

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 6, 2007 [X] Consent [] Regular
[] Public Hearing
Department: Housing and Community Development
Submitted By: Commission on Affordable Housing

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) Amendment No. 001 to the Conditional Grant Agreement (R2003-1632) with We Help Community Development Corporation; and, B) A Mortgage and Note Modification Agreement with We Help Community Development Corporation in connection with the housing project known as Abidjan Estates in the City of Belle Glade.

Summary: On October 21, 2003, Palm Beach County entered into a Conditional Grant Agreement with We Help Community Development Corporation (We Help). The Conditional Grant Agreement provided \$600,000 in Home Investment Partnership Program (HOME) funds towards the acquisition of 73 acres of land for the Abidjan Estates mixed-use project in the City of Belle Glade. These funds were initially secured by a Mortgage and Security Agreement covering the entire 73 acre parcel of land. Subsequently, the County's lien was transferred to a portion of this property covering about 22 acres where We Help was to have built and sold seventy-six (76) single-family affordable housing units by October 29, 2005, as required in both the Conditional Grant Agreement and the Mortgage and Security Agreement. The Conditional Grant Agreement also specified the maximum sale price of these three and four bedroom affordable housing units. To date, We Help has constructed twelve (12) units with certificates of occupancy forthcoming. The process of obtaining site plan approvals, as well as the 2004 and 2005 hurricanes caused delays in the project. Construction cost escalation has also caused a rise in the sale price of the units. The requested Amendment No. 001 to the Conditional Grant Agreement and the Mortgage and Note Modification Agreement will extend the deadline to construct and sell these units to December 31, 2008, and will allow the sale price of the three bedroom/two bath units to rise from \$135,000 to \$195,000, and the sale price of the four bedroom/two bath units to rise from \$145,000 to \$210,000. (District 6) (TKF)

Background and Justification: The HOME program provides funding to affordable housing developers. This type of project has been envisioned by the approval of the 4th Amendment to the Annual Consolidated Plan for FY 2002-03 to include land acquisition by a CHDO (Community Housing Development Organization) as an eligible activity. It also fulfills the BCC directive to show preference to owner-occupied affordable housing. The project's location within Housing Planning Sector "Q" meets an underserved need of low and moderate income families residing in the Lake Region. The provision of these 76 affordable housing units will also be consistent with the County's economic development effort.

Attachments:

1. Amendment No. 001 to a Conditional Grant Agreement (R2003-1632) with We Help Community Development Corporation, with Attachment 1.
2. Mortgage and Note Modification Agreement with We Help Community Development Corporation.
3. Agreement (2003-1632) with We Help Community Development Corp.

Recommended by: Edward B. Gonyea 10/17/07
Department Director Date

Approved By: Sharon B. Bly 10/29/07
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes ____ No ____
Budget Account No.:

Fund ____ Dept ____ Unit ____ Object ____ Program Code/Period BG ____-GY ____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

No fiscal impact.

C. Departmental Fiscal Review: Shairette Major 10-16-07
Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

John D. ... 10-24-07
OFMB 10/23/07 10/24/07 10/23/07

John J. Jacoby 10/25/07
Contract Development and Control

B. Legal Sufficiency:

This amendment complies with
our review requirements.

Edward W. ... 10/29/07
Assistant County Attorney

C. Other Department Review:

Edward W. ...
Department Director

This summary is not to be used as a basis for payment.

**AMENDMENT 001 TO THE CONDITIONAL GRANT AGREEMENT
WITH
WE HELP COMMUNITY DEVELOPMENT CORPORATION**

Amendment 001 entered into this ____ day of _____, 20____, by and between Palm Beach County and We Help Community Development Corporation.

