

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

**Meeting Date:** December 16, 2008    ☒ **Consent**    ☐ **Regular**

**Department:**    **Housing and Community Development**

**Submitted By:**    **Commission on Affordable Housing/HOME Program**

**I. EXECUTIVE BRIEF**

**Motion and Title:**    **Staff recommends motion to:**

- A.** Rescind the Blanket Assignment of Mortgages (R-2006-0139) transferring certain mortgage loans to Florida Housing Finance Corporation;
- B.** Rescind the authorization (R-2006-0139) of the County Administrator, or designee, to endorse, in favor of the Florida Housing Finance Corporation, the original promissory notes associated with the mortgages being transferred;
- C.** Approve an Assignment of Mortgage transferring certain mortgage loans to Florida Housing Finance Corporation;
- D.** Authorize the County Administrator, or designee, to endorse in favor of Florida Housing Finance Corporation the Allonge to the HOME Promissory Note associated with the mortgages being transferred; and
- E.** Authorize payment of one hundred three thousand nine hundred ninety-one dollars and 65/100 (\$103,991.65), to the Florida Housing Finance Corporation, representing reimbursement for satisfying certain mortgages and amounts received on behalf of the State of Florida as payoffs and the satisfaction for certain mortgages.

**Summary:** In 1992, the State of Florida through its Housing Finance Agency issued a Request For Proposal (RFP) soliciting participants for their HOME Program. As a result Palm Beach County Housing and Community Development responded with an application for the Restoring Our Neighborhoods Program (RON) on April 20, 1992. On June 15, 1993 via R-93-734-D, Palm Beach County Housing and Community Development entered a sub-recipient Agreement with the State of Florida Housing Finance Agency to expend up to \$1,500,000 in State HOME funds in furtherance of the RON Program. Approval of the this item will rescind the approval of a Blanket Assignment of Mortgages transferring thirty (30) mortgages to Florida Housing Finance Corporation (FHFC), as well as authorization of the County Administrator or designee to endorse the original promissory notes associated with the subject mortgages that were to be transferred. Approval of this item will therefore approve an Assignment of Mortgages transferring all of Palm Beach County's rights, titles and interests in, to and under for twenty-three (23) mortgage loans and authorizing the County Administrator or designee to sign in favor of Florida Housing Finance Corporation the Allonge to the HOME Promissory Note for the purposes of endorsement. The subject mortgages were taken by Palm Beach County in exchange for funding made to homeowners through the County's Restoring Our Neighborhoods first-time homebuyer program funded by the State of Florida in 1992. Upon execution of each Assignment of Mortgage, the County's obligation will be fulfilled under its Agreement with Florida Housing Finance Agency (*now known as the Florida Housing Finance Corporation*). Execution of the Allonge to the HOME Promissory Notes secured by the mortgages for the purpose of endorsement will complete the transfer transaction.

(CONTINUED ON PAGE 3)

**Attachments:**

- A.** Assignment Of Mortgages Document
- B.** Allonge To The HOME Program Promissory Note for the Purpose Of Endorsement
- C.** HOME Loan Refunds and Mortgage Satisfactions to be Paid to Florida Housing Finance Corporation
- D.** HOME Loans to be Assigned to Florida Housing Finance Corporation

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<b>Recommended By:</b> <u>Edward W. Lomax</u> <div style="text-align: center; font-size: small;">Department Director</div>	<u>12/9/08</u> <div style="text-align: center; font-size: small;">Date</div>
<b>Approved By:</b> <u>Sharon E. By</u> <div style="text-align: center; font-size: small;">Assistant County Administrator</div>	<u>12/12/08</u> <div style="text-align: center; font-size: small;">Date</div>

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	\$ <u>103,991.65</u>	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<b>\$103,991.65</b>	_____	_____	_____	_____
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	<u>0</u>	_____	_____	_____	_____

Is Item Included In Current Budget? Yes X No \_\_\_\_\_ Budget Account No.:

Fund 1103- Dept 143- Unit 1434 - Object 4958 -Program Code/Period HRF51/GY07

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

Approval of this agenda item will repay Florida Housing Finance Corporation \$5,590.51 from loan payoffs and \$98,401.14 from misc. recaptured funds for a total of \$103,991.65.

### C. Departmental Fiscal Review:

  
Shairette Major, Fiscal Manager I

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Dev. and Control Comments:

  
A. Willhite 12-10-08  
 OFMB CN 12/10/08

  
Du J. Javett 12/10/08  
 Contract Dev and Control

### B. Legal Sufficiency:

  
12/11/08  
 Senior Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
Department Director

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

**SUMMARY (Continued):**

Payment to FHFC in the amount of one hundred three thousand nine hundred ninety-one dollars and 65/100 (\$103,991.65), represents funds the County received through mortgage pay offs and reimbursement for certain FHFC mortgages that were inadvertently satisfied. Payment is being made to FHFC in lieu of transferring those subject mortgages, since transfer is no longer possible. (TKF)

