

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: December 19, 2023 Consent Regular
 Ordinance Public Hearing

Department: Housing and Economic Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) approve** a State Housing Initiatives Partnership (SHIP) Program award of \$1,262,000 to Diverse Housing Services, Inc. (DHS), a Florida not-for-profit corporation;
- B) direct** staff to negotiate the loan/grant agreement; and
- C) authorize** the County Administrator, or designee, to execute the loan agreement, amendments thereto, and all other documents necessary for project implementation that do not substantially change the scope of work, terms, or conditions of the award.

Summary: Amaryllis Gardens is a 44-unit affordable multi-family rental property located in Pahokee, Florida that was built in 1992 to provide affordable rental housing for domestic farm workers. The project was funded by the United States Department of Agriculture (USDA) Rural Development with loans, grants, and rental assistance. While originally built for domestic farm laborers under the USDA 514/516 Program, due to the diminished need for farm labor housing over some years, Amaryllis Gardens was granted waivers to the farm labor housing requirement and this exception was made permanent in December 2011. As the property has continued to age, USDA’s priority for preservation funding has excluded the eligibility of projects on waivers.

In June of 2020, ownership of the property was transferred to DHS, a Florida not-for-profit corporation established in 2019 for the purpose of providing, preserving, and developing affordable rural housing for very low, low, and moderate income families. DHS is requesting funding towards the renovation of 43 units to preserve this affordable multifamily development. Staff recommends a zero interest rate loan of \$1,262,000 to fund exterior repairs including roofing, windows, and exterior painting. The total rehabilitation cost of the project is \$2.47 million, and funding for the balance of project costs will be provided by the Housing Assistance Council (HAC). All housing units in the project will remain affordable to tenants with incomes no greater than 100% of Area Median Income for no less than 50 years. The funding agreement and related documents pursuant to these SHIP funds will be between the County and the entities identified herein or their respective successors and/or assigns. To facilitate project implementation, staff requests authorization for the County Administrator, or designee, to execute the loan agreements and related documents. These are State SHIP Program grant funds which require no local match. District 6 (HJF)

Background and Policy Issues: The Florida Housing Finance Corporation provides an annual allocation of SHIP grant funding to Palm Beach County. SHIP provides affordable rental housing and homeownership opportunities for persons with incomes no greater than 140% of AMI.

Attachment:
 1. Project Description for Amaryllis Gardens

Recommended By: Jonathan Brown 11/27/2023
 Department Director Date

Approved By: [Signature] 12/13/23
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Capital Expenditures	\$1,262,000				
Operating Costs					
External Revenues	(\$1,262,000)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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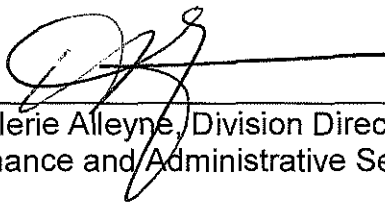
Is Item Included In Current Budget? Yes X No
 Does this Item include the use of Federal funds? Yes No X
 Does this Item include the use of State funds? Yes X No

Budget Account No.:

Fund 1100 Dept 143 Unit 7176 Object 8201 Program Code/Period _____

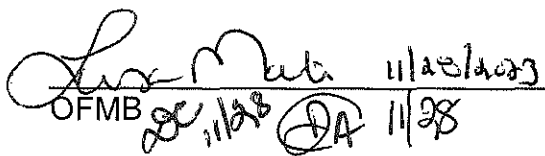
B. Recommended Sources of Funds/Summary of Fiscal Impact:

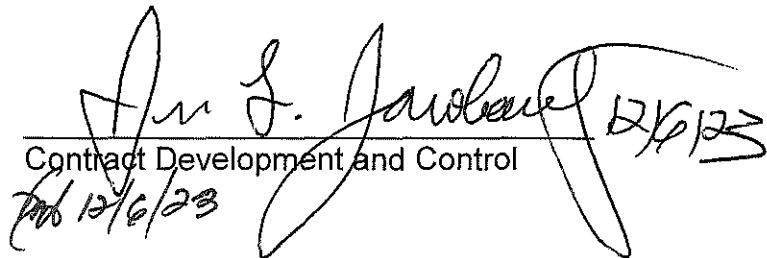
C. Departmental Fiscal Review:


 Valerie Alleyne, Division Director II
 Finance and Administrative Services, DHED

III. REVIEW COMMENTS

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


 OFMB 11/28/23
 DA 11/28


 Contract Development and Control
12/6/23

B. Legal Sufficiency:


 Assistant County Attorney
12/13/23

C. Other Department Review:

 Department Director

Amaryllis Gardens – Descriptive Summary

Purpose:

The purpose of our request is to obtain financial assistance from Palm Beach County (PBC) in the amount of \$1,262,000 in the form of a grant or a 50-yr 0% forgivable loan to aide in making needed repairs and improvements to an existing affordable housing property in West Palm Beach County. This aging property is greatly in need of a substantial infusion of capital to restore and preserve its useful life. And to ensure that it remains a healthy, safe, and secure housing resource for the very low- and lower-income residents of this community.

The Project:

Built in 1992, Amaryllis Gardens is a 44-unit multi-family complex located at 381 J Malone Drive in Pahokee, FL. It was built to provide a source of greatly needed affordable rental housing for domestic farm workers in this heavily agricultural area of the county. It was originally financed by USDA section 514/516 loans and grants together with rental assistance allowing it to sustain its affordability. Throughout its existence this property has remained a vital resource to its low and very-low-income residents and to the community. Although Amaryllis has withstood the occurrence of several hurricanes and tropical storms beginning with Andrew in 1992, the continued inundation coupled with its age and obsolescence render it in need of major renovation. 29 of the 44 units are currently under a USDA Rental Assistance Contract which ensures its recipients pay no more than 30% of their income toward housing costs.

Background:

In June of 2020 the transfer of ownership to Diverse Housing Services, Inc. (DHS) a Florida based Non-profit Corporation was completed. This was the vital first step to ensure that this property would remain secure, well-maintained, and economically stable. The plan of action began with DHS restructuring the underlying USDA debt and securing additional acquisition funding under the Preservation Revolving Loan Fund Program administered by the Housing Assistance Council (HAC).

Recent comprehensive needs assessments affirmed the need for numerous exterior and interior repairs and improvements as well as 504 accessibility issues that must be addressed. Our ultimate plan provides for complete transformation and preservation of this \$2,473,093 project.

The selected renovations anticipated to be paid from PBC funding will include the following essential improvements:

- New Roofs
- New Hurricane Resistant Windows, and
- Exterior Painting



*Affordable Housing Developer/Sponsor:
A Florida Not-For-Profit Corporation*