



Broward County

Legislation Text

File #: 20-361, Version: 1

Broward County Commission Regular Meeting

Director's Name: Henry A. Sniezek

Department: Environmental Protection

Division: Housing Finance & Comm. Redevelopment

Information

Requested Action

MOTION TO ADOPT Resolution No. 2020-131 of the Board of County Commissioners of Broward County, Florida, authorizing the conveyance of certain county-owned parcels of real property to Central County Community Development Corporation (Urban League), a Florida nonprofit corporation, pursuant to Sections 197.582 and 125.38, Florida Statutes, authorizing the County Administrator to execute required documents for such conveyances; authorize the Real Property Director to execute and process normal and customary closing documents; and providing for severability and an effective date. Properties are listed as Folio No. 4942 3201 3470; Folio No. 5042 0511 0100; and Folio No. 4942 3201 2320. **(Commission District 9)**

Why Action is Necessary

Board of County Commissioners approval is required to convey County owned real property pursuant to Florida Statutes, Section 125.38 and to allocate funding for affordable housing strategies.

What Action Accomplishes

Conveys properties to a local nonprofit organization (Urban League) for the construction of three new affordable single family homes for low or moderate income families and provides predevelopment and purchase assistance funding to assist in the construction and sale of homes to income qualified buyers.

Is this Action Goal Related

Yes

Previous Action Taken

On March 14, 2017, Item 84, the Board adopted Resolution No. 2017-085 conveying 40 escheated lots to ten local nonprofits for construction of 40 new affordable single family homes in the BMSSD (four homes per nonprofit agency).

Summary Explanation/Background

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

This item supports the Board's Value of offering sustainable, compatible, innovative housing options

for all income-levels, including integrated supportive housing and rapid-rehousing: Goal 1: Facilitate a regional approach to growth and redevelopment through coordination and collaboration at the federal, state and local levels; Goal 2: Increase the availability of affordable housing of all types, countywide, in every community using effective, uniform criteria, policies and strategies; Goal 3: Promote housing and community redevelopment that integrates energy efficiency, community resilience, and other livability standards and initiatives.

On March 14, 2017 the Board approved the award of 40 county owned lots to ten local nonprofit agencies (four lots to each nonprofit agency) to build 40 new affordable single family homes in the BMSD. Since that time 26 homes have been constructed and sold to households that are income certified as low or moderate income families. An additional nine homes are under construction and under contract and scheduled to close in the first half of 2020. This leaves five of the original 40 lots remaining. Of these five remaining lots, one lot is being returned by the nonprofit agency for use on another project at the County's request while one other lot is being voluntarily returned to the County by a nonprofit agency that did not have the capacity to finish their fourth lot. Although both of these two lots have been deeded back to the County, there are minor liens that need to be removed by the nonprofits to clear title prior to recordation. The final three remaining lots are owned by the nonprofit agency Broward Alliance for Nonprofit Developers (BAND), Inc and are in the early construction phase. One of the three has exterior walls and roof completed and the other two have foundations poured. Unfortunately, BAND no longer has professional staff administering the agency and these construction projects are being managed by their Board of Directors. All three of the remaining BAND lots are encumbered by mechanics liens and construction loans and construction has been delayed. Two of the lots are financed by the Florida Community Loan Fund and one of the lots is financed by the South Florida Regional Planning Council. Division staff have met with BAND representatives and their construction lenders multiple times. At this point, BAND and their construction lenders are still working on solutions to the construction delays. However, the three BAND lots have approved home buyers that have qualified for first mortgage financing and the County's purchase assistance program. Given the significant delays the buyers of these BAND homes have faced, Division staff believes the best course of action is to transfer these owners to new lots and allow BAND Inc. and their lenders to work through the current issues. All three owners have agreed to purchase homes on three different (non-BAND) lots currently owned by the County. The 15-year affordable deed restriction will continue on the three BAND Inc. lots and at some point an affordable buyer will purchase a home on these lots.

Central County Community Development Corporation Inc (Urban League) was the best performing nonprofit agency. Urban League completed all assigned infill homes and received Certificates of Occupancy within 18 months. The Housing Division recommends that Urban League construct the three homes for the buyers who have been waiting over two years for the BAND construction to be completed. The county owns three vacant lots with clear title in the BMSD that are available for new infill development and the (former) BAND buyers have agreed to purchase homes on these three lots. A project deadline of December 31, 2021 has been established for the completion of construction on all three homes. Funding for this project is available through existing program funds, which include \$140,000 in State SHIP funds, and \$60,000 in Federal CDBG funds. This funding will provide up to \$20,000 per lot for predevelopment expense and up to \$60,000 per home for purchase assistance. It should be noted that two of the buyers are moderate income families and will be

capped at \$40,000 per home purchase assistance.

The new homes would have the same design requirements as those approved for the past infill projects. These requirements include a minimum 1,500 square foot home with, at a minimum, three bedrooms, two baths and two car garage. The time frame for construction of the new homes will be six months to complete permitting from the date of lot transfer, and then one year to complete construction and sale of the new home after initial permitting. The County will require a Declaration of Restrictive Covenant with a 15-year affordability period and a requirement that any sale during this period would be to an income eligible buyer. In addition, the Quit Claim Deed and Agreement between the County and Central County Community Development Corporation Inc. will address nonperformance. In the event the nonprofit fails to make substantial progress to complete the homes within 18 months, the county has a right of reverter to return ownership of the lot to the County, at the County's discretion.

Pursuant to Florida Statutes, Section 125.38, the Board may convey County-owned property to a not for profit entity organized for the purposes of promoting community interest in such property if not needed for county purposes. These conveyances are subject to affordable housing declaration of restrictive covenants as reflected in the Board policy and the attached model memorandum of understanding, which the nonprofit organization must execute with the county prior to transfer of the lot(s).

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

Transfer of these properties to the nonprofit organization will result in a cost savings for maintenance and upkeep, a reduction of potential liability to the County and facilitate return of the properties to the tax rolls.