

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: September 13, 2011 [] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Housing & Community Development

Submitted By: Housing & Community Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a waiver to exceed the \$35,000 funding limit under the Community Development Block Grant (CDBG) Residential Rehabilitation Program (Program) for Preston and Juanita Boyce, by authorizing an additional \$6,605.10 to complete the rehabilitation project at their Pahokee home.

Summary: In accordance with the Program policies, Preston and Juanita Boyce were approved for \$35,000 for a rehabilitation project at their Pahokee home. A previously undetected leak was discovered in the course of the project that requires additional plumbing repairs as well as repairs to a section of the bathroom wall. In addition, the local building official has required plumbing and electrical corrections to the water heater, and hand railings for the steps at the front and side doors. The original project cost, before the addition of the funds requested herein, was \$35,610.70, with \$35,000 being funded through the Program and \$610.70 being contributed by the homeowners. The cost of this additional work (including closing costs) is \$6,605.10, which will bring the total project cost to \$42,215.80. Since the funding will exceed the \$35,000 funding limit under the Program, a waiver to the applicable Program policies is necessary in order to enable the additional work to be completed. All funding provided to homeowners under the Program is secured by a mortgage and promissory note. These are federal Community Development Block Grant funds which require no local match. (CREIS Section) District 6 (TKF)

Background and Justification: The CDBG Residential Rehabilitation Program policies approved by the Board of County Commissioners on November 6, 2007, provides up to \$35,000 in zero percent (0%) interest loans which are secured by 15 year mortgages and promissory notes. The Program provides funding to income qualified applicants residing in single-family homes and upgrades these homes to applicable housing and building code standards. No repayment during the term of the mortgage is due, except that the entire principal amount of this loan becomes payable by the applicant in the event of default (such as the sale, transfer of title to, or disposition of the mortgaged property). After 15 years, if the conditions of the mortgage and promissory note have been met, the County issues a Satisfaction of Mortgage.

Attachments:

1. Location Map
2. Financial Write-Up Project Funding Approval
3. Rehabilitation Policy - Approved November 6, 2007

Recommended By: Edward P. Pomplun 8/10/2011
Department Director Date

Approved By: Sharon G. Boyce 8/30/11
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures	\$0.00				
Operating Costs	\$6,605.10				
External Revenues	\$6,605.10				
Program Income	\$0.00				
In-Kind Match (County)	\$0.00				
NET FISCAL IMPACT	-0-				


# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes X No
 Budget Account No.:

Fund 1101 Depart 143 Unit 1431 Object 3437 Program Code/Period BG31-GY 10


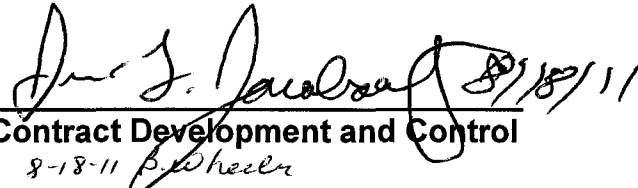
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this agenda item will allocate \$6,605.10 in additional funds to Preston and Juanita Boyce for rehabilitation costs in connection with the Residential Rehabilitation Program.

C. Departmental Fiscal Review:  8-10-11
 Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

<u>  8/18/2011 </u> OFMB <u> B. </u> 8/17 <u> abe/12 </u>	<u>  8/18/11 </u> Contract Development and Control 8-18-11 <u> P. Wheeler </u>
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B. Legal Sufficiency:

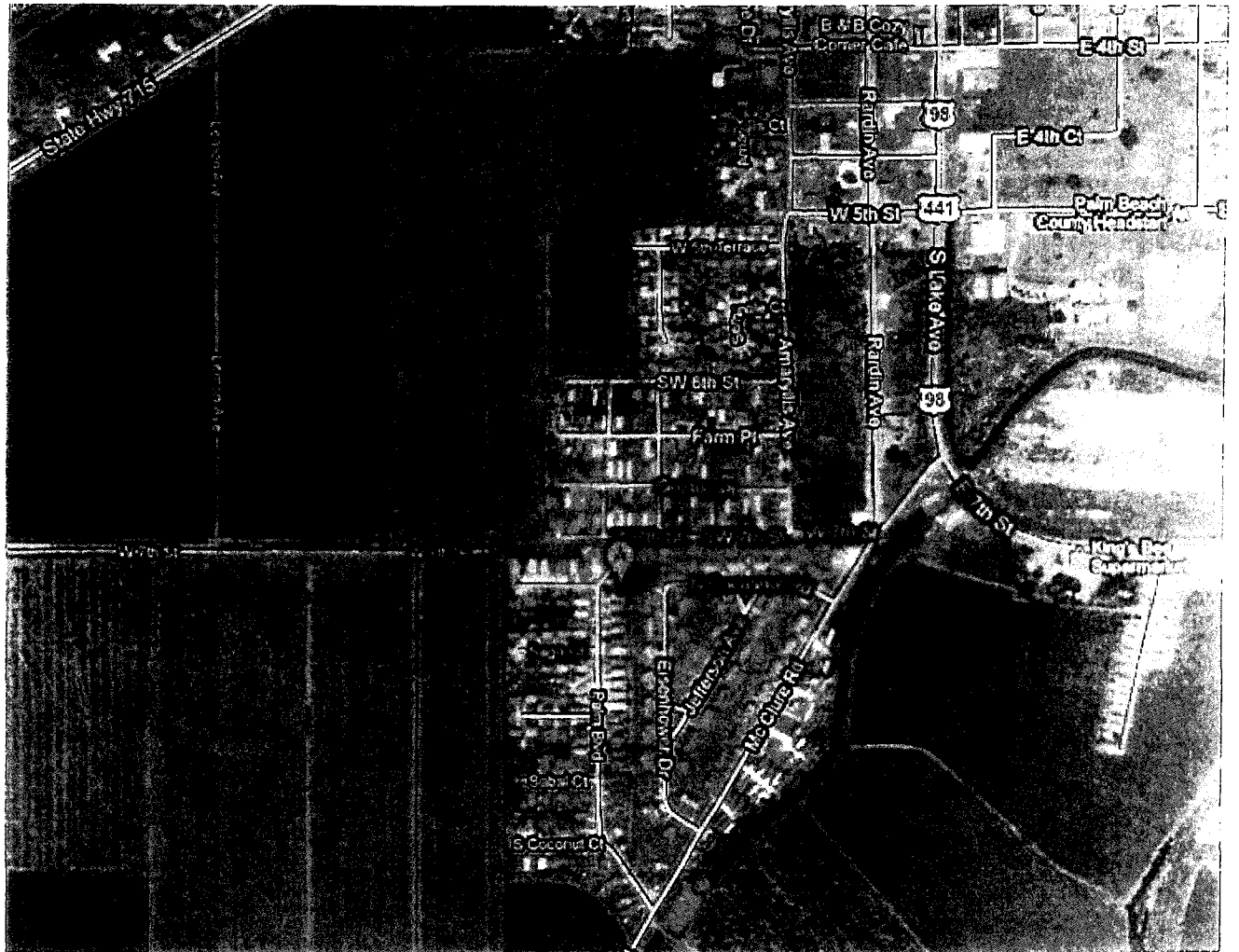
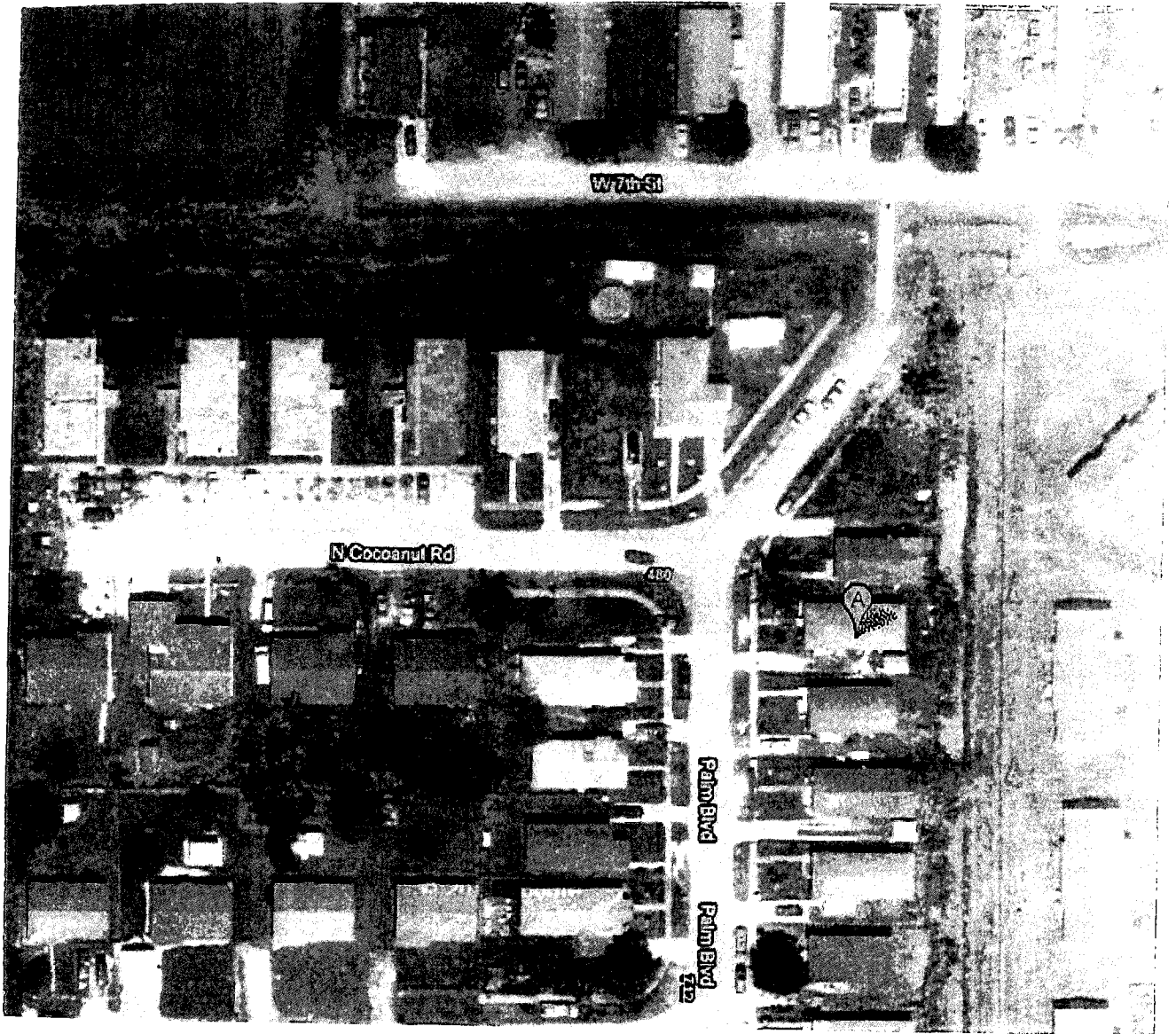
 8/23/11
 Senior Assistant County Attorney

