

Grantee: West Palm Beach, FL

Grant: B-11-MN-12-0030

July 1, 2020 thru September 30, 2020 Performance Report

Grant Number: B-11-MN-12-0030	Obligation Date:	Award Date:
Grantee Name: West Palm Beach, FL	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$2,147,327.00	Grant Status: Active	QPR Contact: Mark White
LOCCS Authorized Amount: \$2,147,327.00	Estimated PI/RL Funds: \$1,050,000.00	
Total Budget: \$3,197,327.00		

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Summary of Proposed Activities- As per Substantial Amendment Dated March 25, 2013

NSP Eligible Use

Existing Budget

Proposed Budget

Current Units

Proposed Units

Acquisition & Rehabilitation (LH)

\$350,000

\$150,000

3

1

Acquisition & Rehabilitation

(LMMI)

\$582,595

\$100,000

12

1

Redevelopment (LH)

\$186,832

\$600,000

1

3

Redevelopment

(LMMI)

\$613,168

\$1,082,595

5

5

Demolition (LH)

\$20,000

\$0

1*

0

Demolition (LMMI)

\$80,000

\$0

5*

0

Land Bank

\$100,000

\$0

10

0

Administration



\$214,732
\$214,732
N/A
N/A
TOTAL
\$2,147,327
\$2,147,327
31
10

Program Income

The City of West Palm Beach generates program income from the sale or rental of the homes rehabbed or reconstructed with NSP funds. The City is required to reinvest program income to further the goals of the program. NSP program income will be used to continue the existing budgeted activities. The City estimates that it will earn approximately \$1,000,000 in program income. In order for the City to expend the program income funds it must create a budget line item.

How Fund Use Addresses Market Conditions:

Ensuring Continued Affordability:

The City of West Palm Beach will ensure long term affordability on all properties purchased with NSP3 funding through the use of a Restrictive Covenant that will be recorded against the property. If the assisted property title is transferred before the affordability period expires, the NSP3 funds will be subject to recapture pursuant to the City of West Palm Beach agreement with the recipient.

The City will use the minimum affordability period of the federal HOME Investment Partnership Program, 24 CFR 92.252(a), (c), (e) and (f), and 92.254. The minimum affordability period is listed below:

- Up to \$15,000 = 5 Years
- \$15,001 - \$40,000 = 10 Years
- Over \$40,000 = 15 Years
- New Construction = 20 Years (Rental)

NSP3 acquired single family properties that are sold to eligible applicants will be monitored annually through a certification of occupancy statement by each homeowner. Multifamily and rental properties will be monitored annually during the affordability period to ensure the property remains in compliance with the NSP3 regulations as well as with the City of West Palm Beach Agreement with the recipient. In addition, all properties receiving NSP funding will be secured by a Restrictive Covenant as well as a recorded mortgage and note, in favor of the City of West Palm Beach.

Definition of Blighted Structure:

Any structure unfit for use, habitation, or dangerous to persons or other property. In addition, a structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. This includes structures showing evidence of physical decay or neglect, excessive use, or lack of maintenance.

Definition of Affordable Rents:

The maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the West Palm Beach – Palm Beach County Metropolitan Statistical Area (MSA).

Housing Rehabilitation/New Construction Standards:

All housing that requires rehabilitation must meet the City's written Rehabilitation Standards and local building codes including the Standard Southern Building Code (SBCCI), ordinances and other requirements relating to housing safety, quality, and habitability in an effort to sell, rent or redevelop homes and properties.

City of West Palm Beach Written Rehabilitation Standards will be used to describe in detail the specifications for the rehabilitation work needed to bring substandard housing into compliance with Ordinance No. 4305-10 (Chapter 18, Article IV), adopted October 18, 2010, which defines the minimum housing code for the City of West Palm Beach.

Vicinity Hiring:

The City of West Palm Beach has a current Section 3 policy to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed toward low and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low income persons.

This policy is available for HUD's consideration and review.

Procedures for Preferences for Affordable Rental Dev.:

The City of West Palm Beach has targeted the Coleman Park and Pleasant City areas for the Neighborhood Stabilization Program 3 (NSP3) funding as these areas have been severely impacted by the foreclosure crisis. The NSP3 Program provides resources to acquire, rehabilitate, and construct housing in the target areas as forty-six (46%) percent of the housing supply was built prior to 1949.

The aforementioned areas are transient in nature as seventy-five (75%) percent of the housing stock is currently occupied by renters. USPS data illustrate that over 245 housing units have been vacant for ninety (90) days or more. Additionally, HMDA data confirms that Coleman Park and Pleasant City have forty (40%) percent and fourteen (14%) percent, respectively, of its housing units are financed with high cost mortgages. As such, in an effort to stabilize the current property values and increase the vitality of the areas, the City's primary focus is homeownership; however, affordable rental housing opportunities will be made available to meet the needs of the target areas.



The City has taken a collaborative approach to investing in these neighborhoods and seeks to provide affordable housing opportunities, both homeownership and rental, to eligible income residents.

Grantee Contact Information:

Housing & Community Development
 City of West Palm Beach
 401 Clematis Street, 3rd Fl
 West Palm Beach, Florida 33401
 561-822-1250

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,157,327.00
Total Budget	\$0.00	\$3,157,327.00
Total Obligated	\$0.00	\$2,435,008.00
Total Funds Drawdown	\$0.00	\$2,137,155.59
Program Funds Drawdown	\$0.00	\$1,929,374.92
Program Income Drawdown	\$0.00	\$207,780.67
Program Income Received	\$0.00	\$446,217.10
Total Funds Expended	\$0.00	\$2,238,194.02
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$322,099.05	\$0.00
Limit on Admin/Planning	\$214,732.70	\$216,555.34
Limit on Admin	\$0.00	\$216,555.34
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$799,331.75	\$838,871.71

Overall Progress Narrative:

The City of West Palm Beach is continuing the reconciliation process of its NSP3 Program.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition and Rehabilitation of Properties	\$0.00	\$310,000.00	\$141,211.69
2, Redevelopment of Demolished or Vacant Properties as	\$0.00	\$2,582,595.00	\$1,571,607.89
3, Demolish Blighted Structures	\$0.00	\$0.00	\$0.00
4, Land Bank of Acquired Properties	\$0.00	\$0.00	\$0.00
5, Planning and Administration	\$0.00	\$285,332.00	\$216,555.34



