

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: March 11, 2025 Consent Regular
 Ordinance Public Hearing

Department: Housing and Economic Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) approve** receipt of a grant award of \$2,250,000 in Fiscal Year (FY) 2024 Community Project Funding (CPF) from the United States Department of Housing and Urban Development (HUD), as directed by Congresswoman Sheila Cherfilus-McCormick, for the development of workforce and affordable housing (Grant No. B-24-CP-FL-0580);
- B) approve** a Budget Amendment in the amount of \$2,250,000 in the Community Project Fund to recognize the grant award;
- C) approve** a CPF funding allocation of \$2,250,000 to Davis Commons, LLC, contingent upon successful contract negotiations;
- D) authorize** staff to negotiate the funding agreement with Davis Commons, LLC; and
- E) delegate authority** to the County Administrator, or designee, to act as Authorized Representative for purposes of grant submittal, execute the grant application and certifications, grant agreement with HUD, amendments thereto, and all other documents necessary for grant implementation that do not substantially change the scope of work, terms, or conditions of the Project.

Summary: On October 26, 2024, Palm Beach County received a grant award letter from HUD advising of a \$2,250,000 FY 2024 CPF grant (B-24-CP-FL-0580). The grant resulted from a Federal appropriations request submitted by Congresswoman Sheila Cherfilus-McCormick on behalf of Palm Beach County. The CPF grant must be used for the development of workforce and affordable housing. Staff proposes that the CPF grant be allocated towards construction of Davis Commons (the Project), a 20-unit for-sale townhome development to be located at 4462 – 4493 Davis Road, unincorporated Lake Worth Beach. All townhomes are three (3) bedrooms, 1,600 square feet with a garage, and will be sold to homebuyers with incomes no greater than 120% of Area Median Income. The Project will be deed restricted to remain affordable in perpetuity via the land trust model. The Project developer is Davis Commons LLC, a partnership between local not-for-profit organizations Community Partners of South Florida and the Community Land Trust of Palm Beach County and the Treasure Coast. **(Continued on page 3)**

Background and Policy Issues: In the Consolidated Appropriations Act, 2024 (Public Law 118-42) and the Further Consolidated Appropriations Act 2024 (Public Law 118-47) Congress made \$3,290,054,336 in funding available for the CPF Program. The CPF grant awards are directed by Congress and are administered by HUD.

Attachment(s):

- 1. U.S. Department of Housing and Urban Development Award Letter
- 2. Congresswoman Sheila Cherfilus-McCormick Appropriations Funding Request
- 3. Budget Amendment
- 4. Project Map
- 5. Area Median Income Chart

Recommended By: Jonathan Brown 3/7/2025
 Department Director Date

Approved By: [Signature] 3/10/25
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	\$2,250,000				
Operating Costs					
External Revenues	(\$2,250,000)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes _____ No X
 Does this Item include the use of Federal funds? Yes X No _____
 Does this Item include the use of State funds? Yes _____ No X

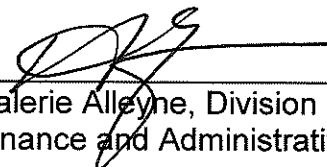
Budget Account No.:

Fund 1118 Dept 143 Unit 1801 Object 8301 Program Code/Period N/A

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

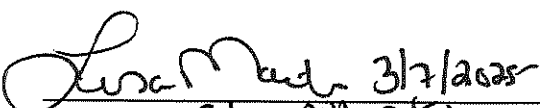
Approval of this agenda item will allocate \$2,250,000 of Community Project Funds to Davis Commons, LLC.

