

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: August 17, 2021

Consent

Regular

Ordinance

Public Hearing

Department: Facilities Development & Operations

**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to approve:** Amendment No. 1 to the Developer and Operator Agreement (R2021-0148) (the "Agreement") with the West Palm Beach Housing Authority (WPBHA) for the Cottage Homes Project to extend the date by which WPBHA is to complete design and permitting from September 13, 2021 to January 11, 2022.

**Summary:** On January 12, 2021, the Board of County Commissioners (Board) approved the Agreement with the WPBHA for the development, ownership and operation of a small lot housing pilot project upon 1.36 acres of County owned real property fronting Military Trail and Clemens Street in western Lake Worth Beach (commonly referred to as the Cottage Homes Project). Under the Agreement, WPBHA is to improve the property with 17 detached housing structures, a community center, ancillary parking and other customary site improvements, and the County will provide up to \$3.973m in Infrastructure Sales Tax (IST) funding for the development and construction. The County also agreed to convey ownership the property to the WPBHA at the time of construction permit issuance. Under Section 24.2 of the Agreement, WPBHA has until September 13, 2021 to complete the design and permitting process or either party may terminate the Agreement. WPBHA has requested until January 11, 2022 to complete the design and permitting process, due to delays experienced by WPBHA. WPBHA notes that the initial project schedule was overly ambitious and the time required to negotiate the design contracts and complete design doubled, leading to delays. WPBHA has also expressed that its initial project timeline failed to fully account for the impact that the COVID19 pandemic would have on the construction industry, including an unforeseen and significant increase in new construction, labor and material shortages and availability of design professionals in light of industry volatility - a statement that staff agrees with. Amendment No. 1 to the Agreement will give WPBHA until January 11, 2022 to complete the design and permitting process for the Cottage Homes Project. The revised project schedule reflects the delays experienced during the contracting and design phases, while retaining projected duration for the upcoming phases consistent with WPBHA's original proposal. This extension will still keep the Facility opening in FY 2023 although at a later date than previously represented to the Board at the time of approval of the Agreement. FDO staff will continue to work with WPBHA to ensure timely progress on the Cottage Homes Project. **(FDO Admin) District 2/Countywide (MWJ)**

**Background and Justification:** On January 12, 2021, the Board of County Commissioners approved the Agreement with the WPBHA for the development, ownership and operation of a small lot housing pilot project upon 1.36 acres of County owned real property fronting Military Trail and Clemens Street in western Lake Worth Beach (commonly referred to as the Cottage Homes Project). Under the Agreement, WPBHA is to improve the property with 17 detached housing structures, a community center, ancillary parking and other customary site improvements. The 17 housing units will be distributed amongst three different layouts, six 2-bedroom/1-bathroom units, six 2-bedroom/2-bathrooms units, and five 3-bedroom/2-bathrooms units; with square footage ranging from 981 to 1,200. The County will provide up to \$3.973m in IST funding for the development and construction. Any remaining IST funds upon construction completion will remain available to WPBHA for future application toward capital renewal/replacement needs. IST funds can only be used for capital improvements and cannot be used for operational costs. The County also agreed to convey ownership the property to the WPBHA at the time of construction permit issuance. The conveyance of the property will be at no cost to WPBHA and subject to restrictions for government use and operation and maintenance for housing for low, very low and extremely low income residents.

CONTINUED ON PAGE 3

**Attachments:**

1. Location Map
2. Amendment No. 1
3. Updated Project Schedule for the Cottage Homes Project
4. WPBHA email requesting extension
5. Monthly Progress Report
6. January 12, 2021 BCC Agenda Item 6C-1

Recommended By: *[Signature]* Department Director 7/15/21 Date

Approved By: *[Signature]* County Administrator 7/22/21 Date

**II. FISCAL IMPACT ANALYSIS**

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

| Fiscal Years                                   | 2021          | 2022         | 2023         | 2024         | 2025         |
|--|---------------|--------------|--------------|--------------|--------------|
| Capital Expenditures                           | _____         | _____        | _____        | _____        | _____        |
| Operating Costs                                | _____         | _____        | _____        | _____        | _____        |
| External Revenues                              | _____         | _____        | _____        | _____        | _____        |
| In-Kind Match (County)                         | _____         | _____        | _____        | _____        | _____        |
| <b>NET FISCAL IMPACT</b>                       | <u>_____*</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| <b># ADDITIONAL FTE POSITIONS (Cumulative)</b> | _____         | _____        | _____        | _____        | _____        |

Is Item Included in Current Budget: Yes   x   No         
 Does this items include use of federal funds? Yes        No   x  

Budget Account No: Fund    Dept    Unit    Object    Program   

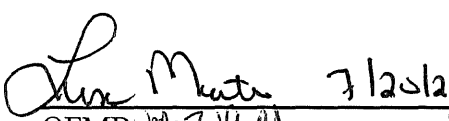
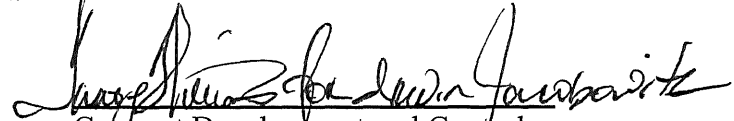
**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

\* There is no fiscal impact associated with this item.

C. Departmental Fiscal Review: 

**III. REVIEW COMMENTS**

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

 7/20/21  
 OFMB # 7-14-21 LM 7/19/21  
  
 Contract Development and Control  
 7-21-21 TW

**B. Legal Sufficiency:**

Sean-Adel Williams  
 Assistant County Attorney

**C. Other Department Review:**

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

**Background and Justification: Continued from Page 1** Due to the use of IST funds, the property and improvements must always remain in public ownership and as a result, all units will be rental units with maximum gross monthly rents for the first year ranging from \$598 to \$730, and maximum continued occupancy by any given tenant of 24 months. Following construction completion, WPBHA will be responsible for placement of eligible family households into available units. WPBHA will be required to coordinate with the County’s Community Services Department for priority placement of eligible families on a waiting list to be maintained by the County. Both rental amounts and duration of stay will be limited. The County will be required to provide subsidies (based on qualifications) for utilities, security deposits and rent, as well as any wrap around services the County desires to be provided to the project’s occupants.

All capital construction costs beyond the \$3,973,458.06 being made available by the Agreement will be the sole responsibility of the WPBHA. All of those County proceeds being derived through the one penny infrastructure surtax, eligible expenses are limited to capital improvements with no application toward project operating costs. Any remaining balance upon construction completion will be held by the County for future application to project Renewal/Replacement needs until such time that all funds have been fully exhausted.

More background information on the Developer & Operator Agreement with the WPBHA; the Cottage Homes Project; the project site; and the Board’s IST Project Plan for the delivery of housing units for homeless, extremely low, very low and low income individuals can be found in the attached January 12, 2021 BCC Agenda Item 6C-1 where the Agreement with the WPBHA was approved by the Board.

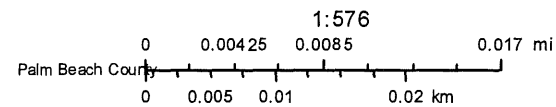
Amendment No. 1 to the Agreement will give WPBHA until January 11, 2022 to complete the design and permitting process for the Cottage Homes Project. Below is a comparison of the initial project schedule to the new project schedule after the extension:

| Task   | Original Schedule (days) | Revised Schedule (days) | Comments  |
|--|--------------------------|-------------------------|---|
| <i>Approval of the Developer and Operator Agreement by the Board of County Commissioners: January 12, 2021</i> |                          |                         |   |
| Procurement of Design Professionals  | 30-45                    | 98                      | All contracts have been executed as of April 20, 2021                           |
| Design & Permit Phases for Owner, Architect and Engineer   | 60                       | 105-112                 | Design is underway, submission of final drawings is expected on August 10, 2021 |
| County Review of plans, drawings, and applications   | 10                       | 10                      |   |
| Government Regulatory Approvals & Permits  | 60-120                   | 60-120                  |   |
| Subcontractor Solicitation & Procurement   | 60                       | 60                      |   |
| Construction   | 340                      | 340                     |   |
| Recording of Easement / Legal Documents  | 30                       | 30                      |   |
| Occupancy  | 30                       | 30                      |   |



**ATTACHMENT 1**

4521 Clemens Street



**AMENDMENT NO. 1  
TO THE DEVELOPER AND OPERATOR AGREEMENT**

**This Amendment No. 1** (“Amendment”) is made and entered into on \_\_\_\_\_, 2021 by and between **Palm Beach County** (“County”), a political subdivision of the State of Florida and the **West Palm Beach Housing Authority**, a public body corporate and politic created under Section 421 of the Florida Statutes (the “Authority”).

**WITNESSETH**

**WHEREAS**, on January 12, 2021, the parties hereto entered into the Developer and Operator Agreement (R2021-0148) (the “Agreement”); and

**WHEREAS**, the parties desire to amend and modify certain provisions of the Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants, promises and representations contained herein, the Parties agree as follows:

1. **Recitals.** The above recitals are true and correct and incorporated herein by reference.
2. **Agreement Modifications and Additions.** The following provisions of the Agreement are modified as follows:

**The first sentence of Section 24.2 of the Agreement is deleted in its entirety and replaced with the following:**

Prior to the Conveyance Date, this Agreement may be terminated by either party in the event that the Authority is unable to obtain all required permits and approvals for construction of the Facility by **January 11, 2022** or the Authority discovers unforeseen site conditions that would require extensive site improvements that would make the project financially unfeasible based upon the Program Cost Estimate submitted by the Authority in its Step 2 Proposal.

3. **All Other Terms Affirmed.** In all other respects, the terms and conditions of the Agreement shall remain in full force and effect and are hereby ratified and affirmed by the parties hereto.
4. **Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the State of Florida, without regard to conflicts of law.

**THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Agreement to be executed as of the day and year first above written.

