



Broward County

Legislation Text

File #: 21-823, Version: 1

Broward County Commission Regular Meeting

Director's Name: Leonard Vialpando

Department: Environmental Protection

Division: Planning & Development Management

Information

Requested Action

MOTION TO APPROVE Housing and Urban Development (HUD) Amendment related to Declaration of Restrictive Covenants related to the waiver of certain impact fees conditioned upon the Housing Authority of the City of Fort Lauderdale agreeing to certain affordable rental housing restrictions for the purpose of subordinating the Covenants for a new mortgage loan, and authorize County Administrator to execute same. **(Commission District 9)**

Why Action is Necessary

Requirement of lender that the Declaration of Restrictive Covenants be subordinate to the loan.

What Action Accomplishes

Subordinates the Declaration of Restrictive Covenants to the loan.

Is this Action Goal Related

No

Previous Action Taken

No previous action.

Summary Explanation/Background

THE ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT AND THE PLANNING AND DEVELOPMENT MANAGEMENT DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

The Housing Authority of the City of Fort Lauderdale, as owner, and Northwest Properties III, Ltd., as lessee, (collectively known as "Owners") have requested to amend the Declaration of Restrictive Covenants for Affordable Housing recorded at Instrument No. 110017347 in the Public Records of Broward County, Florida ("DRC"), see Exhibit 3. This relates to an affordable housing project that has financing insured by the U.S. Department of Housing and Urban Development ("HUD"), located in the City of Fort Lauderdale, see Exhibit 2. The property is subject of a DRC related to the waiver of certain impact fees conditioned upon the Housing Authority of the City of Fort Lauderdale agreeing to certain affordable rental housing restrictions. As a condition of its insuring the lender's financing, HUD requires that the lien and covenants of the DRC be subordinated to the new mortgage loan. The subordination would require the automatic termination of the DRC upon a foreclosure (or deed in lieu of foreclosure) and limits County's ability to enforce the terms of the Declaration to available surplus

cash from the project, see Exhibit 4.

Staff recommends approval of the Amendment to the DRC as requested. The proposed amendment has been executed by the Owners and has been approved as to form by the Office of the County Attorney, see Exhibit 5.

Source of Additional Information

Josie P. Sesodia, AICP, Director, Planning and Development Management Division, 954-357-6602.

Fiscal Impact

Fiscal Impact/Cost Summary

No fiscal impact.