

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

Meeting Date: 11/17/09	<input type="checkbox"/>	Consent	<input checked="" type="checkbox"/>	Regular
	<input type="checkbox"/>	Ordinance	<input type="checkbox"/>	Public Hearing

Department Submitted By: County Administration

I. EXECUTIVE BRIEF

Motion and Title: Staff request Board direction regarding: the adoption of one of four resolutions of the Board of County Commissioners of Palm Beach County recognizing the need for Affordable Housing and the importance of financially supporting the preservation, redevelopment and creation of affordable housing.

Summary: Since the October 20, 2009 BCC meeting, staff has been working with PEACE, Commission on Affordable Housing (CAH) and Housing Leadership Council (HLC) to craft an Affordable Housing Resolution dedicating a percentage of unallocated investment earnings on roads, parks and public building impact fees to support an affordable housing assistance program. The following are four options for BCC consideration regarding a dedicated funding source for affordable housing: (1) Option "A" was the original resolution submitted by staff to the BCC for consideration, with minor modifications. This option provides the BCC with maximum flexibility on whether to allocate anticipated investment earnings of \$1.037Million in road impact fee zone 1 to support road impact fee assistance for an eligible affordable housing development in zone 1. During each budget development process, beginning FY2011, the BCC may determine the percentage of projected unallocated investment earnings on applicable impact fees fund balances for affordable housing assistance program; (2) Option "B" is recommended by CAH; (3) Option "C" is staff's recommended compromise on this issue; and (4) Option "D" is recommended by PEACE and HOUSING LEADERSHIP COUNCIL(HLC).

Options "B," "C," and "D" allocate the anticipated investment earnings of \$1.037Million in road impact fee zone 1 to support the affordable housing road impact fee assistance program. Options "B, C and D" anticipate designating 50% of projected investment earnings on roads, parks, and public building impact fee fund balances for the impact fee assistance program during the FY-2011budget process for FY-2014 of the CIP/CIE. These funds will be allocated at the beginning of FY-2015. All options recognize that the CAH will recommend eligible projects to the BCC for approval of funding. In addition, all options require the transferred funds for affordable housing be contracted within two (2) years and fully expended within four (4) years of being transferred, otherwise the funds revert back to the original impact fee type and benefit zone. **The outstanding issue between Options "B, C and D" is that Option "C" (staff's option) does not recommend a funding source until FY-2014. Option "B" (CAH) request the BCC strongly consider reallocating investment earnings from any project planned in the adopted CIP/CIE (FY 2010-FY-2013) that is unable to move forward to the affordable housing assistance program. Option "D" (PEACE and HLC) specifically request the BCC allocate \$500,000 in FY-2012, \$750,000 in FY-2013, and \$1,000,000 in FY-2014. Upon approval of a resolution, staff will develop the appropriate policies and procedures with the assistance of the CAH that will govern the affordable housing impact fee assistance program.** (Continued on page three)

Attachment: Resolutions

Recommended by: _____ Date _____
Department Director

Approved By:  Date 11/16/09
Deputy County Administrator

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	<u>\$1,037M</u>	<u>tbd</u>	<u>tbd</u>	<u>tbd</u>
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	-----	-----	-----	-----	-----
In-Kind Match (County)	-----	-----	-----	-----	-----
 NET FISCAL IMPACT	 =====	 =====	 =====	 =====	 =====

ADDITIONAL FTE

POSITIONS (Cumulative) - 0- 0---- 0---- 0---- 0-----

Is Item Included In Current Budget Yes No X

Budget Account No.: Fund- Dept Unit Object
Reporting Category

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

Investment earnings on roads, parks, and public impact fee fund balances will be the source of funds. The fiscal impact cannot be determined until final decisions are made by the BCC regarding capital budgets and the amount of investment earnings that will allocated for affordable housing assistance has been determined.

C. Department Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

 11/13/09  11/13/09
OFMB ^{CN} 11/13/09 Contract Dev. ad Control

B. Approved as to form and Legal Sufficiency:

 11/13/09
Assistant County Attorney

C. Approved as to Terms and Conditions:

Department Director

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

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Background and Policy Issues: On April 7, 2009, the CAH recommended to the BCC that a dedicated funding source be identified to financially assist in the development of affordable housing. On August 18, 2009, at the request of the PEACE Group, the BCC directed staff to bring back a resolution dedicating impact fee interest as a potential funding source to support the preservation, redevelopment and creation of affordable housing. On October 20, 2009, the BCC directed staff to continue discussions with PEACE, CAH and Housing Leadership Council regarding dedicated funding source (s) for affordable housing. Staff has been working with the various groups to develop a compromise on investment earnings on applicable impact fees fund balances as a dedicated funding source and the Fiscal Year in which the funding should begin. The groups have agreed on all points with the exception of potential funding source from FY-2011-FY -2013.

Option "A"

RESOLUTION NO. R-2009 _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOGNIZING THE NEED FOR AFFORDABLE HOUSING AND THE IMPORTANCE OF FINANCIALLY SUPPORTING THE PRESERVATION, REDEVELOPMENT AND CREATION OF AFFORDABLE HOUSING.

WHEREAS, it is the intent of the Palm Beach County Board of County Commissioners to ensure decent, safe and affordable housing for all residents in Palm Beach County; and

WHEREAS, the County recognizes the importance of assuring a variety of affordable housing types and costs, including homeownership and rental units, are available to our residents; and

WHEREAS, the County supports affordable housing through the Countywide Community Land Trust, For-Profits and Not- For- Profit entities; and

WHEREAS, the Board of County Commissioners has provided incentives to ensure the redevelopment and new construction of affordable housing in Palm Beach County through the creation of an affordable housing incentive program that provides for bonus density, expedited permitting process, reduced transportation planning process, and modified zoning requirements; and

WHEREAS, it is the intent of the Board of County Commissioners to allocate a percentage of future investment earnings, which has not been allocated as of the date of this resolution, on roads, parks and public buildings impact fee fund balances to offset like impact fee types within the same impact fee benefit zone for eligible affordable housing development; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, THAT:

1. The anticipated \$1.037 Million of unallocated road impact fee investment earnings in road impact fee Zone 1 accumulated through Fiscal Year 2010 may be available for allocation beginning Fiscal Year 2011 for road impact fee assistance to eligible affordable housing development.
2. During each budget development process, beginning Fiscal Year 2011, for Capital Improvement Program/Capital Improvement Element (CIP/CIE) budget FY-2014, the Board of County Commissioners will determine the percentage of projected investment earnings on roads, parks and public buildings impact fee fund balances for impact fee assistance for eligible affordable housing development.
3. Palm Beach County will establish the appropriate funds for each impact fee type and impact fee benefit zone to be used to provide impact fee assistance for eligible affordable housing development.
4. Any investment earnings on impact fee fund balances created to provide impact fee assistance for affordable housing shall only be expended for the purpose collected and within the impact fee benefit zone collected.

5. The Commission on Affordable Housing will review and advise on all policies and procedures for distribution of impact fee assistance and applications requesting impact fee assistance and make recommendations of eligible projects to the Board of County Commissioners.

6. In the event any amounts budgeted exclusively for affordable housing impact fee assistance pursuant to the provisions herein are not allocated to a specific project by contract within two (2) years of budgeting and fully expended within four (4) years, then such funds shall be deemed unallocated and shall be returned to the respective impact fee benefit zone trust fund.

7. This Resolution shall become effective upon approval by a majority vote of the Board of County Commissioners, Palm Beach County, Florida.

The foregoing Resolution was offered by Commissioner _____, who moved for its adoption. The motion was seconded by Commissioner _____ and upon being put to vote, the motion passed as follows:

Commissioner Karen T. Marcus
Commissioner John F. Koons
Commissioner Shelly Vana
Commissioner Steven L. Abrams
Commissioner Burt Aaronson
Commissioner Jess R. Santamaria
Commissioner Priscilla A. Taylor

The Chairman thereupon declared the Resolution duly passed and adopted
this _____ day of _____, 2009.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Assistant County Attorney

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY COMMISSIONERS
SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

Option "B"

RESOLUTION NO. R-2009 _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOGNIZING THE NEED FOR AFFORDABLE HOUSING AND THE IMPORTANCE OF FINANCIALLY SUPPORTING THE PRESERVATION, REDEVELOPMENT AND CREATION OF AFFORDABLE HOUSING.

WHEREAS, it is the intent of the Palm Beach County Board of County Commissioners to ensure decent, safe and affordable housing for all residents in Palm Beach County; and

WHEREAS, the County recognizes the importance of assuring a variety of affordable housing types and costs, including homeownership and rental units, are available to our residents; and

WHEREAS, the County supports affordable housing through the Countywide Community Land Trust, For-Profits and Not- For- Profit entities; and

WHEREAS, the Board of County Commissioners has provided incentives to ensure the redevelopment and new construction of affordable housing in Palm Beach County through the creation of an affordable housing incentive program that provides for bonus density, expedited permitting process, reduced transportation planning process, and modified zoning requirements; and

WHEREAS, it is the intent of the Board of County Commissioners to allocate a percentage of future investment earnings, which has not been allocated as of the date of this resolution, on roads, parks and public buildings impact fee fund balances to offset like impact fee types within the same impact fee benefit zone for eligible affordable housing development; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, THAT:

1. The anticipated \$1.037 Million of unallocated road impact fee investment earnings in road impact fee Zone 1 accumulated through Fiscal Year 2010 shall be available for allocation beginning Fiscal Year 2011 for road impact fee assistance to eligible affordable housing development.
2. During each budget development process, beginning Fiscal Year 2011, for Capital Improvement Program/Capital Improvement Element (CIP/CIE) budget FY2014, the Board of County Commissioners shall designate 50%, but not exceed a total of \$3 Million annually or adjusted accordingly, of the projected investment earnings on roads, parks, and public buildings impact fee fund balances for impact fee assistance for eligible affordable housing development. However, in the event that any project planned in the CIP/CIE is unable to move forward, the Board of County Commissioners will give strong consideration to allocating such investment earnings allocated for such project to impact fee assistance for eligible affordable housing development.

3. Beginning FY 2015, budget equal to 50% of the investment earnings realized during the prior year on the roads, parks and public building impact fee fund balances , but not to exceed a total of \$3 million annually or adjusted accordingly, will be appropriated for eligible affordable housing development.
4. Palm Beach County will establish the appropriate funds for each impact fee type and impact fee benefit zone to be used to provide impact fee assistance for eligible affordable housing development.
5. Any investment earnings on impact fee fund balances created to provide impact fee assistance for affordable housing shall only be expended for the purpose collected and within the impact fee benefit zone collected.
6. The Commission on Affordable Housing will review and advise all policies and procedures for distribution of impact fee assistance and applications requesting impact fee assistance and make recommendations of eligible projects to the Board of County Commissioners.
7. In the event any amounts budgeted exclusively for affordable housing impact fee assistance pursuant to the provisions herein are not allocated to a specific project by contract within two (2) years of budgeting and fully expended within four (4) years, then such funds shall be deemed unallocated and shall be returned to the respective impact fee benefit zone trust fund.
8. This Resolution shall become effective upon approval by a majority vote of the Board of County Commissioners, Palm Beach County, Florida.

The foregoing Resolution was offered by Commissioner _____, who moved for its adoption. The motion was seconded by Commissioner _____ and upon being put to vote, the motion passed as follows:

Commissioner Karen T. Marcus
Commissioner John F. Koons
Commissioner Shelly Vana
Commissioner Steven L. Abrams
Commissioner Burt Aaronson
Commissioner Jess R. Santamaria
Commissioner Priscilla A. Taylor

The Chairman thereupon declared the Resolution duly passed and adopted
this _____ day of _____, 2009.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Assistant County Attorney

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY COMMISSIONERS
SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

Option "C"

RESOLUTION NO. R-2009 _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOGNIZING THE NEED FOR AFFORDABLE HOUSING AND THE IMPORTANCE OF FINANCIALLY SUPPORTING THE PRESERVATION, REDEVELOPMENT AND CREATION OF AFFORDABLE HOUSING.

WHEREAS, it is the intent of the Palm Beach County Board of County Commissioners to ensure decent, safe and affordable housing for all residents in Palm Beach County; and

WHEREAS, the County recognizes the importance of assuring a variety of affordable housing types and costs, including homeownership and rental units, are available to our residents; and

WHEREAS, the County supports affordable housing through the Countywide Community Land Trust, For-Profits and Not- For- Profit entities; and

WHEREAS, the Board of County Commissioners has provided incentives to ensure the redevelopment and new construction of affordable housing in Palm Beach County through the creation of an affordable housing incentive program that provides for bonus density, expedited permitting process, reduced transportation planning process, and modified zoning requirements; and

WHEREAS, it is the intent of the Board of County Commissioners to allocate a percentage of future investment earnings, which has not been allocated as of the date of this resolution, on roads, parks and public buildings impact fee fund balances to offset like impact fee types within the same impact fee benefit zone for eligible affordable housing development; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, THAT:

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2. During each budget development process beginning Fiscal Year 2011, for Capital Improvement Program/Capital Improvement Element (CIP/CIE) budget FY2014, the Board of County Commissioners shall designate 50%, but not exceed a total of \$3 Million annually or adjusted accordingly, of the projected investment earnings on roads, parks, and public buildings impact fee fund balances for impact fee assistance for eligible affordable housing development.
3. Beginning FY 2015, budget equal to 50% of the investment earnings realized during the prior year on the roads, parks and public building impact fee fund balances , but not to exceed a total of \$3 million annually or adjusted accordingly, will be appropriated for eligible affordable housing development.
4. Palm Beach County will establish the appropriate funds for each impact fee type and impact fee benefit zone to be used to provide impact fee assistance for eligible affordable housing development.

5. Any investment earnings on impact fee fund balances created to provide impact fee assistance for affordable housing shall only be expended for the purpose collected and within the impact fee benefit zone collected.
6. The Commission on Affordable Housing will review and advise on all policies and procedures for distribution of impact fee assistance and applications requesting impact fee assistance and make recommendations of eligible projects to the Board of County Commissioners.
7. In the event any amounts budgeted exclusively for affordable housing impact fee assistance pursuant to the provisions herein are not allocated to a specific project by contract within two (2) years of budgeting and fully expended within four (4) years, then such funds shall be deemed unallocated and shall be returned to the respective impact fee benefit zone trust fund.
8. This Resolution shall become effective upon approval by a majority vote of the Board of County Commissioners, Palm Beach County, Florida.

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Commissioner Karen T. Marcus
Commissioner John F. Koons
Commissioner Shelly Vana
Commissioner Steven L. Abrams
Commissioner Burt Aaronson
Commissioner Jess R. Santamaria
Commissioner Priscilla A. Taylor

The Chairman thereupon declared the Resolution duly passed and adopted
this _____ day of _____, 2009.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By:  _____
Assistant County Attorney

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY COMMISSIONERS
SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

Option "D"

RESOLUTION NO. R-2009 _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOGNIZING THE NEED FOR AFFORDABLE HOUSING AND THE IMPORTANCE OF FINANCIALLY SUPPORTING THE PRESERVATION, REDEVELOPMENT AND CREATION OF AFFORDABLE HOUSING.

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1. The anticipated \$1.037 Million of unallocated road impact fee investment earnings in road impact fee Zone 1 accumulated through Fiscal Year 2010 shall be available for allocation beginning Fiscal Year 2011 for road impact fee assistance to eligible affordable housing development.
2. Beginning in FY-2012 and ending in FY-2014, the BCC shall budget a fixed amount, which will be exclusively available for eligible affordable housing development. Such fixed amount shall be: \$500,000 in FY-2012; \$750,000 in FY-2013 and \$1,000,000 in FY-2014.
3. During each budget development process, beginning Fiscal Year 2011, for Capital Improvement Program/Capital Improvement Element (CIP/CIE) budget FY-2014, the Board of County Commissioners shall designate 50%, but not exceed a total of \$3 Million annually or adjusted accordingly, of the projected investment earnings on roads, parks, and public buildings impact fee fund balances for impact fee assistance for eligible affordable housing development.

Beginning FY 2015, budget equal to 50% of the investment earnings realized during the prior year on the roads, parks and public building impact fee fund balances , but not to exceed a total of \$3 million annually or adjusted accordingly, will be appropriated for eligible affordable housing development.

5. Palm Beach County will establish the appropriate funds for each impact fee type and impact fee benefit zone to be used to provide impact fee assistance for eligible affordable housing development.

6. Any investment earnings on impact fee fund balances created to provide impact fee assistance for affordable housing shall only be expended for the purpose collected and within the impact fee benefit zone collected.

7. The Commission on Affordable Housing will review and advise all policies and procedures for distribution of impact fee assistance and applications requesting impact fee assistance and make recommendations of eligible projects to the Board of County Commissioners.

8. In the event any amounts budgeted exclusively for affordable housing impact fee assistance pursuant to the provisions herein are not allocated to a specific project by contract within two (2) years of budgeting and fully expended within four (4) years, then such funds shall be deemed unallocated and shall be returned to the respective impact fee benefit zone trust fund.

9. This Resolution shall become effective upon approval by a majority vote of the Board of County Commissioners, Palm Beach County, Florida.

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Commissioner Priscilla A. Taylor

The Chairman thereupon declared the Resolution duly passed and adopted
this _____ day of _____, 2009.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Assistant County Attorney

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY COMMISSIONERS
SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk