Agenda Item #: 58-3

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

| Meeting Date: | October 3, 2017 | [] Consent [] Ordinance | [X] Regular [] Public Hearing |
|---------------|--------------------|------------------------------|-----------------------------------|
| Department: | Department of Hous | ing and Economic Su | stainability |

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: the Fiscal Year 2017-2018 State Housing Initiatives Partnership budget allocations for affordable housing strategies as follows:

| • | Purchase Assistance | \$1 | ,803,538 |
|---|---------------------------------------|-----|----------|
| • | Owner Occupied Housing Rehabilitation | \$1 | ,000,000 |
| • | Developer Rental Housing Assistance | \$ | 700,000 |
| • | Rental Housing Re-Entry Assistance | \$ | 250,000 |
| • | Foreclosure Prevention | \$ | 60,000 |
| • | Disaster Mitigation | \$ | 250 000 |
| • | Administrative Costs | \$ | 451,505 |

Summary: Palm Beach County receives an annual allocation from the State of Florida Housing Finance Corporation (FHFC) through the State Housing Initiatives Partnership (SHIP) Program to implement various affordable housing programs and other related activities. On April 19, 2016, the Board of County Commissioners (BCC) approved the SHIP Local Housing Assistance Plan (LHAP) for fiscal years 2016-2017, 2017-2018 and 2018-2019 (R2016-0535). For Fiscal Year 2017-2018, Palm Beach County is to receive \$4,515,043, an approximate \$2.1 million reduction from the previous year (See Table 1). SHIP regulations require that a minimum of 65% of a local jurisdiction's SHIP funding be allocated to homeownership activities, and 20% of the fiscal year's funding allocation be expended on special needs households. The Developer Rental Housing Assistance funds will be offered through a Request for Proposal and will serve as the County's Local Area of Opportunity contribution for the FHFC's 9% Housing Tax Credit Program. The local government contribution for this program may only be provided to one affordable rental housing project and may be in the form of a cash grant or a loan. This program is highly competitive, and the provision of a local contribution will increase the probability of a County supported project receiving the 9% tax credit. If more than one local government within the County provides the local match, the project will be selected by the State through a random lottery. This is the second consecutive year the State has offered this program. The State expects to issue its Request for Applications in October 2017 with a due date in December 2017. accordance with the SHIP regulations, the funds are required to be encumbered within two (2) years and expended within three (3) years of the allocation. These are State SHIP funds which require no local match. Countywide (JB)

Background and Justification: On April 19, 2016, via Resolution 2016-0535, the BCC approved the current three-year LHAP which included the SHIP housing strategies. Funding for the various strategies is allocated on an annual basis at the approval of the BCC. The housing strategies will provide assistance to income eligible households as described herein including the allowable ten percent administrative costs associated with implementing the SHIP program. **Continued on Page 3**

Attachments:

1. 2017-2018 SHIP Disbursement Allocation publication

| Recommended E | by: Department Director | 9/25/17 |
|---------------|--------------------------------|---------|
| | Department Director | Ďate∕ |
| Approved By: | - raine Johnson | 9/27/17 |
| • | Assistant County Administrator | Date |

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------------|------|------|------|------|
| Capital Expenditures | | **** | | | |
| Operating Costs | \$4,515,043 | | | | |
| External Revenues | (\$4,515,043) | | | | |
| Program Income | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | -0- | | | | |
| | | | • | | · |
| # ADDITIONAL FTE POSITIONS (Cumulative) | -0- | | | | |

| POSITIONS (Cumulative) | -0- | | | | | |
|---|-----------|-----|------------|----|--|--|
| Is Item Included In Curren Budget Account No.: | t Budget? | Yes | <u>X</u> _ | No | | |

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

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

Approval of this agenda item will appropriate \$4,515,043 in 2017/2018 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:

OF MB/ET 9/14 3/20 9/20/10

Contract Development and Control

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

Background and Justification: (Continued from Page 1)

- <u>Purchase Assistance:</u> provides first-time homebuyers up to \$100,000 to assist with gap financing, lot acquisition, down payment, rehabilitation and closing costs, to purchase a property with or without rehabilitation or new construction.
- Owner-Occupied Housing Rehabilitation: provides up to \$75,000 for substantial rehabilitation to correct housing life, health or safety items, incipient code violations, sewer and water connection, homeowners' insurance policies, emergency repairs and utility connections.
- <u>Developer Rental Housing Assistance:</u> provides up to \$40,000 per unit to developers and owners to construct or rehabilitate affordable rental units.
- Rental Housing Re-Entry Assistance: provides up to \$10,000 to assist with rental security deposits, utility deposits, connection fees, housing stability counseling, and rent equal to no more than 12 months rental payments.
- <u>Foreclosure Prevention:</u> provides up to \$15,000 to assist with delinquent mortgage payments (PITI), including late fees, attorney's fees, homeowners' association payments, special assessments, other foreclosure associated costs, property taxes, homeowners' insurance, mortgage delinquency and default resolution counseling.
- <u>Disaster Mitigation</u>: provides up to \$55,000 to assist homeowners with repairs directly caused by a disaster declared by Executive Order of the U.S. President or Governor.