C. Other Department Review:

 Department Director

Preston and Juanita Boyce
721 Palm Boulevard, Pahokee, Fl. 33476
PCN: 48 37 42 19 02 000 0020

Project Location Map



Preston and Juanita Boyce
721 Palm Boulevard, Pahokee, Fl. 33476
PCN: 48 37 42 19 02 000 0020

FINANCIAL WRITE-UP - PROJECT FUNDING APPROVAL

**PALM BEACH COUNTY
INTER-OFFICE MEMORANDUM**

DATE: January 25, 2011

TO: Edward W. Lowery, Director
Housing & Community Development

FROM: Rashonda Warren, Advisor
 Irwin Korman, CD Project Specialist
Housing & Community Development

**RE: Residential Rehabilitation Program
Applicant: Preston & Juanita Boyce, 721 Palm Blvd Pahokee, FL 33476**

I have reviewed the application for assistance submitted by the referenced applicant(s) under the CDBG funded Residential Rehabilitation Program. Based on information contained in the client file, the following represent my findings, and my funding recommendations:

HOUSEHOLD INFORMATION: The household residing at the above address consists of the following household members:

Name	Age	Relationship
Preston Boyce	74	Applicant
Preston Boyce	74	Applicant
Juanita Boyce	65	Co-Applicant

INCOME INFORMATION: The household income is as follows:

Name	Source/Type	Gross Monthly	Gross Annual
Preston Boyce	Social Security	\$1,153.50	\$13,842.00
Preston Boyce	Pension	\$455.05	\$5,460.00
Juanita Boyce	Social Security	\$687.50	\$8,250.00
Total Gross Annual Household Income:			\$27,552.60

In accord with the guidelines for the Residential Rehabilitation Program, the income for the applicant's household falls within the applicable limits established for low income families.

