

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures					
Operating Costs	250,000				
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	250,000				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes _____ No X

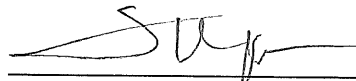
Budget Account No.:

Fund 1101 Dept 143 Unit 1436 Object 8201 Program Code/Period _____

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

Approval of this agenda item will appropriate \$250,000 in general funds to repay the local HOME Trust Fund account.

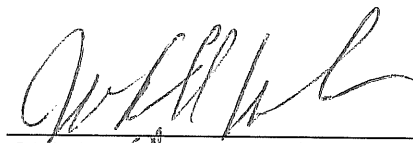
C. Departmental Fiscal Review:



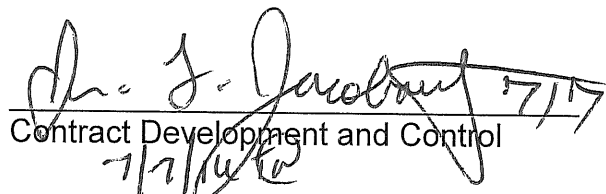
 Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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



 OFMB *6/29 2016/24*



 Contract Development and Control *7/17/16*

B. Legal Sufficiency:



 Assistant County Attorney *7/8/16*

C. Other Department Review:

Department Director

R2015-10926

SETTLEMENT AGREEMENT

I. PARTIES

JUL 21 2015

This settlement agreement (the "Agreement") is entered into by and between The U.S. Department of Housing and Urban Development ("HUD") and Palm Beach County, Florida (the "County;" hereafter jointly referenced as the "Parties"), through their authorized representatives.

II. PREAMBLE

WHEREAS, this Agreement arises out of the County's application for and receipt of federal funds pursuant to HUD's HOME Investment Partnerships ("HOME") program authorized by Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, at 42 U.S.C. 12701 *et seq.* and the program implementing regulations at 24 C.F.R. Part 92;

WHEREAS, the County is required by federal law to use federal grant monies in accordance with the requirements of the specified grant program;

WHEREAS, HUD conducted a remote monitoring review that resulted in the issuance of a finding letter on November 18, 2012, concluding that the Village Center Apartments, IDIS Activity 1840 (the HOME-Funded Project") was terminated before completion as follows:

In 2007, the County committed \$900,000 of HOME funds to develop 11 HOME-assisted units and expended the funds to purchase the land for the project. However, no HOME-assisted affordable housing units were developed. The HOME regulations at 24 CFR 92.503(b) require that a participating jurisdiction that expends HOME funds on a project that does not result in the development of HOME-assisted units must repay its Local HOME Trust Fund Account from non-federal funds. In its January 27, 2014, letter, HUD instructed the County to repay \$900,000 to the County's Local HOME Trust Fund account.

WHEREAS, HUD disallowed costs in the total of \$900,000 in connection with the finding identified above;

WHEREAS, the County acknowledges both its receipt of reasonable notice from HUD of the allegations contained in the Monitoring Review Letter that it failed to comply with the provisions of 24 C.F.R. Part 92.

III. AGREEMENT

NOW, THEREFORE, in order to avoid the delay, uncertainty, inconvenience and expenses of protracted litigation in connection with the HOME-Funded Project described herein, and in consideration of the mutual obligations of the Parties set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. This Agreement shall become effective upon the date of its execution by the U.S. Department of Housing and Urban Development ("Effective Date"). HUD properly disallowed expenditures by the County in connection with the HOME-Funded Project defined and described herein related to one or more of the requirements of the HOME program, as set forth above.
2. The County voluntarily shall repay its Local HOME Trust Fund account the total amount of \$900,000 in the manner set forth below to resolve the disallowed costs described above relating to the HOME-Funded Project.
3. The County shall repay HUD, with non-Federal funds, through deposit in the County's Local HOME Trust Fund account, the amount of \$900,000 for disallowed costs in the following number, amount and timing of installments, from August 15, 2015 to July 31, 2017:

Installment 1: \$400,000 on or before August 15, 2015

Installment 2: \$250,000 on or before July 31, 2016

Installment 3: \$250,000 on or before July 31, 2017

4. The County shall provide written notice to HUD of each repayment on the date that repayment is made by notifying the Director of HUD's Office of Affordable Housing Programs, of its Office of Community Planning and Development at:

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Office of Affordable Housing Programs
451 7th Street, S.W., Room #7162
Washington, DC 20410

and by notifying the Field Office Director, of its Community Planning and Development Division Field Office at:

U.S. Department of Housing and Urban Development
Community Planning and Development Division
Region IV, Miami Field Office
Brickell Plaza Federal Building
909 SE First Avenue, Room 500
Miami, Florida 33131-3042

and also by notifying HUD's Associate General Counsel for Program Enforcement at:

U.S. Department of Housing and Urban Development
Office of General Counsel
1250 Maryland, SW
Suite 200
Washington, DC 20024

5. Payment in full of the County's outstanding repayment obligation of amount as set forth herein, shall constitute full and final discharge of the County's obligations with respect to the specific disallowed costs described herein. Nothing herein prevents HUD from investigating,

reviewing or taking further action with regard to the County's application for or receipt of federal funds for any other projects that are not part of the findings referenced in this Agreement.

6. If the County fails to make a timely installment payment required by this Agreement, in the amount required by this Agreement, HUD shall issue the County a written notice of default and shall permit sixty (60) days to cure the default. If the County fails to cure the default to HUD's reasonable satisfaction within the sixty-day period, HUD shall declare the County in default and, for each year the repayment is insufficient to meet the requirements of this Agreement, shall reduce the County's HOME grant(s) by the amount of the repayment shortfall for the consolidated program year in which the default occurred, as defined at 24 CFR § 91.10. Further, in the event that County's HOME grant funds are insufficient in any calendar year to permit reimbursement to HUD through grant reductions as contemplated by this paragraph, HUD shall recoup those unreimbursed funds from subsequent years' HOME grant funds to the County.

7. The County agrees that HUD may reduce the HOME grant upon a declaration of default as specified in Paragraph 6, authorizes all such grant reductions, waives any right to an opportunity for hearing pursuant to 42 U.S.C. 12753 and 24 C.F.R. § 92.552 on the basis of any such grant reductions, and further waives any other right to legal or administrative review or relief on the basis of any such grant reduction.

8. HUD shall cancel IDIS Activity 1840 within five (5) business days following the effective date of this Agreement.

9. Nothing contained in this Agreement is intended to be construed as limiting either or both Parties in connection with any claims or lawsuits seeking damages unrelated to this Agreement.

10. Nothing in this Agreement is intended or shall be construed to give any person or entity, other than the Parties hereto and their respective successors and permitted assigns, any legal or equitable right, remedy, or claim under or in respect to this Agreement or any provisions contained herein.

11. This Agreement may be amended or modified solely upon written consent of the Parties.

12. By signing this Agreement, the undersigned representative of the County represent and warrant that she is authorized by the County to enter into and bind the County to this Agreement.

So Agreed:

Harriet Tregoning
Harriet Tregoning, Principal Deputy Assistant Secretary
for Community Planning and Development, D
U.S. Department of Housing and Urban Development

8.6.2015
Date

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**

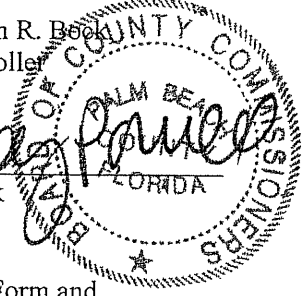
BOARD OF COUNTY COMMISSIONERS

Shelley Vana
The Honorable Shelley Vana
Mayor, Palm Beach County, Florida

Date

ATTEST: Sharon R. Book
Clerk & Comptroller

By: Sharon R. Book
Deputy Clerk



R2015 40926

Document No.: _____

JUL 21 2015

Approved as to Form and
Legal Sufficiency

By: James Brako
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: Edward W. Lowery
Edward W. Lowery, Director

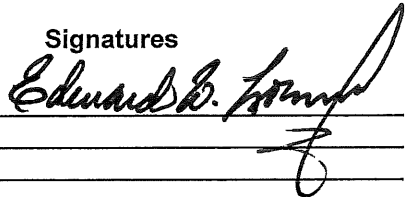
**BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT**

FUND 1101 - Housing and Community 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
REVENUES								
143-1436-8000	Transfer from General Fund 0001	0	0	250,000	0	250,000		
	TOTAL REVENUES	13,329,655	12,531,149	250,000	0	12,781,149		
EXPENDITURES								
143-1436-8201	Contributions Non Governmental Agency	25,500	25,500	250,000	0	275,500	0	275,500
	TOTAL EXPENDITURES	13,329,655	12,531,149	250,000	0	12,781,149		

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

Signatures


Date
 6/22/2016

By Board of County Commissioners
 At Meeting of :
 July 12, 2016
 Deputy Clerk to the
 Board of County Commissioners

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

FUND 0001 -General Fund

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
EXPENDITURES								
820-9900-9901	Contributions Non Governmental Agency	20,775,190	19,146,901	0	250,000	18,896,901	0	18,896,901
820-9100-9015	Transfer to Housing and Community Dev Fund 1101	0	0	250,000		250,000	0	250,000
TOTAL EXPENDITURES				250,000	250,000			

Office of Financial Management and Budget
INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval
OFMB Department - Posted

Signatures _____
Edward W. [Signature]

Date _____
6/22/2016

By Board of County Commissioners
At Meeting of :
July 12, 2016
Deputy Clerk to the
Board of County Commissioners