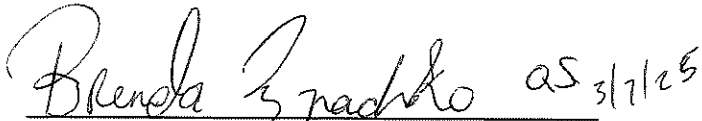
C. Departmental Fiscal Review:


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

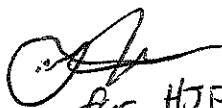
III. REVIEW COMMENTS

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


 Lisa Mader 3/7/2025
 OFMB 03/7/25 AA 3/7
 MF 3/7


 Brenda Znachko 03/7/25
 Contract Development and Control

B. Legal Sufficiency:


 for HJF 3/7/25
 Chief Assistant County Attorney

C. Other Department Review:

 Department Director

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

Summary (continued from Page 1): On September 13, 2022 (#6D-1) the Board of County Commissioners approved a State Housing Investment Partnership (SHIP) award of \$2,000,000 to Davis Commons, LLC. At the time, the Project total development cost was \$7.5 Million, including a construction budget of \$5 Million. Subsequently, the Project experienced a construction cost increase to \$8.5 Million, due both to general construction price escalation and to additional site work and infrastructure requirements identified during the development review process. Total development cost of the Project is now \$10.99 Million. Other sources of development funding for the Project include a construction loan from the Housing Finance Authority of Palm Beach County, and grant funding from JP Morgan Chase, Neighbor Works, the Community Foundation for Palm Beach and Martin Counties. The proposed CPF funds will complete necessary development funding and enable the Project to move forward.

Delegation of signatory authority is necessary to expedite the obligation of these Federal funds, including authority for staff to act as Authorized Representative to submit the grant application and certifications in HUD's online grant management system, and to execute the grant agreement with HUD, and related documents. Given recent actions at HUD to recapture unobligated funds, it is necessary for the Board to consider this item today to expedite the obligation of the CPF funds and avoid risk of recapture. **These are Federal CPF grant funds which require no local match.** District 3 (HJF)



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-1000

OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

10/26/2024

Verdenia Baker
Director 01
Palm Beach County
301 N. Olive Avenue,
West Palm Beach, FL, 33401
vbaker@pbcgov.org

Dear Community Project Funding Grantee,

In the Consolidated Appropriations Act, 2024 (Public Law 118-42) (the FY2024 Act), and the Further Consolidated Appropriations Act, 2024 (Public Law 118-47) (the Further FY2024 Act) Congress made \$3,290,054,336 in funding available for Community Project Funding (CPF). These CPF awards are administered by the Department of Housing and Urban Development (HUD). HUD received the information below about your project from Congress. A Grant Number has been added and will be the unique identifier for your project throughout the grant process.

Grant Number: B-24-CP-FL-0580
Project: Workforce Affordable Housing Development
Recipient/Grantee: Palm Beach County
Amount: \$2,250,000.00
HUD Grant Officer: Smith, Porchia / Porchia.M.Smith@hud.gov

This letter outlines initial grant award requirements and information needed from you to get started. This Grant Award Package also includes: The "FY2024 Community Project Funding Grant Guide" (FY2024 CPF Grant Guide), the template for your FY2024 Community Project Funding Grant Agreement, and the forms required to complete and submit information online to populate before we sign your FY2024 CPF Grant Agreement. A brief overview of these documents is below:

- 1) **FY2024 CPF Grant Guide**: The FY2024 CPF Grant Guide provides instructions for completing the requested information and filling out the required administrative forms to initiate your FY2024 CPF Grant Agreement. Please refer to this document as it includes important information and forms for accessing the online system (DRGR), as well as other information concerning reporting requirements.
- 2) **FY2024 CPF Grant Agreement for this Award**: The FY2024 CPF Grant Agreement specifies the applicable statutory provisions, regulations, and administrative requirements for this award. Please make sure all grantee information and award-specific information is entered completely and accurately before signing this Agreement. When you submit your grant materials on our DRGR Grant Processing Module it will create your customized FY2024 CPF Grant Agreement.

Page 1

Attachment 1

- 3) **Standard Forms and Required Materials:** The following forms will be needed:
- a. Form HUD-1044, Assistance Award/Amendment Form (Attached)
 - b. Standard Form-424 Application for Federal Assistance (in the online system)
 - c. SF-424-B, Assurances for Non construction Programs, and/or SF-424-D, Assurances for Construction Programs (in the online system)
 - d. SF-LLL Disclosure of Lobbying Activities (as applicable in the online system):
<https://www.grants.gov/forms/forms-repository/sf-424-family>
 - e. SF-1199A - Direct Deposit Sign-Up Form: <https://www.gsa.gov/system/files/SF1199A-20.pdf> The form is to be completed by the grantee and grantee's financial institution. Grantees will need to submit the completed form and upload to DRGR.

