

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: April 18, 2023

Consent
 Ordinance

Regular
 Public Hearing

Department: Housing and Economic Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: the following HOME Investment Partnership Program (HOME) funded amendments to Loan Agreements.

A) Amendment 003 to HOME Loan Agreement (R2020-1888) with HTG Heron Estates Family, LLC, extending the completion date from December 31, 2022 to March 31, 2023; and

B) Amendment 003 to HOME Loan Agreement (R2021-1078) with Habitat Housing Solutions, Inc., deleting the 50% loan expenditure date of January 31, 2023. The project completion date of September 30, 2023 will remain the same.

Summary: The documents have been executed on behalf of the Board of County Commissioners (BCC) by the Director of the Department of Housing and Economic Development in accordance with Agenda Item 5A-3 and 6D-4, as approved by the BCC on February 11, 2020 and November 17, 2020 respectively. Agenda Item 5A-3 dated February 11, 2020, awarded HOME funds to successful respondents to Request for Proposal HES.2019.1, and Agenda Item 6D-4, dated November 17, 2020, awarded HOME/CHDO funds to successful respondents to Request for Proposal HES.2020.1.

The Loan Agreement (R2020-1888) with HTG Heron Estates Family, LLC as amended by Amendment 001 (R2022-0705; May 1, 2022) and by Amendment 002 (R2022-1367; September 30, 2022), provided \$500,000 in HOME funding toward the construction of a seventy nine (79) unit rental development in Riviera Beach of which ten (10) are HOME assisted. COVID-19 and supply chain issues have impacted the project thereby extending the project completion date from December 31, 2022 to March 31, 2023.

The Loan Agreement (R2021-1078) with Habitat Housing Solutions, Inc., as amended by Amendment 001 (R2022-0704; June 6, 2022) and by Amendment 002 (R2022-1280; August 31, 2022), provided \$625,000 in HOME funding and a \$65,000 HOME/CHDO grant towards the construction of five (5) single family homes in the Glades area. COVID-19 and supply chain issues have impacted the project thereby the need to delete the 50% loan expenditure date of January 31, 2023.

County PPM CW-O-051 provides that all delegated contracts, agreements and grants must be submitted by the initiating department as a receive and file agenda item. **HOME Program grant funds are Federal funds which require a 25% local match provided by SHIP funds. Districts 3, 5 & 6 (HJF)**

Background and Justification: The U.S. Department of Housing and Urban Development provides an annual allocation of CDBG and HOME grant funding to Palm Beach County. HOME works to provide affordable rental housing and homeownership opportunities for persons with incomes no greater than 80% of Area Median Income.

Attachment(s):

1. Amendment 003 to a HOME Loan Agreement with HTG Heron Estates Family, LLC. (3 originals)
2. Amendment 003 to a HOME Loan Agreement with Habitat Housing Solutions, Inc. (3 originals)
3. Amendment request letter (HOME Loan Agreement) from HTG Heron Estates Family, LLC.
4. Amendment request letter (HOME Loan Agreement) from Habitat Housing Solutions, Inc.

Recommended By: Jonathan Bram Department Director Date 3/16/2023

Approved By: David M. Miller Assistant County Administrator Date 3/27/2023

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Grant Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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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 1103 Dept. 143 Unit 1434 Object 8201 Program Code/Period Various

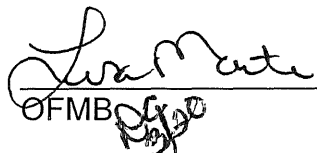

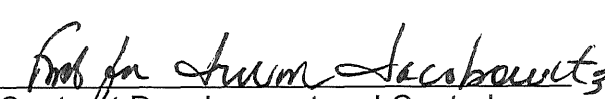
B. Recommended Sources of Funds/Summary of Fiscal Impact:

No additional fiscal impact

C. Departmental Fiscal Review: 
Valerie Alleyne, Division Director II
Finance and Administrative Services, DHED

III. REVIEW COMMENTS

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

 3/22/2023
OFMB  3/22
 3/23/23
Contract Development and Control
FMA 3/21/23

B. Legal Sufficiency:

 3/27/23
Assistant County Attorney

C. Other Department Review:

Department Director

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

AMENDMENT 003 TO THE LOAN AGREEMENT
WITH
HTG HERON ESTATES FAMILY, LLC

Amendment 003 to the Loan Agreement with an effective date of February 15, 2023, by and between **Palm Beach County** ("County") and **HTG Heron Estates Family, LLC** ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2020-1888) with Borrower on October 5, 2020, as amended by Amendment 001 (R2022-0705) on May 1, 2022, and by Amendment 002 (R2022-1367) on September 30, 2022, to provide \$500,000 of HOME Investment Partnerships Program (HOME) funds for the purpose of constructing seventy-nine (79) rental housing units in Riviera Beach, of which ten (10) are HOME assisted; and

WHEREAS, the Borrower has experienced construction delays due to material shortages and impediments related to the COVID-19 virus; and

WHEREAS, the Borrower has requested that the Loan Agreement be revised to reflect the project timeline and related Performance Requirements to successfully complete these HOME assisted units; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 3: THE LOAN AND LOAN EXPENDITURE REQUIREMENTS

The following Performance Requirements and dates are revised as follows:

- Complete Construction and obtain Certificates of Occupancy by December 31, 2022, is extended to March 31, 2023.

