

16-0413

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: April 5, 2016

TITLE: Public Hearing to Expend the Unspent FY 14-15 HOPWA Rehabilitation

Funds

Recommendation

It is recommended that the City Commission approve the Community Services Board (CSB) recommendation to extend the term of an Agreement between the City and Mount Olive Development Corporation (MODCO) to September 30, 2016 to complete funding of \$87,212.94 for renovation of the units.

Background

At the March 15, 2016 City Commission Meeting, the Commission asked staff to confirm that the Department of Housing and Urban Development (HUD) processes were followed with respect to use of unspent HOPWA funds that were allocated to MODCO at the December 14, 2014 and July 7, 2015 Commission Meetings.

In 2014, the Housing and Community Development Department solicited applications from existing HOPWA agencies to renovate and rehabilitate HOPWA owned units using unspent HOPWA funds from 2012 and 2013. A public announcement was placed in Sun-Sentinel on November 14, 2014 announcing a public hearing on the proposed amendments to 2011-2012 and 2012-2013 Annual Action Plans of the 2010-2015 Consolidated Plan. The City received no comments or objections.

Several agencies submitted requests which were reviewed by the Community Services Board on October 17, 2014, during which meeting CSB recommended an award of \$342,297 to Mt. Olive Development Corporation. On December 15, 2014, CAM 14-1437, City Commission approved an award of \$342,297 to renovate existing HOPWA owned building and units.

In 2015, MODCO requested additional funding for the HOPWA units. The Community Services Board (CSB) reviewed the request and made a recommendation to reallocate additional unspent HOPWA Funds from Fiscal Years 2012-2013 to finish the renovation of MODCO's HOPWA owned units. In accordance with federal regulations, a public advertisement was placed in Sun-Sentinel on June 3, 2015 date announcing a public

hearing on the proposed amendment to the City's 2012-2013 Annual Action Plans of the 2010-2015 Consolidated Plan. The City received no comments. On July 7, 2015, CAM 15-0712, City Commission approved Mt. Olive Development Corporation (MODCO) to receive an additional \$96,000 to finish renovating existing HOPWA owned building and units.

MODCO is in breach of contract for failure to complete the scope of work by September 30, 2015. HUD has no prohibition to extending the use of funds beyond the deadline imposed in the Agreement, as amended.

The Community Services Board took up this matter for consideration in January 2016 and recommended an extension of the MODCO Agreement and a thirty day Notice of public hearing was published on January 28, 2016.

In October 2015, the City received invoices totaling approximately \$30,000. In order to meet the Housing and Community Development (HCD) rehabilitation standards, more work is necessary. That remaining rehabilitation will be completed with the available balance of approximately \$57,212.94.

To date, MODCO has received a total allocation of \$438,297. Reallocating the unexpended funds of \$87,212.9 to MODCO is permissible under HUD regulations.

Resource Impact

Funds available as of March 22, 2016					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
108-HP132250	MODCO Rehab	GRANT SERVICES / PROGRAM FUNDS	\$438,297.00	\$87,499.88	\$87,499.88
			TOTAL AMOUNT ►		\$87,499.88

There will be no fiscal impact on the General Fund budget.

Strategic Connections

This item corresponds to the *Press Play Fort Lauderdale Strategic Plan 2018* initiative, it is included within the **Neighborhood Enhancement Cylinder of Excellence**, specifically advancing **Neighborhood Enhancement**:

- **Goal 5:** Be a community of strong, beautiful, and healthy neighborhoods.
- Option 2: Ensure a range of housing options for current and future neighbors.

This item advances the Fast Forward Fort Lauderdale Vision Plan 2035: We are community.

Attachments

Exhibit 1 - Advertisement of Public Hearing December 17, 2014 Exhibit 2 - Advertisement of Public Hearing June 3, 2015 04/05/2016 CAM # 16-0413 Prepared by: Mario DeSantis, Housing Administrator

Department Director: Jonathan Brown, Northwest Progresso Flagler Heights CRA and Housing & Community Development