

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

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

WITNESSETH

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. Term and Termination of Agreement.

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

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

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

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

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

FOR FLAGLER COUNTY:

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

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

FOR THE CITY OF PALM COAST:

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

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

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

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

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

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

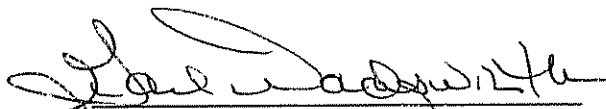
18. Filing of Interlocal Agreement. Pursuant to the provisions of Section 163.01 (11), Florida Statute, this Interlocal Agreement shall be filed with the Clerk of the Circuit Court in and for Flagler County, Florida.

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

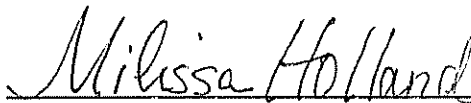
IN WITNESS WHEREOF, the Parties have made and executed this Agreement on the respective dates under each signature.

ATTEST:

BOARD OF COUNTY COMMISSIONERS,
OF FLAGLER COUNTY, FLORIDA



Gail Wadsworth, Clerk and
Ex Officio Clerk of the Board



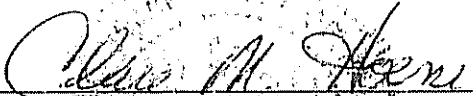
Milissa Holland, Chair
Date: APRIL 16, 2009

Approved as to form:




Albert J Hadeed, County Attorney

ATTEST:




Clare Hoeni, City Clerk

Approved as to form:



William E. Reischmann, Jr., City Attorney

CITY OF PALM COAST, FLORIDA



Jon Netts, Mayor
Date: 4/7/09