Agenda Item #: 3I-3

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

February 7, 2012

[X] Consent
[] Ordinance

[] Regular [] Public Hearing

Department:

Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: consent for Palm Beach County employee Conrad L. Bowen to purchase and rehabilitate a home with Federal funds received under the Neighborhood Stabilization Program 2 (NSP2) as administered by the Department of Economic Sustainability (DES).

Summary: Conrad L. Bowen has been employed by Palm Beach County Parks & Recreation Department as a Maintenance Worker II for three (3) years and nine (9) months. He is an income eligible homebuyer who is seeking to purchase and rehabilitate a home at 556 Cashiers Drive, West Palm Beach, Florida 33413. The appraised value of the home is \$120,000. The total project cost is \$179,525.39, which includes the purchase price of \$120,000; repair costs of \$50,000; and closing costs of \$9,525.39. amount of NSP2 assistance is \$178,000. Funding to this applicant is provided as a \$75,000 first mortgage loan at 4% for 30 years. The balance of funding to the applicant is provided as a conditional grant that requires the applicant to reside in the home for 30 years. The conditional grant is only forgiven at the end of the 30 years. If the applicant rents, sells, or otherwise conveys the home during the 30 years, the entire conditional grant becomes due and payable. The value of the home after rehabilitation will be \$170,000. Federal regulations pertaining to NSP2 require that an exception be sought from the U.S. Department of Housing and Urban Development (HUD) in instances where a conflict of interest may exist. A Conflict of Interest Exception for Mr. Bowen was approved by HUD on September 23, 2011, and allows this County employee to be funded under NSP2. It is DES Policy to seek the consent of the Board of County Commissioners (BCC) whenever County employees are receiving assistance through DES Programs. These are Federal NSP2 funds which require no local match. (MHA) District 2 (TKF)

Background and Justification: In February 2010, HUD awarded Palm Beach County \$50,000,000 in NSP2 funding. The BCC authorized the use of \$9,150,000 in NSP2 funding to facilitate the purchase of foreclosed and vacant residential properties. Funding to eligible homebuyers is provided as first and second mortgage assistance.

Attachments:

1. Location Map

2. Copy of HUD Conflict of Interest Exception letter of September 23, 2011

Recommended By:

Department Director

1/27/12 Date

Annroyed By:

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

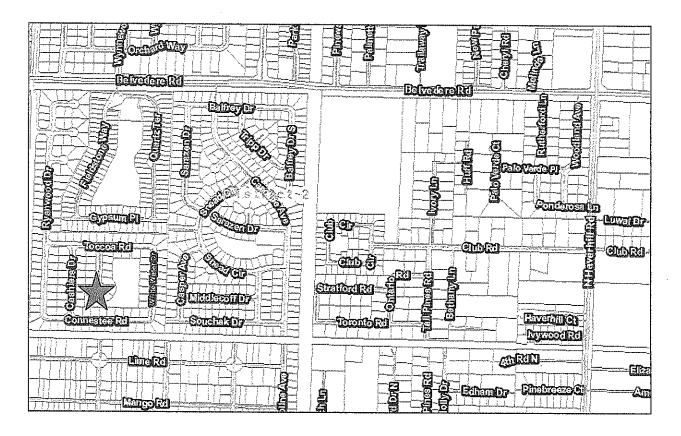
Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures	2012	2010		2010	2010
Operating Costs	178,000				
External Revenues	(178,000)				
Program Income	1 70,000				·
In-Kind Match (County)					
NET FISCAL IMPACT	-0-			<u> </u>	
# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
Is Item Included In Curre Budget Account No.:	nt Budget?	Yes X	No	· · · · · · · · · · · · · · · · · · ·	
Fund 1112 Dept 143 Ur	nit <u>1426</u> Obj	ect <u>১3খ</u> ় Pi	rogram Code	/Period	 '
3. Recommended Sources of Funds/Summary of Fiscal Impact:					
No fiscal impact.					
. Departmental Fiscal Review: /-/7-/2 Shairette Major, Fiscal Manager I					
III. REVIEW COMMENTS					
A. OFMB Fiscal and/or Contract Development and Control Comments:					
ОЕМВ	12 123h	012/ <u>()</u> Com	tract Develop	Jules Do Fromment and Co	1)34/16 ntrol
B. Legal Sufficiency:		ચ			
Senior Assistant Co	ounty Attorney	<u>1/</u> 26/17	2		
C. Other Department	Review:				
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Department Directo	r				

LOCATION MAP



556 Cashiers Drive, West Palm Beach, Florida 33413

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U.S. Department of Housing and Urban Development

Atlanta Region, Miami Field Office Brickell Plaza Federal Building 909 SE First Avenue, Rm. 500 Miami, FL 33131-3042

RCVD SEP 26'11

Mr. Edward lowery, Director Department of Housing and Community Dev. 100 Australian Avenue, Suite 500 West Palm Beach, FL 33406

September 23, 2011

Dear Edward Lowery:

TO: Card/Tammy Fields

Edward W. Lowery, Director

Subject: Neighborhood Stabilization Program (NSP-II) Conflict of Interest Exception Conrad L. Bowen and Danny A. Pratt

We have reviewed the information submitted in connection with the requests for the above listed Palm Beach County employees. The employees are covered persons within the meaning of HUD's conflict of interest regulations at 24 CFR Part 570.611(c).

Palm Beach County employees, Conrad L. Bowen, a Maintenance Worker in the County's Division of Parks and Recreation and Danny A. Pratt, a Messenger in the County's Department of Community Services, may be permitted to participate in the NSP-II, provided they:

(1) meet the eligibility criteria for receipt of benefits, (2) are not granted any preferences as City employees, (3) their applications are not considered ahead of members of the general public and (4) they do not receive more benefits or different benefits than other applicants, not employed by the City, who qualify under the program.

If you have any questions or require any additional information, please contact Darlene Matushefske', CPD Specialist at 305-520-5023.

Sincerery,

Maria R. Ortiz-Hill, Director

Community Planning and Development

HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.

www.hud.gov espanol.hud.gov