W I T N E S S E T H:

WHEREAS, Palm Beach County entered into a Conditional Grant Agreement (R2003-1632) with We Help Community Development Corporation (hereinafter Grantee), on October 21, 2003, to provide \$600,000 of Home Investment Partnership Program (HOME) funds for land acquisition; and

WHEREAS, the parties wish to modify the Conditional Grant Agreement, and

WHEREAS, both parties mutually agree that the original Conditional Grant Agreement entered into on October 21, 2003, is hereby amended as follows:

A. Subparagraph 7(e) - Special Provisions - Page 7:

Delete the following:

"3 bedrooms, two baths with 1363 sq. ft. - \$135,000
3 bedrooms, two baths with 1510 sq. ft. - \$140,000
4 bedrooms, two baths with 1892 sq. ft. - \$145,000"

Replace the deleted language with the following:

"Three bedrooms, two baths, with a minimum "Gross Building Area" of 1363 square feet: \$195,000.
Four bedrooms, two baths, with a minimum "Gross Building Area" of 1892 square feet: \$210,000.
Where "Gross Building Area" is defined as the square foot area on all floors enclosed within the face of exterior wall surfaces of the a Subject Affordable Housing Unit including all habitable rooms, kitchens, bathrooms, corridors, stairs, closets, garages, utility rooms, and thickness of walls and columns, and excluding carports, attic space, porches, balconies, and walkways".

B. Subparagraph 12(e) - Default - Page 12:

Delete the entire contents of this subparagraph and replace them with the following:

"Grantee shall fail to complete construction of the Improvements, secure a Certificate of Occupancy for the Improvements, and convey the seventy-six (76) single-family affordable housing units to eligible households by December 31, 2008".

C. Mortgage and Note Modification Agreement:

The parties, by entering into this Amendment, agree to simultaneously enter into the Mortgage and Note Modification Agreement, provided herein as Attachment 1.

D. Consistency Between the Conditional Grant Agreement and the Mortgage and Note Modification Agreement:

The parties agree that all the modifications contained in the Mortgage and Note Modification Agreement shall equally effect the corresponding sections found in Exhibit C (Promissory Note) and Exhibit D (Mortgage and Security Agreement) to the Conditional Grant Agreement.

E. Recognition of the Legal Description:

The parties recognize that the lien on the land described in the Mortgage and Security Agreement as recorded in Official Records Book 16162, Page 1502, Public Records of Palm Beach County, Florida, on November 7, 2003, has been partially released by operation of the Agreement for Modification and Subordination of Mortgage as recorded in Official Records Book 19377, Page 1685, Public Records of Palm Beach County, Florida, on October 7, 2005, as corrected by the Correction Agreement which was recorded in Official Records Book 20450, Page 1526, Public Records of Palm Beach County, Florida, on June 8, 2006. The parties further recognize that as a result of the aforesaid documents, the Palm Beach County Board of County Commissioners is the owner and holder of a valid lien on the following described land:

Lots 1 through 14, Block 9, Lots 1 through 12, Block 10, Lots 1 through 5, Block 11, Lots 1 through 12, Block 12, Lots 1 through 4, Block 13, and Lots 1 through 29, Block 14, as shown on a plat entitled Abidjan Estates, a planned unit development, revised final plat for Phases 1 & 2, City of Belle Glade, Palm Beach County, Florida, in part of the Northeast quarter of Section 6, Township 44 South, Range 37 East, as recorded in Plat Book 105, Page 33 through 37, of the Public Records of Palm Beach County, Florida.

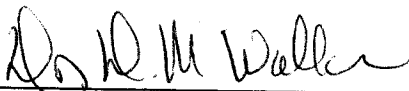
F. Corrected Declaration of Restrictive Covenant:

The Grantee shall re-record, in the Public Records of Palm Beach County, Florida, a duly executed Declaration of Restrictive Covenant. Such re-recorded document shall be named Corrected Declaration of Restrictive Covenant, and shall contain the current legal description of the lots for the seventy-six homes stated in the Conditional Grant Agreement, which legal description is more specifically provided above.

NOW THEREFORE, all items in the previous Conditional Grant Agreement in conflict with this Amendment shall be and are hereby changed to conform to this Amendment.

All provisions not in conflict with this aforementioned Amendment are still in effect and shall be performed at the same level as specified in the Conditional Grant Agreement.