**BACKGROUND AND POLICY ISSUES:**

The State of Florida was designated by the Department of Housing and Urban Development (HUD) as a participating jurisdiction for the receipt and use of funds as provided by the HOME Investment Partnerships Program (HOME) pursuant 24 CFR Part 92. The State of Florida was designated by the Department of Housing and Urban Development (HUD) as a participating jurisdiction for the receipt and use of funds as provided by the HOME Investment Partnerships Program (HOME) pursuant 24 CFR Part 92. In 1992, the State of Florida through its Housing Finance Agency issued a Request For Proposal (RFP) soliciting participants in their HOME Program. As a result Palm Beach County Housing and Community Development responded with an application for the Restoring Our Neighborhoods Program (RON) on April 20, 1992. On June 15, 1993 via R-93-734-D, Palm Beach County Housing and Community Development entered a sub-recipient Agreement with the State of Florida Housing Finance Agency to expend up to \$1,500,000 in State HOME funds in furtherance of the RON Program. This program provided single family housing and provided financial assistance (second mortgages) to first-time homebuyers to purchase a single family home. On May 17, 1994, the agreement was amended to: **a)** change the State financing instrument from forgivable second mortgages to deferred loans; **b)** to require all funds collected on behalf of the State to be repaid to the State; and **c)** to add a new activity (multi-family) and reallocate \$600,000 of the \$1,500,000 to that activity. Again on December 20, 1994, via R-94-1810-D, the agreement was amended increasing the County's allocation by \$60,000. The additional funding was provided in support of the single family component of the RON Program.

ATTACHMENT A

This Instrument Was Prepared By  
And After Recording To Be Returned To:  
Robert J Pierce, Assistant General Counsel  
Florida Housing Finance Corporation  
City Centre Building  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

ASSIGNMENT OF MORTGAGE

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, PALM BEACH COUNTY, a political subdivision of the State of Florida, whose principal address is 301 North Olive Avenue, Suite 601 West Palm Beach, Florida, 33401 (the "Assignor"), does hereby grant, sell, assign, transfer, and convey unto FLORIDA HOUSING FINANCE CORPORATION, a public corporation, whose address is 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301 (the "Assignee"), a certain mortgage entitled "SECOND MORTGAGE AND PROMISSORY NOTE" dated \_\_\_\_\_, made and executed by \_\_\_\_\_, to and in favor of PALM BEACH COUNTY, and recorded in Official Records Book \_\_\_\_\_, page \_\_\_\_\_, public records of Palm Beach County, Florida, upon the following described property located in said County and State:

Together with any and all notes and obligations therein described or referred to, the debt respectively secured thereby and all sums of money due and to become due thereon, with interest thereon, and attorney's fees and all other charges.

TO HAVE AND TO HOLD the same unto the said Assignee, its successors and assigns forever.

Assignor represents and warrants that it is the owner and holder of the mortgage hereby assigned together with the note secured thereby and that the loan evidenced by the mortgage and the note remains outstanding on the books of the Assignor as of the date hereof.

IN WITNESS WHEREOF the Assignor has executed this Assignment of Mortgage on \_\_\_\_\_, 2008.

PALM BEACH COUNTY, a political  
subdivision of the State of Florida

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signed, sealed and delivered  
in the presence of:

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF PALM BEACH COUNTY

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2008, by \_\_\_\_\_, \_\_\_\_\_ of PALM BEACH COUNTY, a political subdivision of the State of Florida. Such person is personally known to me or produced the following identification \_\_\_\_\_.

My Commission Expires:

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

Notary Seal

## ATTACHMENT B

### ALLONGE TO THE HOME PROGRAM PROMISSORY NOTE OF THE PURPOSE OF ENDORSEMENT

Loan No.: \_\_\_\_\_

Borrower(s): \_\_\_\_\_

Pay to the order of Florida Housing Finance Corporation, a public corporation.

By: Palm Beach County, a Political Subdivision of the State of Florida

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT C**

**PALM BEACH COUNTY 92HH-004**

Loan Number	First Name	M.I.	Last Name	Address (1)	City	State	Zip	Total Loan	Repaid To PBC	Amt. PBC PAID FHFC	Bal. DueTo FHFC	Satisfaction Date
92HH-004-035	Henry & Grace		Augustine	206 South E Street	Lake Worth	Florida	33460	\$11,000.00	\$7,454.25	\$5,918.73	\$1,535.51	
92HH-004-049	Majorie		Bater	1720 Sunset Avenue	Lake Worth	Florida	33460	\$17,000.00	\$10,857.78	\$8,784.00	\$2,073.78	
92HH-004-020	Teresa	M	Johnson	1201 West 3rd Street	Riviera Beach	Florida	33404	\$11,000.00	\$4,858.00	\$5,554.93	\$696.93	
92HH-004-045	Sylvester & Janine		Hillmon Jr	310 Southridge Drive	Delray Beach	Florida	33444	\$5,000.00	\$1,889.41	\$2,255.06	\$365.65	
92HH-004-054	Mary	H	Wilson	2109 Park Street	Lake Worth	Florida	33460	\$10,400.00	\$4,728.11	\$5,646.75	\$918.64	
<b>NOTE: Above loans were paid-off by the mortgagor</b>											<b><u>\$5,590.51</u></b>	

[illegible]

TOTAL		\$98,401.14
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**NOTE: Above mortgage loans were satisfied inadvertently .**

<b>GRAND TOTAL OF SECOND CHECK TO FHFC</b>	<b>\$103,991.65</b>
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[illegible]