



# **NOFA HED.2023.5**

## **State Housing Initiative Partnership (SHIP)**

### **Developer Rental Assistance Program**

**Pre-submittal Workshop**  
**December 11, 2023**





## Program Overview

To offer State Housing Initiatives Partnership (SHIP) funding under the Developer Rental Assistance Program to not-for-profit organizations for the acquisition of existing multifamily rental housing, with or without rehabilitation.



## Eligible Projects

- Limited to acquisition, with or without rehabilitation, of existing multifamily residential properties
- Multifamily Housing is defined as five (5) or more residential units located on a single property under common ownership
- Properties cannot currently bear affordability requirements of any federal, state, or local program.



## Eligible Projects

- Properties may be occupied, however current tenants must meet income eligibility requirements.
- Projects which will result in displacement are not eligible for funding.
- Single-family housing, emergency shelters, group homes, single-room occupancy housing, and units within a condominium complex are not eligible for funding.



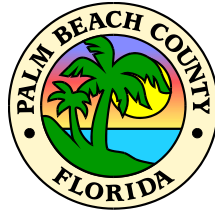
## Eligible Projects

- Homeownership projects are not eligible for funding.
- Property acquisitions are subject to satisfactory appraisal, title, and other County due diligence.
- SHIP funds must be expended and units occupied by SHIP eligible beneficiaries no later than June 1, 2024.



## **Eligible Applicants**

**Funding limited to 501(c)(3) Not-for-profit organizations and wholly-owned subsidiaries and affiliates of not-for-profit organizations.**



## **Affordability Requirements**

- **All housing units within the project will be SHIP-assisted.**
- **Up to twenty percent (20%) of housing units may serve households with incomes no greater than one hundred forty percent (140%) of Area Median Income (AMI).**
- **No less than eighty percent (80%) of the housing units within the project must serve households in income groups no greater than eighty percent (80%) AMI.**



# 2023 Income Limits

## Area Median Income: \$98,300

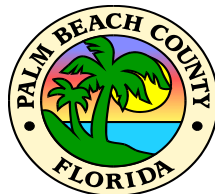
Number of Persons in Household	30% of AMI	50% of AMI	80% of AMI	120% of AMI	140% of AMI
1	\$20,450	\$34,100	\$54,550	\$81,840	\$95,480
2	\$23,400	\$39,000	\$62,350	\$93,600	\$109,200
3	\$26,300	\$43,850	\$70,150	\$105,240	\$122,780
4	\$30,000	\$48,700	\$77,900	\$116,880	\$136,360
5	\$35,140	\$52,600	\$84,150	\$126,240	\$147,280
6	\$40,280	\$56,500	\$90,400	\$135,600	\$158,200
7	\$45,420	\$60,400	\$96,600	\$144,960	\$169,120
8	\$50,560	\$64,300	\$102,850	\$154,320	\$180,040





# Affordability Requirements

- **Projects are subject to an affordability period of no less than thirty (30) years.**
- **During the affordability period, rents, and/or fees charged to tenant household/residents shall not exceed the applicable rent limits.**
- **Rent limits are subject to annual adjustments.**



## 2023 Rent Limits Chart

Unit Size	30% AMI Rent Limits	50% AMI Rent Limits	80% AMI Rent Limits	120% AMI Rent Limits	140% AMI Rent Limits
0 Bedroom	\$511	\$852	\$1,363	\$2,046	\$2,387
1 Bedroom	\$548	\$913	\$1,461	\$2,193	\$2,558
2 Bedroom	\$657	\$1,096	\$1,753	\$2,631	\$3,069
3 Bedroom	\$814	\$1,266	\$2,025	\$3,039	\$3,545
4 Bedroom	\$1,007	\$1,412	\$2,260	\$3,390	\$3,955
5 Bedroom	\$1,199	\$1,558	\$2,493	\$3,741	\$4,364

**Note: The SHIP Program does not require an utility allowance.**



## County Funding Available

- **\$4,000,000 in State Housing Initiative Partnership (SHIP) Program Funding.**
- **Interest-free loan with a thirty (30) year term.**
- **All loan principal must be repaid over the term of the loan.**
- **SHIP maximum loan to value (LTV) will be ninety percent (90%).**



# County Funding Available

- SHIP loan will take senior position over any loan of smaller amount.
- Full amount of principal will become due and payable should the borrower default on conditions of the loan during the term of loan.
- Loan funds for acquisition and related costs will be disbursed at time of acquisition closing.



## **County Funding Available**

- **Loan funds for rehabilitation and related costs will be disbursed to the borrower on a reimbursement basis, after work has been performed and the borrower has made payment in full to the contractor/vendor.**
- **Borrowers should maintain sufficient operating capital during the development phase to carry the project through the County's reimbursement process.**



## Maximum per unit Subsidy/Leveraging

- **Maximum SHIP award is \$300,000 per unit.**
- **Minimum ten percent (10%) equity contribution from other non-County development sources.**
- **Must document commitments from all other sources of development funding, as well as from sources of any necessary operating subsidy.**



# Location Requirements

**Projects may be located within any municipal or unincorporated area of Palm Beach County**



## Important Dates

- Applications will be accepted starting, Monday, January 8, 2024 at 9:00 am.
- Applications will be accepted contingent on SHIP funding availability.
- Applications will be funded on a first-come/first-eligible/first funded basis.
- Funded projects must be completed and occupied by eligible beneficiaries no later than June 1, 2024.





# Submittal Requirements

- Complete cover sheet
- Detailed project description
- Appraisal
- Developer/Owner Experience with Similar Projects
- Organization chart that identifies all owners
- Evidence of site control
- Detailed Development Pro Forma
- Documentation of all non-County funding sources
- Detailed 15-Year Operating Pro-Forma
- Detailed Project Schedule
- Detailed information on local approvals



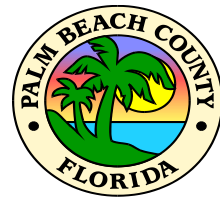
## **Submittal Format**

**Applicants must submit one (1) original wet-signed copy and two (2) photocopies of the application and all required documentation on a single-sided paper no larger than 8.5” x11” in a binder with tabbed/identified sections; and one (1) electronic copy of the application in pdf file format on a DVD or USB flash/jump drive.**



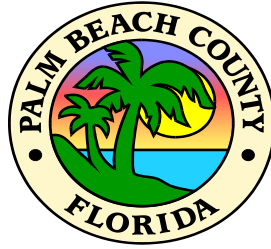
## **Review / Funding Recommendation Process**

- Applications will be reviewed in order received for eligibility and responsiveness to the NOFA submittal requirements.
- Non-responsive applications may re-apply contingent upon funding availability and the resubmitted application will be processed in the new order received.
- Eligible and responsive applications that meet all SHIP and County requirements will be considered for funding on a first-come/first-eligible/first-funded basis.



## Funding Awards

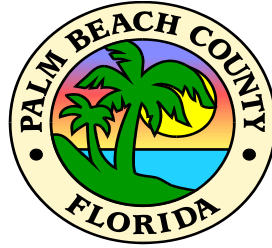
- Recommendation to award is at the sole discretion of the Department of Housing and Economic Development.
- All funding awards must be approved by the Board of County Commissioners. (tentative 3/12/24 meeting date).
- A SHIP funding agreement will be executed and funds become available when all project development funding closes.



# Questions?

**This presentation and Q&A will be posted on the HED website.**

**[Discover.pbcgov.org/hed](http://Discover.pbcgov.org/hed)**



# Contact

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