The Parties acknowledge that all Sections of the Loan Agreement impacted by these changes are deemed to be revised to reflect the revisions noted above.

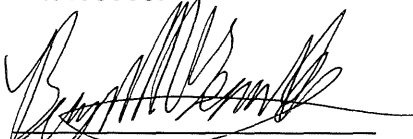
IN WITNESS WHEREOF, Borrower and the County have caused this Amendment 003 to be executed on the date first above written.

Signed, sealed and delivered in the presence of:

BORROWER:

Witnesses:

HTG HERON ESTATES FAMILY, LLC
a Florida limited liability company



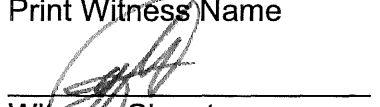
Witness Signature

By: HTG HERON ESTATES FAMILY MANAGER LLC,
a Florida limited liability company, its Manager

Benjamin M Besunder

Print Witness Name

By: 
Matthew Rieger, Manager



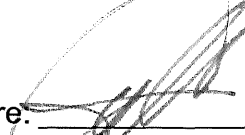
Witness Signature

Glenda Brown

Print Witness Name

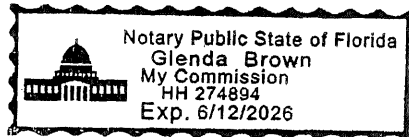
STATE OF FLORIDA
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization on this 3 day of February, 2023, by Matthew Rieger, as Manager of HTG Heron Estates Family Manager, LLC., who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.

Signature: 

Notary Name: _____
Notary Public - State of Florida

(NOTARY SEAL ABOVE)




**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
FOR ITS BOARD OF COUNTY COMMISSIONERS**

By 
Jonathan B. Brown, Director
Dept. of Housing & Economic Development

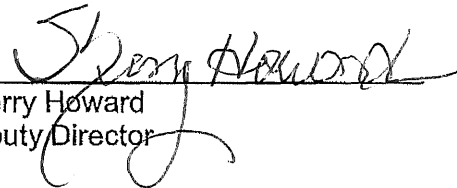
Date: 2/15/2023

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Economic Development

By: **Howard J. Falcon III**

Howard J. Falcon III
Chief Assistant County Attorney

Digitally signed by Howard J. Falcon III
DN: c=US, o=Palm Beach County, ou=Enterprise
Legal Services, ou=ATT, ou=Users, cn=Howard J.
Falcon III, email=E-HFalcon@pbogov.org
Reason: I am the author of this document
Date: 2023.02.10 09:21:28-05'00'
Foxit PDF Reader Version: 12.1.0

By: 
Sherry Howard
Deputy Director

AMENDMENT 003 TO THE LOAN AGREEMENT
WITH
HABITAT HOUSING SOLUTIONS, INC.

Amendment 003 to the Loan Agreement is made and entered into on 2-17-23, by and between **Palm Beach County** ("County") and **Habitat Housing Solutions, Inc.** ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2021-1078) with Borrower on June 9, 2021, as amended on June 6, 2022, by Amendment 001 (R2022-0704) and by Amendment 002 (R2022-1280) on August 31, 2022, to provide \$625,000 of HOME Investment Partnerships Program (HOME) funds and a grant of \$65,000 of HOME/CHDO operating funds for the purpose of constructing five (5) affordable housing units in the Glades Area; and

WHEREAS, the Borrower has experienced construction delays due to material shortages and impediments related to the COVID-19 virus; and

WHEREAS, the Borrower has requested that the Loan Agreement be revised to amend the Performance Requirements date to successfully complete these HOME assisted units; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 3: THE LOAN AND LOAN EXPENDITURE REQUIREMENTS

The following performance requirements date shall be deleted in its entirety:

- 50 % of Loan to be expended by January 31, 2023

The Parties acknowledge that all Sections of the Loan Agreement impacted by these changes are deemed to be revised to reflect the revisions noted above.

(REMAINDER OF PAGE INTENTIONALLY BLANK)

IN WITNESS WHEREOF, Borrower and the County have caused this Amendment 003 to be executed on the date first above written.

