

ORDINANCE NO. __-__

AN ORDINANCE AMENDING VOLUSIA COUNTY CODE OF LAWS AND ORDINANCES PART __, CHAPTER __, CREATING A NEW ARTICLE __ TITLED VOLUSIA HOUSING OPPORTUNITY ACT; PROVIDING DEFINITIONS; ESTABLISHING THE VOLUSIA COUNTY HOUSING OPPORTUNITY PROGRAM AND DESCRIBING THE PURPOSE THEREOF; ESTABLISHING THE VOLUSIA COUNTY HOUSING OPPORTUNITY TRUST FUND; PROVIDING FOR ALLOCATION OF FUNDS; PROVIDING FOR ADOPTION OF A HOUSING OPPORTUNITY FUND ANNUAL PLAN; PROVIDING FOR THE USE OF PROGRAM FUNDS; PROVIDING FOR ADMINISTRATION OF THE FUND; PROVIDING FOR INCLUSION IN THE VOLUSIA COUNTY CODE; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE. _____

WHEREAS, the County Council of Volusia County recognizes that Volusia County has experienced rapid population growth over the past five years and that these growth trends are predicted to continue; and

WHEREAS, such growth places pressure on the housing market and causes an increase in rents and home prices; and

WHEREAS, approximately 34% of households (54% of renter households) in Volusia County are considered cost-burdened because they pay more than 30% of household income for rent or mortgage costs; and

WHEREAS, approximately 16% of households (28% of renter households) in Volusia County are considered severely cost-burdened because they pay more than 50% of household income for rent or mortgage costs; and

WHEREAS, cost-burdened households have less income to spend on basic needs such as food, transportation, education and medical care; and

WHEREAS, an adequate supply of safe, decent and affordable housing at all income levels is critical to healthy families, helps create and maintain jobs, and impacts the quality of life and economic prosperity of the community; and

WHEREAS, the County Council of Volusia County finds that the Federal and State funds received by the County for preserving and producing affordable housing are insufficient to meet community needs; and

WHEREAS, the County Council desires to establish a local fund for preserving and developing affordable housing that is sufficiently flexible to meet varied and evolving housing needs and priorities while providing housing that is safe, sound, and financially viable; and

WHEREAS, it is the intent of the County Council that revenue sources for this local housing program be identified during the County's annual budgeting process; and

WHEREAS, on _____, the County Council approved a motion directing the drafting of an ordinance establishing a local housing trust fund; and

WHEREAS, a duly noticed public hearing was held by the County Council of Volusia County, at which public hearing all interested persons were given an opportunity to be heard.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF VOLUSIA COUNTY, FLORIDA, THIS ___ DAY OF ___, ___, AS FOLLOWS:

SECTION 1. The recitations above are true and correct and are incorporated herein by reference.

SECTION 2. The Volusia County Code of Laws and Ordinances, Part A, Chapter 40, is hereby amended to create a new article to be numbered Article IV and entitled the "Volusia Housing Opportunity Act", which shall hereafter read as follows:

Article IV. Volusia Housing Opportunity Act

Sec. - _- _ Definitions

For the purposes of this article, the following definitions apply:

Volusia County Housing Opportunity Trust Fund or "the Fund" means the fund established pursuant to this article.

Volusia County Housing Opportunity Trust Fund or "the Fund" means the fund established pursuant to this article for the purpose of promoting the preservation and production of affordable housing for very low and low income households in Volusia County.

Low income household means one or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households in Volusia County within the Deltona–Daytona Beach–Ormond Beach, Florida Metropolitan Statistical Area, as published by the U.S. Department of Housing and Urban Development.

Very low income household means one or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households in Volusia County within the Deltona–Daytona Beach–Ormond Beach, Florida Metropolitan Statistical Area, as published by the U.S. Department of Housing and Urban Development.

Sec. - _- _ Establishment of Volusia County Housing Opportunity Fund Program; Purpose

There is hereby established the Volusia County Housing Opportunity Fund (the "Fund"). The Fund is established for the purpose of promoting the preservation and production of affordable housing for very low and low income households in Volusia County.

Sec. __-___. - Establishment of Volusia County Housing Opportunity Trust Fund

The Clerk, as accountant for the County Council, is hereby directed to establish and maintain a fund known as the Volusia County Affordable Housing Trust Fund within the accounts of the County Council.

