruptions such as temporary utility outages or short-term business closures without measurable income loss
   b. Voluntary work absences or inability to work due to personal choice or precautionary concerns

   c. Relocation or hotel expenses not tied to a verified loss of habitability or lease agreement

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

g. **Additional Information:**

1. Assistance is only available to households that:
   a. Have an existing, valid lease or mortgage, or can document permanent displacement due to disaster-related damage to their previous unit
   b. Are at risk of losing housing due to:
      1. Disaster-related income loss, or
      2. Out-of-pocket repair costs not covered by insurance
      3. Verified loss of habitability of a rental unit due to disaster-related damage
2. Assistance can only be issued while a State or Federal disaster declaration is active. Applications must be received during the active disaster declaration period. Households that submit a complete application before the declaration expires may still be served after the declaration ends, provided all eligibility criteria are met.
3. Hotel stays or temporary relocation expenses are not covered under this strategy. Security and utility deposits may be covered if the household is permanently displaced due to disaster-related damage and is securing a new long-term lease. Households needing emergency shelter or temporary housing support should visit **DisasterAssistance.gov** or call the **FEMA helpline** at 1-800-621-FEMA (3362) to explore available federal resources
4. Applicants must certify that they have not received, and will not receive, duplicative benefits from other sources (e.g., FEMA, insurance payouts, nonprofit assistance).
5. Ongoing assistance (rental/mortgage) is evaluated month-to-month and requires updated documentation of continued need.
6. No direct payments will be made to applicants. Payments will be made directly to vendors, including but not limited to:

a. Property owners
b. Landlords
c. Rental management companies
d. Mortgage holders
e. Utility companies
f. Licensed contractors

7. To receive payment the vendors must:
    a. Agree with the County's assistance terms
    b. Submit a completed W-9 form for vendor registration

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III. INCENTIVE STRATEGIES

This section includes all adopted incentives with the policies and procedures used for implementation as provided in Section 420.9076, F.S.:

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 and in the City of Palm Coast, housing projects for affordable housing are expedited by standard custom and practice. Permits for affordable housing are reviewed within ten (10) days.

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

Planning staff from both Flagler County and the City of Palm Coast notify the Affordable Housing Advisory Committee (AHAC) of any proposed policies, ordinances, or plan amendments that could impact housing affordability. AHAC members are provided the opportunity to review and comment before such provisions are adopted.

C. Public Lands for Affordable Housing

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

Flagler County: Parcels identified for affordable housing are available at www.flaglercounty.gov/ship. Lands offered for affordable housing are publicly advertised through the County's procurement portal, OpenGov.com. Interested developers and affordable housing entities may create a free account to view all County Requests for Proposals (RFPs), which detail the affordability requirements, targeted Area Median Income (AMI) limits, required restrictions, and preferred housing types.

City of Palm Coast: The City of Palm Coast's Housing Element (2050 Comprehensive Plan) supports the identification of public lands for affordable housing. When suitable parcels are available, the City posts them on its website for public awareness and potential housing opportunities.

D. Duplex Unit Conversion for Separate Ownership (City of Palm Coast)

The City of Palm Coast permits the conversion of duplex dwelling units under single ownership into separately owned units through mechanisms such as condominium ownership or zero-lot line subdivisions, as outlined in Section 4.08.02 of the Land Development Code. This policy facilitates the creation of additional affordable homeownership opportunities by allowing each unit within a duplex to be sold individually. This provision allows each unit within a duplex to be sold individually through one of the following legal mechanisms:

- Creation of a condominium form of ownership;
- Establishment of a zero-lot line subdivision; or
- Implementation of a similar legal structure that allows for separate ownership of each unit.

This policy facilitates the creation of additional affordable homeownership opportunities by enabling duplex units to be sold separately, thereby increasing access to fee-simple ownership for low- to moderate-income households. The City continues to support this allowance as part of its broader strategy to diversify housing options and promote efficient use of land.

E. Planned Affordable Development (PAD) District (Flagler County)

Flagler County has adopted a Planned Affordable Development (PAD) Zoning District to promote innovative and affordable residential development.

Procedures for Implementation:
PAD zoning (Land Development Code Section 3.03.21) encourages creative site design, protection of natural features, and efficient land use for affordable housing development. The PAD District encourages unit clustering and shared infrastructure, which reduces per-unit development costs.

PAD Requirements:

1. Residential and customary accessory uses only
2. Must meet concurrency and preferably be located within five (5) miles of services or employment
3. Internal roads must be paved unless waived
4. Stormwater compliance is required
5. Clustering is encouraged
6. Centralized sewer is preferred

PAD Incentives:

- **Financial Incentives:** Waiver of applicable development and construction fees
- **Regulatory Incentives:** Modifications or waivers may be granted for:
    - Density
    - Setbacks
    - Lot coverage
    - Accessory structures
    - Landscape requirements
    - Minimum living area

F. Accessory Dwelling Units (ADUs) (Flagler County & Palm Coast

Flagler County and the City of Palm Coast have adopted Housing Element policies supporting the development of Accessory Dwelling Units (ADUs) to promote affordable housing.
Procedures for Implementation:

Flagler County:
The County has incorporated the allowance of ADUs into its Housing Element and is actively developing an ordinance, targeted for adoption by Fall 2027. ADUs are intended to support workforce housing, aging in place, and multi-generational households.

City of Palm Coast:
The City's 2050 Comprehensive Plan Housing Element includes a policy that directs the City to conduct a housing needs assessment to improve and diversify housing options.

Recommendations may guide updates to the Housing Element, Land Development Code, and related policies to ensure the diversity and adequacy of housing supply.

Note: Ordinance references will be added upon adoption.

G. Affordable Housing Educational Impact Fee Exemption (County-Wide)

Flagler County offers an exemption from educational impact fees for qualified affordable housing projects.

To qualify, a project must meet the definition of affordable housing under both Section 16-79 of the Flagler County Code and Section 420.0004, F.S. Developers must coordinate with the Planning and Development Department and provide required documentation to demonstrate eligibility.

For more information, contact: 386-313-4009 or planning@flaglercounty.gov.

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IV. EXHIBITS

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.

F. Interlocal Agreement

G. Shared Equity Resale Formula and Policies