Agenda Item #: 50

REVISED BACKUP

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:

February 9, 2016

[] Consent

[X] Regular

[] Ordinance []

[] Public Hearing

Department:

Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: the Fiscal Year 2015-2016 State Housing Initiatives Partnership (SHIP) budget allocations for affordable housing strategies as follows:

-	Second Mortgages	\$1,126,779
-	Veterans Homeownership	\$1,000,000
	Housing Rehabilitation	\$ 601,967
-	Developer Rental Assistance	\$ 494,000
~	Homeless Prevention	\$ 250,000
	Special Needs	\$ 992,213
-	Program Administration	\$ 496,106

Summary: Palm Beach County received an allocation of \$4,961,065 from the Florida Housing Finance Corporation (FHFC) for SHIP Fiscal Year 2015-2016. A comprehensive outreach to multiple housing service providers and stakeholders was conducted and the funding recommendations are a result of their input. SHIP regulations require that at least 65% of a local jurisdiction's SHIP funding allocation be designated for homeownership activities and that 20% of the funding allocation be expended on special needs applicants. The Second Mortgage, Veterans Homeownership, Housing Rehabilitation and Homeless Prevention programs selection criteria will be based on a first qualified, first served basis subject to funding availability. Priority preference for these programs will be given to special needs households which include persons with disabilities, elderly and veterans. Funding for Developers will include preference given to projects in Glades per Board of County Commissioner's prior direction. The distribution of Developer Rental Assistance funding will be made through a competitive Request for Proposals. Per the current Local Housing Assistance Plan (LHAP) approved by the Board of County Commissioners (BCC), five percent (5%) of the total allocation has been dedicated to Project Delivery and rolled into each activity based on the percentage estimate of use per activity. accomplishments include 1,168 single-family homes with affordable restrictions preserved and 2,687 multi-family units with affordable restrictions preserved. SHIP Programs serve from very low (50% or below) area median incomes (AMI) to low and moderate AMI (between 51% and 140%) which now includes workforce housing income levels. These are State SHIP funds which require no local match. Countywide (JB)

Background and Justification: On May 18, 1993, the BCC adopted its Affordable Housing Ordinance (No. 93-8 as amended) pursuant to the SHIP regulations outlined by the FHFC. The current Local Housing Assistance Plan (LHAP) was approved by the BCC on September 22, 2015, and included SHIP funded housing strategies for Fiscal Years 2013-2014, 2014-2015 and 2015-2016. Over the last two (2) years, funding for homeless prevention has included \$1,195,000 of HOME funds for Tenant Based Rental Assistance and \$500,000 of SHIP funds for Rapid Rental Housing Entry Assistance. The current total available funding balance of the Tenant Based Rental Assistance funds is \$1,195,000, and the available funding of the Rapid Housing Entry Assistance funding is \$374,480.

Attachments:

1. 2015-2016 Funding Recommendation PowerPoint Presentation

Approved By:

Approved By:

Assistant County Administrator

Approved By:

Assistant County Administrator

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

External Revenues Program Income In-Kind Match (County) NET FISCAL IMPACT # ADDITIONAL FTE POSITIONS (cumulative) # Item Included In Current Budget? YesX No udget Account No.: und 1100 Dept 143 Unit 7175/7176 Object various Program Code/Period various # Recommended Sources of Funds/Summary of Fiscal Impact: Agenda item 3I-1 was approved on 11/17/15 to appropriate the 2015/ allocation in State SHIP funds to the Affordable Housing Trust fund budg FY2014/2015. Departmental Fiscal Review: Shairette Major, Fiscal Manager II III. REVIEW COMMENTS OFMB Fiscal and/or Contract Development and Control Comments: Contract Development and Control Bushella 2/8/14 Assistant County Attorney	Fiscal Years	2016	2017	2018	2019	2020
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	C. Other Departmen	t Review:				

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Department Director

State Housing Initiative Partnership (SHIP) Program



Contents

Program Objectives & Requirements

Program History

Strategy Recommendations

Objectives

Florida Housing Finance Corp (FHFC) administers the SHIP Program providing funding to all 67 Counties in order to:

- Create partnerships that produce & preserve affordable homeownership
 & multifamily housing
- Designed to serve very low, low & moderate income families