**WE HELP COMMUNITY
DEVELOPMENT CORPORATION**
a Florida not-for-profit corporation

By: 
Dr. D. M. Walker, Executive Director

(COUNTY SEAL)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**

BOARD OF COUNTY COMMISSIONERS

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Addie L. Greene, Chairperson
Board of County Commissioners

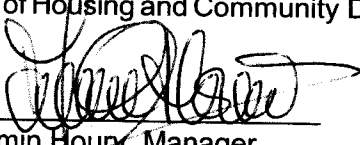
By: _____
Deputy Clerk

Document No.: _____

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: 
Amin Houry, Manager
Housing and Capital Improvements

C:\Users\Dr. DM Walker\Documents\MtgAndNoteModAgrmtAgenda\AgmtAmnd1.wpd

ATTACHMENT 1

This instrument prepared by
and to be returned to:
Tammy K. Fields, Esq.
Palm Beach County Attorney's Office
P.O. Box 1989, West Palm Beach, FL 33402

MORTGAGE AND NOTE MODIFICATION AGREEMENT

THIS MORTGAGE AND NOTE MODIFICATION AGREEMENT executed this _____ day of _____, 20____, by WE HELP COMMUNITY DEVELOPMENT CORPORATION, a not-for-profit Florida corporation, (the "Mortgagor"), as party of the first part, and PALM BEACH COUNTY, a political subdivision of the State of Florida (the "Mortgagee") (which term as used in every instance shall include the Mortgagee's successors and assigns), as party of the second part;

WITNESSETH:

WHEREAS, Mortgagee is the owner of that certain Mortgage and Security Agreement executed by We Help Community Development Corporation as Mortgagor, dated October 24, 2003, said Mortgage being recorded in Official Records Book 16162, Page 1502, Public Records of Palm Beach County, Florida, on November 7, 2003, (the "Mortgage") and is the holder of that certain Promissory Note dated October 24, 2003, in the original principal sum of SIX HUNDRED THOUSAND AND NO/100s DOLLARS (\$600,000.00) (the "Note"); and

WHEREAS, the parties desire to modify said Mortgage and Note by amending certain dates contained therein and associated with the performance of the Mortgagor thereunder, and

WHEREAS, it is mutually beneficial both to the Mortgagee and the Mortgagor that the Mortgage and Note be modified as hereinafter set out.

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable considerations paid by the Mortgagor to the Mortgagee, receipt of which is hereby acknowledged by Mortgagee, it is mutually understood and agreed that said Mortgage and Note be modified as follows:

1. The "October 29, 2005", date found in the fifth paragraph of the Granting Clause in the Mortgage shall be deleted and shall be replaced with "December 31, 2008".
2. The "October 29, 2005", date found in Paragraph 2(a) and in Paragraph 2(c) of the Note shall be deleted in both instances and shall in each instance be replaced with "December 31, 2008".
3. All other terms and conditions of the original Mortgage and Note, unless specifically changed herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in their respective names and have caused their seals to be affixed by their respective proper officers thereunto duly authorized this _____ day of _____, 20____.

Signed, sealed and delivered
in the presence of:

**WE HELP COMMUNITY
DEVELOPMENT CORPORATION,**
a Florida not-for-profit corporation

(DO NOT SIGN THIS ATTACHMENT)

By: _____
Dorothy Walker, Executive Director

(COUNTY SEAL)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS**

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Addie L. Greene, Chairperson
Board of County Commissioners

By: _____
Deputy Clerk

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: _____
Amin Houry, Manager
Housing and Capital Improvements

This instrument prepared by
and to be returned to:
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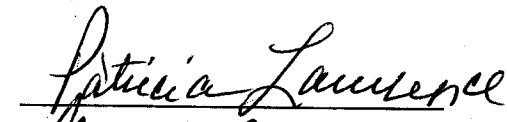

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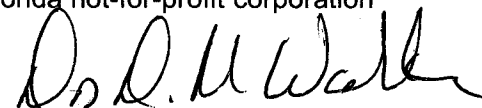
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in the presence of:

(COUNTY SEAL)

**WE HELP COMMUNITY
DEVELOPMENT CORPORATION,**
a Florida not-for-profit corporation

By: 
Dorothy Walker, Executive Director

**PALM BEACH COUNTY, FLORIDA, a
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BOARD OF COUNTY COMMISSIONERS**

By: _____
Addie L. Greene, Chairperson
Board of County Commissioners

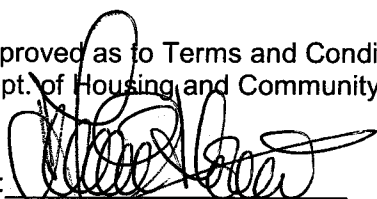
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