Grant Award Process Overview

Below is a step-by-step walk-through of the process and necessary documents and forms to execute your FY2024 CPF Grant Agreement. This process and the forms are also available in the FY2024 CPF Grant Guide, which can also be found on the program's webpage at: https://www.hud.gov/program_offices/comm_planning/edi-grants/FY_2024 on HUD.gov and on this webpage <https://www.hudexchange.info/programs/cpf/> on the HUD Exchange.

1. Grantees should review the Grant Award Package documents.
2. Grantees should initiate or complete the HUD environmental review.
3. Grantees gather all required information and submit to HUD using the online system DRGR.
4. HUD provides access to DRGR system to access the Grant Processing Module to submit required information, answer questions, and upload documents. Once all required information is submitted online HUD will review the completed grant materials submitted.
5. HUD staff will review the information and documents for completeness. If there are any deficiencies the corrections and/or clarifying questions will be shared with the grantee for correcting or answering the clarifying questions. If not, HUD staff will submit the package internally for a second level review. Then, the Acting Director for the Congressional Grants Division will review the grant package. Finally, your Grant Agreement will be executed.
6. HUD will notify the grantee that their FY2024 Grant Agreement has been fully executed and will share additional materials with the grantee to complete to begin the payment processing activities to receive your funds.

Training and Tools

FY2024 CPF Onboarding Event: This event will take place in September. We will review this letter and grant award package materials along with sharing next steps and how to sign up for a cohort. The event will be recorded and shared online after the event.

FY2024 CPF Grantee Cohorts: This provides you and your staff the opportunity to register for a four-part training for how to prepare your grant materials and submit them online. Information about the registration will be shared via email and during the FY2024 CPF Onboarding Event.

FY2024 CPF Grantee Webinar Series: This provides you and your staff with information about the regulations, requirements, and processes for your grant. Information about the registration for the webinar series will be shared via email and during the FY2024 CPF Onboarding Event.

FY2024 CPF Grantee Online HUD Exchange Resources: This website page includes general information and your specific Fiscal Year information along with links to past and future technical assistance opportunities. The site is also used for you to register for our listserv and for communicating updates to you and those on the listserv.

Overview of Requirements

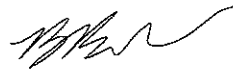
CPF grants are subject to several Federal requirements. HUD will provide additional information and further clarification regarding applicable requirements and the grant award process in upcoming webinars and additional technical assistance. The most essential requirements include:

- 1) **Administrative Requirements:** CPF grants are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).
- 2) **HUD Environmental Review Requirements:** EDI/CPF grants, like all projects funded by HUD, are subject to requirements under the National Environmental Policy Act (NEPA), HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, and appropriate federal environmental and historic preservation laws, regulations, and Executive Orders.
 - To be eligible, activities and expenses must comply with applicable Federal requirements. This includes administrative requirements under 2 CFR Part 200, environmental laws, statutes and Executive Orders, and other “cross-cutting” federal requirements adhered to by HUD.
 - If the environmental review is being conducted by a local government responsible entity under Part 58, a Request for Release of Funds and Certification must be approved by HUD, as applicable. If the environmental review is being completed by HUD under Part 50, the environmental review must be approved and certified by HUD.
 - HUD defines the “Federal Nexus” for a program or project as the event that triggers the requirements for federal environmental review under a host of laws, regulations, and Executive Orders, including the prohibition on choice limiting actions.
 - For FY2024 grants, the date of the Act’s enactment (March 9, 2024) is the federal nexus for compliance with all environmental laws. Once a project is federalized, in keeping with the National Environmental Policy Act (NEPA) and HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, environmental reviews must be completed, and all necessary HUD approvals must be obtained prior to taking any choice limiting actions, such as acquisition, construction, ground disturbance, and entering into contracts.
 - Further explanation and guidance on choice limiting actions and the environmental review process, including historic preservation review, is included within the CPF Grant Guide and on the program’s webpage at: <https://www.hudexchange.info/programs/cpf/>.
 - Some projects may already be underway at the time of federal nexus and while it is still best practice to stop all work after the federal nexus before the environmental review is complete for EDI/CPF projects that are already underway at time of federal nexus, grantees are allowed to perform activities after the federal nexus, but only for activities which are part of a pre-nexus contract that obligates them to do so. However, grantees would be doing so at their own risk, as any activity performed, or proposed to be performed, after the federal nexus must be included in the project scope of a satisfactory environmental review to be reimbursable.

