

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

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<b>Meeting Date:</b>	<b>October 2, 2018</b>	<input type="checkbox"/> <b>Consent</b>	<input checked="" type="checkbox"/> <b>Regular</b>
		<input type="checkbox"/> <b>Ordinance</b>	<input type="checkbox"/> <b>Public Hearing</b>
<b>Department:</b>	<b>County Administration</b> <b>Department of Housing and Economic Sustainability</b>		

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**I. EXECUTIVE BRIEF**

**Motion and Title:** **Staff recommends motion to conceptually approve:** a Neighborhood Stabilization Program 2 (NSP2) funding award in an amount up to \$2,000,000 to Village of Valor, Ltd. (VOV) and Faith-Hope-Love-Charity, Inc., for the Village of Valor project.



**Summary:** VOV recently met with County Administration and Housing and Economic Sustainability staff to discuss the need for gap financing to support their Village of Valor project. The project is a 148 unit rental development (apartments-townhomes) to be located on vacant land on the north side of 2<sup>nd</sup> Avenue North, east and west of Keller's Canal in Lake Worth (east portion) and Palm Springs (west portion). The project entails new construction of 130 apartments and 18 townhomes for affordable rental to very low, low, and moderate-income persons with a priority given to veterans and their families, including the disabled, homeless, and at-risk of homelessness. The assisted units will be deed-restricted to remain affordable for no less than 30 years. VOV's project is an initiative of Faith-Hope-Love-Charity, Inc., a local not-for-profit agency whose mission is to reintegrate displaced and at-risk veterans and their families back into communities to sustain independent living. Faith-Hope-Love-Charity, Inc. is the non-profit Managing Owner / Partner for the Village of Valor, LLC., and along with KSM Holdings, serve as the development team for the VOV project. Village of Valor, Ltd. is the organization / landowner created by the development team for this project.

The estimated development cost of the project is \$31 Million and VOV has identified sources of funding totaling \$27 Million, leaving an approximate \$4 Million gap. VOV has launched fundraising activities for an additional \$2 Million and the proposed NSP2 award of up to \$2,000,000 will serve as a match to those funds to close the funding gap. The actual award is contingent on confirmation that VOV has secured all funding necessary to complete the project and underwriting of the project by the Department of Housing and Economic Sustainability (HES) prior to execution of a NSP2 funding agreement. Upon confirmation of funding, the NSP2 award will be brought back to the Board of County Commissioners (BCC) for consideration of final approval. The \$2 Million is available from program income generated from certain NSP2 activities and is subject to applicable NSP2 program requirements. As NSP federal regulations do not require a competitive process for allocation of funds, staff supports the direct allocation of these funds in lieu of issuing a Request for Proposal (RFP) due to the BCC's priorities to assist at-risk veterans and disabled communities, and to address the lack of homeless and affordable housing. This item has three HES companion items: 3I-1 (Ratify 2018 Plan Consistency Certification form), 4E-2 (Impact Fee Affordable Housing Assistance Program Funding of \$227,000) and 4E-3 (Housing Tax Credit Local Government Contribution Program SHIP Funding of \$115,000). **These are NSP2 program income funds which require no local match.** District 3 (JB)

**Background and Policy Issues:** On July 7, 2009 (Item 5D-1), the Board of County Commissioners authorized submittal of a competitive NSP2 application to the U.S. Department of Housing and Urban Development (HUD) and approved proposed NSP activities. On February 11, 2010, HUD awarded Palm Beach County a NSP2 grant of \$50M.

**Attachment(s):**  
1. Location Map

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<b>Recommended By:</b>	 <b>Department Director</b>	<u>9/26/18</u> <b>Date</b>
<b>Approved By:</b>	 <b>Assistant County Administrator</b>	<u>9/28/18</u> <b>Date</b>

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs	\$2,000,000				
External Revenues					
Program Income (County)	(\$2,000,000)				
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    
Does this item include the use of Federal funds? Yes  X  No

Budget Account No.:

Fund 1112 Dept 143 Unit 1426 Object 8201 Program Code/Period N221-PI/GY09

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

Approval of this agenda item will allocate up to a maximum of \$2,000,000 NSP2 Program Income to Village of Valor, Ltd. for construction of the Village of Valor project.

