

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**AGENDA ITEM SUMMARY**

**Meeting Date:** June 5, 2012

☐ Consent  
☐ Ordinance

☒ Regular  
☐ Public Hearing

**Department:** Department of Economic Sustainability

**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to approve:** Amendment No. 002 to an Agreement (R2011-1030) with Community Land Trust of Palm Beach County, Inc. (CLT) to increase the grant amount from \$2,092,075 to \$2,465,395 and to extend the expenditure deadline date from November 15, 2012 to January 31, 2013.

**Summary:** On April 5, 2011, the Board of County Commissioners (Board) approved \$2,092,075 in Neighborhood Stabilization Program 2 (NSP2) funding for the CLT, pursuant to which the County entered into an Agreement with the CLT on May 5, 2011 (R2011-1030), as amended on December 20, 2011, by Amendment No. 001 (R2012-0135), for the acquisition and rehabilitation of properties. To date, the CLT has acquired 13 homes and has completed rehabilitation of three (3) of these homes. Recent building code changes affecting the rehabilitation of the remaining ten (10) homes are anticipated to increase construction costs associated with properties thereby necessitating the additional funding. The time extension for the expenditure deadline provides the CLT as much time as possible to expend funds within the grant parameters for NSP2. The project approach is being modified to provide the CLT additional flexibility for the procurement of contractors. This project has very strict timelines in order to meet NSP2 expenditure deadlines. **This funding is projected to create one-half (1/2) job and have a five (5) year Economic Sustainability Impact of \$296,000. These are Federal NSP2 funds which require no local match.** (DES Contract Development) Districts 2 and 3 (TKF)

**Background and Justification:** The American Recovery and Reinvestment Act of 2009 (ARRA), signed into law by President Obama on February 17, 2009, appropriated \$1.93 Billion for NSP2. On February 11, 2010, the United States Department of Housing and Urban Development (HUD) executed a Grant Agreement with Palm Beach County providing \$50 Million in NSP2 funding. On November 13, 2010, the Department of Economic Sustainability (DES) issued a Request for Proposals (HCDNSP2.2010.2) (RFP) for the County's NSP2 Residential Redevelopment Grant Program (RRGP). A total of nine (9) proposals were received, of which four (4) were deemed responsive, thereby qualifying for funding consideration by the Selection Committee. (Continued on Page 3)

**Attachments:**

1. Amendment No. 002 to the Agreement with Community Land Trust of Palm Beach County, Inc.
2. Amendment No. 001 (R2012-0135) to the Agreement with Community Land Trust of Palm Beach County, Inc. with Exhibits A1 to O
3. Agreement (R2011-1030) with Community Land Trust of Palm Beach County, Inc. with Exhibits A to N

**Recommended By:**

Department Director

4/26/2012  
Date

**Approved By:**

Assistant County Administrator

5/8/12  
Date

## II. FISCAL IMPACT ANALYSIS

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

Fiscal Years	2012	2013	2014	2015	2016
<del>Govt</del> Expenditures	\$373,320				
Operating Costs					
External Revenues	(\$373,320)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_  
 Budget Account No.:

Community Land Trust of Palm Beach County, Inc.

Fund 1112 Dept 143 Unit 1426 Object 8201 Prog. Code/Period N213B-GY09: \$186,660

Fund 1112 Dept 143 Unit 1426 Object 8201 Prog. Code/Period N213B1-GY09: \$186,660

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

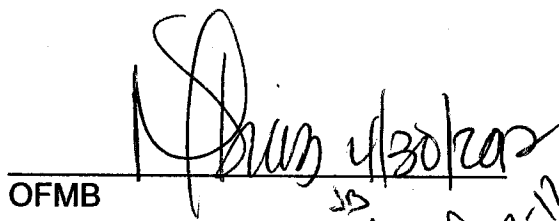
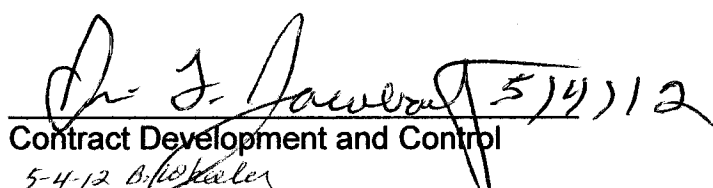
Approval of this agenda item will allocate an additional \$373,320 in NSP2 funds to Community Land Trust of Palm Beach County, Inc.

### C. Departmental Fiscal Review:

  
 Shairrette Major, Fiscal Manager I

## III. REVIEW COMMENTS

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

 4/30/12  
 OFMB  
 5/4/12  
 Contract Development and Control  
 5-4-12 B. Walker

### B. Legal Sufficiency:

 5/7/12  
 Senior Assistant County Attorney

### C. Other Department Review:

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

**Background and Justification:** (Continued from Page 1)

The Selection Committee ranked the proposals based on the criteria established in the RFP and recommended that the following three (3) entities be awarded funding as follows: 1) the CRA in the amount of \$1,132,750, 2) the CLT in the amount of \$2,092,075, and 3) Neighborhood Renaissance, Inc. in the amount of \$9,500,000. On April 5, 2011, the Board approved these recommendations. The \$50 Million in NSP2 funding made available through the Grant Agreement also included \$12,355,175 for the Mortgage Program. The additional funding for the CLT will be reallocated from the Mortgage Program. Despite efforts to publicize the availability of Mortgage Program funds, public participation has been lacking which has resulted in a drop in the number of applications for mortgage assistance received by DES. The reluctance of potential buyers to purchase homes is attributable to the age of properties in the Urban Redevelopment Area where NSP2 funds must be used for the purchase of foreclosed homes. The lack of public participation and the need for additional funds by the CLT, coupled with HUD imposed expenditure deadlines under NSP2, has prompted DES to request Board approval to reallocate these funds.