- A satisfactory review must show that the project activities will not result in unmitigable environmental harm and must not preclude consultation with the appropriate environmental authorities such as the State Historic Preservation Office (SHPO). Environmental authorities may refuse to consult if physical impacts are made to a site before consultation.
- HUD conducted a nationwide environmental review for FY24 EDI/CPF soft costs to clear activities such as administrative, planning, and operations and maintenance costs (including costs to prepare an environmental review). After execution of the Grant Agreement, eligible soft costs can be incurred after March 9, 2024 (see 2 CFR 200.403). Eligible hard costs can be reimbursed if incurred after a full environmental review is completed (see 2 CFR 200.403).
- HUD Environmental Officers: <https://www.hud.gov/sites/dfiles/CPD/documents/Community-Project-Funding-Portfolio-Assignments.pdf>.

If you, or your staff, have any questions regarding how to complete or submit the requires documents, please feel free to contact your Grant Officer or System Officer. Please note while your Grant Officer may change over time, we have a team approach to managing your project. Please include your grant number and project in all email correspondence. We look forward to working with you on this important project!

Sincerely,



Brooke Bohnet
Associate Deputy Assistant Secretary
for Economic Development

CONGRESSWOMAN
SHEILA CHERFILUS-MCCORMICK
20TH DISTRICT, FLORIDA
WASHINGTON, DC
242 CANNON HOUSE OFFICE
BUILDING, WASHINGTON, DC 20510
(202) 225-1313

Congress of the United States
Washington, DC 20510

WEST PALM BEACH
5725 CORPORATE WAY, WEST
PALM BEACH, FL 33407
(561) 461-6767
TAMARAC
5701 NW 88TH AVENUE,
TAMARAC, FL 33321
(954) 733-2800

March 31, 2023

Hon. Kay Granger
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Hon. Rosa DeLauro
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

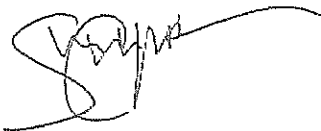
Dear Chairwoman Granger and Ranking Member DeLauro:

I am requesting funding for the Workforce Affordable Housing Development in fiscal year 2024. The entity to receive funding for this project is Palm Beach County, Florida., located at 301 N. Olive Avenue, West Palm Beach, FL 33401. The funding would be used to provide gap financing for the acquisition, construction and equipping of Condominiums, Multi-Family Rental Units, Single Family Homes and Townhomes, additionally leveraging Palm Beach County's \$200 million Workforce and Affordable Housing Bond Program, annual allocations from the Infrastructure Sales Tax, ad valorem and other county funding. The project is an appropriate use of taxpayer funds because it will be utilized to further assist gap financing above what the \$200 million bond would cover, thus increasing the number of potential workforce and affordable units, and shortening the time to bring those units to market..

The project has a Federal nexus because the funding provided is for purposes authorized by 42 U.S.C 5305(a)(2).

I certify that I have no financial interest in this project, and neither does anyone in my immediate family.

Sincerely,



Sheila Cherfilus-McCormick
Member of Congress

20TH DISTRICT OF FLORIDA

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Congresswoman Sheila Cherfilus-McCormick Delivers \$2,250,000 in Funding to Palm Beach County for the Workforce Affordable Housing Development Project

For Immediate Release

Congresswoman Sheila Cherfilus-McCormick Delivers \$2,250,000 in Funding to Palm Beach County for the Workforce Affordable Housing Development Project

8.27.24

August 27, 2024 [Press Release](#)

TAMARAC, FL – Congresswoman Sheila Cherfilus-McCormick joined Palm Beach County commissioners to announce \$2,250,000 in critical Community Project Funding for the city's Workforce Affordable Housing Development project.

