

RESOLUTION NO. 17-286

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, APPROVING A LOAN IN THE AMOUNT OF SEVEN HUNDRED EIGHTY THREE THOUSAND TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$783,250.00) TO SUPPORT THE CONSTRUCTION, DEVELOPMENT AND OPERATION OF THE SAILBOAT BEND APARTMENTS II; AUTHORIZING EXECUTION OF FLORIDA HOUSING FINANCE CORPORATION LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION-LOAN FORM AND ANY AND ALL OTHER DOCUMENTS OR INSTRUMENTS NECESSARY OR INCIDENTAL TO CONSUMMATION OF THE TRANSACTION; DELEGATING AUTHORITY TO THE CITY MANAGER TO NEGOTIATE AND EXECUTE SAID DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Atlantic/Pacific Communities is seeking to develop Sailboat Bend Apartments II which shall consist of One Hundred and Ten (110) residences on real property owned by the Housing Authority of the City of Fort Lauderdale (the "Project"); and

WHEREAS, Atlantic/Pacific Communities intends to file an application with Florida Housing Finance Corporation for low-income tax credits to finance development of the Project; and

WHEREAS, Atlantic/Pacific Communities in partnership with the Housing Authority of Fort Lauderdale has requested local support for the Project from the City of Fort Lauderdale; and

WHEREAS, the City Commission finds that construction of affordable housing for qualified residents serves a public purpose; and

WHEREAS, Section 4.01(b) of the Charter of the City of Fort Lauderdale, Florida provides that pursuant to resolution, the execution of certain instruments may be delegated to another person;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE;


SECTION 1. Provided funds are budgeted, appropriated and approved by the City Commission provided the Project receives an allocation of tax credits from the Florida Housing Finance Corporation, the City Commission hereby approves a loan in the amount of Seven Hundred Eighty Three Thousand Two Hundred Fifty and No/100 Dollars (\$783,250.00) in support of the Project (the "Loan"), subject to repayment of the Loan in accordance with the terms and conditions of the Letter dated November 17, 2017 from Atlantic/Pacific Communities which is incorporated in this Resolution by reference.

SECTION 2. That the City Manager is hereby delegated authority to execute and deliver Florida Housing Finance Corporation Local Government Verification of Contribution-Loan Form and any and all other documents or instruments necessary or incidental to consummation of the transaction (collectively, the "Loan Documents") without further action or approval of this body and to the extent necessary to negotiate repayment terms of the Loan, including designating the use of funds.

SECTION 3. That execution of the Loan Documents shall be subject to the approval and consent of the City Manager and the City Attorney.

SECTION 4. That this Resolution shall be in full force and effect immediately upon and after its passage.

ADOPTED this the 19th day of December, 2017.

  
\_\_\_\_\_  
Mayor  
JOHN P. "JACK" SEILER

ATTEST:



\_\_\_\_\_  
City Clerk  
JEFFREY A. MODARELLI



November 17, 2017

Lee Feldman, City Manager - ICMA - CM  
Office of the City Manager  
City Hall  
100 N. Andrews Avenue  
Fort Lauderdale, FL 33301

**RE: City of Fort Lauderdale Request for Funding - FHFC Request For Application 2017-113**

Dear Mr. Feldman:

Atlantic|Pacific Communities is seeking to develop 110 elderly affordable housing residences on a site owned by the Housing Authority of the City Fort Lauderdale at 437 SW 4<sup>th</sup> Avenue. In order to obtain financing for the development, we are requesting a loan in support of our tax credit application to the Florida Housing Finance Corporation ("FHFC").

Under the current FHFC rules, the Applicant must demonstrate local government support of the development through a local government contribution in order to be competitive. This contribution may be in the form of cash loans and/or cash grants, as outlined below. The FHFC will only award points to a proposed Development where a jurisdiction has contributed cash loans and/or cash grants for a proposed Development in an amount sufficient to qualify for these points. For RFA 2017-113 the local government contribution amount required is \$783,250.

In order to meet the above requirements, Atlantic|Pacific Communities and the Housing Authority of the City of Fort Lauderdale propose the following terms to qualify for FHFC's local government contribution:

- The City of Fort Lauderdale would provide a loan in the amount of \$783,250 for the financing of Sailboat Bend Apartments II. The source of these funds could include a combination of the City's Affordable Housing Trust Funds and general revenue funds.
- The loan would be a non-amortizing loan with a term of 15 years, bear interest at the Long Term Applicable Federal Rate (2.60% as of November 2017), and have no prepayment penalty.
- The loan would be secured with a repayment guaranty provided by a Single Purpose Entity (SPE) formed by the Housing Authority of the City of Fort Lauderdale. As a condition of funding the loan, the Housing Authority would deposit \$783,250 with the guarantor SPE to secure the loan. This net worth and liquidity would be maintained until full repayment of the City's loan.
- The loan would fund within 90 days of completion of the project (estimated 2nd quarter 2020).

2950 SW 27<sup>TH</sup> AVENUE, SUITE 200, MIAMI, FLORIDA 33133

**EXHIBIT A**



If your City is supportive of this request, we envision the next steps to include the City of Fort Lauderdale authorizing the appropriate individual to sign the Florida Housing Finance Corporation Local Government Verification of Contribution Loan Form (**Attachment A**) upon approval by the Fort Lauderdale City Commission. After successful award of tax credits, the City, Atlantic|Pacific Communities, and the Housing Authority of the City of Fort Lauderdale would negotiate the loan documents. Atlantic|Pacific Communities and the Housing Authority of the City of Fort Lauderdale would close on the \$783,250 loan at financial closing of the project with funding to occur within 90 days of construction completion.

We appreciate your consideration of our request and if you have any questions please do not hesitate to contact me at 305-357-4700.

Respectfully,



Kenneth Naylor  
Chief Operating Officer

**Attachment A: FHFC Local Government Verification of Contribution – Loan Form**

**FLORIDA HOUSING FINANCE CORPORATION  
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION - LOAN FORM**

Name of Development: Sailboat Bend Apartments II

Development Location: 437 SW 4th Avenue, Fort Lauderdale, FL 33315

(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of Fort Lauderdale commits \$ 783,250.00 (which may be used as an FHFC Non-Corporation Funding Proposal in an Application for FHFC funding if it meets the required criteria) in the form of a reduced interest rate loan to the Applicant for its use solely for assisting the proposed Development referenced above.

The value of the contribution based on the difference between the face amount of the above-referenced loan and the net present value of its payment stream, inclusive of a reduced interest rate and the designated discount rate (as stated in the applicable RFA) is: \$ N/A.

No consideration or promise of consideration has been given with respect to the loan. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this loan must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

**CERTIFICATION**

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Title

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager /Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.