



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

#18-1059

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

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

DATE: October 9, 2018

TITLE: Motion Authorizing Execution of a Subordination Agreement for the
Housing Rehabilitation Program

Recommendation

It is recommended that the City Commission approve execution of a subordination of the City's interest in the mortgage to the lien of Wells Fargo that will encumber the property of Benito E. Dawson and Jacklyn M. Dawson and authorize the City Manager to execute all related documents.

Background

On August 30, 2018, the Housing and Community Development Division received a letter from Ms. Jacklyn M. Dawson James (Exhibit 1) requesting subordination of the substantial rehabilitation lien in the amount of \$52,414.25. The subordination would allow Ms. Dawson to obtain a cash pay off for credit card debt associated with home improvements. As a condition for granting the subordination, Ms. Dawson must provide a copy of the closing statement and copy of the check in favor of the credit card holder.

City Resolution No. 07-128 (Exhibit 2) requires Commission approval if the request for subordination does not meet all of the criteria set forth in Section 1 of the resolution.

Ms. James meets all of the current subordination policy requirements except:

- New 1st mortgage interest rate is at least two (2) percent points lower than the current rate. Her current mortgage rate is 4.625% and new rate will be 4.50%.

Housing and Community Development staff is recommending that the City Commission approve the subordination. This subordination would provide Ms. James the benefit to pay for the home improvements and consolidate the resulting balances under a single low fixed interest rate.

Resource Impact

There will be no fiscal year impact on the budget from this action.

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 – Hardship letter

Exhibit 2 – Resolution No. 07-128

Exhibit 3 – Subordination Agreement

Prepared by: Avis A. Wilkinson, Housing Programs Administrator, Housing and
Community Development

Department Director: Mario DeSantis, Acting Housing and Community Development
Program Manager