



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#17-1440

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

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

DATE: December 19, 2017

TITLE: Resolution Authorizing Affordable Housing Funding Request and Authority
to Sign the Local Government Contribution Loan Form and Execute Loan
Documents for Sailboat Bend Apartments II - \$783,250

Recommendation

It is recommended that the City Commission approve a loan of \$783,250 in support an application for low-income housing tax credits and authorize the City Manager to sign the Local Government Contribution Loan Form and execute loan documents for Sailboat Bend Apartments II.

Background

A development partnership of Atlantic/Pacific Communities and the Housing Authority of the City of Fort Lauderdale intends to respond to a request for applications for low-income housing tax credits available through the Florida Housing Finance Corporation. The partnership proposes a new development consisting of a 9-story, 110-unit project on the site next to the existing Sailboat Bend apartment building. The application for tax credits is due on December 28, 2017. Securing low-income housing tax credits from the Florida Housing Finance Corporation is a highly competitive process and each application is submitted with the hopes of obtaining a favorable score for funding. An application may receive points if it is able to demonstrate local government support in the form of a cash loan or grant.

The partnership is requesting a loan in the amount of \$783,250 for the project. The proposed loan would be non-amortizing for a 15-year period, with interest applied at the Long Term Applicable Federal Rate (2.60% as of 11/17) with no penalty for pre-payment. The loan would be guaranteed by a Single Purpose Entity formed by the Housing Authority of Fort Lauderdale. Loan repayment will be guaranteed by a cash deposit by the Housing Authority with a Single Purpose Entity as an escrow account in favor of the City during the term of the loan until repayment is made. The City will disburse funds for the loan within 90-days of project completion, which is estimated during the mid-2020's.

If the partnership is successful in obtaining tax credits for the project the City Manager will negotiate and execute the appropriate loan documents. A closing date would be consistent with the timeframe requested to disburse funds in the early or mid-2020's.

Resource Impact

There is no resource impact in FY 2018.

The entire loan amount of \$783,250 is projected to come from an undesignated revenue source. Since the loan funds are not needed until 2020, funds will be made available with approval of the proper budget and appropriation approvals, contingent upon award of low-income housing tax credits.

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 6: Be an inclusive community made up of distinct, complementary, and diverse neighborhoods.
- Objective 2: Ensure a range of housing options for current and future neighbors.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*.

Attachments

Exhibit 1 – Sailboat Bend II Funding Request

Exhibit 2 – Local Verification Form

Exhibit 3 – Site Plan, Rendering and Location Map

Exhibit 4 – Resolution

Prepared by: Al Battle Jr., Deputy Director - Department of Sustainable Development

Department Director: Anthony Greg Fajardo, Department of Sustainable Development