

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 19, 2024      [ ] Consent      [X] Regular  
   [ ] Ordinance      [ ] Public Hearing

Department: Housing and Economic Development

**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to:

- A) **approve** a HOME American Rescue Plan (HOME-ARP) Program award of \$296,836 to Vita Nova, Inc.; and
- B) **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, and for the Director of Housing and Economic Development (DHED) to be the County Administrator's designee for this project.

**Summary:** On March 12, 2024, (Agenda Item 5A-2), the Board of County Commissioners (BCC) awarded HOME-ARP funding in the amount of \$1,550,000 to Vita Nova, Inc. to construct the Omega Apartments, a 12 unit rental development located at 1330 Alpha Street, West Palm Beach, for young adults ages 18-24 who are aging out of foster care and at risk of becoming homeless. Vita Nova, Inc. is requesting additional HOME-ARP funding in the amount of \$296,836 due to current construction pricing exceeding original estimated costs. The total development cost is \$3.1M and includes a \$285,734 contribution from the City of West Palm Beach and \$750,000 from the U.S. Department of Housing and Urban Development (HUD). Staff recommends the funding award be increased in the amount of \$296,836 HOME-ARP to move this project forward and increase the inventory of affordable housing for this special population. All 12 units will provide housing to youth ages 18 to 24 who are transitioning from the foster care system, and will bear affordability requirements of the HOME-ARP Program for no less than 30 years. The funding agreement and related documents pursuant to these HOME-ARP funds will be between the County and Vita Nova, Inc. (and its respective successors and/or assigns). To facilitate project implementation, staff requests authorization for the County Administrator, or designee, to execute the Loan Agreement and related documents, and for the Director of DHED to be the County Administrator's designee for this project. **These are Federal HOME-ARP Program funds which do not require a local match.** District 2 (HJF)

**Background and Policy Issues:** On March 11, 2021, President Biden signed the American Rescue Plan Act into law, which provided over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments. To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion to HUD to be administered through the HOME Program to benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. **(Continued on Page 3)**

**Attachment:**

- 1. Vita Nova, Inc. Funding Request

**Recommended By:**       10-24-24  
   Department Director      Date

**Approved By:** \_\_\_\_\_  
   Assistant County Administrator      Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	296,836				
Operating Costs					
External Revenues	(296,836)				
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	<b>-0-</b>				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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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         
 Does this Item include the use of State funds? Yes        No X

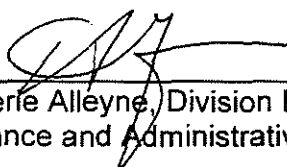
Budget Account No.:

Fund 1165 Dept 143 Unit 1601 Object 8201 Program Code/Period HM-ARP10B/GY22

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


Approval of this agenda item will appropriate \$296,836 in HOME-ARP funds to Vita Nova, Inc. for the construction of the Omega Apartments project.

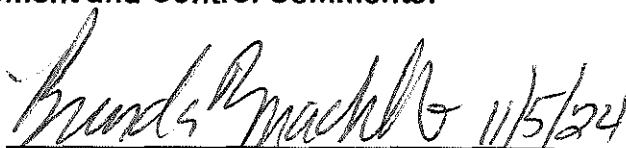
**C. Departmental Fiscal Review:**

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

**III. REVIEW COMMENTS**

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

  
 \_\_\_\_\_  
 OFMB DA 10/28

  
 \_\_\_\_\_  
 Contract Development and Control  
 m.p.m.s. 10/31/24

**B. Legal Sufficiency:**

  
 \_\_\_\_\_  
 Chief Assistant County Attorney

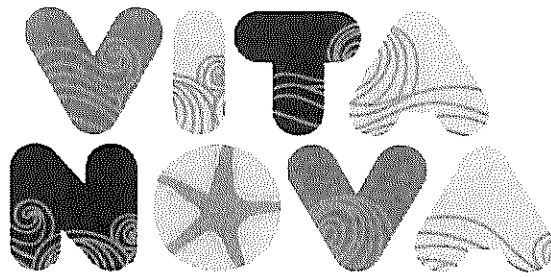
**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

**Background and Policy Issues: (continued from Page 1)**

HUD allocated HOME-ARP funding in the amount of \$8,768,012 to Palm Beach County and on February 7, 2023 (#6B-4), the BCC approved the County's HOME-ARP Allocation Plan which included funding strategies that would increase the local inventory of housing and residential facilities for qualifying populations. These strategies were developed in collaboration with the Community Services Department and in consultation with the Homeless and Housing Alliance, local Public Housing Authorities and the general public.

On May 10, 2023, the DHED issued a Notice of Funding Availability (NOFA) HED.2023.1. This made available up to \$7,891,211 in Federal HOME-ARP funding for the development of multifamily rental housing, permanent supportive housing, and residential facilities to serve qualifying populations. This includes homeless persons, those at-risk of homelessness, persons fleeing domestic violence, and victims of sexual assault or human trafficking. This funding was made available to not-for-profit organizations, public agencies as well as for-profit housing developers. Applications were accepted on a first-come, first-eligible and first funded basis. Staff reviewed applications to ensure the projects met criteria for eligibility, responsiveness, and viability.



