PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: December 10, 2024

[] Consent [] Ordinance [X] Regular

[] Public Hearing

Department:

Housing and Economic Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a HOME Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) funding award of \$1,880,000 to Habitat Housing Solutions, Inc. (HHSI).

Summary: On August 20, 2024, the Department of Housing and Economic Development (DHED) received a proposal in the amount of \$1,650,000 in HOME CHDO Program Activities and up to \$230,000 in CHDO Operating Funds. HHSI is eligible to participate in the program for the creation of affordable rental or homeownership housing through new construction or acquisition and/or rehabilitation of residential property. HHSI is the CHDO working in coordination with Habitat for Humanity of Greater Palm Beach County. An internal review was conducted on September 13, 2024 and staff recommends funding to HHSI for the Scattered Site lots project in the amount of \$1,650,000 for program activities and up to \$230,000 for operating funds.

This for-sale project will create 11 new single family homes. When completed, the project will consist of ten (10) 3-bedroom/2-bathroom and one (1) 2-bedroom/2-bathroom single family homes. The sale prices for the County-assisted units are as follows: one (1) unit will be \$370,000, one (1) unit will be \$235,000 and nine (9) units will be \$415,000 each. All County-assisted housing units will remain affordable to households with incomes no greater than 80% of Area Medium Income (AMI) for no less than 30 years. The total project cost is \$3,100,000 (\$275,000 per unit for ten (10) units and \$350,000 for one (1) unit). Total County funding for this Project is \$1,650,000 or 53.23% (\$150,000 per unit). Loan agreements and related documents pursuant to these HOME funds will be between the County and the HHSI and its respective successors and/or assigns. These are HOME grant funds that do not require a local match. District 2, 3, 6 & 7 (HJF)

Funding Sources:		
CHDO	\$1,650,000	
Publix Grant	\$175,000	
Berlin Family Foundation	\$200,000	
Deluca Family Education	\$200,000	
Community Contribution Tax Credit Program	\$875,000	
Total Development Cost	\$3,100,000	

Background and Policy Issues: Continued on Page 3

Attachment:

1. Proposal Summary

Approved By:

Approved By:

Assistant County Administrator

Approved By:

Assistant County Administrator

Approved By:

Assistant County Administrator

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures					
Operating Costs	\$1,880,000				
External Revenues	(\$1,880,000)				
Program Income), (I		
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				
# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
Is Item Included In Current Does this Item include the Does this item include the Budget Account No.:	use of Federal	funds? Ye	es <u>X</u> No s <u>X</u> No es No		
-	404 01: 400	04 5	0 1 7 1		
Fund <u>1103</u> Dept. <u>143</u> Unit <u>1</u>	434 Object <u>82</u>	<u>01</u> Prograr	n Code/Perio	od	
B. Recommended Source	s of Funds/Su	mmary of F	iscal Impact	t:	
Approval of this agend Habitat Housing Solution C. Departmental Fiscal Re	eview: Valerie Finance	Alleyne Di	vision Direct	or II	
A. OFMB Fiscal and/or Co	ontract Develop	oment and	Control Con	nments:	
June Mar III	Ibolaur 5	Contract D	evelopment	Mall and Control 2.20.24	Vijezjaj
B. Legal Sufficiency:					
Chief Assistant County	Attorney 11/	25/24			
C. Other Department Rev	iew:				
Department Director					

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

December 3, 2024 CHDO Award-Habitat Housing Solutions Page 3

Background and Policy Issues: Continued from Page 1

The U.S. Department of Housing and Urban Development (HUD) allocates to the County an annual HOME Program entitlement. HUD requires that at least 15% of the County's annual entitlement allocation be awarded to CHDO activities. HUD also permits the County to provide up to an additional 5% of its annual entitlement allocation for CHDO operating costs. HOME works to provide affordable rental housing and homeownership opportunities for persons with incomes no greater than 80% of AMI.

HHSI's proposal provided evidence of funding capability and also the ability to complete the project. Scattered Site Lots proposal provided the number and type of units to be funded and also met all the affordability criteria and financing allocation.

HOME Investment Partnerships Program Community Housing Development Organizations (CHDO) Scattered Single Family Homes

Proposal Summary

Habitat Housing Solutions, Inc. (Scattered Lots Sites -11 Units)

Respondent/Developer: The respondent/developer is Habitat Housing Solutions, Inc. (HHSI)

Project Location: The project site(s), scattered sites, and single-family homes are located throughout Palm Beach County, in the cities of Lake Worth Beach, FL, Lantana, FL, and South Bay, FL. The addresses for the sites are noted below:

Project Description: The project will entail the new construction of 11 single-family homes on scattered site locations throughout three (3) municipalities: Lake Worth Beach, Lantana, and South Bay. All 11 units will be sold to households with incomes at or below 80% of the area median income. Ten (10) of the newly constructed properties will have three (3) bedrooms and two (2) bathrooms per property, and one (1) will have two (2) bedrooms and two (2) bathrooms.

County-Assisted Units: Respondent states that all 11 units will be set aside for <80% AMI.

Address	Construction Cost	Sales Price	CHDO Funding	Other Funding	Sources of Other Funding
302 North 'G' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	ССТСР
125 North 'F' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	ССТСР
915A North 'H' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	ССТСР
915B South 'H' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	CCTCP
406 South 'C' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	CCTCP
408 South 'C' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	CCTCP
1094 Highview Rd. Lantana	\$275,000	\$370,000	\$150,000	\$125,000	Grant: Publix
127A North 'F' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	CCTCP Publix
127B North 'F' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	Berlin Family Foundation &

					Community Contribution
121B N.W. 10 th Ave, South Bay	\$350,000	\$235,000	\$150,000	\$200,000	Grant- Deluca Foundation
223 South 'E' St. Lake Worth Beach	\$275,000	\$415,000	\$150,000	\$125,000	Berlin Family Foundation & Community Contribution

Acquisition and Site Control: Respondent documented site control with certain properties currently owned by Habitat for Humanity of Greater Palm Beach County will be transferred and deeded to Habitat Housing Solutions, designated as the Community Housing Development Organization (CHDO).

Construction Costs: Total construction costs including contingency is \$3,100,000. This is comparable to the contractor's project cost estimate.

Funding Commitments: Respondent documented availability of non-County Project funding

Source	Amount	Terms
Publix Charities	\$175,000	Grant
Berlin Family	\$200,000	Grant
Foundation		
Deluca Family	\$200,000	Grant
Foundation		
Community	\$875,000	
Contribution		
Total Sources	\$1,450,000	

Sales Pro Forma:

Address	Sales Price	Estimated First Mortgage	Subordinate Financing Subsidy
1094 Highview Road, Lantana	\$370,000	\$125,000	\$245,000
302 North 'G' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
915A North 'H' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
915B North 'H' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
406 South 'C' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
408 South 'C' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
125 North 'F' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000

127A North 'F' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
127B North 'F' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
223 South 'E' St., Lake Worth Beach	\$415,000	\$150,000	\$265,000
121B N.W. 10 th Avenue, South Bay	\$235,000	\$70,000	\$185,000

^{*}Subordinate financing is provided through a silent second mortgage issued by Habitat.

Applicant will be responsible for the First mortgage payment, provided at a 0% interest rate.

Project Schedule:

Date	Major Events
01//01/2025 - 03/01/2025	Slab
03/03/2025 - 06/30/2025	Front End - Exterior walls, roof, insulation, interior framing, mechanical, electrical, plumbing
07/01/2025 - 10/31/2025	Back End - Drywall, Interior doors and trim, cabinetry, molding, flooring
11/01/2025 - 01/31/2026	Closeout