

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: September 10, 2013 [ ] Consent [X] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A) the Fiscal Year 2013-2014 State Housing Initiative Partnership (SHIP) Program budget allocations as follows:
  - \$342,517 to fund the HOME Match;
  - \$439,718 to fund the Housing Rehabilitation;
  - \$413,915 to fund the Utility Connection;
  - \$211,085 to fund the Project Delivery Budget; and
  - \$43,522 to fund the Administrative Budget;
- B) a Budget Amendment of \$1,450,757 to the "Affordable Housing Trust Fund (SHIP)" 2012-2013 Budget to recognize the 2013-2014 SHIP grant award; and
- C) a Budget Transfer of \$108,522 in the Economic Development fund to increase the salary charge off amount for the period July 1, 2013 to September 30, 2013.

**Summary:** Palm Beach County received an allocation of \$1,450,757 from the Florida Housing Finance Corporation (FHFC) for SHIP Fiscal Year 2013-2014 which began on July 1, 2013. These funds are to be used to implement various affordable housing programs and other related activities. The allocation for the HOME Match is provided to fulfill the match requirement for the Federally-funded HOME Investment Partnerships (HOME) Program which requires a match of at least 25% from non-Federal sources for affordable housing. This Program will provide purchase assistance through a second mortgage subsidy for first time homebuyers. Housing Rehabilitation provides rehabilitative assistance to correct code violations or incipient items that will become code violations. Utility Connection provides assistance to income eligible homeowners for payment of sewer and water connection system fees. The allocation for the Administrative Budget, which represents three percent (3%) of the total allocation, is provided to monitor these housing programs and to meet annual reporting guidelines. As of Fiscal Year 2013-2014, the SHIP Program reduced the allowable allocation for the Administrative Budget from the previously allowed ten percent (10%) to three percent (3%) which has severely impacted the County's ability to administer the various housing strategies funded from this grant. To offset this reduction, we are permitted to utilize 15% of the allocation (\$211,085) for project delivery costs. The recommended Budget Transfer is necessary to cover salary costs for the specified period since the SHIP Fiscal Year 2013-2014, which started on July 1, 2013, does not coincide with the County's Fiscal Year. SHIP regulations require that at least 65% of a local jurisdiction's SHIP funding be allocated to home ownership activities and that 20% of the funding allocation be expended on special needs applicants. **These are State SHIP funds which require no local match.** (B&H) Countywide (TKF)

**Background and Justification: (Continued on Page 3)**

**Attachments:**

- 1. Fiscal Year 2013-2014 LHAP Housing & Goals Delivery Chart
- 2. Budget Amendment and Budget Transfer

Recommended By: *[Signature]* 8-27-13  
Department Director Date

Approved By: *[Signature]* 9-3-13  
Assistant County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs	\$1,450,757				
External Revenues	(\$1,450,757)				
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	<b>0</b>				

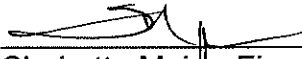
# ADDITIONAL FTE POSITIONS (Cumulative)	0				
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Is Item Included In Current Budget? Yes \_\_\_\_\_ No X  
 Budget Account No.:

Fund 1100 Dept 143 Unit 7175/7176/Object various Program Code/Period various  
 7199


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

Approval of this agenda item will appropriate \$1,450,757 in 2013/2014 state SHIP funds to the Affordable Housing Trust Fund budget.

**C. Departmental Fiscal Review:**   
 Shairette Major, Fiscal Manager II

**III. REVIEW COMMENTS**

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

  
 OFMB KU 8/27 8/27 8/29 8/28/2013

  
 Contract Development and Control  
8-30-13

**B. Legal Sufficiency:**

  
 Chief Assistant County Attorney 9/3/13

**C. Other Department Review:**

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

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

On May 18, 1993, the Board of County Commissioners (BCC) adopted its Affordable Housing Ordinance (No.93-8 as amended) pursuant to the SHIP regulations outlined by the FHFC. The Commission on Affordable Housing (CAH) was established by the BCC in 1990 to administer the Robert E. Pinchuck Memorial Housing Trust Fund, however, the CAH Advisory Board has been inactive and presently does not have any active board members primarily due to the implementation of the Ethics Ordinance which prevents certain conflicts. The current Local Housing Assistance Plan (LHAP) was approved by the BCC on April 16, 2013 (R2013-0487) and included SHIP funded housing strategies for Fiscal Years 2013-2014, 2014-2015 and 2015-2016. SHIP funds are used to facilitate the acquisition and construction of affordable single-family and multi-family/rental housing and to fund utility connection and impact fee payments, emergency repairs, foreclosure prevention, homeownership development, and first and second mortgages.

