

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date:	September 12, 2017	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Department of Housing and Economic Sustainability		



I. EXECUTIVE BRIEF

Motion and Title: **Staff recommends motion to approve:** Allocation of \$460,000 for use as the required local government contribution under the Florida Housing Finance Corporation's (FHFC) Housing Tax Credit Program.

Summary: FHFC administers the State of Florida's Housing Tax Credit Program and annually solicits applications from affordable multi-family rental housing developers who require Housing Tax Credits for the financing of projects which provide housing opportunities to lower income households. The Housing Tax Credit Program requires local government contributions in order for developer applications to receive full scoring during the application review process. Palm Beach County through the Department of Housing and Economic Sustainability (DHES) has historically provided the required local government contribution in the form of low-interest loans to affordable housing developers who apply to FHFC for Housing Tax Credits. DHES is seeking authorization to provide up to \$460,000 or \$115,000 in loan commitments to each of up to four (4) local affordable housing developers, for use as the required local government contribution at the time they apply to FHFC under the Housing Tax Credit Program. According to FHFC selection guidelines, only one (1) application from a Palm Beach County Housing Tax Credit Program developer will be selected. DHES will advertise a Notice of Funding Availability seeking Letters of Interest from affordable multi-family housing developers. Should the \$460,000 allocated hereby not be fully committed to the four (4) affordable multi-family housing developers as anticipated above, the balance of uncommitted funds may be committed to developers in conjunction with FHFC's State Apartment Incentive Loan Program. A County Loan Agreement with the developer who is awarded funding by FHFC under the Housing Tax Credit Program will be submitted to the Board of County Commissioners (BCC) for final approval. The County's funding of \$115,000 per project will be provided in the form of a 1% interest only loan which balloons in 30 years. These funds will remain available for use by a developer provided that the project closes within 24 months from the date FHFC approves the project. The County's loan documents will impose a 30 year affordability period and require the developer to pay an annual \$1,000 monitoring fee. This \$460,000 allocation is derived from State Housing Initiatives Program (SHIP) program income. Any funding not obligated to a successful Housing Tax Credit project will be reallocated by DHES to other eligible affordable housing activities. **These are State Housing Initiative Partnership (SHIP) Program grant 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 Program regulations outlined by the FHFC. DHES administers all funding received for the SHIP Program. The current SHIP Local Housing Assistance Plan adopted by the BCC on April 19, 2016 (R2016-0535) establishes how current SHIP funding is to be allocated to facilitate new construction, rehabilitation, acquisition, and preservation of affordable housing.

Attachment(s): None

Recommended By:	 Department Director	8-11-17 Date
Approved By:	 Assistant County Administrator	8/18/17 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures					
Operating Costs	\$460,000				
External Revenues	(\$460,000)				
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 1100 Dept 143 Unit 7176 Object 8201 Program Code/Period RFS97/GY16

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

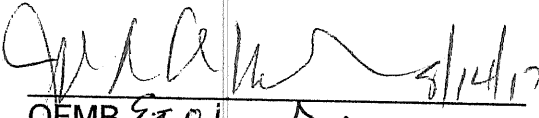
Approval of this agenda item will appropriate \$460,000 from SHIP program income.


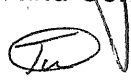
C. Departmental Fiscal Review:


 Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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


 OFMB Et 8/11 MS 8/14


 Contract Development and Control
 8/15/17 

B. Legal Sufficiency:


 Assistant County Attorney

C. Other Department Review:

 Department Director

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