"For too many people in the community, the dream of owning a home has become out of reach. High housing costs have left many hardworking individuals and families struggling to find a safe and affordable place to stay, especially in Palm Beach," said Congresswoman Sheila Cherfilus-McCormick. "That is why programs like the Workforce Affordable Housing Development project are crucial. The Workforce Housing Program ensures that homes are available at below-market prices and that those who qualify can receive assistance with down payments and closing costs. With this funding, we are closing the gaps, ensuring no one is left behind, and the people supporting our community can live in it."

"On behalf of the people of Palm Beach County, I thank you for your commitment and support of our efforts to provide housing for all our residents. The demand for affordable housing continues to increase with the ongoing population growth in the area along with the average wage, which continues to lag behind the amount of money people need to buy affordable housing, and the result is that our essential workers and service providers are basically being priced out of our area," said Palm Beach County Mayor Maria Sachs. "This new commitment by your office, from the federal government to us, will give us an opportunity to build affordable housing that we are hopeful will help ease the effects of this housing crisis. Thank you again, Congresswoman, on behalf of the people of Palm Beach County and this County Commission, for your support in addressing and relieving the affordable housing crisis."

The Workforce Affordable Housing Development project is designed to offer Palm Beach County's workforce (such as firefighters, law enforcement professionals, construction workers, doctors, teachers, business owners, etc.) the chance to buy homes at prices below the market rate. The program addresses the housing requirements of individuals in roles crucial to the community's economic sustainability.

Attachment 2; Page 2 of 4



County Receives \$2.25 Million Community Project Funding Check For Affordable Workforce Housing

By Town-Crier Editor - September 6, 2024



Palm Beach County officials accept the Community Project Funding check.

On Tuesday, Aug. 27, Palm Beach County Mayor Maria Sachs, on behalf of the Board of County Commissioners, accepted a Community Project Funding check for \$2.25 million for affordable workforce housing from U.S. Rep. Sheila Cherfilus-McCormick (D-District 20). This funding will provide gap financing for the acquisition, construction and equipping of housing for affordable and workforce housing.

“On behalf of the people of Palm Beach County, I thank Congresswoman Sheila Cherfilus-

new commitment by her office, from the federal government to us, will give us an opportunity to build affordable housing that we are hopeful will help ease the effects of this housing crisis. On behalf of the people of Palm Beach County and this county commission, we thank the congresswoman for her support in addressing and relieving the affordable housing crisis.”

25-0604

**BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT**

BGRV 030625*453

BGEX 030625*1030

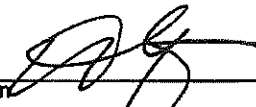
FUND 1118 - Community Project Fund

ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ENCUMBERED as of 03/06/2025	REMAINING BALANCE
REVENUES									
1118-143-1801-3154	Community Development Block Grant	Community Project Fund	0	0	2,250,000	0	2,250,000		
	Total Fund Revenues		<hr/> 0	<hr/> 0	<hr/> 2,250,000	<hr/> 0	<hr/> 2,250,000		
EXPENDITURES									
1118-143-1801-8301	Contributions for Individuals	Community Project Fund	0	0	2,250,000	0	2,250,000		2,250,000
	Total Fund Expenditures		<hr/> 0	<hr/> 0	<hr/> 2,250,000	<hr/> 0	<hr/> 2,250,000		

