



Broward County

Legislation Details (With Text)

File #:	21-718	Version:	1
		Status:	Agenda Ready
		In control:	Resilient Environment - Housing Finance Division
On agenda:	5/18/2021	Final action:	5/18/2021
Title:	MOTION TO AUTHORIZE County Administrator to sign letter consenting to the Alliance between Housing Opportunities, Mortgage Assistance & Effective Neighborhood Solutions, Inc. (H.O.M.E.S. Inc.) ("Borrower") and Helping Abused, Neglected, Disadvantaged Youth, Inc. ("HANDY"), to prevent an acceleration of debt that could be triggered as a result of the Borrower's change in ownership in three Broward County HOME Investment Partnerships mortgages: Mortgage Recorded in OR Book 47463, Page 1977, Mortgage Recorded in OR Book 46072, Page 398, and Mortgage Recorded under instrument No. 113212283 of the Official Records of Broward County.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Exhibit 1 - Alliance Correspondence-ADA		

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: Leonard Vialpando

Department: Environmental Protection

Division: Housing Finance & Comm. Redevelopment

Information

Requested Action

MOTION TO AUTHORIZE County Administrator to sign letter consenting to the Alliance between Housing Opportunities, Mortgage Assistance & Effective Neighborhood Solutions, Inc. (H.O.M.E.S. Inc.) ("Borrower") and Helping Abused, Neglected, Disadvantaged Youth, Inc. ("HANDY"), to prevent an acceleration of debt that could be triggered as a result of the Borrower's change in ownership in three Broward County HOME Investment Partnerships mortgages: Mortgage Recorded in OR Book 47463, Page 1977, Mortgage Recorded in OR Book 46072, Page 398, and Mortgage Recorded under instrument No. 113212283 of the Official Records of Broward County.

Why Action is Necessary

Board action is necessary to consent to an Alliance between organizations which would transfer interest in Broward County mortgages, so as not to accelerate repayment of the mortgages.

What Action Accomplishes

Enables the two nonprofit organizations to form an Alliance without requiring the repayment of Broward County HOME mortgages held by HOMES, Inc.

Is this Action Goal Related

No

Previous Action Taken

No previous action.

Summary Explanation/Background

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

Broward County provided financial assistance through the federally funded HOME Investment Partnerships Program to the nonprofit housing developer, HOMES, Inc., the Borrower, for development of three different affordable housing programs, resulting in three separate mortgages (the "Mortgages"). These mortgages include provisions requiring repayment upon transfer of interest, including a transfer of a beneficial interest in the Borrower, without Broward County approval. The Borrower is entering into a Strategic Alliance Agreement with the organization Helping Abused, Neglected, Disadvantaged Youth, Inc. (HANDY) (the "Alliance"). The Borrower will amend its organizational documents to admit HANDY as the sole Member of the Borrower. The Borrower will maintain its status as a community housing development organization. The Borrower is requesting Broward County consent to the change of ownership structure of the Borrower to prevent an acceleration of the outstanding debt under the Mortgages.

The Alliance between the Borrower and HANDY has been created to provide a holistic approach to providing affordable housing and services to low-income Broward County residents, particularly focusing on youth aging out of the foster care system. Under this Alliance, the Borrower will continue to hold the real estate portfolio, handling the real estate and affordable housing development component of the Alliance, and HANDY will focus on providing services to the disadvantaged youth.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

No fiscal impact.