Signed, sealed and delivered in the presence of:

BORROWER:

Witnesses:

**HABITAT HOUSING SOLUTIONS, INC.,
a Florida not-for-profit corporation**

Lisa Dunnam
Witness Signature

By: *Donald Gill*
Donald Gill, Chief Operating Officer

Lisa Dunnam
Print Witness Name

(SEAL)
Corporation not-for-profit

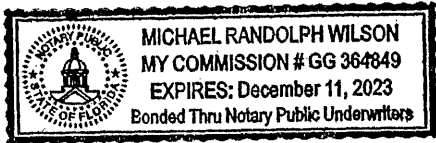
[Signature]
Witness Signature



MICHAEL R. WILSON
Print Witness Name

**STATE OF FLORIDA
COUNTY OF PALM BEACH**

The foregoing instrument was acknowledged before me by means of physical presence or online notarization on this 13 day of Feb, 2023, by Donald Gill, as Chief Operating Officer of Habitat Housing Solutions, Inc., who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



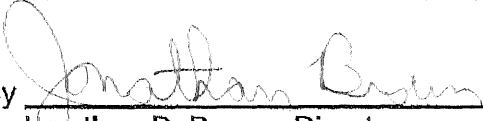
Signature: *[Signature]*

Notary Name: MICHAEL R. WILSON
Notary Public - State of Florida

(NOTARY SEAL ABOVE)

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

FOR ITS BOARD OF COUNTY COMMISSIONERS

By 
Jonathan B. Brown, Director
Dept. of Housing & Economic Development

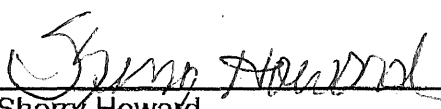
Date: 2/17/2023

Approved as to Form and
Legal Sufficiency

By: Howard J. Falcon III
Howard J. Falcon III
Chief Assistant County Attorney

Digitally signed by Howard J. Falcon III
DN: c=US, o=Palm Beach County, DC=pbegov, OU=Enterprise
Users, CN=Howard J. Falcon III, E=HJFalcon@pbegov.org
I am the author of this document
Date: 2023.02.16 15:24:56-0500
Adobe PDF Reader Version: 12.1.0

Approved as to Terms and Conditions
Dept. of Housing and Economic Development

By: 
Sherry Howard
Deputy Director



Date: December 19, 2022

Mr. Jonathan Brown, Director
Palm Beach County Housing & Economic Sustainability
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406

*OKAY
3/1/2023*

Re: Request to Modify Performance Requirements - **Heron Estates Family**

Dear Mr. Brown:

Please consider this the HTG Heron Estates Family, LLC request for the modification to the Completion of Construction and Placed in Service deadlines for the Heron Estates Family HOME loan.

Heron Estates Family has run into construction delays due to material shortages and impediments related to the global COVID-19 pandemic.

Please consider the modification of the schedule as follows:

<u>Performance Requirements</u>	<u>APPROVED</u>	<u>REQUESTED</u>
Complete Construction:	December 31, 2022	March 31, 2023
Units rented and in service:	Completed December 2022	

Funding sources have not been impacted by this delay. To date, all HOME funding has been drawn and spent on construction hard costs for Heron Estates Family.

We have received CO or TCO on all residential units: however, we are still seeking final CO on the Clubhouse. Our current construction schedule estimates construction completion of December 31, 2022; however, we are seeking this extension in an abundance of caution.

Should any additional data be required, please let me know.

Sincerely,
Jason Larson
Jason Larson
HTG Heron Estates Family, LLC

Digitally signed by Jason Larson
DN: cn=Jason Larson, c=US, o=Housing
Trust Group, ou=Development,
email=jasonl@htgf.com
Reason: I am approving this document
Location: 3225 Avlation Ave, 6th Floor,
Coconut Grove, FL 33133
Date: 2022.12.19 11:39:23 -0500



Habitat Housing
Solutions, Inc.

February 3, 2023

Jonathan Brown
Director
Department of Housing & Economic Development
Palm Beach County
West Palm Beach, FL.

Re: Loan Agreement (R2021-1076) Amendment 003

Habitat Housing Solutions Inc. requests a third amendment to the subject Loan Agreement.

The following changes to Amendment 002 are requested:

- * 50% of Loan to be expended will be extended from January 31, 2023 to April 30, 2023

All other components of Amendment 001 should remain unchanged.

Thank you.

Regards,

Don Gill
Chief Operating Officer
Habitat Housing Solutions, Inc.

6750 N. Military Trail Suite 301, Riviera Beach FL 33407
Email: dgill618@gmail.com

Cell: 973-879-8065

*JB okay
2/3/2023*