Welcome

Housekeeping items

- Keep yourself on mute unless you have a question 🛑

- Both persons need to be online to receive credit for the orientation

- Put your question(s) in the chat
WORKFORCE HOUSING PROGRAM
MANDATORY VIRTUAL ORIENTATION
PRESENTED BY:
Department of Housing and Economic Development (HED)
JONATHAN BROWN, DIRECTOR

100 Australian Avenue
West Palm Beach, Fl. 33406
Workforce Housing Team

- Lesley George - lgeorge@pbcgov.org  
  Housing Liaison 561-233-2065

- Verna Jackson  
  Planner II

- Tyrone Jacobs  
  Planner I

facebook /DHED
Workforce Housing Orientation Overview

- Definition
- Income guidelines
- Program guidelines
- Next Steps
- Available Units
Workforce Housing Program (WHP) is a mandatory program that provides for the development of workforce housing units in all new residential developments within the unincorporated Palm Beach County (in the Urban Suburban Tier).

WHP is intended to serve the housing needs of people employed in the jobs that the general population of the community relies upon to make the community economically viable.
**INCOME GUIDE**

- Buyer must meet the following Household income ranges, and purchase a home in an approved development that does not exceed the sales price listed below.

<table>
<thead>
<tr>
<th>2021</th>
<th>Low Income (60% - 80% AMI)</th>
<th>Moderate -1 Income (80% - 100% AMI)</th>
<th>Moderate -2 Income (100% - 120% AMI)</th>
<th>Middle Income (120% - 140% AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Price</td>
<td>$168,420</td>
<td>$216,540</td>
<td>$264,660</td>
<td>$312,780</td>
</tr>
<tr>
<td>Maximum Subsidy Assistance</td>
<td>Up to $45,473 or Up to 27%</td>
<td>Up to $43,308 or Up to 20%</td>
<td>Up to $39,699 or Up to 15%</td>
<td>Up to $32,278 or Up to 10%</td>
</tr>
<tr>
<td>Minimum Buyer Contribution</td>
<td>2.5%</td>
<td>3.5%</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

* This chart is effective July 1, 2021 and may change annually
** Maximum assistance is a percentage of the Sales Price

*** The final amount of assistance provided by the county will be determined by the program requirements, which include (but not limited to) underwriting criteria, household income and assets.
PROGRAM GUIDELINES

- **Funding Availability**
  - Funding is available to eligible homebuyers purchasing a workforce housing unit from developers in the Workforce Housing Program. These funds will only assist with subsidy assistance for an eligible workforce-housing unit.

- **Recipient Selection Criteria**
  - Applicants are considered for assistance based on a first-qualified, first-served basis.

- **Who can participate?**
  - First-time homebuyers and previous homeowners (No investors)
  - Buyers must fall between $48,120 and $112,280 gross income (AMI) Area Median Income

- **Maximum Buyer Funding Assistance**
  - Maximum assistance is not guaranteed. The final amount of assistance will be determined by the program requirements
PROGRAM GUIDELINES

- **Maximum Buyer Asset Limit**
  - Personal assets per household cannot exceed $200,000.00

- **Buyer Occupancy Requirements**
  - All units must be **owner occupied and your primary residence**.
  - **No leasing, or renting is permitted.**

- **Affordability Period**
  - A deed restriction will be recorded in the public records of Palm Beach County for FIFTEEN (15) years
  - If the property is sold **within** the 15-year period:
    - Down payment assistance must be repaid in full
    - Unit must be sold to an eligible WHP buyer at a price determined by Palm Beach County (PBC) and the new buyer will also be required to sign a deed restriction
  - If the property is sold **after** the 15-year period:
    - WHP restrictions are removed
    - Unit can be sold at market price and buyer is not required to be income eligible
PROGRAM GUIDELINES

- **Second Mortgage Award**
  - ✓ Subsidy funds will be awarded as a deferred payment loan secured by a recorded mortgage and promissory note
  - ✓ Interest rate: 0%

- **Default/Recapture**
  - ✓ The loan will be in default if any of the following occur: conveyance of property (sale, transfer); conversion to a rental property or failure to occupy the home as primary residence (loss of homestead status).
  - ✓ **If any of these occur, the original loan amount will be due and payable.**

- **Annual Report**
  - ✓ Homeowners will be required to report annually to the County’s Planning, Zoning and Building (PZ&B) Department providing the following documents:
    - ✓ Copy of driver’s license
    - ✓ Two (2) different utility bills with owner’s name and WHP unit address.
PROGRAM REQUIREMENTS

- **Underwriting Criteria** (include but is not limited to)
  - Front-end ratio (mortgage, homeowner’s insurance, property tax, and HOA assessment) – between 30% and 35% of monthly household gross income
  - Back-end ratio (overall credit and debt payments) – cannot exceed 48% of the monthly gross household income.
  - Actual amount of assistance will be based on your debt-to-income ratio and the funds needed to close the transaction.

