

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: June 5, 2012

[] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: A) Conceptually Approve a Neighborhood Stabilization Program 2 (NSP2) funding award in the amount of \$3,673,027 and a HOME Investment Partnerships (HOME) Program award in the amount of \$1,863,791 to HTG of Palm Beach II, LLC; **B) Direct** staff to negotiate the Loan Agreement with HTG of Palm Beach II, LLC; **C) Authorize** staff to negotiate with the second ranked respondent, Community Land Trust of Palm Beach County, Inc. (CLT), should negotiations fail with HTG of Palm Beach II, LLC; and **D) Approve** the delegation of authority to the County Administrator, or his designee, to execute the Loan Agreement and other documents necessary for implementation of the NSP2/HOME award.

Summary: On March 21, 2012, the Department of Economic Sustainability (DES) issued a Request for Proposals (RFP) for the County's NSP2 and HOME Programs making \$5,536,818 available from these programs. Six (6) proposals were received, of which three (3) were deemed responsive, thereby qualifying them for consideration by the Selection Committee (Committee). Notice of the results of the responsiveness review was provided directly to all respondents. The Committee, which met at a public meeting on May 3, 2012, consisted of seven (7) voting members and non-voting legal counsel. The Committee ranked the proposals based on the criteria established in the RFP, and recommended award to HTG of Palm Beach II, LLC, in the amount of \$5,536,818 for the construction of 63 new affordable townhomes known as Pine Run Apartments located at 5212 Sunset Trail, in unincorporated Palm Beach County. This is a \$13 Million project of which the County will contribute a total of \$5,536,818 through these Federal funds. The second ranked respondent was the CLT. The CLT requested \$5,536,818 for the construction of Davis Landings West, consisting of 12 rental homes and eight (8) townhomes, to be located at 4938 Davis Road in unincorporated Palm Beach County. RFP criteria required that the property be rented to households whose income are below 120% AMI; that all funds be provided in the form of a cash flow dependent loan (2% APR); and that the property be located in the Urban Redevelopment Area or the Glades Region Target Area. These are Federal NSP2 grant funds which require no local match, and Federal HOME funds which require a 100% local match being provided by State Housing Initiative Partnership funds. (DES Administration) District 2 (TKF)

Background and Policy Issues: 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 NSP2 Program. On July 7, 2009, the BCC approved the County's proposed NSP2 activities and funding levels, including funding for new rental development. On February 11, 2010, the U.S. Department of Housing and Urban Development (HUD) executed a grant agreement with Palm Beach County providing \$50 Million in NSP2 funding. **(Continued on Page 3)**

Attachments:

- ### 1. Location Map

Recommended By: Edmund N. Pom
Department Director

5/10/2012
Date

Approved By: Sharon G. G. G.
Assistant County Administrator

5/16/12
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2012	2013	2014	2015	2016
Grant Expenditures	\$5,536,818				
Operating Costs					
External Revenues	(\$5,536,818)				
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 X No
Budget Account No.:

Fund 1112 Dept 143 Unit 1426 Object 8201: \$3,673,027
Fund 1103 Dept 143 Unit 1434 Object 8201 Prog Code/Period HM36A/GY08: \$125,632.00
Fund 1103 Dept 143 Unit 1434 Object 8201 Prog Code/Period HM36A/GY09: \$139,967.00
Fund 1103 Dept 143 Unit 1434 Object 8201 Prog Code/Period HM36A/GY10: \$138,884.00
Fund 1103 Dept 143 Unit 1434 Object 8201 Prog Code/Period HM36A/GY11: \$1,459,308.00

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

Funding for this award will be provided by the NSP2 and HOME grant programs.

C. Departmental Fiscal Review: Shairrette Major
Shairrette Major Fiscal Manager I

III. REVIEW COMMENTS

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

OFMB 5/14/2012
Contract Development and Control 5/14/12
5-14-12

B. Legal Sufficiency: 5/15/12
Senior Assistant County Attorney

C. Other Department Review:
Department Director

Background and Policy Issues: (Continued from Page 1)

Palm Beach County receives an annual HOME Program entitlement grant from HUD. The HOME funds made available through the RFP are reprogrammed funds from Fiscal Years 2008-2009; 2009-2010; 2010-2011; and 2011-2012.

Notice of the Committee's recommendations and the June 5, 2012, BCC meeting was provided directly to all respondents to the RFP and was posted on the DES website.

LOCATION MAP



Pine Run Apartments

North