Palm Beach County Housing & Economic Development  
Attn: Jonathan Brown  
100 Australian Avenue  
West Palm Beach, Florida 33406

September 25, 2024

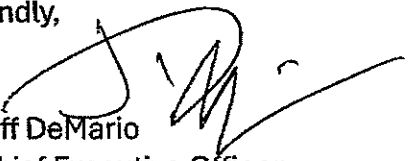
Mr. Brown:

Please accept our appreciation for partnering with PBC HED for our affordable housing facility we are building for older foster and homeless youth. The agreements we are formalizing is essential for us to bring this project to fruition. Thank you.

Today, I am writing to inform you about a shortfall amount that exists due to rising construction costs and onsite improvements since the time we first applied back in 2022. Since 2022, the construction were estimated at \$2.2M. We have final costs currently at \$3.1M. The attached budget demonstrates shortfall of \$296,836 based on these differences. At this time, we are requesting an amendment to our agreement to include this shortfall amount so that this very important project completed in a timely manner.

Thank you for partnering with Vita Nova on this very special project. I believe we are one of the few complexes addressing affordable housing for young adults trying to begin their careers so they can remain rooted in their community. We look forward to answering any questions.

Kindly,

  
Jeff DeMário  
Chief Executive Officer  
561-427-3996

**New Life for Homeless Youth**

**2724 N. Australian Ave. • West Palm Beach, FL 33407 • 561.689.0035**

Estimated Construction Costs			
	11/7/2024 (Prior to Bid)	9/26/2024 (After Bid)	Difference
Accumulator	\$ -	\$ -	\$ -
Site Improvements	\$ 174,000	\$ 181,000	\$ 7,000
Construction	\$ 2,275,917	\$ 2,575,923	\$ 300,006
Professional fees	\$ 440,000	\$ 390,830	\$ (49,170)
Other	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 2,889,917</b>	<b>\$ 3,150,753</b>	<b>\$ 260,836</b>

May-25			Jan-24			Fiscal Sep-2024		
ITEM	COST		ITEM	COST		ITEM	COST	
<b>ACQUISITION</b>			<b>ACQUISITION</b>			<b>ACQUISITION</b>		
Build Acquisition	0	0	Build Acquisition	0	0	Build Acquisition	0	0
Land Acquisition	0	0	Land Acquisition	0	0	Land Acquisition	0	0
<b>SITE IMPROVEMENTS</b>			<b>SITE IMPROVEMENTS</b>			<b>SITE IMPROVEMENTS</b>		
Depreciation	0	0	Depreciation	0	0	Depreciation	0	0
On-Site Imp.	0	174,000	On-Site Imp.	174,000	0	On-Site Imp.	181,000	0
<b>CONSTRUCTION</b>			<b>CONSTRUCTION</b>			<b>CONSTRUCTION</b>		
Rehabilitation	0	0	Rehabilitation	0	0	Rehabilitation	0	0
New Construction	3,308,036	2,018,812	New Construction	2,018,812	0	New Construction	2,368,065	0
Contingency	180,000	150,000	Contingency	150,000	0	Contingency	194,000	0
Tap & Impact Fees	2,500	111,204	Tap & Impact Fees	111,204	0	Tap & Impact Fees	49,372	0
Permits	120,000	0	Permits	0	0	Permits	49,551	0
Other	0	0	Other (Utility Meters)	0	0	Other (Utility Meters)	34,000	0
<b>PROFESSIONAL FEES</b>			<b>PROFESSIONAL FEES</b>			<b>PROFESSIONAL FEES</b>		
Survey	8,000	20,000	Survey	20,000	0	Survey	40,000	0
Architect & Engineer	25,000	175,000	Architect & Engineer - Civil	175,000	0	Architect & Engineer - Civil	138,604	0
Real Estate Attorney	10,000	60,000	Architect & Engineer - Section	60,000	0	Architect & Engineer - Section	5,000	0
Consultant	0	160,000	Architect & Engineer - Landscape	160,000	0	Architect & Engineer - Landscape	4,000	0
Tithe/Obition	0	0	Real Estate Attorney	0	0	Real Estate Attorney	20,000	0
Developer Fee	0	0	Consultant	0	50,000	Consultant	50,000	0
Market Study	7,500	25,000	Pre Construction Consulting	25,000	0	Pre Construction Consulting	48,000	0
Environmental	0	0	Developer Fee	0	0	Developer Fee	0	0
Cost Certification	0	0	Market Study	0	0	Market Study	5,850	0
Other	47,000	0	Cost Certification	0	0	Cost Certification	0	0
	3,200,000	18,246	Other (Builders Risk)	0	18,246	Other (Builders Risk)	0	18,246