- **Earnest Money Deposit (EMD)**
  - When required by the developer, applicant must provide their earnest money deposit to the developer at the time of signing a sales contract.
  - The minimum EMD is determined by the applicant and the seller (developer) and it is included in the minimum contribution.
PROGRAM REQUIREMENTS

- **Bank Financing**
  - Applicants must secure a 30-year fixed, first mortgage approval from a lender to be eligible for workforce housing assistance.
  
    ✓ Applicants are permitted to use any bank or lender of their choice for first mortgage financing.

- **Homebuyer Education**
  - Applicants must attend an 8-hour homebuyer education training through a HUD approved or NeighborWorks approved Housing agency and present the certificate of completion.
Homebuyer Education

First Time Homebuyers Classes must be taken from a Housing and Urban Development (HUD) – United States Federal Government Agency or NeighborWorks America

UF/IFAS Extension is a HUD-approved agency. This eight-hour course (2 four-hour sessions) meets the pre-purchase homebuyer education requirement for workforce housing and down payment assistance programs.

Participants will learn the steps to homeownership and home buying programs in the county.

For more information, please contact Cyndi Longley at clongley@pbcgov.org or 561-233-1744.

FOR A LIST OF HUD CERTIFIED HOUSING COUNSELING AGENCIES PLEASE VISIT THE HUD WEBSITE BELOW:

WWW.hud.gov

Click on: RESOURCES tab
Click on: HUD Approved Housing Counseling Agencies
Select State: FLORIDA
WHP CERTIFICATE AND ASSISTANCE AWARD LETTER

Based on the income and assets of the buyer, HED will, at the time of the appointment, determine if assistance is needed and provide the buyer with a WHP certificate and an award letter.

- **WHP Certification will include:**
  - Approved property sales price
  - Eligible Income Group
  - Issue and expiration date of the certification (valid for 24 months)

- **WHP Award Letter will include:**
  - Date of the award letter
  - Household size
  - Household annual income and income group
  - Approved WHP subsidy assistance amount
  - Overview of program requirements and key program terms
  - Once you receive your certificate and award letter you will provide them to the developer of your choice
  - Once you enter into a sales contract for the unit please provide HED with a copy
Congratulations
NEXT STEPS

• Find a lender and secure a 1st mortgage
• Gather the required documentations (application, loan approval, etc.) and email to hedverify@pbcgov.org.
• Visit the Workforce Housing approved developments and decide which area is best for you
• Contact the developer regarding the process to sign a sales contract
• Provide our office with a copy of the sales contract
INTAKE APPOINTMENTS
STEP TWO (AFTER THE ORIENTATION)

• Buyer(s) will request an intake appointment after they have attended the mandatory Orientation and have obtained 1st mortgage pre-approval from a lender.

✓ Completed WHP application (must include all household members who will live in the home)
✓ Driver license (for all household members who will live in the home over 18 years old)
✓ Loan Pre-approval
✓ Form 1003 (Uniform Residential Loan Application) from lender
✓ Form 1008 (Uniform Underwriting and Transmittal Summary) from lender
✓ Recent 30 day of pay stubs (for all household members who will live in the home)
✓ Recent 2 months of bank statements (for all household members who will live in the home)
✓ Divorce Documents (if applicable)

Once all the above is complete email the complete package to HEDVerify@pbcgov.org
Workforce Housing Unit Features

The workforce housing units are meant to be compatible and not necessarily identical to the market rate units within the developments. This means that certain interior/exterior designs and finishes could be different from those units sold at market rate prices.