SIGNATURES

DATES

Initiating Department/Division



3/7/2025

Administration/Budget Department Approval



3/7/2025

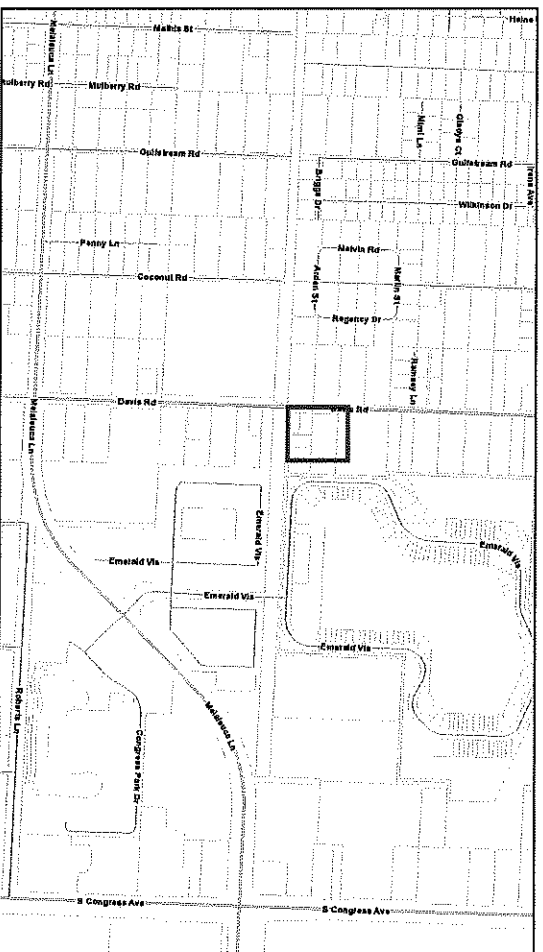
OFMB Department - Posted

BY BOARD OF COUNTY COMMISSIONERS

At Meeting of: 3/11/2025

Deputy Clerk to the
Board of County Commissioners

Project Location Map



Davis Commons Project Site

Palm Beach County 2024 Income Limits

Income Category	Income Limit by Number of Persons in Household									
	1	2	3	4	5	6	7	8	9	10
20%	\$15,000	\$17,140	\$19,280	\$21,420	\$23,140	\$24,860	\$26,560	\$28,280	\$29,988	\$31,702
30%	\$22,500	\$25,710	\$28,920	\$32,130	\$34,710	\$37,290	\$39,840	\$42,420	\$44,892	\$47,552
40%	\$30,000	\$34,280	\$38,560	\$42,840	\$46,280	\$49,720	\$53,120	\$56,560	\$59,976	\$63,403
50%	\$37,500	\$42,850	\$48,200	\$53,550	\$57,580	\$62,150	\$66,400	\$70,700	\$74,970	\$79,254
60%	\$45,000	\$51,420	\$57,840	\$64,260	\$69,420	\$74,580	\$79,680	\$84,840	\$89,964	\$95,105
70%	\$52,500	\$59,990	\$67,480	\$74,970	\$80,990	\$87,010	\$92,960	\$98,980	\$104,958	\$110,956
80%	\$60,000	\$68,550	\$77,100	\$85,650	\$92,550	\$99,400	\$106,250	\$113,100	\$119,952	\$126,806
90%	\$67,500	\$77,123	\$86,745	\$96,368	\$104,123	\$111,840	\$119,528	\$127,245	\$134,946	\$142,657
100%	\$75,000	\$85,695	\$96,390	\$107,085	\$115,695	\$124,280	\$132,805	\$141,390	\$149,940	\$158,508
110%	\$82,500	\$94,268	\$106,035	\$117,803	\$127,268	\$136,720	\$146,083	\$155,535	\$164,934	\$174,359
120%	\$90,000	\$102,840	\$115,680	\$128,520	\$138,840	\$149,160	\$159,360	\$169,680	\$179,928	\$190,210
130%	\$97,500	\$111,410	\$125,320	\$139,230	\$150,410	\$161,590	\$172,640	\$183,820	\$194,922	\$206,061
140%	\$105,000	\$119,980	\$134,960	\$149,940	\$161,980	\$174,020	\$185,920	\$197,960	\$209,916	\$221,911

PBC 2024 Median Income : \$104,000

Based on Florida Housing Finance Corporation 2024 *Multifamily Rental Programs and CWHIP Homeownership Program*

90%, 100%, 110%, 130% AMI limits imputed by Palm Beach County based on FHFC limits.