

RESOLUTION NO. 19-18 (CRA)

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY APPROVING A FORGIVABLE LOAN OF FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) TO FAT LIVE LIMITED PARTNERSHIP UNDER THE DEVELOPMENT INCENTIVE PROGRAM, CONTINGENT ON AN AWARD OF NINE PERCENT (9%) LOW INCOME HOUSING TAX CREDITS FROM THE FLORIDA HOUSING FINANCE CORPORATION, AN AWARD OF FIVE MILLION AND NO/100 DOLLARS (\$5,000,000) LOAN FROM BROWARD COUNTY, FLORIDA AND A FIRM COMMITMENT FOR CONSTRUCTION FINANCING; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE FLORIDA HOUSING FINANCE CORPORATION LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION-LOAN FORM AND ANY AND ALL INSTRUMENTS RELATED TO THE FORGIVABLE LOAN; DELEGATING AUTHORITY TO THE EXECUTIVE DIRECTOR TO TAKE CERTAIN ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Fort Lauderdale Community Redevelopment Agency ("CRA"), an agency authorized under Chapter 163, Part III of the Florida Statutes, was created to eliminate "slum and blight" and to stimulate community redevelopment; and

WHEREAS, the City Commission adopted Resolution No. 95-86 on June 2, 1995, finding the existence of slum and blight conditions in that area of the City of Fort Lauderdale, Florida (the "City") known as the Northwest-Progresso-Flagler Heights Community Redevelopment Area, as more particularly described in that resolution, (herein referred to as the "Redevelopment Area"); and

WHEREAS, by adoption of Resolution No. 95-170, the redevelopment plan for the Redevelopment Area was approved by the City Commission on November 7, 1995 and was amended in 2001 by Resolution No. 01-86, in 2002 by Resolution No. 02-183, in 2013 by Resolution No. 13-137, in 2016 by Resolution No. 16-52 and in 2018 by Resolution No. 18-226 (the "Redevelopment Plan"); and

WHEREAS, the CRA Development Incentive Program (DIP) is intended to support projects with an investment of \$5,000,000.00 or more; and

WHEREAS, FAT Live Limited Partnership, a Florida limited partnership ("FAT Live"), has applied for a forgivable loan to fund approved construction costs and proposes to construct one hundred twenty five (125) units located at 501 NW First Avenue, Fort Lauderdale (the "Project") as part of a larger scale project; and

WHEREAS, the Project will create a mixed income community by leasing at least nineteen units at affordable rents to residents whose income do not exceed thirty percent (30%) of Area Median Income (AMI) for Broward County, Florida, as adjusted for family size, by at leasing at least fifty (50) units to residents whose income do not exceed sixty percent (60%) of AMI, and by leasing at least twenty five (25) units to residents whose income do not exceed eighty percent (80%) of AMI ("Affordable Housing Restriction") and thirty one (31) market rate units; and

WHEREAS, the Affordable Housing Restriction shall be enforceable for a minimum term of forty (40) years and the CRA Loan, as evidenced by a promissory note and as secured by a second or third mortgage, restrictive covenants and other appropriate loan documents, shall be forgiven at the end of the term provided FAT Live is in compliance with the Affordable Housing Restriction; and

WHEREAS, FAT Live intends to apply for Low Income Tax Credits (9%) from the Florida Housing Finance Corporation which application is due on or before November 7, 2019; and

WHEREAS, the FHFC application requires local support as described in the Florida Housing Finance Corporation Local Government Verification of Contribution-Loan Form; and

WHEREAS, FAT Live has applied for a forgivable loan in the amount of Five Million and No/100 Dollars (\$5,000,000) from Broward County, Florida; and

WHEREAS, CRA's DIP loan is contingent upon an award of nine percent (9%) low income housing tax credits from the Florida Housing Finance Corporation, an award of a \$5,000,000 loan from Broward County, