

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: March 1, 2011 [] Consent [X] Regular
[] Public Hearing

Department: Housing and Community Development

Submitted By: Housing and Community Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: **A) Approve** a Neighborhood Stabilization Program 2 (NSP2) funding award in the amount of \$6,100,000 to Westgate Plaza Apartments, Ltd.; **B) Approve** a NSP2 funding award in the amount of \$5,846,934 to Colonial Lakes Apartments, Ltd.; **C) Direct** staff to negotiate the loan Agreements; and **D) Adopt** a Resolution authorizing the County Administrator or his designee to execute loan agreements, and amendments thereto, required for projects approved for NSP2 funding through the Neighborhood Rental Redevelopment Loan Program Request for Proposals.

Summary: On September 11, 2010, the Department of Housing and Community Development issued a Request for Proposals (HCDNSP2.2010.1) (RFP) for the County's NSP2 Neighborhood Rental Redevelopment Loan Program (NRRLP) to distribute \$11,946,934. A total of seven (7) proposals were received, of which five (5) were deemed responsive and forwarded to the Selection Committee. Notice of the results of the responsiveness review was provided directly to all respondents and was posted on Housing and Community Development's (HCD) website with notice of the Committee meeting. The Selection Committee consisted of five (5) voting members and two (2) non-voting advisory members, and met at a public meeting held on February 7, 2011. The Committee ranked the proposals based on the criteria established in the RFP. As a result of that Public Process, the Selection Committee recommended that the following two (2) entities be awarded funding as follows:

1. Westgate Plaza Apartments, Ltd. in the amount of \$6,100,000 for the construction of 80 new affordable multi-family rental units in Westgate by Landmark Development Corp.
2. Colonial Lakes Apartments, Ltd. in the amount of \$5,846,934 for the construction of 120 new affordable multi-family units in unincorporated Greenacres by The Richman Group of Florida.

NRRLP loans are to be 30-year fixed rate (2.0% APR) and cash flow dependent with all unpaid principal and interest due upon expiration of the loan term, or upon cessation of the properties' use for specified NSP2 purposes. Both developers are required to expend fifty percent (50%) of the awarded funds by December 15, 2011 in order to meet Federal criteria. Authorization of the County Administrator, or his designee, to execute loan agreements with the owners/developers of the above-listed projects will expedite implementation of the NRRLP and the County's ability to meet expenditure deadlines. **These are Federal NSP2 funds that require no local match. District 2 (TKF)**

Background and Justification: (continued on page 3)

Attachments:
A. Resolution

Recommended By: Edward B. Ponder Department Director 2/22/2011 Date

Approved By: Sharon [Signature] Assistant County Administrator 2/28/11 Date

Background (continued): The American Recovery and Reinvestment Act of 2009 (ARRA), signed into law by President Obama on February 17, 2009, appropriated \$1.93 billion for the Neighborhood Stabilization Program 2 (NSP2). On July 7, 2009, the BCC approved the County's proposed NSP2 activities and funding levels, including the Neighborhood Redevelopment Program. On February 11, 2010 the U.S. Department of Housing and Urban Development executed a grant agreement with Palm Beach County providing \$50 million in NSP2 funding. On September 11, 2010, the Department of Housing and Community Development (HCD) published Request for Proposals HCDNSP2.2010.1 making available \$11,946,934 in NSP2 funding for the redevelopment of vacant properties for affordable rental housing under the Neighborhood Rental Redevelopment Loan Program (NRRLP).

By the submittal deadline of January 7, 2011, seven (7) entities submitted proposals in response to the RFP. A responsiveness review determined five (5) proposals to be "Responsive", warranting evaluation by the Selection Committee and consideration for funding recommendations. Notice of the results of the responsiveness review was provided directly to all respondents and was posted on HCD's website with notice of the Selection Committee meeting.

A Selection Committee of five (5) voting members and two (2) non-voting advisory members met at a public meeting held on February 7, 2011. The Committee recommended that Westgate Plaza Apartments and Colonial Lakes Apartments be provided NRRLP funding, and recommended as an alternate the Pine Run proposal (Atlantic Housing Partners, LLLC) in the event that the sponsor of Colonial Lakes Apartments did not accept the NRRLP funding. Subsequently, Colonial Lakes Apartments, Ltd. notified the County that it would accept the offered NRRLP funding and would undertake the project as detailed in its proposal. Notice of the Selection Committee's recommendations and the March 1, 2011, BCC meeting was provided directly to all sponsors of Responsive proposals and was posted on HCD's website.

RESOLUTION NO. R-2011-

A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS DESIGNEE TO EXECUTE LOAN AGREEMENTS, AND AMENDMENTS THERETO, REQUIRED FOR PROJECTS APPROVED FOR FUNDING THROUGH THE NEIGHBORHOOD RENTAL REDEVELOPMENT LOAN PROGRAM REQUEST FOR PROPOSALS.

WHEREAS, on February 17, 2009, the President of the United States signed the American Recovery and Reinvestment Act of 2009 (ARRA), as amended; and

WHEREAS, a component of ARRA called the Neighborhood Stabilization Program 2 (NSP2), made available \$1.93 billion through a nationwide competition, to be used for the purchase, rehabilitation, and redevelopment of abandoned and foreclosed homes and other residential properties; and

WHEREAS, on February 11, 2010, the Department of Housing and Urban Development executed a grant agreement providing \$50 million in NSP2 funding to Palm Beach County; and

WHEREAS, Palm Beach County made available \$11,946,934 in NSP2 funding for the redevelopment of vacant properties for affordable rental housing under the Neighborhood Rental Redevelopment Loan Program (NRRLP); and

WHEREAS, a Selection Committee has evaluated responsive proposals and made recommendations for NRRLP funding to the Board of County Commissioners;

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

The County Administrator or his designee is authorized to execute loan agreements, and amendments thereto, required for projects approved for NSP2 funding through the Neighborhood Rental Redevelopment Loan Program Request for Proposals.

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


KAREN T. MARCUS, Chair	-
SHELLY VANA, Vice Chair	-
PAULETTE BURDICK	-
STEVEN L. ABRAMS	-
BURT AARONSON	-
JESS R. SANTAMARIA	-
PRISCILLA A. TAYLOR	-

The Chair thereupon declared the Resolution duly passed and adopted this _____ day of March 2011.

**PALM BEACH COUNTY, FLORIDA, BY
ITS BOARD OF COUNTY
COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SELF SUFFICIENCY**

**ATTEST:
SHARON R. BOCK, Clerk and
Comptroller**

By: 
Tammy K. Fields, Senior Asst. County Attorney

By: _____
Deputy Clerk