Table 1: 2016/2017 and 2017/2018 Comparison:

| SHIP Approved Activities | 2016-2017 Funding Allocations \$6,630,116 | 2017-2018 Funding Recommendations \$4,515,043 |
|---|---|---|
| Purchase Assistance | \$2,000,000.00 | \$1,803,538.00 |
| Owner Occupied Housing Rehabilitation | \$1,000,000.00 | \$1,000,000.00 |
| Developer Assistance Rental Housing | \$495,000.00 | \$700,000.00 |
| Rental Housing Re-Entry Assistance | \$495,000.00 | \$250,000.00 |
| Foreclosure Prevention | \$100,000.00 | \$60,000.00 |
| Disaster Mitigation | - | \$250,000.00 |
| Replacement Housing* | \$500,000.00 | - |
| Veterans Homeownership and Preservation** | \$1,000,000.00 | - |
| Emergency Repairs*** | \$377,106.00 | - |
| Administratives Funds | \$663,010.00 | \$451,505.00 |

^{*} The 2016-2017 Replacement Housing allocation was not expended and is available.

*** Emergency Repair assistance will be addressed under the rehabilitation program.

^{**} There is approximately \$1.7M available for use in the Veterans Program, from prior years.

| SHIP 2017-2018 Appropriated | | \$ 100,000,000 | Conference Report on SB 2500 (| | |
|-----------------------------|------------------|----------------|--------------------------------|------------------|----|
| | Local Government | County Total | County Share/ City Share | Local Government | Co |
| | ALACHUA | 1,124,526 | 561,926 | FRANKLIN | |

| Local Government | County Total | County Share/ |
|------------------|---------------|---------------|
| | 4 4 2 4 5 2 5 | City Share |
| ALACHUA | 1,124,526 | 561,926 |
| Gainesville | 252.000 | 562,600 |
| BAKER | 350,000 | 350,000 |
| BAY | 776,638 | 613,777 |
| Panama City | | 162,861 |
| BRADFORD | 350,000 | 350,000 |
| BREVARD | 2,441,673 | 1,349,513 |
| Cocoa | | 80,819 |
| Melbourne | | 345,253 |
| Palm Bay | | 468,557 |
| Titusville | | 197,531 |
| BROWARD | 7,900,628 | 1,411,053 |
| Coconut Creek | | 243,339 |
| Coral Springs | | 538,033 |
| Davie | | . 423,474 |
| Deerfield Beach | | 331,036 |
| Ft. Lauderdale | | 752,930 |
| Hollywood | | 622,569 |
| Lauderhill | | 301,014 |
| Margate | | 244,129 |
| Miramar | | 571,215 |
| Pembroke Pines | | 688,935 |
| Plantation | | 376,070 |
| Pompano Beach | | 457,446 |
| Sunrise | | 386,341 |
| Tamarac | | 269,411 |
| Weston | | 283,633 |
| CALHOUN | 350,000 | 350,000 |
| CHARLOTTE | 754,759 | 673,396 |
| Punta Gorda | | 81,363 |
| CITRUS | 636,610 | 636,610 |
| CLAY | 901,351 | 901,351 |
| COLLIER | 1,520,545 | 1,434,786 |
| Naples | | 85,759 |
| COLUMBIA | 350,000 | 350,000 |
| DE SOTO | 350,000 | 350,000 |
| DIXIE | 350,000 | 350,000 |
| DUVAL | 3,946,988 | 3,946,988 |
| ESCAMBIA | 1,347,696 | 1,114,275 |
| Pensacola | | 233,421 |
| FLAGLER | 463,762 | 98,549 |
| Palm Coast | 1.52,7.52 | 365,213 |

| Conference Report on SB 2500 | (Less: \$5 million DR holdba | ck, Monitoring, Home | eless & FL Supportive Housing Coali | tion funding) |
|------------------------------|------------------------------|----------------------|-------------------------------------|---------------|
| | | Ct-Cl/ | | |

| Local Government | County Total | County Share/ City Share |
|------------------|--------------|-----------------------------|
| FRANKLIN | 350,000 | 350,000 |
| GADSDEN | 350,000 | 350,000 |
| GILCHRIST | 350,000 | 350,000 |
| GLADES | 350,000 | 350,000 |
| GULF | 350,000 | 350,000 |
| HAMILTON | 350,000 | 350,000 |
| HARDEE | 350,000 | 350,000 |
| HENDRY | 350,000 | 350,000 |
| HERNANDO | 789,766 | 789,766 |
| HIGHLANDS | 457,197 | 457,197 |
| HILLSBOROUGH | 5,767,370 | 4,210,757 |
| Tampa | | 1,556,613 |
| HOLMES | 350,000 | 350,000 |
| INDIAN RIVER | 654,116 | 654,116 |
| JACKSON | 350,000 | 350,000 |
| JEFFERSON | 350,000 | 350,000 |
| LAFAYETTE | 350,000 | 350,000 |
| LAKE | 1,404,582 | 1,404,582 |
| LEE | 2,916,461 | 1,859,828 |
| Cape Coral | | 730,573 |
| Ft. Myers | | 326,060 |
| LEON | 1,251,426 | 426,361 |
| Tallahassee | | 825,065 |
| LEVY | 350,000 | 350,000 |
| LIBERTY | 350,000 | 350,000 |
| MADISON | 350,000 | 350,000 |
| MANATEE | 1,544,610 | 1,312,301 |
| Bradenton | | 232,309 |
| MARION | 1,498,666 | 1,239,846 |
| Ocala | | 258,820 |
| MARTIN | 669,431 | 669,431 |
| MIAMI-DADE | 7,286,349 | 4,701,153 |
| Hialeah | | 629,541 |
| Miami | | 1,230,664 |
| Miami Beach | | 250,650 |
| Miami Gardens | | 302,383 |
| North Miami | | 171,958 |
| MONROE | 363,118 | 363,118 |
| NASSAU | 365,305 | 365,305 |
| OKALOOSA | 851,030 | 758,949 |
| Ft. Walton Beach | | 92,081 |
| OKEECHOBEE | 350,000 | 350,000 |

| Local Government | County Total | County Share/ City Share | |
|---|--------------|-----------------------------|--|
| ORANGE | 5,458,866 | 4,300,495 | |
| Orlando | | 1,158,371 | |
| OSCEOLA | 1,398,018 | 1,101,778 | |
| Kissimmee | | 296,240 | |
| PALM BEACH | 5,942,410 | 4,515,043 | |
| Boca Raton | | 376,749 | |
| Boynton Beach | | 312,571 | |
| Delray Beach | | 273,351 | |
| West Palm Beach | | 464,696 | |
| PASCO | 2,135,361 | 2,135,361 | |
| PINELLAS | 4,082,643 | 2,141,346 | |
| Clearwater | | 480,527 | |
| Largo | | 349,066 | |
| St. Petersburg | | 1,111,704 | |
| POLK | 2,774,242 | 2,165,296 | |
| Lakeland | | 439,440 | |
| Winter Haven | | 169,506 | |
| PUTNAM | 356,559 | 356,559 | |
| ST. JOHNS | 962,615 | 962,615 | |
| ST. LUCIE | 1,273,305 | 314,124 | |
| Ft. Pierce | | 184,757 | |
| Port St. Lucie | | 774,424 | |
| SANTA ROSA | 739,445 | 739,445 | |
| SARASOTA | 1,721,836 | 1,489,733 | |
| Sarasota | | 232,103 | |
| SEMINOLE | 1,934,069 | 1,934,069 | |
| SUMTER | 533,775 | 533,775 | |
| SUWANNEE | 350,000 | 350,000 | |
| TAYLOR | 350,000 | 350,000 | |
| UNION | 350,000 | 350,000 | |
| VOLUSIA | 2,227,253 | 1,566,427 | |
| Daytona Beach | | 277,961 | |
| Deltona | | 382,865 | |
| WAKULLA | 350,000 | 350,000 | |
| WALTON | 350,000 | 350,000 | |
| WASHINGTON | 350,000 | 350,000 | |
| TOTAL | 88,975,000 | 88,975,000 | |
| DR Holdback & Complianc | | 5,250,000 | |
| Transfer to DCF/DEO for H | | 5,200,000 | |
| Catalyst & FL Supportive Housing Coalition 575,00 | | | |
| Total estimated appropriation 100,000,0 | | | |