



Broward County

Legislation Text

File #: 20-1553, Version: 1

Broward County Commission Regular Meeting

Director's Name: Leonard Vialpando

Department: Environmental Protection

Division: Housing Finance & Comm. Redevelopment

Information

Requested Action

A. MOTION TO AUTHORIZE County Administrator to execute all agreements, subject to approval as to form and legal sufficiency by the Office of the County Attorney, related to gap financing in the amount of \$5,000,000 to be provided to Coral Rock Pompano, LLC or an affiliate of Coral Rock Pompano, LLC, for new construction of the Highland Oaks Townhomes, comprised of 138 two and three bedroom affordable rental townhomes in the City of Pompano Beach, Florida; and authorizing County Administrator to take the necessary administrative and budgetary actions related to the gap financing.

(Mayor Holness pulled this item.)

ACTION: (T-2:13 PM) Approved. (Refer to minutes for full discussion.)

VOTE: 9-0. Commissioner Rich voted in the affirmative telephonically.

B. MOTION TO ADOPT budget Resolution No. 2020-512 within the Affordable Housing Trust Fund in the amount of \$5,000,000 for the purpose of providing gap financing for the construction and development of the Highland Oaks Townhomes affordable housing development. **(Commission District 2)**

(Mayor Holness pulled this item.)

ACTION: (T-2:13 PM) Approved. (Refer to minutes for full discussion.)

VOTE: 9-0. Commissioner Rich voted in the affirmative telephonically.

Why Action is Necessary

Board action is required to approve agreements with outside agencies and to create a new capital project above \$25,000.

What Action Accomplishes

Allocates \$5,000,000 for gap financing for the construction of 138 new affordable townhomes and authorizes the County Administrator and County Attorney to execute agreements for financing of the Highland Oaks Townhomes project.

Is this Action Goal Related

Yes

Previous Action Taken

No Previous Action.

Summary Explanation/Background

THE ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT AND THE HOUSING FINANCE AND COMMUNITY REDEVELOPMENT DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

This item supports the Board's value: "Offering sustainable, compatible, innovative housing options for all income-levels, including integrated, permanent supportive housing" and the corresponding goal of "Increase the availability of affordable housing of all types, countywide, in every community using effective, uniform criteria, policies and strategies."

The Affordable Housing Trust Fund (AHTF) Program is administered by the Housing Finance and Community Redevelopment Division (HFCRD) and provides funding as an incentive to create partnerships that produce and/or preserve affordable dwelling units. The program is designed to serve very low, low- and moderate-income individuals and families.

On September 24, 2019, the Board approved the Fiscal Year 2020 budget, which included allocating \$5,000,000 to increase new construction of affordable housing countywide.

On July 13, 2020, a Request for Proposals (RFP) was issued seeking proposals from qualified and responsive firms who could demonstrate the requisite knowledge, experience, technical expertise, organizational and financial capacity to perform the services specified in the RFP "to construct at a minimum 70 affordable multifamily housing units countywide."

On August 7, 2020, the HFCRD received three proposals. All proposals were accepted and determined to be responsive to the RFP.

On August 24, 2020, the Evaluation Committee (EC) meeting was held via WebEx to score and rank the proposals (Exhibit 2). The selected firm, Coral Rock Pompano, LLC was the first ranked firm. Once approved by the Board, the first ranked firm will execute agreements with the County to finance the construction of the units. The gap financing will serve as leverage for the selected firm to use Broward County Housing Finance Authority bonds in addition to other required sources of funding to finance the construction of the project. As stated in the RFP, 25 bonus points were awarded to construction projects commencing within the current calendar year of 2020. There is a \$100,000 per month reduction of the gap financing award for each month that construction has not started beyond December 31, 2020. Upon BOCC approval, a loan agreement and other related loan documents will be drafted and executed by Broward County, including but not limited to a servicing agreement for servicing of the loan during the construction period, between the County, Coral Rock Pompano, LLC, and the selected fiscal agent and selected servicer, as well as standard subordination agreements executed by the County in favor of the senior lenders. The term of the \$5,000,000 AHTF loan

agreement will include a minimum of a 30-year affordable housing land use restriction; 0% interest for a loan with a minimum term of 30 years, with loan payable on the maturity date, or upon sale, change of title, or refinancing, whichever occurs first, subject to the provisions of the loan agreement.

The Proposer will be responsible for all the following Project elements: financing, design, obtaining all required approvals and permits, construction, operation, and maintenance of the proposed project. The project will include 138 new affordable townhomes to serve individuals and families with incomes at or below 60% of Area median Income. The property address is 309-321 NW 10th Street in the City of Pompano Beach.

The Proposer agrees that contractor and vendor awards to County Business Enterprises (CBE) are crucial to the achievement of the County's CBE participation objectives. Although this Proposal does not have assigned CBE goals, the Proposer agrees that wherever possible, every effort will be made to utilize the services of Broward County certified CBE firms, and shall include this provision in any subcontract it enters into pursuant to this Agreement. The Proposer will be required to report the percentage of CBE participation by it and its subcontractors on a quarterly basis.

The Evaluation Committee members and each member's ranking of the three proposals is attached as (Exhibit 2).

Source of Additional Information

Ralph Stone, Director, Housing Finance and Community Redevelopment Division, (954) 357-5320.

Fiscal Impact

Fiscal Impact/Cost Summary

The agenda item proposed to utilize the existing Affordable Housing Trust Fund approved by the Board for Fiscal Year 2020, which included \$5,000,000 to increase the construction and/or preservation of affordable housing units countywide.