PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	November 7, 2023	[] Consent [] Ordinance	[X] Regular [] Public Hearing
Department:	Housing and Economic	Development	_

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) submittal of a request to the U.S. Department of Housing and Urban Development (HUD) to convert Neighborhood Stabilization Program 1 (NSP1) program income in the amount of \$3,500,000 to Community Development Block Grant (CDBG) funds; B) to allocate the \$3,500,000 in CDBG conversion funds for the Gramercy Park Neighborhood Center project; C) Budget Transfer of \$5,000,000 in the Neighborhood Stabilization Program Fund to the Housing and Economic Sustainability Fund; D) Budget Amendment of \$5,000,000 in the Housing and Economic Sustainability Fund to recognize the transfer from the Neighborhood Stabilization Program Fund and appropriate it to the Park Improvement Fund; and E) Budget Amendment of \$5,000,000 in the Park Improvement Fund to recognize the transfer from the Housing and Economic Sustainability Fund.

Summary: Staff is requesting the Board of County Commissioners' (BCC) approval to submit a request to HUD to convert \$3,500,000 of NSP1 program income to CDBG funds. Staff is further requesting the BCC to approve the allocation of CDBG conversion funds for the Gramercy Park Neighborhood Center project. The conversion is necessary because CDBG allows for a greater range of eligible activities, including construction of public facilities. In 2009, the County received a NSP1 grant for acquisition, rehabilitation, and redevelopment of foreclosed, abandoned, and vacant residential properties. The Department of Housing and Economic Development (DHED) successfully implemented NSP1 mortgage lending and acquisition/rehabilitation activities that resulted in the generation of program income.

On July 2, 2019 (Agenda Item 5A-5), the BCC approved a request to convert and allocate \$1,500,000 of NSP1 program income for the Gramercy Park Neighborhood Center project to construct a 5,000 square foot County facility within an existing County park located at 5675 Parke Avenue in West Palm Beach. Additional funding is now required due to updated plans for the Neighborhood Center that consist of a larger 12,000 square foot building with additional amenities to accommodate the surrounding neighborhood, as well as a result of rising costs of construction labor and materials. The Center will include a large multi-purpose room, classroom, kitchen, offices, building support spaces, parking lot, and a walking trail to serve the neighborhood. The additional \$3,500,000 would provide funding for the project and enable the Facilities Development and Operations Department to move forward with finalizing development and operating plans. These are federal NSP1/CDBG funds which require no local match. District 7 (HJF)

Background and Policy Issues: On November 18, 2008 (Agenda Item 6C-1), the BCC authorized the submittal of a NSP1 funding application to HUD, and on January 8, 2009, HUD awarded a \$27,700,000 grant to the County. The County successfully expended the entire original grant in accordance with federal requirements and deadlines. (Continued on Page 3)

Attachment:

1. Location Map – Gramercy Park Neighborhood Center

2. Budget Transfer and Amendments

Recommended By:	Shern Shuppy	10-27-23
-	Department/Director	Date
Approved By:	(Tal	10/31/23
-	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Grant Expenditures	\$5,000,000				
Operating Costs					-
External Revenues	(\$5,000,000)		AND THE PROPERTY OF THE PROPER	L. A. C.	
Program Income				1,	
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

NET	FISCAL IMPACT	-0-			, , , , , , , , , , , , , , , , , , ,		
	n Included In Curre this Item include th		leral funds?	Yesx	No <u>x</u> No		
Budge	et Account No.:						
Fund]	<u>Various</u> Dept <u>143</u> Un	it <u>Various</u> Ob	ject <u>Various</u>	Program Cod	de/Period		
В.	Recommended So	urces of Fur	nds/Summar	y of Fiscal I	mpact:		
C.	Departmental Fisc	al Review:		yne, Division d Administrat		— , DHED	
		III. <u>RE</u>	VIEW COMN	MENTS			
A.	OFMB Fiscal and/o	or Contract I	Developmen	t and Contro	ol Comment	s:	
В.	OFMB AMF 10 12 3 MF 11 12 Legal Sufficiency:	In 112222 Lesson 10110/JA	23	tract Develor 10/25/29 10/25/29	ment and Co	10/25) entrol	12/2 23
	Chief Assistant Cou	10/2 unty Attorney	6/23 All for HJF	11/3/23			
C.	Other Department	Review:					