ATTEST:

**JOSEPH ABRUZZO**  
**CLERK OF THE CIRCUIT**  
**COURT & COMPTROLLER**

**PALM BEACH COUNTY, a political**  
**subdivision of the State of Florida**

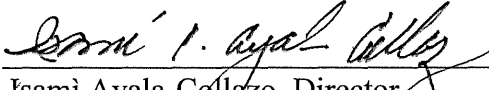
By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Dave Kerner, Mayor

**APPROVED AS TO**  
**LEGAL SUFFICIENCY**

**APPROVED AS TO TERMS**  
**AND CONDITIONS**

By: \_\_\_\_\_  
Assistant County Attorney

By:   
Isami Ayala-Collazo, Director  
Facilities Development & Operations

**WITNESSES:**

**WEST PALM BEACH HOUSING  
AUTHORITY, a public body corporate and  
politic created under Section 421 of the  
Florida Statutes**

By:   
Witness Signature

By:   
Executive Director

Michael McManaman  
Print Witness Name

By:   
Witness Signature

Teresa J Gonzalez  
Print Witness Name

## COTTAGE HOMES PROJECT SCHEDULE

| <i><b>Contract Action:</b></i>  | <i><b>Estimated Days</b></i>            | <i><b>Projected Date 2021</b></i>  |
|---|---|--|
| Contract Commencement   | -----                                   | Completed 1/12 2021  |
| Procurement of Design Professionals   | -----                                   | Completed 2/8/2021   |
| Negotiate & Execute Professional Contracts  | -----                                   | Completed 4/20/2021  |
| <b>Design &amp; Permitting Phases</b>   | <b>105 -112 days</b>                    | August 10, 2021  |
| <ul style="list-style-type: none"> <li>• Initial Site Planning, design feasibility</li> <li>• Prelim Civil and Architect Plans</li> <li>• Final Signed &amp; Sealed Plans</li> <li>• Submit for approval by County FDO</li> </ul> | 10 days                                 | August 10, 2021<br>August 20, 2021                                       |
| <b>Government Regulatory Approvals</b>  | <b>60-120 days</b>                      |  |
| <ul style="list-style-type: none"> <li>• Submission/ Plan Review I</li> <li>• Review Comments, Revise,<br/>Resubmit Review II</li> </ul>  | 60 days<br>60 days                      | October 20, 2021<br>December 20, 2021                                    |
| <b>DEADLINE TO COMPLETE DESIGN AND PERMITTING PROCESS</b>   |   | <b>January 11, 2022</b>  |
| <b>Subcontractor Solicitation</b>   | <b>60 days</b>                          |  |
| <ul style="list-style-type: none"> <li>• Solicitation Preparation</li> <li>• Pre-Bid Meeting, Advertise</li> <li>• Review Bid &amp; Selection</li> <li>• Post Awards and Award Bid</li> </ul>                                     | 15 days<br>30 days<br>10 days<br>5 days | January 25, 2022<br>February 25, 2022<br>March 7, 2022<br>March 28, 2022 |
| Construction Completion of Each Unit  | <b>340 days</b>                         | March 3, 2023  |
| Preparing & Recording of Legal Documents  | <b>30 days</b>                          | April 3, 2023  |
| Occupancy/ Lease up   | <b>30 days</b>                          | May 4, 2023  |

WPBHA.schedule 7.9.2021

# ATTACHMENT 3



**Brenda Znachko**

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**From:** Charlotte Burnett <cburnett@wpbha.org>  
**Sent:** Monday, July 12, 2021 11:57 AM  
**To:** Isami Ayala-Collazo  
**Cc:** Brenda Znachko; Linda Odum  
**Subject:** West Palm Beach Housing Authority Request for Extension re: Cottage Homes

**Importance:** High

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

\*\*\*\*\* Note: This email was sent from a source external to Palm Beach County. Links or attachments should not be accessed unless expected from a trusted source. \*\*\*\*\*

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Dear Ms. Ayala-Collazo,

The West Palm Beach Housing Authority respectfully submits a formal request to Palm Beach County pursuant to the Owner & Operator Agreement dated January 12, 2021 for an extension of the September 13, 2021 deadline to complete the design & permitting process. We hereby request an extension to January 11, 2022. The extension is necessitated by the fact of the initial schedule submitted in July 2020 was an overly aggressive and ambitious estimate from its inception. This timeline also did not fully account for the impact the coronavirus pandemic would have on the construction industry, including a unforeseen and significant increase in new construction, labor and material shortages, and professional availability in light of the industry volatility. Finally, as we have progressed through the design phase, we encountered site conditions not originally contemplated which required additional due diligence work to determine feasibility. The extension to January 11, 2022 will provide the necessary time to complete the design and permitting process.

At this juncture, we estimate the final signed and sealed plans will be ready for submission to your department for review no later than August 10, 2021. Once your department approves, we will formally submit to the building department. Please note the schedule is premised upon a 90 to 120 day estimate to complete the permitting process from initial submittal to the Building Department to final permit approval.

Sincerely,

Charlotte Burnett, Esq.  
General Counsel  
West Palm Beach Housing Authority  
3765 Georgia Avenue  
West Palm Beach, FL 33405  
(561) 655-8530 x1105

## MONTHLY PROGRESS MEETING AND EXECUTIVE SUMMARY

|   |   |
|---|---|
| <b>Reporting Period:</b> June 2021      | <b>Project Title:</b> Cottage Homes       |
| <b>Date of Report:</b> July 13, 2021    | <b>Program Rep:</b> Charlotte Burnett     |
| <b>Report Author:</b> Michael McManaman | <b>Project Sponsor:</b> Palm Beach County |
|   | <b>Project Number:</b> 2021-022504        |

**EXECUTIVE SUMMARY:** During this period, the vast majority of the design of the Development has been completed, and professional service firms are finalizing their respective plans for submittal to the County for review. As intimated at the Professional Services Kickoff meeting, the timeframe allotted for full Architectural plans was a bit aggressive, and although not unreasonably delayed, the plans are now scheduled to be fully ready for submittal the first week of August 2021. In last month's Executive Summary, we pushed the anticipated date to July 15<sup>th</sup>, but found that date to be a bit too aggressive as well. Landscape plans will be completed by July 31, 2021 and the final touches are being reflected on the Civil Plans, as it applies to ramps and doorways. Communication between Development entities and stakeholders has been generally good, but as it turns out, we simply didn't provide sufficient time for the plan design aspect. This new submittal date may or may not affect the remainder of the schedule (depends on efficiency of review, any required changes, etc.), but to that end, and after conversations with the County Project Manager, the WPBHA has requested a change in the existing project schedule, allowing for the issuance of permitting in January 2022, as opposed to September 2021. It should be noted that even if the plans would have been submitted on July 1<sup>st</sup>, it would have only left 74 days between the commencement of review and the date shown for permit issuance (September 13<sup>th</sup>).

The project team held its monthly call-in meeting to talk about project progress, any hurdles, assigning responsibility to individuals for specific project-related tasks, and upcoming work. During the meeting, as has happened in nearly every conversation, the topics of increased construction cost, lower availability of labor and materials and longer than typical delays for the receipt of some construction materials was raised. The County's Primary Representative asked what efforts the WPBHA has been undertaking to mitigate costs, and as the WPBHA hasn't, and can't solicit for bids until the project is at minimally, 95% plans, those mitigation efforts mainly consist of insuring that the project is well-marketed, that our outreach efforts continue with the goal of bettering our chances at receiving multiple bids to each of the construction trades, once the solicitations are let. However, the WPBHA, in conjunction with the Architect of Record, will very soon provide updated and current information as it applies to the cost of construction, expectations of the market for construction and other factors which could materially-affect the overall cost and delivery time of the project.

REG Architects is finalizing its Drawings in association with its structural and MEP sub-consultants, as it applies to foundations, locations and sizing of the utilities, etc. REG is working in conjunction with the WPBHA in the selection of appropriate appliances, hardware, furnishings and finishes as it populates the details for the final plans, in keeping with requirements made part of the Developer/Operator Agreement, such that the delivered homes will meet or exceed requirements and expectations.

As previously mentioned, Engenuity has completed the Boundary, Topographic and Tree Survey, signed and sealed Survey, all Subsurface Utility Engineering, the Geotechnical Report for the site, and has provided nearly 100%-complete Civil Design plans. The geotechnical report was very favorable to supporting the intended Development, and was immediately forwarded to the Architect (and its Structural sub-professional) for its use in calculating the requirements supporting structural foundations, building pads and other site improvements. Engenuity has forwarded the permitting summary table which is part of its portion of the regulatory review, and

# ATTACHMENT 5

will soon forward all permit applications to the WPBHA, such that the forms can be signed, if necessary, and permit application fees paid.

Schmidt Nichols (Site Plan/Landscape Architect) is on schedule to have its plans ready for submittal by 7/31/21. Schmidt Nichols continues to communicate with the aforementioned firms on a regular basis, such that it can perform its scope, which includes site plan preparation, existing vegetation preservation and protection analysis and permitting, vegetative barricade permit preparation, landscape plan preparation and irrigation plan preparation for the unit "types" and the common-area buffers. Schmidt Nichols has interpreted the ERM response to mean that none of the trees that fall into its area of responsibility will be affected by this Development. Only the trees that exist on the site will be part of any mitigation once reviewed by the County Landscaping review process. There are several trees which will need to be removed, replaced or otherwise relocated.

As an update to the WPBHA's submittal of a proposal to the Housing Finance Authority (HFA) of Palm Beach County, Florida, to secure surplus HFA funds in the form of a Project Loan Agreement against a Master Line of Credit, we are happy to report that the HFA Board unanimously approved the Line of Credit. This partnership will greatly assist in helping the WPBHA make prompt payment to project subcontractors and material-providers, prior to seeking reimbursement from the County. The WPBHA, after numerous successful engagements with the HFA funding for this purpose, has realized a more consistent flow of work on the project site and less carrying of costs by subcontractors. In an environment when quality contracting is at a premium, this is one way that we can help secure contractors to the project and avoid delays due to slow payment.

The WPBHA continues to make progress on its efforts to insure visibility of the project and the upcoming construction, through conversations with the Equal Business Opportunity (EBO) office at Palm Beach County. The WPBHA and the EBO continue to share resources, and as described below, we've teamed-up to help offer visibility and information to interested contractors.