**FLORIDA HOUSING FINANCE CORPORATION**

Please check applicable box

**HOUSING DELIVERY GOALS CHART**

New Plan:  X

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2013-2014

Amendment:

Fiscal Yr. Closeout:

Name of Local Government: Palm Beach County

Estimated Funds: \$1,450,757.00

Strategy #	HOME OWNERSHIP	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	A	B	C	D	E	F
		Units	Award	Units	Award	Units	Award	New Construction	Rehab/Repair	Without Construction	Total	Total	Total
From Plan Text		Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
A	Purchasing Assistance	0	\$100,000	0	\$65,000	0	\$50,000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
B	HOME Match	2	\$75,000	3	\$65,000	0	\$0	\$0.00	\$342,517.00	\$0.00	\$342,517.00	23.61%	5
C	First Mortgage Loan Asst. Program	0	\$215,000	0	\$215,000	0	\$215,000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
D	Housing Rehabilitation/Barrier Free	3	\$75,000	4	\$60,000	1	\$45,000	\$0.00	\$564,718.00	\$0.00	\$564,718.00	38.93%	8
E	Emergency Repairs	0	\$20,000	0	\$20,000	0	\$20,000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
F	Utility Connection/Impact Fee Payment	25	\$10,000	15	\$10,000	10	\$10,000	\$0.00	\$500,000.00	\$0.00	\$500,000.00	34.46%	50
G	Replacement Housing	0	\$215,000	0	\$215,000	0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
H	Disaster Mitigation	0	\$55,000	0	\$45,000	0	\$40,000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
I	Foreclosure Prevention	0	\$15,000	0	\$15,000	0	\$15,000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
<b>Subtotal 1 (Home Ownership)</b>		<b>30</b>		<b>22</b>		<b>11</b>		<b>\$0.00</b>	<b>\$1,407,235.00</b>	<b>\$0.00</b>	<b>\$1,407,235.00</b>	<b>97.00%</b>	<b>63</b>
<b>RENTAL STRATEGIES</b>		<b>VLI</b>	<b>Max. SHIP</b>	<b>LI</b>	<b>Max. SHIP</b>	<b>MI</b>	<b>Max. SHIP</b>	<b>New Construction</b>	<b>Rehab/Repair</b>	<b>Without Construction</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
		Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
J	Rental Housing Entry Assistance	0	\$5,000	0	\$5,000	0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
K	Developer Assistance Rental Housing	0	\$40,000	0	\$40,000	0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0
<b>Subtotal 2 (Non-Home Ownership)</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>0</b>
Administration Fees											\$43,522.00	3.00%	
Admin. From Program Income												0.00%	
Home Ownership Counseling												0.00%	
<b>GRAND TOTAL</b>		<b>30</b>		<b>22</b>		<b>11</b>		<b>\$0.00</b>	<b>\$1,407,235.00</b>	<b>\$0.00</b>	<b>\$1,450,757.00</b>	<b>100.00%</b>	<b>63</b>
Add Subtotals 1 & 2, plus all Admin. & HO Counseling													
Percentage Construction/Reh											Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.		97%
Maximum Allowable Purchase Price:								New	\$215,000	Existing	\$215,000		
Allocation Breakdown		Amount		%		Projected Program Income:		\$0.00		Max Amount Program Income For Admin:		\$0.00	
Very-Low Income		30	\$625,000.00		43.1%	Projected Recaptured Funds:		\$0.00					
Low Income		22	\$585,000.00		40.3%	Distribution:		\$1,450,757.00					
Moderate Income		11	\$197,235.00		13.6%	Total Available Funds:		\$1,450,757.00					
<b>TOTAL</b>		<b>63</b>	<b>\$1,407,235.00</b>		<b>97.0%</b>							28-Aug-13	

**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT**

FUND 1100 - Affordable Housing Trust Fund (SHIP)

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
<b>REVENUE</b>								
143-7176-3469	State Grant - Other Human Services	0	395,053	1,450,757	0	1,845,810		
	<b>TOTAL REVENUE</b>	<u>2,425,867</u>	<u>2,238,052</u>	<u>1,450,757</u>	<u>0</u>	<u>3,688,809</u>		
<b>EXPENDITURES</b>								
143-7175-1080	Personal Services - Indirect	0	0	108,522	0	108,522		
143-7175-3401	Other Contractual Services	5,000	44,505	3,000		47,505		
143-7175-4921	Filing Fees	4,000	4,000	4,000		8,000		
143-7175-5101	Office Supplies	0	0	3,000		3,000		
143-7175-9902	Operating Reserves	0	0	136,085		136,085		
143-7176-8301	Contributions for Individuals	0	200,000	1,196,150		1,396,150		
	<b>TOTAL EXPENDITURES</b>	<u>2,425,867</u>	<u>2,238,052</u>	<u>1,450,757</u>	<u>0</u>	<u>3,688,809</u>		

Department of Economic Sustainability  
INITIATING DEPARTMENT/DIVISION  
 Administration/Budget Department Approval  
 OFMB Department - Posted

Signatures

*Spring*  
 \_\_\_\_\_  
 \_\_\_\_\_

Date

8-20-13  
 \_\_\_\_\_  
 \_\_\_\_\_

By Board of County Commissioners  
 At Meeting of :  
 September 10, 2013  
 Deputy Clerk to the  
 Board of County Commissioners

Attachment # 2

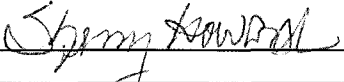
**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER**

FUND 1539 - Economic Development

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
<b>EXPENDITURES</b>								
143-2102-1070	Charge Off - Personal Services	(4,427,646)	(4,402,628)	0	108,522	(4,511,150)		
143-2102-4941	Registration Fees	15,120	15,120	108,522		123,642		
<b>TOTAL EXPENDITURES</b>		0	0	108,522	108,522	0		

Department of Economic Sustainability  
**INITIATING DEPARTMENT/DIVISION**  
 Administration/Budget Department Approval  
 OFMB Department - Posted

Signatures	Date
	8-21-13
_____	_____
_____	_____

**By Board of County Commissioners**  
**At Meeting of :**  
 September 10, 2013  
 Deputy Clerk to the  
 Board of County Commissioners