

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	June 7, 2016	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Department of Economic Sustainability		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: An award exception of \$5,760 under Palm Beach County's State Housing Initiative Partnership Program (SHIP) Utility Connection Program for an eligible very low income homeowner, Samuel Sarabia.

Summary: Mr. Sarabia is an income eligible applicant under the Utility Connection Program and was awarded the maximum funding of \$10,000 to connect water and sewer services to his primary residence located at 4077 Lakewood Road in Palm Springs. However, the total costs, which were not known until work had commenced, exceeded the maximum award by \$5,760. The project was initially intended as a sewer connection project, but later had to be expanded to include a water connection which increased the cost. The Village of Palm Springs requires a water connection whenever homeowners make a sewer connection to their homes. The total construction and connection costs are \$15,760. The maximum award amount an income eligible applicant can receive through the Utility Connection Program is \$10,000. This homeowner does not have the financial capacity to pay the difference and therefore, BCC approval is required for the applicant to receive assistance exceeding the maximum award amount. Funding will be provided in the form of a deferred payment zero (0) percent interest loan secured by Mortgage and Promissory Note for a period of five (5) years, without amortization. If the applicant rents, sells, or otherwise conveys the home during the five (5) years; the entire deferred loan becomes due and payable. **These are State SHIP funds which require no local match.** District 3 (JB)

Background and Justification: On April 16, 2013, the Board of County Commissioners (BCC) approved the current Local Housing Assistance Plan (LHAP) (R2013-0487 and R2013-0488) which allocated the SHIP distribution to the housing strategies through June 30, 2016. Revisions of the LHAP were approved by the BCC on October 21, 2014 (Agenda Item 3I-1), on December 16, 2014 (R2014-1924) and on September 22, 2015 (Agenda Item 3I-5). SHIP funds facilitate the acquisition, construction and repair of affordable single-family housing in Palm Beach County and are used for the currently approved programs: Purchasing with/without Rehabilitation, HOME Match, First Mortgage Loan Assistance Program, Housing Rehabilitation/Barrier Free, Emergency Repairs, Roof Repair/Replacement, Utility Connection/Impact Fee Payment, Replacement Housing, Disaster Mitigation, Foreclosure Prevention, Rapid Rental Housing Entry Assistance, Developer Assistance Rental Housing, Veterans Home Ownership & Preservation Program.

Attachments:

1. Location Map
2. SHIP Utility Connection Strategy

Recommended By:		<u>5-20-16</u>
	Department Director	Date
Approved By:		<u>5-31-16</u>
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT *	0				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____.

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

* No fiscal impact at this time

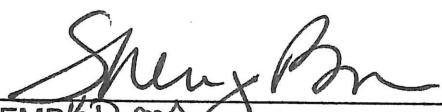
C. Departmental Fiscal Review:



 Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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



 OFMB
 5/20 5/23 5/24



 Contract Development and Control
 5/26/16

B. Legal Sufficiency:



 Assistant County Attorney
 5/31/16

C. Other Department Review:

 Department Director

LOCATION MAP



4077 Lakewood Rd., Palm Springs, Florida 33461

North



STATE HOUSING INITIATIVES PARTNERSHIP (S.H.I.P.) PROGRAM
UTILITY CONNECTION PROGRAM

July 1, 2013 – June 30, 2016
Amendment Approved September 22, 2015



Summary of the Strategy: Direct financial assistance will be provided to income eligible single-family homeowners, for the payment of impact fees and/or sewer and water connection system fees charged by local governments for new municipal improvements.

Fiscal Years Covered: 2013-2014, 2014-2015 and 2015-2016

Income Categories to be served: Very Low, Low and Moderate

Maximum Award: \$13,000 Up to \$3,000 of the applicable maximum award amount may be provided as a grant for program/project delivery cost.

Terms, Recapture, and Default: Funding will be in the form of a deferred payment zero percent (0%) interest loan secured by a Mortgage and Promissory Note for a period of five (5) years, without amortization. No payment is required as long as the home remains the primary residence of the applicant. If the home is sold, title is transferred or conveyed (voluntarily or involuntarily) to an eligible or ineligible buyer, or the home ceases to be the primary residence of the applicant during the term of the mortgage, recapture and default provisions will mirror the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.

In the event of death of the owner, recapture and default, provisions will be similar to the Purchase Assistance Program provisions for income eligible heirs, and ineligible persons.

Recipient Selection Criteria:

- Income eligible owner occupied applicants will be assisted on a first qualified, first served basis subject to funding availability.
- Special priority will be given to elderly, persons with disabilities, and veterans above all other eligible income groups. Proof of eligibility is required at time of intake (e.g. DD-214, primary applicant age 62 evidence by birth certificate and valid State or Federal identification, proof of disability by a government agency or physician).
- The housing unit must be located within the urban service area of the County and the applicant must own and occupy the property as their primary residence.
- Applicant promises to pay all property taxes, insurance, utilities, existing mortgage payments and other assessments when due.
- Verification of ownership and documented payment of property taxes must be provided.
- All borrowers utilizing housing loan program funds must have legal residency in the United States; legal residency is defined by Homeland Security Act, HUD, and the State of Florida.

Sponsor Selection Criteria and Duties: N/A

Additional Information:

- Other state, federal, private and local funds may be leveraged with SHIP funds.
- Mortgage payments and taxes must be current / paid up to date.
- Applicants must provide proof of current homeowners insurance.
- Recidivism: Assisted households may not receive additional funding during the affordability period. Exceptions may be made foreclosure prevention or emergency repairs. BCC approval is required for all other exceptions.
- Losses: Subsidy will not be granted for three (3) years to applicants where the County has lost all or a portion of this investment on a previously assisted household.
- Post Closing Counseling: Counseling is required for previously assisted borrowers who are repeatedly delinquent or defaulted on a Palm Beach County mortgage loan.