

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: **October 22, 2024** Consent Ordinance Regular Public Hearing

Department: **Housing and Economic Development**

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) authorize** the Palm Beach County Department of Housing & Economic Development (DHED) to apply for a \$500,000 grant to the Federal Home Loan Bank Atlanta (FHLBank Atlanta) for the Heirs' Property Family Wealth Protection Fund;
- B) conceptually approve** up to \$500,000 from the Housing Initiative Fund as the required match, if the application is awarded; and
- C) authorize** the County Administrator or designee, to execute the grant 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 agreement, and for the Director of DHED to be the County Administrator's designee for this project.

Summary: The FHLBank Atlanta announced its 2024 Heirs' Property Family Wealth Protection Fund, allocating a total of \$5 million to assist organizations with the prevention and resolution of heirs' property issues. Without the proper legal process, low-to-moderate income households often experience roadblocks preventing home equity from being passed down as property owners intend. Family homes and properties are key to generational wealth building, but all too often, this legacy is lost due to inadequate legal documentation. Local governments may apply for up to \$500,000 in grant funding to assist property owners located in low-to-moderate income areas within communities. The grant requires a FHLBank Atlanta member to submit the application. The Housing Finance Authority of Palm Beach County, a FHLBank Atlanta member supports and will submit PBC's application to the FHLBank Atlanta. PBC will be the applicant and will partner with the Legal Aid Society of Palm Beach County, Inc. and the Florida Rural Legal Services, Inc. for project implementation. Underlying properties must be located in a low-to-moderate income census tract up to 120% AMI within the Bank's district. All services must be 100% free of cost to property owners.

A recent survey sponsored by the FHLBank Atlanta found that most homeowners (90%) expect the equity in their home to benefit their heirs when they die, yet more than four (4) in ten (10) (43%) do not have a will/trust or estate plan. The survey also showed that roughly one (1) in five (5) homeowners did not have, or were not sure whether they have, a clear title (22%) or recorded deed (20%). **These are FHLBank Atlanta funds which require a local match. Countywide (HJF)**

Background and Policy Issues: Heirs' Property Prevention Services examples include estate planning and/or will creation. Heirs' Property Resolution Services examples include legal and/or related services necessary to clear tangled titles for properties. Property owners must also execute an estate plan and/or will for the underlying property.

- Attachment:**
- 1. Grant News Release

Recommended By: Jonathan Brown 10/3/2024
Department Director Date

Approved By: [Signature] 10/16/24
Assistant County Administrator Date

I. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
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 No X
 Does this Item include the use of Federal funds? Yes No X
 Does this Item include the use of State funds? Yes No X

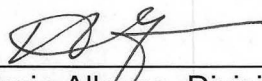
Budget Account No.:

Fund Dept. Unit Object Program Code/Period

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

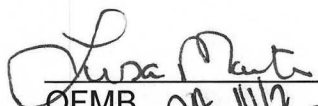
No fiscal impact

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:

 10/8/2024
 OFMB QA 10/7 DA 10/7
 VS 10/7

 10/10/24
 Contract Development and Control

B. Legal Sufficiency:

 for M. Falcon 10/10/24
 Assistant County Attorney

C. Other Department Review:

 Department Director

FOR IMMEDIATE RELEASE

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FHLBank Atlanta Announces \$5 Million Heirs' Property Family Wealth Protection Fund

More than 40% of homeowners do not have protections in place to safeguard their family's inheritance, recent survey finds

ATLANTA (Sept. 23, 2024) – Federal Home Loan Bank of Atlanta (FHLBank Atlanta) announced its 2024 Heirs' Property Family Wealth Protection Fund (FWP), allocating \$5 million to assist organizations with the prevention and resolution of heirs' property issues.

A recent survey sponsored by the FHLBank Atlanta and conducted by The Harris Poll found that most homeowners (90%) expect the equity in their home to benefit their heirs when they die, yet more than 4 in 10 (43%) do not have a will/trust or estate plan. The survey also showed that roughly 1 in 5 homeowners did not have, or were not sure whether they have, a clear title (22%) or recorded deed (20%).

“Without the proper legal process, there are often roadblocks preventing equity from being passed down as property owners intend,” said FHLBank Atlanta’s President and Chief Executive Officer Kirk Malmberg. “As part of our work to address housing and homeownership challenges, FHLBank Atlanta has focused on heirs’ property issues, which occur when a property owner passes away without a will designating a successor owner or the heirs fail to properly vest title to the property in their names.”

Through FHLBank Atlanta member institutions, starting October 1, 2024, community organizations, tribal entities, governments and municipalities may apply for up to \$500,000 in grant funding to assist property owners located in low-to-moderate income areas within communities in the FHLBank Atlanta district: Alabama, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina and Virginia. The application deadline is October 31, 2024.

Heirs' property issues may also arise when a property is left to multiple beneficiaries without a plan to manage the property, resulting in fractured or tangled title. The survey found that 38% of

homeowners without a will/trust or estate plan intend to leave their home or property to more than one heir.

“Family homes and properties are key to generational wealth building, but all too often, this legacy is lost due to inadequate legal documentation,” said Georgia Congresswoman Nikema Williams, a member of the Financial Services Committee and the Subcommittee on Housing and Insurance. “Earlier this year, I led the introduction of the HEIRS Act, which shares the same goal as FHLBank Atlanta’s program: to increase access to essential legal services, bridge wealth disparities, and give families confidence that their properties are secure for future generations.”

Further, heirs’ property could be a more common challenge among lower income households. The survey indicated that 57% of homeowners with an annual household income under \$50,000 do not have a will/trust or estate plan, and 42% in the same income range intend to leave their home to multiple heirs, exacerbating the potential risk.

“When ownership of a property is unclear, it hinders the accumulation of generational wealth and makes it hard for the home to be maintained or sold, often leading to neighborhood blight,” said FHLBank Atlanta Senior Vice President and Director of Community Investment Services Tomeka Strickland. “The Family Wealth Protection Fund was created to help individuals protect their hard-earned assets for future generations while strengthening communities.”

For additional information on FHLBank Atlanta’s Heirs’ Property Family Wealth Protection Fund or to identify a FHLBank Atlanta member financial institution for partnership opportunities, visit the Bank’s [Find a Member](#) page or contact Community Investment Services at 800.536.9650, option 3 or FHLBAtlantaHeirsProperty@fhlbatl.com.

About the Federal Home Loan Bank of Atlanta

FHLBank Atlanta is a member-owned cooperative that offers competitively-priced financing, community development grants, and other banking services to assist its member financial institutions make affordable home mortgages and provide economic development credit to neighborhoods and communities. The Bank's members are commercial banks, credit unions, savings institutions, community development financial institutions, and insurance companies located in Alabama, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and the District of Columbia. FHLBank Atlanta is one of 11 district banks in the Federal Home Loan Bank System. Since 1990, the FHLBanks have awarded approximately \$9.1 billion in Affordable Housing Program funds, assisting more than 1.2 million households.

For more information, visit our website at www.fhlbatl.com.

Survey Method

The survey was conducted online within the United States by The Harris Poll on behalf of Federal Home Loan Bank of Atlanta from August 20-22, 2024, among 1,306 homeowners. The sampling precision of Harris online polls is measured using a Bayesian credible interval. For this study, the sample data is accurate to within +/- 3.2 percentage points using a 95% confidence level.