C. Departmental Fiscal Review: Thomas for  
Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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

OFMB 9/26/18 9/27/18 9/27/18  
Contract Development and Control

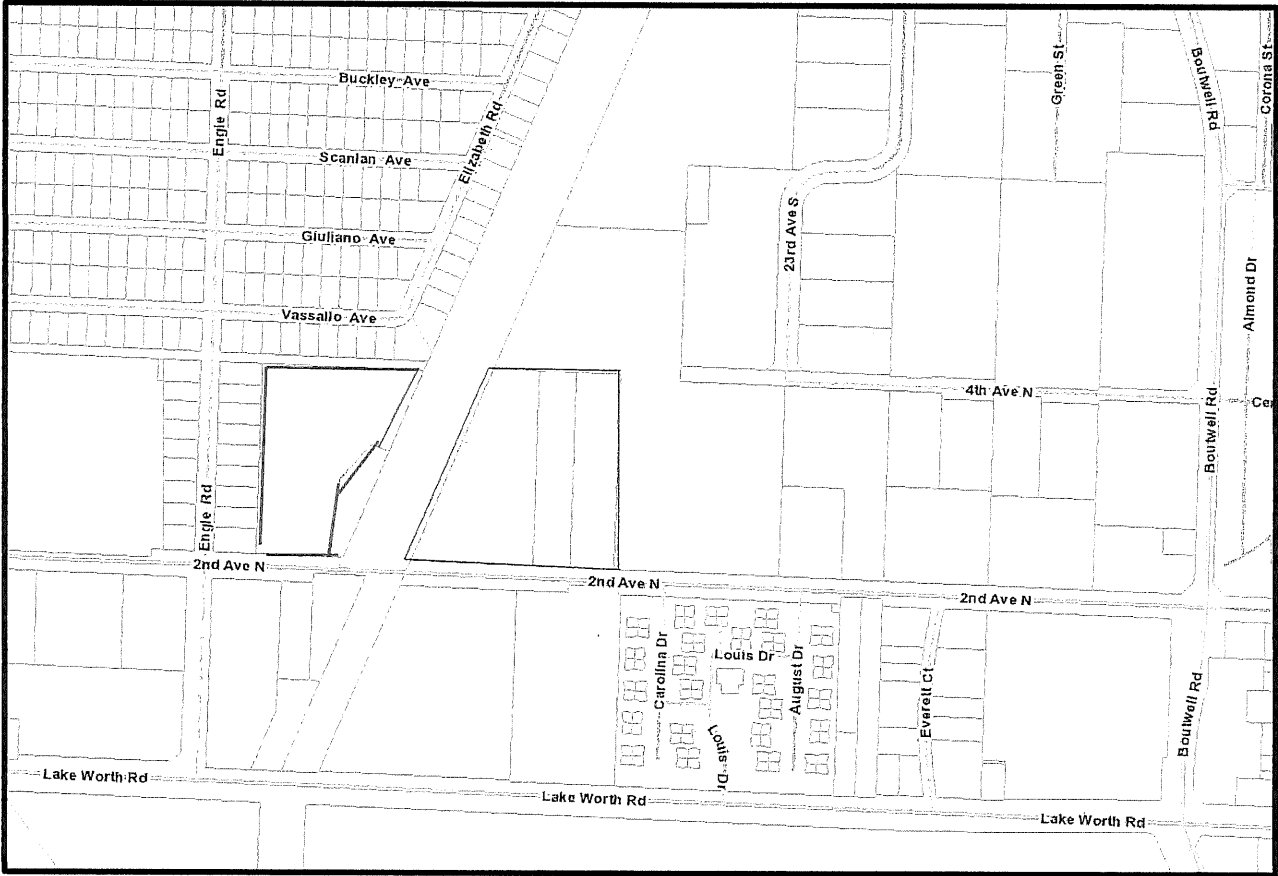
B. Legal Sufficiency:

Assistant County Attorney 9/27/18

C. Other Department Review:

Department Director

Location Map



NORTH



Village of Valor, 2431 – 2559 2<sup>nd</sup> Avenue North, Lake Worth, 33461