

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: **November 15, 2022** Consent Regular
 Ordinance 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 Agreements.

- A) Amendment 002 to a HOME Community Housing Development Organizations (CHDO) Loan Agreement (R2021-1077) with Community Land Trust of Palm Beach County, Inc. (CLT) for \$92,000 and a grant for \$9,500, extending the completion date from August 31, 2022 to December 31, 2022; and
- B) Amendment 002 to a HOME Loan Agreement (R2020-1888) with HTG Heron Estates Family, LLC for \$500,000, extending the completion date from January 30, 2023 to March 31, 2023; and
- C) Amendment 002 to a HOME Loan Agreement (R2020-1886) with HTG Banyan, LLC for \$550,000, extending the completion date from January 30, 2023 to March 31, 2023.

Summary: The attached 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 6D-4 and 5A-3, as approved by the BCC on November 17, 2020 and February 11, 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 (R2021-1077) with CLT provided \$92,000 in HOME funding and a \$9,500 HOME/CHDO grant towards the construction of a single family home in Lake Worth Beach. The COVID-19 and supply chain issues have impacted the progress of the project thereby extending the project completion date from August 31, 2022 to December 31, 2022.

The Loan Agreement (R2020-1888) with HTG Heron Estates Family, LLC 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 January 30, 2023 to March 31, 2023.

The Loan Agreement (R2020-1886) with HTG Banyan, LLC provided \$550,000 in HOME funding toward the construction of a ninety four (94) unit rental development known as Flagler Station in West Palm Beach, of which ten (10) are HOME assisted. COVID-19 and supply chain issues have impacted the project thereby extending the completion date from January 30, 2023 to March 31, 2023.

In accordance with County PPM CW-O-051, 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 2 and 7 (HJF)**

Background and Justification: The U.S. Department of Housing and Urban Development provides an annual allocation of 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 002 to a HOME CHDO Loan Agreement with Community Land Trust of PBC, Inc.
- 2 Amendment 002 to a HOME Loan Agreement with HTG Heron Estates Family, LLC
- 3 Amendment 002 to a HOME Loan Agreement with HTG Banyan, LLC
- 4 Amendment request (HOME CHDO Loan Agreement) from Community Land Trust of PBC, Inc.
- 5 Amendment request (HOME Loan Agreement) from HTG Heron Estates Family, LLC
- 6 Amendment request (HOME Loan Agreement) from HTG Banyan, LLC

Recommended By: Jonathan Brunson 10/18/2022
 Department Director Date

Approved By: David M. Miller 11/1/2022
 Assistant County Administrator Date

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	-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 X No

Fund 1103 Dept. 143 Unit 1434 Object 8201 Prog. Code/Year Various

No Fiscal Impact

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

C. Departmental Fiscal Review: for [Signature]
 Shairette Major, Division Director II

III. REVIEW COMMENTS

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

*for review
 10/25/22*
[Signature]
 OFMB 9A 10/20

[Signature] 10/27/22
 Contract Development and Control

B. Legal Sufficiency:

[Signature] 11/1/22
 Assistant County Attorney

C. Other Department Review:

 Department Director

AMENDMENT 002 TO THE LOAN AGREEMENT
WITH
COMMUNITY LAND TRUST OF PALM BEACH COUNTY, INC.

Amendment 002 to the Loan Agreement is made and effective as of August 31, 2022, by and between **Palm Beach County** ("County") and **Community Land Trust of Palm Beach County, Inc.** ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2021-1077) with the Borrower on June 29, 2021, as amended by Amendment 001 (R2022-0344) on February 8, 2022, to provide a loan of \$92,000 and a grant of \$9,500 in HOME Investment Partnership Program funds for the construction of a single family home at 127 South F Street, Lake Worth Beach; and

WHEREAS, the Borrower has experienced construction and material related delays that have impacted project implementation and has requested a time extension to the expenditure and project completion requirements in the Loan Agreement; and

WHEREAS, the parties agree that it is in everyone's best interest to modify the Loan Agreement to reflect additional time for project implementation.

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:

A. FOREGOING RECITALS AND TERMS

The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning as ascribed to them in the Loan Agreement.

B. SECTION 2: GRANT AND GRANT EXPENDITURE REQUIREMENTS

Delete the revised Grant expenditure date of "August 31, 2022" and replace it with "December 31, 2022".