PROPERTY INFORMATION: The property information is as follows:

Property Owner(s):	Preston & Juanita Boyce		
Property Location:	<input type="checkbox"/> Unincorporated PBC	<input checked="" type="checkbox"/> Municipality w/inter-local agreement	
Property Tax Status:	real estate taxes are current		
Unit Description:	one unit substandard detached residence		
Occupancy Status:	owner-occupied	Number of bedrooms:	Three (3)
Year Built:	1971	Year Acquired:	1971

PROJECT COSTS: Competitive proposals for the construction rehabilitation of this property have been obtained. This cost and other associated costs (including the cost of lead hazard reduction for properties identified to have lead-based paint) have been determined as follows:

REHABILITATION COSTS		PROJECTED LEAD REDUCTION COSTS	
Rehabilitation Construction	\$33,483.00	Inspection/Risk Assmnt Report	\$221.44
Title Search	\$125.00	Clearance Test	\$0.00
Credit Report	\$18.66	Temp. Occupant Relocation	\$0.00
Termite Treatment	\$901.00	Lead Hazard Reduction	\$0.00
Recording Fees	\$83.70	Other:	\$0.00
Construction Contingency*	\$999.34	Other:	\$0.00
Other:	\$0.00	Other:	\$0.00
TOTAL COSTS		TOTAL COSTS	
\$35,610.70		\$221.44	

* The construction contingency is computed as the lesser of five percent (5%) of the construction contract amount or \$1,000.

FINANCIAL WRITE-UP

Boyce - Page 2

ELIGIBILITY ANALYSIS:

I have determined that this project meets the policy requirements of the Residential Rehabilitation Program, and I am therefore making the below funding recommendation for this project.

FUNDING RECOMMENDATION:

Rehabilitation Funding:

Loan of \$35,000.00 for 180 months, at 0 % interest, with no monthly payments.

Lead-based Paint Related Funding:

Grant of \$221.44 .

Other Funding:

Owner's contribution: \$610.70. *EOL*

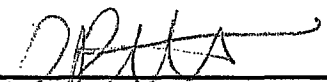
Prerequisites to Closing: NONE

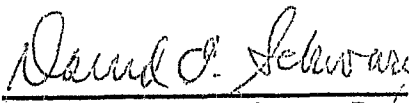
Recommended Policy Waivers: NONE

SUBMISSION AND REVIEW:

This request is submitted by:

This request reviewed by:


Rashonda Warren, Advisor
Housing & Capital Improvements

 *2/03/11*
David E. Schwarz, Comm. Dev. Project Coordinator
Housing & Capital Improvements

DIRECTOR'S REVIEW AND FUNDING APPROVAL:

Staff's recommendation is approved.

Staff's recommendation is not approved.

 *2/4/2011*
Edward W. Lowery, Director, HCD Date

COMMENTS: _____

Agenda Item #: 5D1
M/RK 5-0
B/S abc

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 6, 2007 [] Consent [X] Regular
[] Public Hearing

Department: Housing and Community Development (HCD)

Submitted By: Housing and Community Development (HCD)

APPROVED
BY BOARD OF COUNTY COMMISSIONERS
AT MEETING OF NOV 06 2007
Tracey Powell
MINUTES & RECORDS SECTION

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) Policies for the Residential Rehabilitation Program, and B) Policies for the Emergency Rehabilitation Program.

Summary: The policies for the Residential Rehabilitation Program, and the policies for the Emergency Rehabilitation Program will be utilized by HCD to implement these programs using Community Development Block Grant (CDBG) funds and/or State Housing Initiative Program (SHIP) funds. Both programs provide varying levels and types of housing rehabilitation assistance to low income owner occupants. These policies will take effect on this date and supercede all prior policies. Applicants whose funding has not been approved, and who submitted applications prior to this date, will be allowed the choice of qualifying under these polices or under the ones in effect at the time of application. The funds used for these programs do not require a local match. (Countywide) (TKF)

Background and Justification: Both programs provide technical and financial assistance to low income property owners for the purpose of upgrading their properties to meet applicable housing and building code standards. The Residential Rehabilitation Program provides financial assistance, up to \$35,000, in the form of a deferred repayable loan, for the payment of rehabilitation construction costs and eligible incidental expenses, as well as a grant up to \$10,000, for lead-based paint related expenses. The Emergency Rehabilitation Program provides limited financial assistance, up to \$15,000, in the form of a grant, solely aimed at addressing emergency conditions such as roofing, electrical, plumbing, or structural repairs.