On June 22, 2021, The WPBHA held the first of its advertised Informational Sessions in conjunction with the County OEBO to help interested contractors learn about the Cottage Homes Project, with the goals of increasing awareness, increasing the number of quality bids, and to help prospective contractors understand the requirements, expectations and the existing project schedule. The WPBHA has also advertised, posted on our website, and will hold, a second two-session day on July 20, 2021 to further provide information to and opportunities for interested contractors to potentially work on this project.

The WPBHA is working on a specific form of construction subcontract to be used on the project. Once drafting is complete, the form of contract will be reviewed and approved by PBC prior to being made part of construction documents.

**Balance of Payments to Consultants and Subcontractors**

| <u>Consultant or Subcontractor</u> | <u>Contract Total</u> | <u>Paid To Date</u>         | <u>Balance To Finish</u> | <u>Reimb. Request</u> | <u>Paid by County</u> |
|------------------------------------|-----------------------|-----------------------------|--------------------------|-----------------------|-----------------------|
| <b><u>PROPOSAL PHASE:</u></b>      |                       |                             |                          |                       |                       |
| David Laurence Architecture        | \$12,500              | \$12,500                    | \$0                      | July 2021             | N/A                   |
| Schmidt Nichols                    | \$7,330.74            | \$7,330.74                  | \$0                      | July 2021             | N/A                   |
| <b><u>CONTRACT PHASE:</u></b>      |                       |                             |                          |                       |                       |
| REG Architects                     | \$85,000              | \$22,200<br>(processing)    | \$62,800                 | July 2021             | N/A                   |
| Engenuity Group                    | \$41,975.08           | \$14,109.58<br>(processing) | \$27,865.50              | July 2021             | N/A                   |
| Schmidt Nichols                    | \$12,500.00           | \$353.48                    | \$12,146.52              | July 2021             | N/A                   |

**Project Milestone Status Review:**

| <u>Milestone</u>                   | <u>% Complete/ Status</u>  | <u>Original Comp. Date</u>                 | <u>Tentative Revised Comp. Date</u>     | <u>Issues Exist?</u> |
|------------------------------------|--|--|---|----------------------|
| Contract Commencement              | 100% Complete  | 1/12/21                                    |   | No                   |
| Procurement of Design Professional | 100% Complete  | 2/8/21                                     |   | No                   |
| Professional Service Agreements    | 100% Complete  | 3/1/21                                     | 4/16/21                                 | No                   |
| Design and Permitting              | Preliminarily Underway   | 4/30/21                                    | 5/30/21                                 | No                   |
| Govt. Regulatory Approvals         | Submittal of Plans<br>Review, Revise, Re-submit  | 6/30/21<br>9/10/21                         | 8/10/21                                 | No<br>No             |
| Completion of Permitting           |  | 9/13/21                                    | *1/11/22                                | No                   |
| Subcontractor Bid-out              | Solicitation Preparation<br>Advertising and Pre-bids<br>Bid Review & Awards<br>Issue Contracts | 9/28/21<br>10/28/21<br>11/8/21<br>11/30/21 | 1/25/22<br>2/25/22<br>3/7/22<br>3/28/22 | No<br>No<br>No<br>No |
| Construction Completion            | Estimated at 340 days  | 10/18/2022                                 | 3/3/23                                  | No                   |
| Prep & Record Legal Docs           | Estimated at 30 days   | 11/17/2022                                 | 4/3/23                                  | No                   |
| Occupancy/Lease-up                 | Estimated at 30 days   | 12/18/2022                                 | 5/4/23                                  | No                   |
| *requested extension date          |  |  |   |                      |

6C-1

Agenda Item #: MM | CW 70

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

R-2021-0148

Meeting Date: January 12, 2021 [ ] Consent [X] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

a Developer and Operator Agreement with the West Palm Beach Housing Authority (WPBHA) for the development, ownership and operation of a small lot housing pilot project upon 1.36 acres of County owned real property fronting Military Trail and Clemens Street in western Lake Worth Beach.

**Summary:** On September 26, 2017, the Board of County Commissioners (Board) authorized staff to prepare a Request For Proposals (RFP) for the development of approximately 20 small lot homes as a test case for the viability of a small lot form of development upon the property formerly occupied by the Tax Collector in western Lake Worth Beach. Said pilot project is currently referred to as the Cottage Homes. On February 26, 2019, during a Workshop meeting, the Board further endorsed the Cottage Homes project as one of the four sequential steps included as part of the Board-approved Infrastructure Sales Tax (IST) Project Plan for the delivery of housing units for homeless, extremely low, very low and low income individuals, which carries a total funding allocation of \$25.5M. The Cottage Homes project was assigned to be the first of such projects with the intent to service families experiencing homelessness. Direction was given at that time to proceed with issuance of an RFP to all local Housing Authorities offering to convey ownership of the property and provide up to \$3,973,000 of IST funding to accomplish the development of the project. The West Palm Beach Housing Authority was the sole respondent to the RFP and proposes to improve the property with 17 detached housing structures, a structure to serve as a neighborhood center, ancillary parking facilities, and other customary site improvements. The WPBHA will serve as the developer and contractor (WPBHA is licensed to perform construction under the Florida Statutes). The 17 housing units will be distributed amongst three different layouts, six 2-bedroom/1-bathroom units, six 2-bedroom/2-bathrooms units, and five 3-bedroom/2-bathrooms units; with square footage ranging from 981 to 1,200. Due to the use of IST funds, the property and improvements must always remain in public ownership and as a result, all units will be rental with maximum gross monthly rents for the first year ranging from \$598 to \$730, and maximum continued occupancy by any given tenant of 24 months. The proposal has been unanimously endorsed by a Selection Committee comprised of County representatives, and staff recommends approval of the Agreement between the County and WPBHA. **The funding source for project design, permitting and construction is from the Infrastructure Sales Tax (IST) Fund.** Any remaining IST funds upon construction completion would remain available to WPBHA for future application toward capital renewal/replacement needs. IST funds can only be used for capital improvements and cannot be used for operational costs. All operating costs but for water/sewer utility services would be at the expense of WPBHA. The eventual conveyance would be at no charge to WPBHA and subject to a restriction to government use, operation and maintenance for housing of low, very low and extremely low income residents. As an intergovernmental conveyance of real property, review by the Property Review Committee (PRC) will not be required. The resolution authorizing conveyance and the corresponding County Deed will be brought to the Board as a separate item for approval once the WPBHA meets the requirements for conveyance as set for under the Agreement that is, obtaining all required permits and approvals for construction. The WPBHA will have until September 13, 2021 to complete the design and permitting process, with an estimated 340 days needed for construction. Opening of the facility is expected in early FY23. The Developer and Operator agreement is exempt from the County's Equal Business Opportunity (EBO) Program. (FDO ADMIN) District 2/Countywide (MWJ)

Continued on Page 3

Attachments:

1. Location Map
2. Material Terms of Developer and Operator Agreement
3. Developer and Operator Agreement
4. September 26, 2017 BCC Agenda Item 5A-2
5. February 26, 2019 BCC Workshop Item 9:30 a.m.

Recommended By: *Sammi C. Neal Colles* 12/29/20  
 Department Director Date

Approved By: *[Signature]* 1/11/21  
 County Administrator Date

ATTACHMENT 6

**II. FISCAL IMPACT ANALYSIS**

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

| Fiscal Years                                 | 2021            | 2022 | 2023 | 2024 | 2025 |
|--|-----------------|------|------|------|------|
| Capital Expenditures                         | \$3,973M        |      |      |      |      |
| Operating Costs                              |                 |      | \$*  | \$*  | \$*  |
| External Revenues                            |                 |      |      |      |      |
| Program Income (County)                      |                 |      |      |      |      |
| In-Kind Match (County)                       |                 |      |      |      |      |
| <b>NET FISCAL IMPACT</b>                     | <b>\$3,973M</b> |      |      |      |      |
| # ADDITIONAL FTE POSITIONS (Cumulative)      | 0               |      |      |      |      |
| Is Item Included in Current Budget:          | Yes             |      | X    | No   | *    |
| Does this item include use of federal funds? | Yes             |      |      | No   | X    |

Budget Account No: Fund 3950 Dept 411 Unit Q001 Object Various

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

A total of \$3,973,458.06 in surtax proceeds would be made available to accomplish capital construction of the project upon approval of the proposed Agreement. Annually, \$2.55M in surtax proceeds is allocated to low income, extremely low income and homeless housing capital construction projects pursuant to the Board approved IST Project Plan, for a cumulative total of approximately \$25.5M over the life of the surtax program. Upon operation of the project, the County would be responsible for wraparound services including several tenant subsidies which would become budgeted within the General Fund (ad valorem proceeds), under the Community Services Department.

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS**

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

*Lin Martin* 12/31/2020  
OFMB #31  
*J. J. Johnson* 11/7/21  
Contract Development and Control  
1-7-21 (TW)

**B. Legal Sufficiency:**

*Eric M. Jones* 1/11/21  
Assistant County Attorney

**C. Other Department Review:**

*Taruna Malhotra*  
Department Director Community Services

This summary is not to be used as a basis for payment.

**Background & Policy Issues (Cont'd):** The 1.36-acre subject site formerly housed the Lake Worth branch office of the Tax Collector. FD&O staff initially intended to repurpose that structure for use by PBSO. However, upon performance of structural due diligence, the scope of work to renovate and return the building to productive use was far in excess of initial estimates and exceeded reasonable limits for a building of its size. The size and configuration of the site also presents significant constraints for the siting and operation of most conventional nonresidential buildings and facilities. As a result, and upon discovering that the underlying residential plat of the property remains in effect, staff concluded that a residential program constructed to the configuration of the plat would be the highest and best use of the property, and could serve as a model of the small lot form of residential development. Board direction concluded in agreement, the vacant structure was demolished to avoid any liabilities or other unintended conditions, and an RFP was subsequently developed and released to local Housing Authorities on December 20, 2019.