C. SECTION 3: LOAN AND LOAN EXPENDITURE REQUIREMENTS

The Borrower shall implement the Project per the following revised dates:

- The Borrower shall have drawn **100% of the Loan by October 31, 2022** and **100% of the CHDO Grant by December 31, 2022**.
- The Borrower shall have completed construction of, and secured final certificates of occupancy for the HOME Assisted Unit **by November 15, 2022**.
- The Borrower shall have sold the HOME Assisted Unit to a First-Time Homebuyer and placed such unit into service **by December 31, 2022**.

Except as modified by this Amendment 002, the Loan Agreement, remains unmodified and in full force and effect in accordance with the terms thereof.

This Amendment 002 is expressly contingent upon the approval of the County and shall become effective only when signed by all parties.

IN WITNESS WHEREOF, the Borrower and the County have caused this Amendment 002 to be executed on the date first above written.

Signed, sealed and delivered in the presence of:

Witnesses:

[Signature]
Witness Signature

Lupe Julius Quitos
Print Witness Name

[Signature]
Witness Signature

Christina R. Hewitt
Print Witness Name

BORROWER:

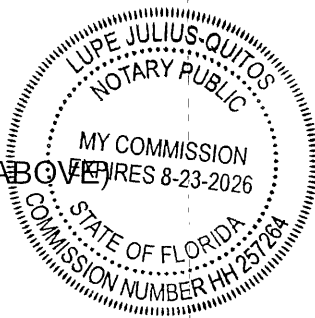
COMMUNITY LAND TRUST OF PALM BEACH COUNTY, INC.
a Florida not-for-profit corporation

By: [Signature]
Cynthia LaCourse-Blum,
Executive Director

Date: 9/15/22

**STATE OF FLORIDA
COUNTY OF PALM BEACH**

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this 15th day of September, 2022, by Cynthia LaCourse-Blum, as Executive Director of Community Land Trust of Palm Beach County, Inc., who is personally known to me, or who has produced Drivers License as identification and who did/did not take an oath.



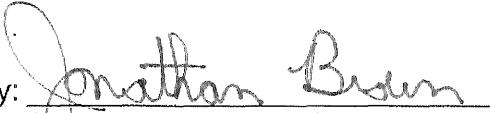
(NOTARY SEAL ABOVE)

Signature: [Signature]

Notary Name: Lupe Julius Quitos
Notary Public - State of Florida

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

For its BOARD OF COUNTY COMMISSIONERS

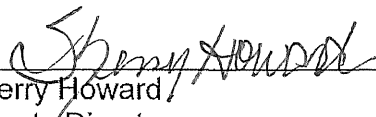
By: 
Jonathan B. Brown, Director
Dept. of Housing and Economic Development

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, DC=org, DC=pbctgov, OU=Enterprise,
OU=ATTN, OU=User, CN=Howard J. Falcon
III, email=hfalcon@pbctgov.org
I am the author of this document
Location: your signing location here
Date: 2022.09.27 11:43:40-0400
Reason: Version: 1.2.1

By: 
Sherry Howard,
Deputy Director

AMENDMENT 002 TO THE LOAN AGREEMENT
WITH
HTG HERON ESTATES FAMILY, LLC

Amendment 002 to the Loan Agreement with an effective date of September 30, 2022, 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, 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, attached hereto as Attachment 1, 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 September 30, 2022, is extended to December 31, 2022.
- Units to be Rented/Placed into Service by January 30, 2023, 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 002 to be executed on the date first above written.

Signed, sealed and delivered in the presence of:

Witnesses:

[Signature]
Witness Signature

Carlos Rosell
Print Witness Name

[Signature]
Witness Signature

Mauricio Teran
Print Witness Name

BORROWER:

HTG HERON ESTATES FAMILY, LLC
a Florida limited liability company

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

By: [Signature]
Matthew Rieger, Manager

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization on this 15 day of September, 2022, 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.



(NOTARY SEAL ABOVE)

Signature: [Signature]

Notary Name: Mauricio Teran
Notary Public - State of Florida

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

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

Date: 9/26/2022

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,
ou=Users, cn=Howard J. Falcon III, email=E-HFalcon@pbcgov.org
I am the author of this document
Location: your signing location here
Date: 2022.10.07 10:05:32-0400
PDF Reader Version: 11.2.1

By: Sherry Howard
Sherry Howard
Deputy Director

AMENDMENT 002 TO THE LOAN AGREEMENT
WITH
HTG BANYAN, LLC

Amendment 002 to the Loan Agreement with an effective date of September 30, 2022, by and between **Palm Beach County** ("County") and **HTG Banyan, LLC**. ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2020-1886) with Borrower on November 2, 2020, as amended by Amendment 001 (R2022-0706) on May 1, 2022, to provide \$550,000 of HOME Investment Partnerships Program (HOME) funds for the purpose of constructing ninety four (94) rental housing units known as Flagler Station, of which ten (10) units 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 September 30, 2022, is extended to December 31, 2022.
- Units to be Rented/Placed into Service by January 30, 2023, 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 002 to be executed on the date first above written.

