

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: **November 19, 2024** Consent Regular
 Ordinance Public Hearing

Department: **Housing and Economic Development**

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) conceptually approve** General Obligation Housing Bond Loan Program (HBLP) – Affordable Housing Multifamily Development award to Village of Valor, Ltd. in the amount of \$4,300,000 for the Village of Valor project (Project); and
- B) transmit** the approved proposal to Palm Beach County’s (County) third party underwriter.

Summary: The Project consists of a four (4) story, mid-rise building with 54 multi-family rental development units located at 2701-2715 Second Avenue North in Palm Springs. All units will be available to families at or below 80% Average Median Income (AMI) with income targeting as deep as 30% AMI and with preference to veteran tenants and their families. The developer is committing to a 40 year affordability period. The project has also received additional funding in the amount of \$2,000,000 in Neighborhood Stabilization Program (NSP) funds. The total project cost is \$28,693,270 with a County HBLP investment of \$4,300,000 for a per-unit cost of \$79,630. Total County HBLP investment for this project is 15%. Total County funding for this project including HBLP bonds and NSP Grant funding is \$6,300,000 or 21.96% (\$116,667 per unit). District 3 (HJF)

Funding sources for this project are as follows:

Funding Sources:	
Churchill Stateside Group	\$5,693,462
SAIL	\$2,776,100
PBC Housing Bond Funds	\$4,300,000
PBC NSP Grant Funds	\$2,000,000
HOME – American Rescue Plan Funds (<i>Directly from HUD</i>)	\$1,458,500
Self-Funded Loan	\$1,000,000
Tax Credit Equity	\$10,910,004
Deferred Developer Fee	\$555,204
Total Development Cost	\$28,693,270

Background and Policy Issues: (Continued on Page 3)

Attachments:

1. Revised Summaries/Project Description

Recommended By:  11/12/2024
 Department Director Date

Approved By:  11/13/24
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	\$4,300,000				
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$4,300,000				

# 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 No X

Budget Account No.:

Fund 1117 Dept. 143 Unit Various Object 8201 Program Code/Period N/A

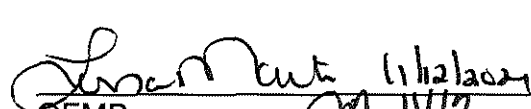
B. Recommended Sources of Funds/Summary of Fiscal Impact:

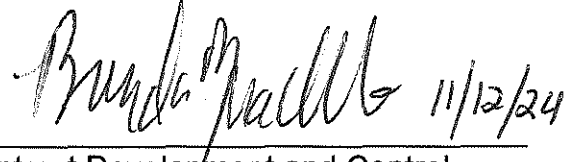
Approval of this agenda item will allocate \$4,300,000 in HBLP funds. The non-Board budget transfer will follow upon approval of this item.

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 11/12
 DA 11/12


 Contract Development and Control

B. Legal Sufficiency:


 Chief Assistant County Attorney

C. Other Department Review:

 Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Background and Policy Issues: (Continued from Page 1)

The Department of Housing & Economic Development is administering the voter approved HBLP. Bond funds may be issued all at once or in tranches, as determined by the Board of County Commissioners. The Housing Bond Allocation Process Criteria includes approved General Guidelines, established in Resolution R2022-0626, including, but not limited to, funding criteria and processes, project requirements, loan terms, deed restrictions, project selection, credit underwriting and compliance and monitoring requirements.

RFP HED.HBLP.2024.5 - Affordable Multifamily Housing Development

Proposal Modification - Summary

Project name: Village of Valor

Respondent/Developer: The respondent/developer is Village of Valor LTD., a non-profit organization located in Palm Beach County.

Board of County Commissioners' direction:
Continue to work with developer to source additional funding.

Modified HBLP Funding Request: \$4,300,000

Modified Development Costs and Funding Sources:

Total Development Cost	\$28,693,270
Churchill Stateside Group	\$5,693,462
SAIL	\$2,776,100
Housing Bond Funds	\$4,300,000
NSP Grant - PBC	\$2,000,000
HOME – ARP	\$1,458,500
Self-Funded Loan	\$1,000,000
Tax Credit Equity	\$10,910,004
Deferred Developer Fee	\$555,204
Total:	\$28,693,270

Changes since previous submittal:

- Awarded SAIL funding in the amount of \$2,776,100
- Awarded HOME-ARP funding in the amount of \$1,458,500 from the State
- Added \$1,000,000 of self-funding as a loan
- Applied with Delray Housing Authority for project rental vouchers – Awaiting approval

Funding Commitments:

- Merchants Capital Investments (MCI) anticipated total equity investment in the project of \$10,801,618.
- Construction/Permanent Financing Loan from Churchill Stateside Group in the amount of up to \$5,000,000.
- Palm Beach County NSP2 funds in the amount of \$2,000,000.

RFP HED.HBLP.2024.5 - Affordable Multifamily Housing Development

Costs allocation:

Total Development Cost	\$28,693,270	
Total Number of Units	54	
Cost per unit*	\$493,910	
Number of County-Assisted Units	54	
County HBLP funding	\$4,300,000	15%
County NSP funding	\$2,000,000	7%
Total County Funding	\$6,300,000	22%
County Funding per unit	\$116,677	

* The Cost per unit includes space that is specifically used for the purposes of wrap-around services. If you exclude those costs, the actual Cost per unit is reduced.

Rental Pricing: The project’s operating pro forma lists monthly rent charged per unit as follows:

Unit Type	Units	Proposed Rent	FHFC Rent Limits
2 BR Unit @ 30% AMI	6	\$723	723
2 BR Unit @ 50% AMI	3	\$1,205	\$1,205
2 BR Unit @ 60% AMI	9	\$1,446	\$1,446
2 BR Unit @ 80% AMI	8	\$1,928	\$1,928
3 BR Unit @ 30% AMI	6	\$835	\$835
3 BR Unit @ 50% AMI	3	\$1,392	\$1,392
3 BR Unit @ 60% AMI	6	\$1,671	\$1,671
3 BR Unit @ 80% AMI	13	\$2,228	\$2,228

According to the 2024 Florida Housing Finance Commission (FHFC) Multifamily Program Rent Limits, the monthly rents charged would fall within the applicable rent limit for unit size and income.

RFP HED.HBLP.2024.5 - Affordable Multifamily Housing Development

Village of Valor LTD, hereby submits these Modifications to the Proposal for the Village of Valor project in response to the Affordable Multifamily Housing Development RFP (HED.HBLP.2024.5), agrees, and shall be bound to the terms and conditions of the RFP and the representations of these Modifications.

Village of Valor, LTD

By: _____

Title: _____

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