The RFP was targeted to local Housing Authorities only due to their known waiting list for affordable housing opportunities. The clientele served by Housing Authorities typically earns less than 80% of area median income (AMI), which is the target income group of housing funds allocated within the IST Project Plan. The statutory requirement for property and improvements funded by the IST Project Plan to remain in ownership of a governmental entity, combined with the development and operational experience of the Housing Authorities, made the agencies a natural fit for implementing the Cottage Homes project.

Although several local Housing Authorities expressed interest in the RFP and participated in early outreach efforts, only the WPBHA submitted a proposal due to unique circumstances and situations of the various Authorities at the deadline for response. The WPBHA proposal consists of 17 detached housing structures, a structure to serve as a neighborhood center, ancillary parking facilities, and other customary site improvements (i.e. site utilities, pedestrian and vehicular infrastructure, landscaping, etc.). The proposal conforms to the plat of the property as required by the RFP and was found by the Selection Committee to conform to all other RFP requirements and specifications with only one exception, the inclusion of a Developer's Fee. The RFP conditions clearly defined as excluded costs any direct or indirect costs or expenses of the Authority's employees; the WPBHA included as part of its proposal a 7% Developer Fee. During the proposal evaluation process, the Selection Committee brought this finding to the WPBHA's attention with the Authority indicating that the Developer's Fee included in the proposal was not an administrative fee. The Selection Committee issued its recommendation to award only after indicating that payment for services was not the intent of the RFP given the donation of land, capital construction funding at no cost, and the retention by the WPBHA of all operating proceeds. It was understood at the time of the recommendation by the Selection Committee that the inclusion and structure of the Developer's Fee was to be reassessed during the contract negotiation phase. The WPBHA proposal and County requirements will be incorporated into the proposed Developer and Operator Agreement; material terms of which are identified in Attachment 2.

The property on the north side of Clemens Street was purchased by the County in 1987 at a cost of \$203,000, while that to the south of Clemens Street was purchased in 1984 at a cost of \$360,000. Although no appraisal of the property has been obtained, nor is one required as an intergovernmental transaction, staff previously represented an anticipated current market value in the range of \$600,000 to \$900,000. Staff is recommending that the property be conveyed to WPBHA at no cost: 1) since the original purpose of the property acquisition was to accommodate the Tax Collector facility, which was fulfilled in full and benefited from for over 20 years; 2) as an inducement to proceed with the project as a viable endeavor of the Authority; 3) due to the proposed deed limitation of the property to government housing of eligible individuals only; and 4) to favorably position the project to immediately commence collection of a positive cash flow toward management expenses and future Renewal/Replacement needs for its continuous operations and appropriate physical conditions on an ongoing basis. The County Deed restriction would ensure compliance with the statutory requirement for government ownership of improvements funded with infrastructure surtax proceeds. Conveyance would not occur until all required building permits for the proposed improvements have been obtained by WPBHA to demonstrate and ensure project viability. The resolution authorizing conveyance and the corresponding County Deed will be brought to the Board as a separate item for approval once the WPBHA meets the requirements for conveyance as set for under the Agreement.

Under the conditions of the Agreement, the WPBHA will have until September 13, 2021 to complete the design and permitting process, with an estimated 340 days needed for construction. Opening of the facility is expected in early FY23.

Following construction completion, WPBHA will be responsible for placement of eligible family households into available units. WPBHA will be required to coordinate with the County's Community Services Department for priority placement of eligible families on a waiting list to be maintained by the County. Both rental amounts and duration of stay will be limited. The County will be required to provide subsidies (based on qualifications) for utilities, security deposits and rent, as well as any wrap around services the County desires to be provided to the project's occupants.

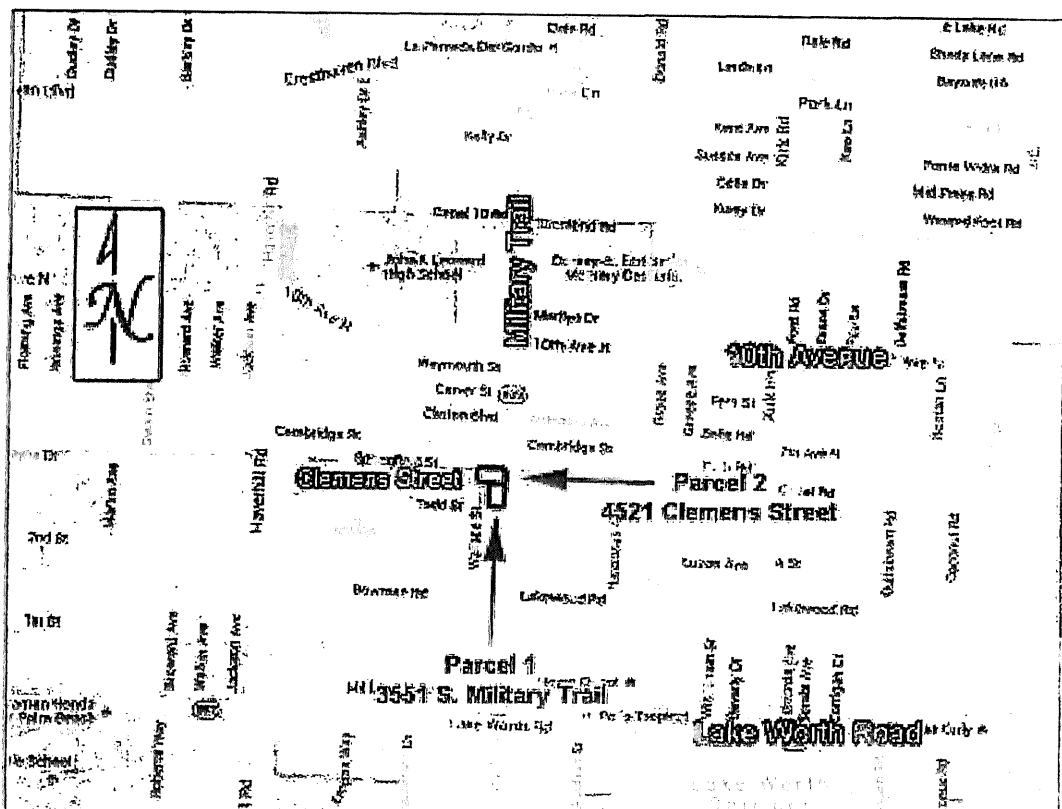
**Background & Policy Issues (Cont'd):**

All capital construction costs beyond the \$3,973,458.06 being made available by the Agreement will be the sole responsibility of the WPBHA. All of those County proceeds being derived through the one penny infrastructure surtax, eligible expenses are limited to capital improvements with no application toward project operating costs. Any remaining balance upon construction completion will be held by the County for future application to project Renewal/Replacement needs until such time that all funds have been fully exhausted.



ATTACHMENT 1

Location Map



ATTACHMENT 2

Material Terms of Developer and Operator Agreement

|   |
|---|
| <p style="text-align: center;"><b>1. General Scope of Responsibilities</b></p> <p>WPBHA will be responsible for the development, construction, ownership, operation and maintenance of the project.</p> <p>The County will provide funding in the amount of \$3,973, 458.06 for the construction of the project as well as convey the County's interest on 1.36 acres of real property to the WPBHA.</p>  |
| <p style="text-align: center;"><b>2. Land Control and Ownership</b></p> <p>Ownership will be conveyed as-is by County Deed to the WPBHA upon WPBHA's receipt of Building Permit(s) for all proposed improvements and prior to construction.</p> <p>The County Deed will include a restriction to use, operation and maintenance by a governmental entity for the provision of housing to low, very low and extremely low income residents. Governmental ownership is a requirement of the enabling legislation for the Infrastructure Sales Tax, which is the funding source for the proposed capital improvements.</p>   |
| <p style="text-align: center;"><b>3. Construction Funding</b></p> <p>The County will provide \$3,973,458.06 for delivery of the proposed capital improvements. The WPBHA has created a Program Estimate that aligns with the available funding. County shall timely process payment for all eligible expenses.</p> <p>All County funding will be from proceeds of the Infrastructure Sales Tax.</p> <p>Direct expenses incurred to prepare WPBHA's Step 2 Proposal, not to exceed in total \$35,000, will be immediately reimbursable to WPBHA upon BCC execution of the contract.</p> <p>Eligible expenses consist of all design, permitting and construction services, including consultant fees, application fees, labor and materials. Excluded costs include Authority's employees, attorneys, financial advisors, financing, promotional items, and contractual termination/ damages.</p> <p>The WPBHA included in its proposal a 7% Developer Fee; through contract negotiations it was agreed that the County will pay only 43% of the Developer Fee to the Authority. The remaining 57% of the Developer Fee will be allocated to Program Contingency.</p> <p>The WPBHA is licensed under Florida Statutes to perform construction, the Program Estimate includes a 14% Contractor's Fee.</p> <p>WPBHA shall be solely responsible for any and all cost overruns not caused by the County that are beyond the County funding for construction completion.</p> <p>Remaining funds in Program Contingency (i.e. savings) after project completion will be transferred to the County-maintained Initial Renewal/Replacement (R/R) Fund.</p> |
| <p style="text-align: center;"><b>4. Project Development</b></p> <p>WPBHA will be responsible for the competitive selection of all professional service providers consistent with the requirements of CCNA, and a County Staff member will have a seat on the selection committee. WPBHA's use of professionals holding a continuing services agreement with the County shall satisfy this requirement.</p> <p>WPBHA will be responsible for the competitive selection of subcontractors to construct the facility as well as vendors supplying goods for the facility in accordance with Florida Statutes.</p> <p>WPBHA shall negotiate, approve and execute all contracts for design and construction. A provision allowing for re-use of the design at no additional cost (except for site-specific adaptations) shall be included.</p> <p>WPBHA shall obtain County approval of all drawings, specifications, permits, approvals as well as certain conditions.</p>   |

WPBHA shall be responsible for issuance of Substantial Completion.

#### **5. Development/Construction Schedule**

WPBHA must secure all required permits and approvals for construction by September 13, 2021.

Construction is expected to take 340 days plus 60 days for closeout.

Facility is expected to open in early FY23 (October 2022).

#### **6. Use and Operation**

WPBHA will be solely responsible for repair, maintenance, operation and security of the property at its cost.

WPBHA will retain all revenue collected from its operation of the property.

WPBHA will use and operate the facility for the sole purpose of providing housing to eligible low, very low and extremely low income residents.

All units will be rental, with placement priority given to low, very low and extremely low income households on waiting lists maintained by the County (Community Services Department).

Rent shall not exceed 30% of the tenant's gross median income. Tenants shall not earn more than 80% of area median income for Palm Beach County. Maximum gross monthly rents for the first year ranging from \$598 to \$730. Rent structure changes require County's approval.

Occupancy of each unit shall be limited to a maximum duration of 24 months. The County (through its service provider), shall provide to the WPBHA a transition plan for each tenant placed by the County.

WPBHA will be solely responsible for the cost of and for prosecuting all eviction proceedings.

WPBHA will make a unit ready for occupancy within 30 days of being vacated by the prior tenant.

WPBHA will manage and schedule the use of the community center, which will be limited to community purposes.

WPBHA and Palm Beach County shall annually collaborate on a Renewal/Replacement (R/R) schedule for the approaching 10-year period of time. All R/R shall be the funding responsibility of WPBHA.

All Capital Improvements proposed by the WPBHA require County's prior consent and will be solely funded by the Authority.

#### **7. Wrap-Around Services**

The County's Community Services Department (CSD) will be responsible for securing and managing the provision of case management and wrap-around services.

CSD will retain the services of a Provider which will be required to: enter families into the Homeless Management Information System (HMIS); provide weekly case management; provide rent payment calculation and allocation; refer participants to financial literacy classes; and coordinate employment training and career counseling.

CSD will budget for (Ad Valorem funds) the following subsidies to be provided to the participants (subject to qualification): monthly rental, security deposit, furniture and utilities.

#### **8. Default**

Upon default by the other party, either party can: 1) grant a reasonable period of time within which to cure the default; 2) seek dispute resolution pursuant to the conditions of the Agreement; 3) seek specific performance of the agreement's terms; 4) terminate the Agreement; and/or 5) pursue other remedies as available by law or in equity.

#### **9. Term and Termination**

Initial term of 34 years, two renewal options of 30 years each. Upon expiration of the initial term or any renewal term, the WPBHA shall convey its ownership interest in the facility and

site to the County.

WPBHA must secure all permits and approval by September 13, 2021; the County in its sole discretion may agree to an extension.

Prior conveyance of the 1.36 acres real property to the WPBHA, either party can terminate the agreement: 1) in the event that the WPBHA is unable to obtain all required permits and approvals for construction of the facility; or 2) in the event that unforeseen site conditions are discovered which render the project unfeasible.

If the County terminates the agreement upon default of the WPBHA after conveyance but before final completion, the WPBHA shall assign all contracts to the County, deliver all plans/drawings, convey its ownership interest and surrender the property.

If the County terminates the agreement upon default of the WPBHA after final completion, the WPBHA shall convey its ownership interest to the County, turn over the funds in the Authority's maintenance account, contingency fund and R/R project reserve to the County.

If the WPBHA terminates the agreement upon default by the County after conveyance of the 1.36 acres of real property but before final completion, the WPBHA shall assign all contracts to the County, deliver all plans/drawings, convey its ownership interest and surrender the property.

If the WPBHA terminates the agreement upon default of the County after final completion, the WPBHA shall convey its ownership interest to the County, turn over the funds in the Authority's maintenance account, contingency fund and R/R project reserve to the County.

If the WPBHA terminates the agreement upon default of the County after final completion due to the County's failure to refer any low, very low and/or extremely low income households for placement in an available unit, for a period of more than one year, the WPBHA can retain ownership of the facility and the funds in the Authority's maintenance account, contingency fund and the R/R project reserve,

#### **10. Miscellaneous**

Casualty Loss - WPBHA shall fund the repair and restoration of the property in the event of a casualty loss. Any repair and restoration not funded within one year of a casualty loss provides WPBHA the option to terminate the Agreement and turn over any insurance proceeds.

County's Representative – Director, Facilities Development & Operations

Dispute Resolution – WPBHA and the County agree not to file a lawsuit until after engaging in an expedited dispute resolution process.

Insurance - WPBHA shall maintain property insurance and windstorm insurance, at its expense, at no less than 100% of total replacement cost.

Naming of the facility – WPBHA shall obtain the County's written consent to any name attached to the facility. WPBHA submitted its proposal identifying the project as Laurel Oak Cottages, during contract negotiations it was agreed that County's consent would be required for any names attached to the facility.

Number of Units – Seventeen (17) detached housing units, three layouts: six 2-bedroom/1-bathroom units, six 2-bedroom/2-bathrooms units, and five 3-bedroom/2-bathrooms units; with square footage ranging from 981 to 1,200.

Reporting Requirements – include, but are not limited to: annual R/R implementation, major incidents, household placements and financial statements.

ATTACHMENT # 4

Agenda Item #: SA-2  
MM/MB 7-0

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: September 26, 2017 [ ] Consent [X] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Facilities Development & Operations

**APPROVED**

BY BOARD OF COUNTY COMMISSIONERS  
AT MEETING OF SEP 26 2017  
I. EXECUTIVE BRIEF  
MINUTES & RECORDS SECTION

Motion and Title: Staff recommends:

- A) authorization to demolish the existing building and re-use of 1.3-acres of County property formerly occupied by the Tax Collector for the development of small lot transitional housing units;
- B) authorization to develop a Request For Proposals for the development and development/operation of approximately 20 small lot homes;
- C) staff develop an outreach program to municipalities about the small lot form of development and how it can assist municipalities in meeting their affordable housing and redevelopment objectives as well as not for profits and developers who are seeking opportunities to satisfy their affordable/workforce housing requirements.

**Summary:** Staff is recommending the use of the County-owned property which previously housed the Lake Worth Tax Collector's Office on Military Trail south of 10<sup>th</sup> Avenue North for development of approximately 20 transitional housing units as a test case for the viability of a small lot form of development to meet the needs of the low and moderate income population for housing units. (PREM) District 2 (HJF)

**Background and Policy Issues:** Staff has been continually evaluating County-owned surplus properties which have potential to be used for development of affordable/workforce/transitional housing. The majority of the surplus developable properties are small single family lots that afford limited development capacity, and as a result there has been little interest expressed by existing County programs and not for profit housing groups in utilizing such properties to achieve meaningful housing solutions for the target population.

Attachments:

- 1. Location Map

Recommended By: ReH Amy Wint 9/18/17  
Department Director Date

Approved By: ABaker 9/25/17  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

| Fiscal Years   | 2018  | 2019  | 2020  | 2021  | 2022  |
|--|-------|-------|-------|-------|-------|
| Capital Expenditures   | _____ | _____ | _____ | _____ | _____ |
| Operating Costs  | _____ | _____ | _____ | _____ | _____ |
| External Revenues  | _____ | _____ | _____ | _____ | _____ |
| Program Income (County)  | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County)   | _____ | _____ | _____ | _____ | _____ |
| <b>NET FISCAL IMPACT</b>   | *     | _____ | _____ | _____ | _____ |
| <b># ADDITIONAL FTE POSITIONS (Cumulative)</b>                   | _____ | _____ | _____ | _____ | _____ |
| Is Item Included in Current Budget: Yes _____ No _____           |       |       |       |       |       |
| Budget Account No: Fund _____ Dept _____ Unit _____ Object _____ |       |       |       |       |       |
| Program _____  |       |       |       |       |       |

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

\* There is no fiscal impact associated with this item although the value of the property being contributed is between \$600,000-\$900,000. If the BCC approves Staff's recommendation, an RFP will be issued in the future which will likely have a fiscal impact. The BCC will consider the proposals received and the fiscal impact of those proposals at that time.

**C. Departmental Fiscal Review:** \_\_\_\_\_

**III. REVIEW COMMENTS**

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




**B. Legal Sufficiency:**



**C. Other Department Review:**

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

**This summary is not to be used as a basis for payment.**

As a result of changes stemming from recent planning and programming initiatives, FDO Staff (Staff) began considering the former Tax Collector's Office property on Military Trail which has remained vacant for an extended period of time and has no physical potential to support any County space need. Because of its size (approximately 1.3 acres), location in an area with urban services and due to the fact that it is within an existing platted subdivision, it presents a unique opportunity to develop approximately twenty (20) 800 - 1,200 square foot detached single family affordable/workforce/transitional housing units. Staff is recommending that the Board authorize Staff to pursue demolition and reuse of this property for that purpose. Staff would use this as a test case in hopes of garnering support for the smaller form of housing and more traditional subdivision development that is discussed in more detail below.

As has been discussed at length in various housing forums, there are numerous factors which drive up the cost of housing, including land availability/cost, construction cost, and regulatory requirements. Component costs include low usable density, low lot coverage (setbacks, buffering, pervious area and so on), lengthy approval processes, extension of infrastructure (roads, water sewer, drainage) and impact fees to name the most commonly cited.

Current land development regulations have been crafted to address issues associated with ever expanding suburban development and in an attempt to make development pay for itself while delivering substantial homeowner amenities. The result is that the majority of new housing units in the unincorporated area of the County have been developed within a series of master planned communities with an overall density that rarely achieves or exceeds 5 units per acre (the suburban form of residential development). The suburban form of development is not affordable for a large segment of the general population. Compounding this is the scarcity of raw land left within the Urban Service Area for new construction. What does remain is largely at the western fringe in areas with limited services.

Staff believes that a shift in focus from the suburban form to a more traditional form offering modest size (25' - 30' x 100') lots will facilitate development of housing products that are within the economic reach of the low and middle income segments of the local population. This form of development is most commonly associated with the urban areas of West Palm Beach, Lake Worth, Boynton Beach, and Delray Beach (including some aging unincorporated areas), which at the time of development did not face many of the previously mentioned component costs. There are numerous areas within municipal and adjacent unincorporated areas where such lots remain in place and are served by existing infrastructure. Because these lots were previously platted with higher density (20 units/acre not being atypical) and are thus vested in their current configuration, no series of development approvals or lengthy review procedures are required. Such projects can proceed straight to building permit review and issuance. Setbacks on those lots can be reduced below current zoning standards to dimensions that are proportionate to the width and depth of each individual lot. The relatively modest size of the resulting unit reduces land and construction costs and the ongoing expenses of home ownership thereafter. The local market appears to accept this smaller lot form, as there are several privately funded projects in pockets throughout the urban service area of the County which have been developed in the last few years with market prices in a range of \$125,000 - \$150,000 per unit. There are several such projects in close proximity to the subject site.

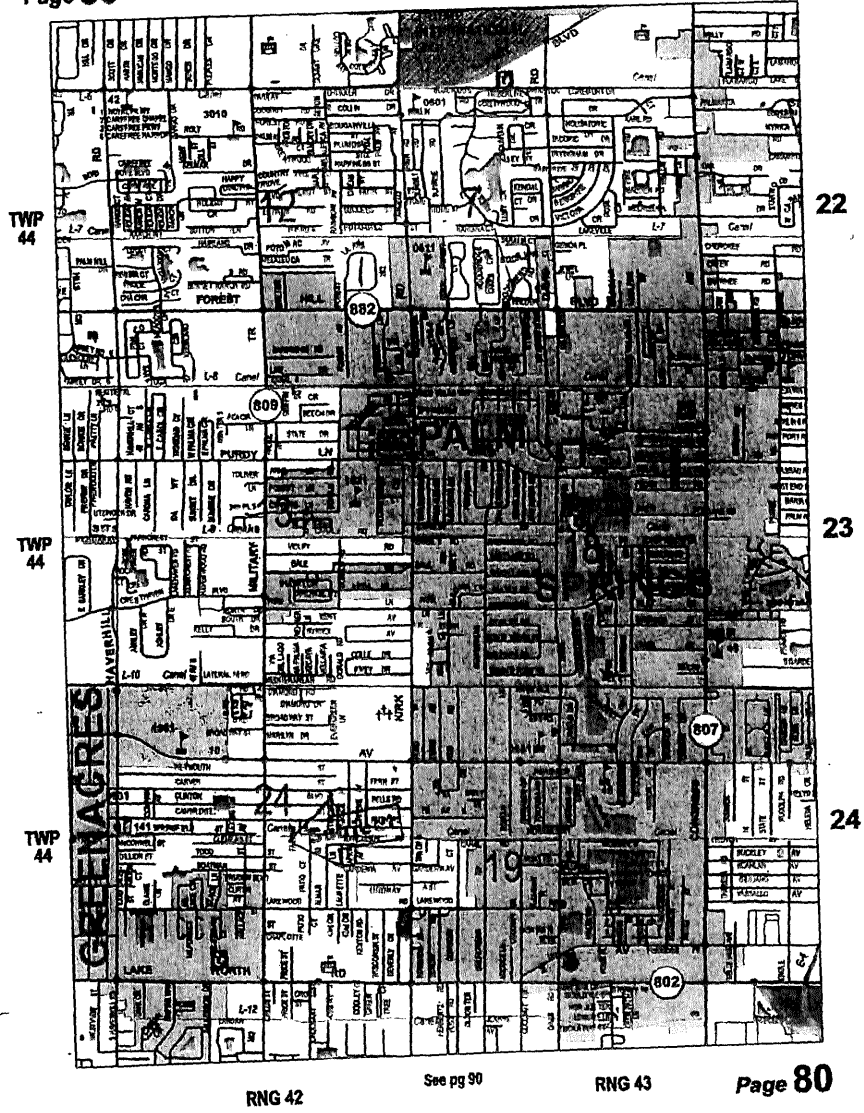
The subject site on Military Trail has underlying 25'x109' platted lots such as those described above. PZB and Land Development Staff have confirmed that the site's vested plat allows for housing development that could overcome most of the challenges imposed by the suburban form required by current County land development regulations as discussed in the attached report prepared by UDKS. Attached is a conceptual site plan depicting this form of development on this site. Staff recommends the County pursue development of approximately twenty (20) 800 - 1,200 sf detached units on this property as a test case. Staff is hopeful that the end result will be able to further demonstrate the viability of this small platted lot form of development.

There remain numerous details to be worked out. In order to expedite the delivery of affordable housing, funding is being provided from the Infrastructure Sales tax budget and this funding source requires that the County retain ownership. It is contemplated that the County will issue an RFP for a developer to construct, operate and maintain the project for transitional housing in support of existing County programs. Staff is recommending that the Board conceptually approve the use of the property for this purpose. Staff will proceed to work through these issues and provide a refined proposal, including preparation of an RFP for the developer or developer/operator, to the Board through a future agenda item.

If this test case proves the viability of the small lot form of development, then Staff would recommend pursuing code changes within the municipalities and unincorporated areas to facilitate this form of housing development. We envision outreach efforts to the municipalities about this form of development and how it can assist in meeting their affordable housing and redevelopment objectives. Staff will also undertake outreach to not for profit agencies, as well as developers looking for opportunities to satisfy their affordable/workforce housing requirements, to raise awareness of this form of development and to generate support for the code changes required to facilitate this form of development on a larger scale.

As you can see, this will be a multi-phase process which will take time to successfully implement. In the interim, we will continue to evaluate the suitability of other County owned surplus properties for this purpose and work with the cities to begin a centralized database of properties which have the potential for this form of development.





LOCATION MAP



# ATTACHMENT # 5

Agenda Item #: 9:30 a.m.

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**WORKSHOP SUMMARY**

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**Meeting Date:** February 26, 2019

**Department:** Administration

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**I. EXECUTIVE BRIEF**

**Title:** Housing Units for Homeless, Extremely Low & Low Income-IST Project Plan

**Summary:** Staff was directed to develop a proposal for the use of the \$25,500,000 Infrastructure Sales Tax (IST) funding allocated by the Board for housing units for Homeless, Extremely Low and Low Income. The attached white paper accomplishes that direction and provides a proposed four (4) Project Plan components and allocations of the IST funding. As proposed, the Project Plan includes the following initiatives: (1) Cottage Homes-\$4,000,000; (2) Tax Deed/Seed Funding-\$2,500,000; (3) Mixed Income Development-\$14,000,000 and Municipal Incentive Funding-\$5,000,000. Staff is seeking Board direction on the proposed four (4) Project Plan components and allocation of the \$25,500,000 IST funding. Since the \$25,500,000 is received at \$2,550,000, annually for 10 years, Staff intends to use the Board direction and priorities to develop a time specific funding plan which will reflect the anticipated receipt of the IST funding. (Housing & Economic Sustainability/Community Service)Countywide (DB)

**Background and Policy Issues:** On November 8, 2016, the voters of Palm Beach County approved an Infrastructure Surtax Project Plan for one cent, maximum 10 years beginning January 1, 2017 (or if the surtax generates \$2.7 billion before September 1<sup>st</sup> of any year), creation of an oversight committee to audit spending for compliance with approved projects, and the following allocations: 50% to the School District, 30% to the County, and 20% to the Municipalities. On April 4, 2017, the Board approved the County's project list of approximately \$709 million to be funded from the proceeds of the infrastructure surtax. The plan included an annual allocation of \$2,550,000 for housing units for the homeless, extremely low income and low income totaling \$25,500,000 over the 10-year period.

**Attachments:**

1. Housing Units for Homeless, Extremely Low & Low Income IST Project Plan White Paper

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**Recommended by:** *Mark Johnson* 2/20/19  
Assistant County Administrator Date

**Approved By:** *JC Baker* 2/21/19  
County Administration Date

**II. FISCAL IMPACT ANALYSIS**

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

|                               |  |  |  |  |  |
|-------------------------------|--|--|--|--|--|
| <b>Fiscal Years</b>           |  |  |  |  |  |
| <b>Capital Expenditures</b>   |  |  |  |  |  |
| <b>Operating Costs</b>        |  |  |  |  |  |
| <b>External Revenues</b>      |  |  |  |  |  |
| <b>Program Income(County)</b> |  |  |  |  |  |
| <b>In-Kind Match(County)</b>  |  |  |  |  |  |
| <b>NET FISCAL IMPACT</b>      |  |  |  |  |  |
| <b>#ADDITIONAL FTE</b>        |  |  |  |  |  |
| <b>POSITIONS (CUMULATIVE)</b> |  |  |  |  |  |

Is Item Included in Current Budget?      Yes      No  
 Does this item include the use of federal funds?      Yes      No

**Budget Account No:**  
 Fund      Agency      Organization      Object

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

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS:**

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

*Robert Lewis* 2/20/19      *J. S. [Signature]* 2/20/19  
 OFMB 1/19      Contract Dev. & Control  
 2/20      2/20/19

**B. Legal Sufficiency**

*D. C. [Signature]* 2/20/19  
 Assistant County Attorney

**C. Other Department Review**

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

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

February 25, 2019

To: Honorable Mayor Mack Bernard and  
Members of the Board of County Commissioners

From: Faye W. Johnson, Assistant County Administrator  
Nancy Bolton, Assistant County Administrator

Re: **Housing Units for Homeless, Extremely Low & Low Income  
IST Project Plan — February 26, 2019 Workshop**

This white paper's primary objective is to get Board direction on the proposed four (4) Project Plan components and allocation of the \$25,500,000 Infrastructure Sales Tax (IST) funding for "Housing Units for Homeless, Extremely Low and Low Income". It identifies the method of operation, the proposed operating entity, and the potential funding source for the operational costs. Staff intends to use the Board direction to develop the time specific funding plan and bring it back to the BCC for approval at a later date.

#### **Background**

As has been discussed at length in various housing forums, there are numerous factors which drive up the cost of housing, including land availability/cost, construction cost, and regulatory requirements. Component costs include low usable density, low lot coverage (setbacks, buffering, pervious area and so on), lengthy approval processes, extension of infrastructure (roads, water sewer, drainage) and impact fees to name the most commonly cited. To further address level of service deficiencies in the areas of homeless, extremely low and low income housing services, the Board allocated \$31,200,000 from the one-penny sales tax revenue and directed staff to bring back a proposal for the use of the funds to address this need. As presented at the December 4, 2018 BCC meeting, \$5,700,000 of the funds has been allocated to the second Housing Resource Center (HRC2), which is a separate IST Project. Staff intends to bring back a proposal on the HRC2 to the Board at the June 26, 2019 workshop.

This Project Plan is presented for the Board's discussion and direction on the remaining \$25,500,000 IST funding. The four (4) Project Plan Components are designed to take a multi-pronged approach to assist in reducing the shortage of affordable-workforce housing for homeless, extremely low and low income individuals and families. Household incomes cannot exceed 80% of the County's Area Median Income (AMI) in place at the time the projects are implemented. Based on the current AMI of \$74,300, the maximum household income would be \$61,500 (adjusted for family size). IST funding began to accrue in FY 17 and budgetary allocations are anticipated to be received in annual increments of \$2,550,000 for ten (10) years. The Board should keep in mind that in all cases where IST funding is utilized, there is a statutory requirement for the property/building to remain in the ownership of the County, City or Housing Authority. It should also be noted that IST funding cannot be used for operations or operating costs in any scenario. All operating costs would need to be from a source other than IST funding.

#### **Plan Overview**

This IST Project Plan is premised primarily on a partnership between the County and the local Housing Authorities, and also includes Nonprofits and Municipalities to a lesser extent. In March of 2018, the Board held an Inaugural roundtable discussion with the seven local Housing Authorities: Belle Glade, Boca

Raton, Delray Beach, Riviera Beach, West Palm Beach and Palm Beach County. Collectively, the Authorities reported a combined waiting list of more than 11,000 for housing units and over 5,000 for housing vouchers. The County's partnership with the Housing Authorities, along with other stakeholders, is essential to addressing the critical need for safe, decent and affordable housing. The Authorities typically serve clients earning incomes under 80% of area median income which is the target income group of the IST Project Plan. In addition, the Housing Authorities also engage in special projects and development activities. Staff believes their experience and expertise could be utilized to assist the County to successfully implement the IST Project Plan. This IST partnership could also help fulfill the Board's commitment to strengthen communication and coordination with the local Housing Authorities. The proposed four (4) components and IST funding amounts, outlined in Attachment 1 and summarized herein, include the following:

- Cottage Homes: (\$ 4,000,000)
- Tax Deed & Incentive Funding: (\$ 2,500,000)
- Mixed Income Development: (\$14,000,000)
- Municipal Incentive Funding: (\$ 5,000,000)

#### **Project Plan Four (4) Program Components**

##### **(1): Cottage Homes**

###### **Development Overview**

Current land development regulations have been crafted to address issues associated with ever expanding suburban development and in an attempt to make development pay for itself while delivering substantial homeowner amenities. The result is that the majority of new housing units in the unincorporated area of the County have been developed within a series of master planned communities with an overall density that rarely achieves or exceeds 5 units per acre (the suburban form of residential development). The suburban form of development is not affordable for a large segment of the general population. Compounding this is the scarcity of raw land left within the Urban Service Area for new construction. What does remain is largely at the western fringe in areas with limited services.

Staff believes the inclusion of a more traditional form of development in unincorporated areas could be successful. Offering modest size (25' - 30' x 100') lots could assist our efforts to facilitate development of housing products that are within the economic reach of the extremely low and low income segments of the local population. This form of development is most commonly associated with the urban areas of West Palm Beach, Lake Worth, Boynton Beach, and Delray Beach (including some aging unincorporated areas), which at the time of development did not face many of the previously mentioned component costs. There are numerous areas within municipal and adjacent unincorporated areas where such lots remain in place and are served by existing infrastructure. Because these lots were previously platted with higher density (20 units/acre not being atypical) and are thus vested in their current configuration, no series of development approvals or lengthy review procedures are required. Such projects can proceed straight to building permit review and issuance. Setbacks on those lots can be reduced below current zoning standards to dimensions that are proportionate to the width and depth of each individual lot. The relatively modest size of the resulting unit reduces land and construction costs and the ongoing expenses of home ownership thereafter. The local market appears to accept this smaller lot form, as there are

several privately funded projects in pockets throughout the urban service area of the County which have been developed in the last few years with market prices in a range of \$150,000- \$200,000 per unit.

The Cottage Homes project will be located on the County-owned property which previously housed the Lake Worth Tax Collector's Office on Military Trail south of 10<sup>th</sup> Avenue North. Authorization to demolish the existing building and re-use the property for the project was approved by the BCC at the September 26, 2017 Board meeting. The project is intended to showcase how a small lot form of development could address housing affordability and gracefully integrate with other residential structures of all sizes. Following the project's completion, staff recommends pursuing code changes in the unincorporated areas and within the municipalities that do not have codes which support this form of development in order to support these affordability objectives.

*Development and Operations Overview*

The cottages will serve families with children under the age of 18 who are homeless as documented through the Coordinated Entry system, score no higher than a 3 on the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SDPAT) and are taken from the by-name acuity list. The VI-SDPAT is used for both singles and families to determine risk and prioritization when providing assistance to homeless and at-risk of homelessness persons. The VI-SDPAT helps identify and prioritize who should be recommended for each housing and support intervention, moving the discussion from simply who is eligible for a service intervention to who is eligible and in greatest need of that intervention. Families within this category are typically working and have a semi-structured support system. It is estimated that each family will stay an average of 21 months but no longer than 24 months. Family size will be limited to two people per bedroom. Tenants of rental units developed using IST (i.e. Cottage Homes) would be permitted to use Tenant Based Rental Assistance (TBRA), to rent eligible units, in accordance with the Federal Regulations.

Staff recommends that a single Request for Proposal (RFP) be solicited among all Housing Authorities<sup>1</sup> which exist in Palm Beach County. The RFP would offer to convey the property and up to \$4,000,000 to accomplish the development of the Cottage Home Project. The RFP would set forth the minimum number of units to be constructed, the min and max square footage for each unit, and other key design considerations. Due to the use of IST funding, the property and improvements must always remain in Housing Authority ownership and as such, the units would all be rentals. The RFP would also require the Housing Authorities to be responsible for the perpetual maintenance of the project, renewal/replacement, operation and provision of wrap around services. Proposals would be evaluated on a number of selection criteria such as: 1) quality of units to be constructed; 2) funding assistance required for the operations; maintenance, renewal/replacement (if any), 3) quality and extent of wrap around services to be provided; 4) funding assistance required for wrap around services (if any), and 5) time to complete. The Housing Authorities may partner/contract with private parties and not for profit entities as necessary to fulfill the requirements of the RFP. IST dollars can only be used for capital improvements and cannot be used for operational costs. If funding assistance is required for operations,

<sup>1</sup> It is the opinion of County Attorney's Office that the County can convey property/improvements to a municipality or housing authority providing they contractually agree to follow all statutory requirements for IST funding as well as all statutory guidelines governing design (CCNA) and construction (competitive bidding). This would be accomplished by either; 1) a transfer restriction in the agreement indicating that any further sale of the property is subject to County prior approval, and/or 2) a recorded deed restriction placing owners on notice of the restriction.

maintenance, renewal/replacement and/or wrap around services, a non-IST funding source will be required.

**(2): Tax Deed Surplus Property Conveyance & Incentive Funding**

Housing Authorities Tax Deed Surplus Property Conveyance

The purpose of this Project Plan component is to increase the use of residentially zoned properties received by tax certificates for extremely low and low income individuals and/or families. Pursuant to this program, the County would use Housing Authorities<sup>2</sup> as the County's implementing entity, to convey parcels received through tax deeds that will accommodate three (3) or more units on the site for the production of single family and/or low density multi-family housing for extremely low, very low and low income individuals/families. Mixed Income level projects (moderate through extremely low), not requiring IST funding, would also be considered. Housing Authorities may accept conveyance of tax deed property for affordable housing purposes subject to a deed restriction. Nothing in this option precludes the County from retaining buildable lots for the direct provision of for-sale attainable, affordable units.

Housing Authority Incentive Funding

This program subcomponent provides an additional source of funding to the Housing Authorities. A Housing Authority may seek incentive funding for properties other than those conveyed by tax deed. Likewise, a Housing Authority is not required to seek IST funding for improving a tax deed conveyed property. The County would issue an open request for funding from Housing Authorities (Proposer or Award Recipient) seeking Incentive funding for homeless, extremely low or low income projects. The County would provide partial capital funding from allocated IST funding (the amount of the funding could be as high as 80% of the project capital costs associated with Housing Authority owned and operated housing projects serving the homeless). County IST funds could be used as a local match to State and Federal funding secured by a Housing Authority, which could include but is not limited to, LIHTC, Vouchers, SAIL, competitive grants, etc. Solicitations will continue until all IST funds allocated to this component were awarded. If IST funding is granted for a project, the land and improvements must remain in Housing Authority ownership.

Operations Overview

If no IST funds are requested/used, there is no operational requirement attached to this option as the property would be owned and become the responsibility of the owner. However, if the Housing Authority requests IST funds as Incentive funding, then the land and units must remain in the Housing Authority's ownership and the costs of operation would be borne by the Housing Authority and must be accomplished through non-IST funding sources.

**(3): Mixed Income Development**

Development Overview

The purpose of this project is to use SURPLUS civic sites that are generally 10 acres or larger for the development of mixed income, single and multi-family units. For the purposes of this component, a

<sup>2</sup> See previous footnote

surplus civic site is referred to as a Parcel. The County would issue a solicitation to Housing Authorities as developers of a Parcel to master plan the entire Parcel for a mixed income (extremely low, very low, low) affordable, workforce single family and other low density multi-family housing<sup>3</sup> along with all common amenities. Mixed income level projects, moderate through extremely low, will be more favorably considered and would require non-IST funding for the moderate-income units. The Housing Authorities would be encouraged to partner with not for profits for the development and on-going management of the property. The units would include permanent supportive housing for those persons with extremely low and very low income, including those on a fixed income such as social security or social security disability.