County funds cannot be used to pay for upgrades, however, buyers are permitted to pay cash at closing for certain upgrades. The ability to pay for upgrades may exclude a buyer from receiving down payment assistance from the County.
WORKFORCE HOUSING CURRENT DEVELOPERS

- **Pulte Homes** – developed by the Housing Center of the Palm Beaches and to be located at Merry Place Estates, West Palm Beach (Pleasant City).
PULTE HOMES: MERRY PLACE ESTATES

TOWNHOMES

- 2 story
- 3 bedroom / 2.5 bathroom
- Garage
- Total Area 1,637 sq. ft.
- HOA $136.00
- Price $168,240.00 - $216,540.00

Office Location: 3700 Georgia Ave., West Palm Beach, FL 33405
Phone Number: (561) 655-8530 ext. 1203 or (561) 275-8334
Mayor Keith James, Commissioner Mack Bernard and County Administrator Verdenia C. Baker

First time homeowner – Bernita Banks
Bernita Banks (homeowner), County Administrator Verdenia C. Baker, Assistant County Administrator Dorritt Miller, Tyrone Jacobs, Verna Jackson, Lesley George (WH team) Director of Housing and Economic Development, Jonathan Brown, and Assistant County Administrator Patrick Rutter
WORKFORCE HOUSING PROGRAM
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THANK YOU FOR YOUR ATTENDANCE

100 Australian Avenue
West Palm Beach, Fl. 33406
QUESTIONS
PROGRAM GUIDELINES

Should a resale occur within the fifteen (15) year affordability period, the following steps are required:

1. The seller must contact the Palm Beach County Planning Division at 561-233-5300 to determine the WHP unit maximum resale price. The unit resale price cannot exceed the same price category of the unit’s previous sale.

2. Planning Division staff will add the WHP unit to the listing of available for-sale WHP units on the appropriate County websites, and provide the seller with the resale requirements.

3. The seller is encouraged to contact the Department of Housing and Economic Development (HED) at 561-233-3600 and request assistance in identifying WHP income eligible buyers. The seller can refer potential buyers to HED for more information about the WHP and the income qualification process.
4. The seller must inform all potential buyers that the unit is a WHP unit, subject to all the requirements for WHP.

5. At least 30 days prior to resale the seller shall provide to the Planning, Zoning and Building Department the necessary sales information for review of the proposed resale in order to determine compliance with the WHP.

6. Following resale of a WHP unit a new WHP 15-year affordability period will begin on the new purchaser of that WHP unit. The closing agent for the sale (as specified in the sales contract) shall be responsible for recording the new WHP deed restriction with the 15-year affordability restrictions as part of the acquisition and closing process.
WHP FAQ’S

1. Do I automatically receive the maximum funding assistance provided in the income group I qualify for?
   ✓ No. The final amount of assistance will be determined by the program requirements, which include (but not limited to) underwriting criteria, household income and assets.

2. Can I purchase a WHP unit in a higher income group than what my income qualifies me for?
   ✓ Yes, provided you meet all the eligibility and underwriting requirements of the WHP.
   ✓ Please note that if you are seeking down payment assistance, the amount of down payment assistance provided will not exceed the maximum for the group / category you are purchasing a home in. For instance, if your income places you in the Moderate-1 group and you want to purchase a home in the Moderate-2 group, the maximum down payment assistance will not exceed the eligible percentage for the Moderate-2 group.

3. Can I purchase a WHP unit in a lower income group than what my income qualifies me for?
   ✓ This is not preferable, but will be reviewed on a case-by-case basis.
WHP FAQ’S

4. Do I need to be a first-time homebuyer to participate in the WHP?
   ✓ No. As a first-time homebuyer you are eligible, but it is not a requirement for the WHP.

5. What if my household income/assets exceed the approved ranges after I purchase the WHP home?
   ✓ The income/asset ranges are only applicable at the time of purchase. If your income/asset changes after you have purchased the home, there is no adverse impact from the County.

6. What if the sales prices of the homes change after I receive my eligibility certificate?
   ✓ The certificate of eligibility is valid for up to 2 years.
   ✓ In order to be guaranteed the sales price listed on the certificate, you will need to enter into a sales contract with the developer/seller. The sales contract will contain the final sales price for the property being purchased.
7. If I own an existing home (mobile home), am I eligible to participate in the workforce housing program?
   ✓ Possibly. Owners of existing homes must ensure that the WHP Developer is willing to sign a contract while owning a home. Homes must be conveyed prior to the closing of the new property. Quit claim deed is not an acceptable means of conveyance of property. Owners of existing homes must be reviewed on a case-by-case basis to determine their eligibility for the WHP.

8. What if I am approved for the WHP and another developer comes into the program, can I purchase a home in that development?
   ✓ Yes. You can purchase a home in any existing or future development, provided you are not under contract to purchase a WHP home already.

9. Is there a ceiling on how much the lender can charge for origination fee?
   ✓ Yes. Lender’s origination fee cannot exceed 1.75% of the loan amount.