Signed, sealed and delivered in the presence of:

Witnesses:

[Handwritten Signature]

Witness Signature

Carlos Rosell

Print Witness Name

[Handwritten Signature]

Witness Signature

Mauricio Teran

Print Witness Name

BORROWER:

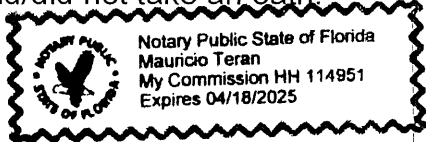
HTG BANYAN, LLC
a Florida limited liability company

By: **HTG BANYAN MANAGER LLC,**
a Florida limited liability company

By: [Handwritten Signature]
Matthew Rieger, Manager

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization on this 15 day of September, 2022, by Matthew Rieger, as Manager of HTG Banyan Manager, LLC., who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.




(NOTARY SEAL ABOVE)

Signature: [Handwritten Signature]

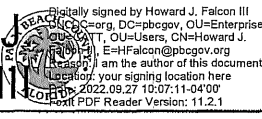
Notary Name: Mauricio Teran
Notary Public - State of Florida

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

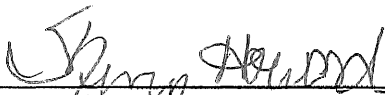
By 
Jonathan B. Brown, Director
Dept. of Housing & Economic Development

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: cn=Howard J. Falcon III, o=Palm Beach County, DC=pbcgov, OU=Enterprise,
OU=Users, CN=Howard J. Falcon III, E=HFalcon@pbcgov.org
I am the author of this document
Location: your signing location here
Date: 2022.09.27 10:07:11-04'00'
Foxit PDF Reader Version: 11.2.1

By: 
Sherry Howard
Deputy Director

Elena O'Keefe

From: Elena O'Keefe
Sent: Wednesday, August 3, 2022 3:57 PM
To: Jeffrey Bolton
Cc: Elena O'Keefe
Subject: FW: 127 S F Street CHDO Draw 2
Attachments: 127 S F CHDO Draw 2.pdf

From: Cindee LaCourse-Blum <clacourse-blum@cltofabc.org>
Sent: Wednesday, August 3, 2022 10:28 AM
To: Aundra Lowe <ALowe@pbcgov.org>; Elena O'Keefe <EOKeefe@pbcgov.org>
Cc: Christina Hewitt <chewitt@cltofabc.org>
Subject: 127 S F Street CHDO Draw 2

***** Note: This email was sent from a source external to Palm Beach County. Links or attachments should not be accessed unless expected from a trusted source. *****

Good morning-

Please see the attached Draw #2 request for 127 S F Street. I included the bank statement to show proof of wire. Unfortunately, we are going to need to request an extension to our completion deadline. We experienced many Covid related delays on concrete and block but then we were cranking along assured to meet the deadline. However, a few weeks back, an inspector from the City came by and said we would be 3/4" into the setback once we put on the stucco. So, we have been working through that issue which has held us up. I was told yesterday that the Director is going to let it pass. We will have the house completed by September 30th but then we need 45 days to complete the sell with the buyer.

Please let me know what is needed to request the extension.

Best,

Cindee



Date: September 6, 2022

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

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 / Occupied 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	September 30, 2022	December 31, 2022
Units rented and in service	January 30, 2023	March 31, 2023

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.

Our current construction schedule estimates construction completion of October 1, 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
HTG Heron Estates Family, LLC



Date: September 6, 2022

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

Re: Request to Modify Performance Requirements - **Flagler Station**

Dear Mr. Brown:

Please consider this the HTG Banyan, LLC request for the modification to the Completion of Construction and Placed in Service / Occupied deadlines for the Flagler Station HOME loan.

Flagler Station 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	September 30, 2022	December 31, 2022
Units rented and in service	January 30, 2023	March 31, 2023

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

Our current construction schedule estimates construction completion of October 30, 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
HTG Banyan, LLC