Department Director

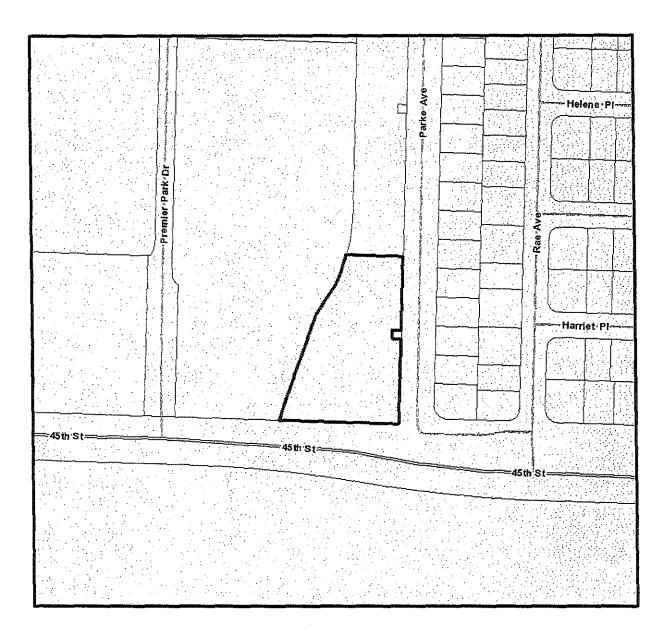
Background and Policy Issues: (continued from Page 1)

Revenues generated by NSP1-assisted activities are program income and must be treated substantially the same as NSP1 grant funds. On June 14, 2016, HUD published a notice (FR5933-N-01) establishing a process for the transfer of NSP program income to the CDBG program.

Gramercy Park is an unincorporated neighborhood of approximately 2,500 persons located at the northwest quadrant of Haverhill Road and 45th Street in West Palm Beach. The neighborhood is 70% low and moderate income. The Office of Community Revitalization has designated Gramercy Park a Neighborhood Core Area where conditions warrant priority assistance from the Countywide Community Revitalization Team. Utilizing Recreation and Cultural Bond funding, the Parks and Recreation Department developed a 1.89 acre neighborhood park at 5675 Parke Avenue that opened in 2015. Plans for the park originally included a multi-purpose community building; however, construction of the building was postponed due to project costs, lack of sufficient funding, and the need to identify a non-profit partner to operate the facility.

LOCATION MAP

Gramercy Park	NORTH
	



BOARD OF COUNTY COMMISIONERS PALM BEACH COUNTY, FLORIDA BUDGET TRANSFER

BGEX: 102623*267

Fund 1109 Neighborhood Stabilization Program

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED As of 11/01/2023	REMAINING BALANCE
EXPENDITURES 820-1423-9015 143-1423-8201	Tr to HES Fd 1101 Contributions Non Gov't Agncy	0 9,011,668	0 9,011,668	5 , 000,000 0	0 5,000,000	5,000,000 4,011,668		5,000,000 4,011,668
Total Appropriation	ns & Expenditures	0	0	5,000,000	5,000,000	0		
INITIA	ancial Management & Budget TING DEPARTMENT/DIVISION		Signatures &	···		www.co.but.	d of County Comm At Meeting November 7th, 2023	g of
Administration/Budget Department Approval OFMB Department - Posted		- Juni'	Effe	11/9	1203		Deputy Clerk to the of County Commiss	

BOARD OF COUNTY COMMISIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

BGRV: 102623*88

BGEX: 102623*268

Fund 1101 Housing and Economic Sustainability

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED As of 11/01/2023	REMAINING BALANCE
REVENUES								
143-1431-8336	Tr Fr Neighbor Stable Prg Fd 1109	0	0	5,000,000	0	5,000,000		
Total Receipts and B	Balances	12,791,704	12,791,704	5,000,000	0	17,791,704		
<u>EXPENDITURES</u>								
820-1431-9184	Tr to Park Improvement Fd 3600	0	860,000	5,000,000	0	5,860,000		5,860,000
Total Appropriation	s & Expenditures	12,791,704	12,791,704	5,000,000	0	17,791,704		
0.00			Signatures &	Dates		By Boar	d of County Comm	issioners
	ancial Management & Budget TING DEPARTMENT/DIVISION		014-				At Meeting	,
			- 1/X		·····		lovember 7th, 2023	
Administra	ation/Budget Department Approval	Juzin Chan	h ()	11/2/2023			Deputy Clerk to the	
O	FMB Department - Posted			- Committee Comm		Board	of County Commiss	ioners

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

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BGRV 582 102623*87 BGEX 582 102623*263

				BGEX 582 102623*263			
FU	ND 3600 - PARK	MPROVEMENT					
ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/26/23	REMAINING BALANCE	
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0	0	5,000,000	0	5,000,000	Ü	5,000,000	
41,232,441	40,761,812	5,000,000	0	45,761,812			
Signatures		Date			By Board of County C At Meeting	of	
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June 1 but		111313093			Board of County Cor	nmissioners	
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