A Summary of Significant Changes to Program Policies is provided on page 3.

Attachments:

- 1. Policies for the Residential Rehabilitation Program
- 2. Policies for the Emergency Rehabilitation Program

Recommended by: *Edward R. Brown* 10/19/07
Department Director Date

Approved By: *Sharon G. [Signature]* 11/29/07
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures					
Operating Costs	\$35,000				
External Revenues	(\$35,000)				
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	- 0 -				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes No
 Budget Account No.:

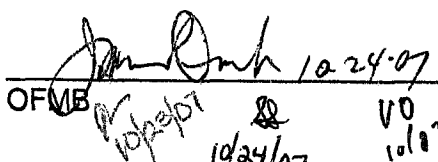
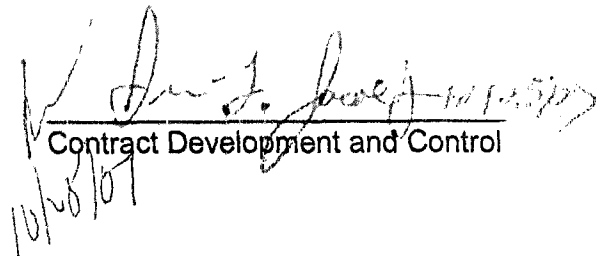
Fund ___ Dept ___ Unit ___ Object ___ Program Code/Period ___

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


C. Departmental Fiscal Review: Shairette Major 10-19-07
 Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

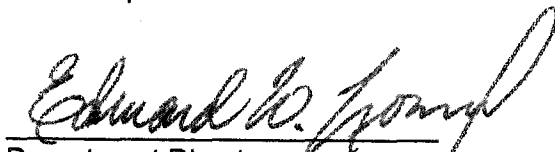
A. OFMB Fiscal and/or Contract Development and Control Comments:

 10/24/07
 OFMB 10/24/07
 10/26/07
 Contract Development and Control

B. Legal Sufficiency:

 10/29/07
 Assistant County Attorney

C. Other Department Review:


 Department Director

This summary is not to be used as a basis for payment.

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Background and Justification continued:

SUMMARY OF SIGNIFICANT CHANGES TO PROGRAM POLICIES

RESIDENTIAL REHABILITATION PROGRAM

Policy features that have been modified:

1. The maximum funding limit has been raised from \$21,000 to \$35,000.
2. The various funding arrangements (conditional grants, deferred repayable loans, and repayable loans) secured by mortgages with terms from 5 to 20 years have been replaced with a single mortgage type as follows: No repayment during the 15 year term of the mortgage is due, except that the entire principal amount of this loan shall be repaid by the applicant in the event of the sale, transfer of title to, or disposition of, the mortgaged property. After 15 years, if the conditions of the mortgage and promissory note have been met, the County will issue a satisfaction of mortgage.
3. Property insurance has been changed to require flood insurance only for properties in a flood zone. The requirement for homeowner's insurance has been deleted.
4. Funding approval for amounts within policy limits has been delegated to the County Administrator, or designee (HCD's Director). The loan review committee has been eliminated.
5. Conditions for the assumption of the remaining term of a mortgage taken under these new policies have been redefined. Various assumption types (conditional grants, 0% loans, and 3% loans) have been eliminated in favor of one. In the event of the death of the surviving applicant that received the assistance, validated heirs to the estate who are low income relatives that have been granted legal or equitable possession may assume the remaining term of the mortgage provided they reside in the property.

Policy features that have been added:

1. A limit of \$70,000 has been established for the sum of the amount funded under the new policies (excluding grant assistance for lead-based paint related costs) plus the principal amount of all existing mortgages securing prior CDBG rehabilitation assistance from HCD.

Policy features that have been deleted:

1. Rehabilitation of properties containing 2, 3, and 4 units has been removed. The policies exclusively address one unit detached dwellings.
2. Computation of applicants' debt ratios will no longer be performed. Accordingly, the verification of liabilities will no longer be necessary, and obtaining credit reports will not be required.
3. The loan to value ratio will no longer be calculated, and it will no longer be used to underwrite projects. Accordingly, obtaining appraisals will not be required.
4. The net worth of applicants will no longer be calculated, and it will no longer be used to underwrite projects.

EMERGENCY REHABILITATION PROGRAM

Policy features that have been modified:

1. The maximum funding limit has been raised from \$8,000 to \$15,000.