The County would donate the Parcel and be responsible for securing the appropriate zoning to accomplish the project. The RFP respondent would propose a mixed unit development specifically identifying: 1) the number of units for each income category; 2) a conceptual plan identifying the layout of the units demonstrating how units identified for each income level will be dispersed throughout the entire development and how the Project will transition to the adjacent market rate developments; 3) the funding required; 4) approach to the delivery of the units; 5) the amount of capital funding assistance required for the construction of the extremely low, very low and low income units; 6) the plan for managing the deed restrictions on the units to be sold; 7) the plan for managing the rental units compliant with the IST requirements; and 8) past experience and ability to successfully execute the Project. THE RESPONDENTS WILL NEED TO BE VERY CREATIVE IN THE MASTER PLANNING AND DESIGN OF THE PARCEL SO THAT THE UNITS FOR EACH INCOME LEVEL ARE DISPERSED, BUT ENSURE THAT IST FUNDING IS ONLY USED FOR THE CONSTRUCTION OF RENTAL UNITS DEED RESTRICTED TO EXTREMELY LOW, VERY LOW AND LOW INCOME INDIVIDUALS AND FAMILIES. IST FUNDING CAN NOT BE USED FOR SITE INFRASTRUCTURE, ANY UNIT TO BE SOLD, OR ANY UNIT NOT DEED RESTRICTED TO EXTREMELY LOW, VERY LOW, AND LOW INCOME INDIVIDUALS AND FAMILIES.

All units would be managed by the successful Housing Authority or its project property manager partner. There would be no County operational or on-going funding contribution. The County's funding of the land, zoning and costs of construction for the low, very low and extremely low units will be sufficient to maintain appropriate lease rates.

#### **(4): Municipal Incentive Funding**

##### Development Overview

The purpose of the Municipal Incentive Funding component is to encourage municipal participation in the siting, delivery and operation of housing for homeless, extremely low and/or low income individuals and families by allowing the municipality to make all decisions relating to siting, design, and construction of the project.<sup>4</sup> The County's contribution would be funding in the form of a grant subject to the statutory use requirements for IST funding and the selection of design consultants. The grant would not be subject to repayment.

<sup>3</sup> Market rate units will be allowed but may not exceed 20% of the units.

<sup>4</sup> It is the opinion of County Attorney's Office that the County can provide IST funding or convey property/improvements where IST funding was used to a municipality or housing authority providing they contractually agree to follow all statutory requirements for IST funding as well as all statutory guidelines governing design (CCNA) and construction (competitive bidding). This would be accomplished by either: 1) a transfer restriction in the agreement indicating that any further sale of the property is subject to County prior approval, and/or 2) a recorded deed restriction placing owners on notice of the restriction.



The County would issue a series of solicitations for proposals from municipalities or municipality/Housing Authority partner teams (Proposer or Award Recipient) seeking incentive funding for homeless, extremely low or low income projects within their municipal limits. The County would provide partial capital funding (the amount of the funding would be as high as 80% of the capital costs associated with municipal owned and operated housing projects serving the homeless). Proposals for extremely low could receive 50% and low income housing projects could receive 40%. County funds could be used as a local match to State and Federal funding secured by a municipality, which could include but is not limited to, municipal IST funds, general funds, CDBG, HOME, HOPWA, competitive grants etc. Solicitations will continue until all IST funds allocated to this component were awarded.

Operations Overview

Responsibility for operating the units would be 100% the responsibility of the Award Recipient using whatever non-IST funding sources/donations are available to them. The solicitation will require that the Proposer identify the sources of funding for the operation.

**Approach to Implementation**

Facilities Development & Operation's (FDO) role in implementing the overall program will be to: 1) act as the lead in the development and management of the solicitation and/or negotiation of agreements for developers and/or operators of County-owned parcels, 2) act as the lead in the development of all agreements with other governmental entities; 3) prepare all documents relative to the transfer of land to another governmental entity, and 4) prepare a checklist of all applicable restrictions to each type of unit for use by Housing and Economic Sustainability and Community Services.

Housing and Economic Sustainability's role in implementing the overall program will be to: 1) administer executed developer agreements with other governmental entities to ensure that the other party is complying with the terms of the agreement, as appropriate 2) provide eligibility assistance to other governmental entities on determining individual and family eligibility, as appropriate 3) identify potential non-IST funding sources to implement the Large Mixed Income Development component, 4) monitor and evaluate the performance of the entities as appropriate, and 5) develop the form of a report to the BCC regarding the success of the programs. Specifically for the Cottage Homes component, DHES will be the prime "user" department for the Cottage Homes development RFP. DHES staff support for the administration of IST projects will be addressed through the budget process; as appropriate.

Community Service's role in implementing the overall program will be to: 1) administer executed agreements with contracted operators for County owned units in the Cottage Home and the Large Mixed Income Developments, 2) development of the program for how wrap around services are to be provided to all homeless individuals in each program component, 3) provide eligibility assistance to individual and family eligibility, as appropriate, 4) monitor and evaluate the performance of the entities as appropriate, 5) make annual funding recommendations for non-IST funding necessary to implement the wrap around and supportive services required, 6) vet and make housing placements to Cottage Home development as well as any other development that is restricted to homeless individuals and families, and 7) develop the form of a report to the BCC regarding the success of the programs. Specifically for the Cottage Homes component, Community Services will be the prime "user" department for the Cottage Homes operator RFP.

**Attachments**

**1. Summary of Program Components**

- C: Verdenia C. Baker, County Administrator**  
**Jonathan Brown, Director Housing and Economic Sustainability**  
**Sherry Howard, Assistant Director Housing and Economic Sustainability**  
**James Green, Director Community Services**  
**Taruna Malhotra, Assistant Director Community Services**  
**Wendy Tippett, Director Human Services**  
**Audrey Wolf, Director Facilities Development & Operations**  
**Ross Herling, Director Property and Real Estate Management**  
**Eric McClellan, Director, FDO Strategic Planning**  
**Fernando DelDago, Director Capital Improvements**  
**James Brako, Assistant County Attorney**  
**David Behar, Assistant County Attorney**

ATTACHMENT 1  
SUMMARY OF PROGRAM COMPONENTS

| Program Component                            | Summary  |
|--|--|
| Cottage Homes                                | <ul style="list-style-type: none"> <li>a. Funding Level:               <ul style="list-style-type: none"> <li>i. \$600,000-\$900,000 - Value of Property</li> <li>ii. \$4,000,000 IST Funding</li> </ul> </li> <li>b. Target Population: Homeless</li> <li>c. Ownership: LAND AND IMPROVEMENTS MUST REMAIN IN COUNTY<sup>5</sup>, MUNICIPAL OR HOUSING AUTHORITY OWNERSHIP SO LEASES ONLY.</li> <li>d. Development: Housing Authority Funding Agreement subject to terms of statute governing IST funding and following CCNA statutory requirements.<sup>6</sup></li> <li>e. Operation: Housing Authority</li> </ul>   |
| Housing Authority Tax Deed/Incentive Funding | <ul style="list-style-type: none"> <li>a. Funding Level: Up to \$2,500,000 in IST funding for Improvements to real property with individual projects not to exceed 80% of project capital cost. Mixed income level projects (moderate through extremely low) will be considered, if no IST funding is required.</li> <li>b. Target Population: Extremely Low, Very Low and Low Income Individuals and/or Families.</li> <li>c. Ownership: Housing Authority. PROPERTY CONVEYED WITHOUT IST FUNDING ASSISTANCE CAN BE SOLD SUBJECT ONLY TO ELIGIBILITY RESTRICTIONS. IF IST FUNDING ASSISTANCE IS RECEIVED, LAND AND IMPROVEMENTS MUST REMAIN IN HOUSING AUTHORITY OWNERSHIP SO THESE UNITS WOULD BE LEASE ONLY and would be subject to terms governing IST funding and following CCNA statutory requirements for the selection of design professionals and design-build contractors.<sup>7</sup></li> <li>d. Operation: Housing Authority (self-performed or contracted operator)</li> </ul> |
| Mixed Income Development                     | <ul style="list-style-type: none"> <li>a. Funding Level: Up to \$14,000,000 in IST funding for housing units to be deed restricted and leased to low, very low and extremely low income individuals and families.</li> </ul>   |

<sup>5</sup> It is the opinion of County Attorney's Office that use of Infrastructure Sales Tax funding is for capital projects that constitute government facilities.

<sup>6</sup> It is the opinion of County Attorney's Office that the County can convey property/improvements to a municipality or housing authority providing they contractually agree to follow all statutory requirements for IST funding as well as all statutory guidelines governing design (CCNA) and construction (competitive bidding). This would be accomplished by either; 1) a transfer restriction in the agreement indicating that any further sale of the property is subject to County prior approval, and/or 2) a recorded deed restriction placing owners on notice of the restriction.

|                             |   |
|-----------------------------|---|
|                             | <ul style="list-style-type: none"> <li>b. Target Population: Workforce, Affordable, Extremely Low and Low Individuals and/or Families. Mixed Income level projects, moderate through extremely low, will be more favorably considered and would require non-IST funding for the moderate-income units.</li> <li>c. Ownership: Any unit and the parcel of land that underlies that unit that is funded IST proceeds will remain in the ownership of the Housing Authority and/or County and will be deed restricted to low, very low and extremely low income individuals and families. The remainder of the unit could be sold to private individuals and families meeting the workforce and affordable eligibility criteria.</li> <li>d. Operation: Housing Authority</li> </ul> |
| Municipal Incentive Funding | <ul style="list-style-type: none"> <li>a. Funding Level: \$5,000,000</li> <li>b. Target population: Homeless (up to 80% IST funding on land and/or improvements), Extremely Low (up to 50% IST funding on land and/or improvements) and Low Income up to 40% IST funding on land and/or improvements) Individuals and families.</li> <li>c. Ownership: Municipality or Housing Authority subject to terms of statute governing IST funds and following CCNA statutory process. IMPROVEMENTS MUST REMAIN IN MUNICIPAL OR HOUSING AUTHORITY OWNERSHIP SO LEASES ONLY.</li> <li>d. OPERATION: Municipality or Housing Authority (self performed or contracted operator).</li> </ul>  |