Sec. ___-___. - Allocation and Use of Funds for Program; Annual Budget Preparation

- (a) All monies allocated by the County Council for the Fund shall be appropriated in the Fund. Monies deposited in the Fund, including any interest earnings on such monies and repayments of loans made from such monies, shall be used solely for the purposes of the Fund as provided in this article.
- (b) The Fund will be established with a one time allocation of \$2,500,000, from monies Volusia County received as part of the American Rescue Plan Act (ARPA).
- (c) The funding objective is to lay the foundation for the Fund to annually invest \$7,000,000 million dollars into affordable housing projects. A multi-year approach will be necessary to achieve full and adequate revenue for the Fund.
- (d) In preparing the proposed annual budget for each fiscal year for submission to the County Council will insure that each such budget includes an allocation of at least \$1,000,000.00 in new Countywide General Fund monies for the Program and the inclusion in the Fund as an account balance of any monies previously allocated to the Program and interest earned on such monies which were not expended for the Program within the prior fiscal year.
- (e) The Fund may accept private gifts, grants, donations, or other contributions.

Sec. __-___. - Volusia County Housing Opportunity Trust Fund Annual Plan

- (a) Within three months of the adoption of this Ordinance and then annually thereafter, the Community Services Department shall submit a recommended Housing Opportunity Trust Fund Annual Plan, which, for purposes of this article, shall be referred to as the "Plan", to the County Council for consideration. The recommended Plan shall be prepared by the Community Services Department with the approval of the County's Affordable Housing Advisory Board.
- (b) The County Council shall adopt a Housing Opportunity Trust Fund Annual Plan following a public hearing. The first such Plan shall be adopted within six months of

the adoption of this Ordinance, and a new Plan shall be adopted every year thereafter addressing the approved strategies for and uses of allocated funds. Every Plan must be approved by the County's Affordable Housing Advisory Board before enactment by the County Council. The County Council may consider more frequent updates to the Plan as necessary.

(c) The Plan shall include:

- (1) The priorities for the expenditure of funds allocated to the Fund.
- (2) The strategies which will be eligible for assistance under the Fund.
- (3) A description of the affordability restrictions and requirements and loan and grant terms applicable for each adopted strategy.
- (4) A description of how funds from the Fund will be distributed among very low income and low income households.
- (5) A description of the procedure for selecting projects receiving funding under the Fund.
- (6) A summary of the use of the Fund in the immediately preceding two-year period.

Sec. -_- - Use of Program Funds

- (a) Funds allocated to the Fund shall be used to provide loans and grants for projects to create and sustain affordable housing for very low and low income households in Volusia County.
- (b) The Fund shall provide assistance through production, acquisition, rehabilitation and preservation of land and/or housing units for rental and homeownership activities. Program funds shall not be used for supportive housing services such as daycare or job training.
- (c) Not more than 5 percent of the funds allocated to the Fund may be used to cover administrative expenses.
- (d) Not less than 50 percent of the funds allocated to the Fund shall be spent on affordable housing for very low income households.

Sec. -_- - Program Administration

- (a) The Fund shall be administered by the Community Services Department on behalf of the County Council and consistent with the adopted Plan. It shall be the

responsibility of the Community Services Department to develop and implement policies and procedures necessary for operation of the Fund.

- (b) The Community Services Department shall disburse Program funds consistent with the Plan and its adopted policies and procedures, and shall monitor the use of Program funds for compliance with the purposes of the Fund and the conditions pursuant to which the funds were granted or loaned. The Community Services Department shall also maintain the financial and other records of the Fund.
- (c) The Community Services Department shall make periodic reports and appearances before the County Council, in substantially the following manner:

On an annual basis, submit a written report containing the following information:

1. Itemized list of the deposits and withdrawals.
2. Pending applications.
3. Costs of administering the fund.

The report shall be signed by the Community Services Department.

- (d) All projects to be awarded Program funding shall be approved by the County Council.
- (e) Affordable rental or housing units that utilize proceeds from the Fund must be deed restricted, requiring that the units remain affordable for at least twenty (20) years from the date of the certificate of occupancy. The deed must be approved by the County Attorney's Office and must be recorded in the public records and filed with the Community Services Department.

SECTION 3. INCLUSION IN THE VOLUSIA COUNTY CODE _

The provisions of this Ordinance shall be included and incorporated in the Volusia County Code, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Volusia County Code. SECTION _.

SEVERABILITY If any section, subsection, sentence, clause, phrase or provision of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

SECTION 5. FILING OF ORDINANCE AND EFFECTIVE DATE

This Ordinance shall be effective immediately upon receipt of acknowledgement that a copy of this Ordinance has been filed with the Secretary of State.