

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

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Meeting Date: April 21, 2009 [X] Consent [] Regular

Department: Housing and Community Development

Submitted By: Housing and Community Development

Submitted For: Commission on Affordable Housing

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Modification to the Agreement with the Delray Beach Community Development Corporation (DBCDC) to: **A)** provide a time extension through May 29, 2009 to close the loan with DBCDC; **B)** permit the DBCDC to provide a Lease-Purchase option to all low-income homebuyers; and **C)** permit the DBCDC to provide assistance to Low as well as Very Low income homebuyers.

Summary: On October 7, 2008, the Board of County Commissioners approved an Agreement (R2008 – 1809) with the Delray Beach Community Development Corporation to provide \$150,000 in rehabilitation expenses for conversion of a six (6) unit rental development into six (6) homeowner units. This project originally was to provide homeownership to six (6) very low income families. However, due to the recent more stringent loan qualifying rules of local banks, it has become extremely difficult for the very-low income home buyers to qualify for first mortgage loans. As a result, the DBCDC desires to make the completed units available to both low and very low income households through a Lease-Purchase agreement. This project was reviewed and recommended by the Commission on Affordable Housing's Advisory Committee on April 24, 2008; and conceptually approved by the Palm Beach County Board of County Commissioners (BCC) on June 17, 2008 (Agenda Item No. 3I-7). These requested modifications were also recommended by the CAH Advisory Committee on March 26, 2009. This Agreement will reimburse the costs incurred on or after July 1, 2008 to coincide with the start of the 2008-2009 State SHIP fiscal year. The total project costs are \$1,125,000. **These are State Funds which require no local match.** District 2 (TKF)

Background and Justification: On May 18, 1993, the BCC adopted its Affordable Housing Ordinance (No. 93-8 as amended) pursuant to the SHIP regulations outlined by the Florida Housing Finance Corporation. The County's Commission on Affordable Housing (CAH) was established by the BCC in 1990 to administer the Robert E. Pinchuck Memorial Housing Trust Fund. The current SHIP Local Housing Assistance Plan adopted by the BCC on April 25, 2006 (R2006-0735) established how local SHIP program funds are to be allocated. The SHIP funds are used to facilitate the rehabilitation, acquisition, construction and preservation of affordable single-family ownership and multi-family/rental housing in Palm Beach County. Additionally, SHIP funding is also used locally for: foreclosure prevention, utility connections and impact-fee payments; architectural barrier removal for the disabled; and other BCC approved affordable housing initiatives. Because the DBCDC's executive director (Bill Sanders) also serves on the CAH's Advisory Committee, the BCC approved a waiver of conflict of interest for this project on October 7, 2008 (R2008-1809).

ATTACHMENTS:

A. Amendment 001 to the Loan Agreement with Delray Community Development Corporation

Recommended by: Edward R. Lomax
Department Director

4/7/09
Date

Approved By: Sharon R. [Signature]
Assistant County Administrator

4/15/09
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					
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 1100 Unit 143 Org 7508 Object 8201 Program Code/Period RFS56/GY07


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

C. Departmental Fiscal Review: Shair 4-7-09
Shairrette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

* No additional fiscal impact

OFMB  4-13-09

B. Legal Sufficiency:


Senior Assistant County Attorney

C. Other Department Review:

Department Director

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

**AMENDMENT 001 TO THE AGREEMENT
WITH
DELRAY BEACH COMMUNITY DEVELOPMENT CORPORATION**

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

WITNESSETH:

WHEREAS, Palm Beach County entered into an Agreement (R2008-1809) with Delray Beach Community Development Corporation, on October 7, 2008, to provide \$150,000 of State Housing Initiative Partnership (SHIP) Program funds for rehabilitation expenses for conversion of a six (6) unit rental development into a six (6) unit homeowner project. This project will provide homeownership for six (6) low income families, and.

WHEREAS, the parties wish to modify the Agreement, providing an extension through May 15, 2009 to close on this loan with the County Attorney's Office, and

WHEREAS, the parties wish to modify the Agreement to include a Lease-Purchase option for the lower income homebuyers, and

WHEREAS, both parties mutually agree that the original Agreement entered into on October 7, 2008, is hereby amended as follows:

A. Part I – Recitals (1b):

Substitute low income households for very-low income households.

B. Part II – The Conditional Grant:

Substitute "May 29, 2009" for "December 19, 2008".

C. Part V – Disbursement of Grant Funds:

Add a provision to the Agreement allowing Delray Beach Community Development Corporation to include a Lease-Purchase option to the low income homebuyers.

NOW THEREFORE, all items in the previous 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 Agreement.

(AGENCY SEAL BELOW)

(COUNTY SEAL BELOW)

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Deputy Clerk

Approved as to Form and
Legal Sufficiency

By: 
Tammy K. Fields
Senior Assistant County Attorney

**DELRAY BEACH COMMUNITY DEVELOPMENT
CORPORATION**

By: 
William Sanders, Executive Director

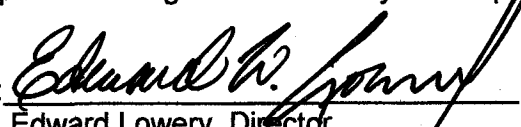
**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**

BOARD OF COUNTY COMMISSIONERS

By: _____
John F. Koons, Chairman
Board of County Commissioners

Document No.: _____

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

By: 
Edward Lowery, Director
Housing and Community Development