



Broward County

Legislation Text

File #: 23-780, Version: 1

Broward County Commission Regular Meeting

Director's Name: Leonard Vialpando

Department: Resilient Environment **Division:** Housing Finance Division

Information

Requested Action

A. MOTION TO APPROVE gap financing for three affordable housing projects and associated amounts as follows: 1) Federation Plaza Preservation, L.P. or its affiliate (Federation Plaza) at \$2,000,000 (124 units); 2) Tarpon Housing Partners, LP or its affiliate (Residences at Sunset Place) at \$7,000,000 (144 units); and 3) Sistrunk Apartments, LLC or its affiliate (Sistrunk Apartments) at \$3,960,000 (72 units); authorizing the County Administrator to execute all agreements related to the listed gap financing projects, subject to the foregoing monetary limits and approval as to legal sufficiency by the Office of the County Attorney; and authorizing the County Administrator to take the necessary administrative and budgetary actions. **(Commission Districts 6, 8 and 9)**

ACTION: (T-10:54 AM) Approved.

VOTE: 9-0.

B. MOTION TO ADOPT budget Resolution in the Affordable Housing Trust Fund transferring \$49,655,723 from reserves to fund Affordable Housing Projects in Broward County.

ACTION: (T-10:54 AM) Approved Resolution No. 2023-258.

VOTE: 9-0.

Why Action is Necessary

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

What Action Accomplishes

Allows the County Administrator to execute agreements for financing three affordable housing projects totaling \$12,960,000 (340 units).

Is this Action Goal Related

Yes

Previous Action Taken

None taken.

Summary Explanation/Background

THE RESILIENT ENVIRONMENT DEPARTMENT AND THE HOUSING FINANCE DIVISION
RECOMMEND APPROVAL OF THE ABOVE MOTION.

This item supports the Board's Value of ""Ensuring residents have an affordable place to live by offering sustainable, compatible, innovative, accessible, affordable housing options for all income levels, including integrated, permanent supportive housing and zoning that helps residents build equity."

Motion A:

On March 10, 2023, the Housing Finance Division issued a Request for Applications (RFA) in the amount of \$14,000,000, soliciting affordable housing organizations to utilize "gap" financing for the new construction or acquisition and rehabilitation of multi-family affordable housing rental units. No more than \$7,000,000 was allowed per project.

The Applications were due on April 7, 2023. Four Applications were submitted in a timely manner and accepted for the RFA. Prior to the Evaluation Committee scoring of the Applications (see "Exhibit 1" for the Evaluation Committee Scoring and the list of all applications submitted), staff managing the RFA process reviewed all Applications for minimum requirements and Fatal Flaw criteria. All four Applications were deemed responsive to the requirements of the RFA.

The applications ranked as follows: 1) Sistrunk Apartments, 2) Residences at Sunset Place, 3) Federation Plaza and 4) Aveline Apartments. A total of \$14,000,000 in funding was allocated from the Broward County Affordable Housing Trust Fund (AHTF) to the RFA. The combined funding request for the top three ranked Application totaled \$12,960,000, leaving \$1,040,000 remaining, which was insufficient to accommodate the \$7,000,000 funding request for Aveline Apartments. The remaining funds will be reallocated to support future affordable housing projects.

After Board approval, a loan agreement and other related loan documents will be drafted for each affordable housing project and will be executed by the County simultaneously with the closing of the financing for each project. The terms of the loan agreements will include a minimum term of 50 years for the affordable housing use restriction, a 0% interest rate loan with a minimum term of 30 years, and the loan becomes 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 applicants agree that contractor and vendor awards to County Business Enterprises (CBE) are crucial to the achievement of the County's CBE participation objectives. Although these RFA's do not have assigned CBE goals, the applicants agree that whenever 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 the agreement.

Staff recommends fully funding all three projects for a total of 340 units from the AHTF for a total allocation of \$12,960,000.

Motion B:

The additional funding identified in Motion B is a transfer of reserves in the Affordable Housing Trust Fund to provide gap funding for projects scheduled to close during Summer Recess, which the Board previously approved.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

The agenda item proposes to utilize \$12,960,000 from the AHTF for new construction or acquisition and rehabilitation of multi-family affordable housing rental units.