

RESOLUTION NO. 00-175

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, ESTABLISHING THE CRITERIA UNDER WHICH AUTHORITY MAY BE DELEGATED TO THE PROPER CITY OFFICIALS TO EXECUTE LOAN SUBORDINATION AGREEMENTS FOR THE CITY OF FORT LAUDERDALE'S PURCHASE ASSISTANCE AND HOUSING REHABILITATION PROGRAMS.

WHEREAS, the City Commission of City, at its meeting of December 7, 1993 authorized the implementation of the City of Fort Lauderdale Purchase Assistance Program; and

WHEREAS, the Purchase Assistance Program provides very low and low income first time home buyers financial assistance in the form of funds for down payment or closing costs to aid in the purchase of a home in the City of Fort Lauderdale; and

WHEREAS, the City Commission of City, at its meeting of May 1, 1990, established the guidelines for the City of Fort Lauderdale Owner Occupied Rehabilitation Housing Program; and

WHEREAS, the Owner Occupied Rehabilitation Housing Program provides financial assistance to low income families which allows them to bring their homes up to minimum housing standards; and

WHEREAS, property owners from time to time desire to refinance their existing loan on a property established under one of the Housing Programs mentioned herein; and

WHEREAS, City staff would like to process loan subordination requests and subsequent agreements in a timely and efficient manner by allowing the proper city officials to execute same; and

WHEREAS, pursuant to City of Fort Lauderdale Charter Section 4.01(b) the City Commission of City, may delegate the authority to execute an agreement under which the City assumes liability; and

WHEREAS, certain guidelines shall be established under which loan subordination agreements may be executed by the proper city officials without review by the City Commission of City;

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


SECTION 1: That the proper city officials of the City of Fort Lauderdale shall have the authority to execute Loan Subordination Agreements under the City of Fort Lauderdale Purchase Assistance and Housing Rehabilitation Programs if the following criteria are met:

- (a) At least one year has elapsed form the date of closing on the City of Fort Lauderdale's loan.
- (b) At least two years have elapsed from the date of the last subordination, if applicable.
- (c) Subordination must be to a mortgage lien with an interest rate at least 2 percentage points lower than the mortgage debt being refinanced and at least 51 percent of cash received by the property owner, if any, will be utilized to improve the subject property.
- (d) Combined loans to value ratio must not exceed 95%.

(e) Subordination may be granted to mortgage lenders licensed under Part III of Chapter 494, Florida Statutes.


SECTION 2. Authority for execution of a Loan Subordination Agreement not falling within the criteria listed above would require City Commission approval.

ADOPTED this the 12th day of December, 2000.



Mayor
JIM NAUGLE

ATTEST:



City Clerk
LUCY MASLIAH

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