



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#16-0794

9-7-16
PUR-3
REVISED CAM

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

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

DATE: September 7, 2016

TITLE: **REVISED PUR 3-** Motion to Award Community Housing Development
Organization Funds – New Visions Community Development Corporation -
\$289,000

Recommendation

It is recommended that the City Commission approve the award of Community Housing Development Organization (CHDO) funds in the amount of \$289,000 for acquisition and new construction of homebuyer properties under the HOME Investment Partnerships Program (HOME) to New Visions Community Corporation (NVCC); and authorize the City Manager to execute all documents associated with this funding request.

Background

On May 23, 2016, the City's Procurement Services Division issued a Request for Proposals (RFP) 365-11745 for the acquisition and renovation of residential properties from qualified, experienced and certified CHDOs within the City's boundaries. A CHDO is a private nonprofit, community-based organization that has staff with capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, capacity and experience. Properties purchased within the Northwest Progresso Flagler Heights Community Redevelopment Area must be for home ownership only.

Federal HOME Program regulations require that each City receiving funds set at least 15% of annual allocation of those funds for the development of affordable housing activities to be undertaken by a CHDO. A CHDO may use HOME funds for all eligible activities including acquisition and/or rehabilitation or rental housing, new construction of rental housing, acquisition and/or rehabilitation of homebuyer properties, new construction of homebuyer properties, and direct financial assistance to purchasers of HOME-assisted housing that has been developed with HOME funds by the CHDO.

At the time of the RFP closing on June 21, 2016, no proposals were received; the City then extended the deadline to June 28, 2016. Staff conducted additional outreach to solicit more proposals. The City closed the solicitation process on June 28, 2016, and NVCC was the sole proposer. Staff has reviewed the proposal and determined that the project meets the requirements of the HOME Program.

NVCC proposes to construct six homes and has requested \$289,000 in HOME funds for the following costs:

- \$120,000 - down payment assistance/closing costs
- \$169,000 - eligible development costs

The award is based upon NVCC meeting the requirements outlined in the Participation Agreement (Exhibit 3) which includes providing a budget showing all funding sources and a Homebuyer Sales Plan.

One June 7, 2016, the Housing and Community Development (HCD) Division requested that the City Commission approve the Annual Action Plan for Fiscal Year 2016-2017 Entitlement Grant Programs through U.S. Department of Housing and Urban Development (HUD (CAM 16-0612). The City expects to receive \$471,564 in HOME funds, of which \$70,734.60 is required for CHDO set aside.

To that effect, there is currently \$218,711 available in HOME funds; the additional set aside of \$70,735 is contingent upon appropriation of the FY 2017 HOME funds, as outlined in the Annual Action Plan. Upon appropriation, the City will have a cumulative total of \$289,446 available for FY 2017.

Resource Impact

There will be no fiscal impact for FY 2016. There will be a fiscal impact in FY 2017 in the amount of \$289,000 contingent upon appropriation of HOME funds. There will be a fiscal impact in 2017 in the amount \$289,000 to the Housing and Community Development Grant Funds CHDO Set Aside which currently has a balance \$289,445.55.

<i>Funds available as of October 1, 2016</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
108-HM14CHDO-8001	<u>CHDO Set Aside FY 13/14</u>	<u>Grant Services/ Program Funds</u>	<u>\$74,756</u>	<u>\$74,756</u>	<u>\$74,755.65</u>
108-HM15CHDO-8001	<u>CHDO Set Aside FY 14/15</u>	<u>Grant Services/ Program Funds</u>	<u>\$75,962</u>	<u>\$75,962</u>	<u>\$75,961.95</u>
108-HM16CHDO-8001	<u>CHDO Set Aside FY 15/16</u>	<u>Grant Services/ Program Funds</u>	<u>\$67,993</u>	<u>\$67,993</u>	<u>\$67,993.35</u>
108-MGR120802-8001	<u>CHDO Set Aside FY 16/17 Housing Grant Admin</u>	<u>Grant Services/ Program Funds</u>	<u>\$8,005,810</u>	<u>\$8,005,810</u>	<u>\$70,734.60</u>
PURCHASE TOTAL →					\$289,445.55

Strategic Connections

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

- 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 – Solicitation

Exhibit 2 – NVCC Proposal

Exhibit 3 – Participation Agreement

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