Eligible Activities

Purchase Assistance

- Eligible first-time homebuyers
 - 1st Mortgages
 - 2nd Mortgages with/without rehabilitation or new construction
 - Gap financing, down payment assistance, closing costs
- Veteran's homeownership
- Homeownership counseling

Owner-occupied Housing Rehabilitation / Barrier Free

- Correct code violations
- Roof repairs/replacement
- **⇒** Special Needs 20% Set-aside



Eligible Activities

- Emergency Repairs
 - Health or safety issues
- Replacement Housing
 - Non-habitable homes
- Developer Rental Assistance
 - Single-family
 - Multi-family
- Homeless Prevention
 - Rental payments up to 12 months
- Foreclosure Prevention



Eligible Activities

- Annual HOME Investment Partnerships Program Match
- **Utility Connection Fees**
 - Single-family dwellings
 - · Water and Sewer
 - Impact Fees
- Disaster Mitigation (Supplemental Funding)
 - Declaration of disaster
 - Repairs to damaged homes
 - Rental assistance





- Social Services
- Operating Costs of Affordable Housing
- Homeless Shelters
- Public Infrastructure Improvements

Local Housing Assistance Plan (LHAP)

- State Required Funding Strategies for 3-Year Period
- Annually Updated
- Approved by BCC Sept. 22, 2015



Program Requirements

- 2 Year Encumbrance
- **⇒**3 Year Expenditure



Program Parameters

- Income limits
 - 0 to 140% AMI
- Area Median Income (AMI) for PBC
 - \$64,900 (Household of 4)
- Rental
 - Rental rates cannot exceed 30% of AMI
 - Rates set annually by FHFC based on statistical area



Historical Allocations

Fiscal Year	Allocation
2014-2015	\$4,975,631
2013-2014	\$1,450,757
2012-2013	\$395,053
2011-2012	\$794,222
2010-2011	\$0

Highest allocation ever received **\$9,402,087** for FY2008-2009

Current Accomplishments

1,168

Single-family homes with affordable restrictions preserved

2,687

Multi-family homes with affordable restrictions preserved

Veteran's Homeownership









Housing Rehabilitation / Barrier Free









Roof Replacement / Repair









Housing Rehabilitation









Special Needs









Board Approved Funded Strategies FY 2014 - 2015

- Purchase Assistance -2nd Mortgages
- → Special Needs
- > Veteran's Homeownership
- Roof Replacement/Repair
- **→** Homelessness Prevention
- HOME Match
- Foreclosure Prevention
- Utility Connection
- Administration

\$1,218,412.34

\$995,126.20

\$804,731.87

\$651,632.44

\$402,365.94

\$301,774.45

\$120,709.78

\$80,473.19

\$400,404.80



- Florida Housing Finance Corporation
- Counties Statewide
- Housing Leadership Council
- County Departments
- **⇒** Financial Institutions
- Local Municipalities

Consideration of BCC Priorities

- Veterans
- Homelessness Prevention
- Growing Affordable Housing Stock
- Maintaining Affordable Housing Stock
- Long-Term Program Sustainability
- Private Sector Financial Leveraging

Funding Allocation Requirements FY 2015-2016

75% Construction / Rehabilitation Set-Aside \$3,348,750

→ 65% Homeownership \$2,902,250

→ 15% Rental \$669,750

→ 10% Administrative Costs \$496,106

Funding Allocation Requirements FY 2015-2016



20% of Funding Must be Expended on Special Needs (\$992,213)



Priority Preferences for Persons with Disabilities, Elderly, and Veterans

Strategy Recommendations 2015

→ Purchase	Assistance	2nd Morte	nanes'	\$1,126,779
- Fulchase I	rooiotanice	(ZIIG MOIL	yaycə) \$1,120,773

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- Housing Rehabilitation
- Developer Rental Assistance
- **→** Homelessness Prevention
- Administrative Costs

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\$4,961,065

BCC Priorities

	Veteran's Program	Housing Rehab	Homeowner Purchase Assistance (2nd Mort)	Developer Assistance	Rapid Rental Housing Entry Assistance
Veterans	√	√	✓		√
Special Needs	✓	√	√ .	*	√
Homeownership	√	√	✓		
Affordable Rental	i i			√	
Homeless Prevention					✓
Private Sector Partnerships	√		√	√	

Moving Forward...

- Rising values reduce inventory
- Competition with investors/cash buyers
- Increasing construction costs
- Potential to lose income-restricted units





Discussion



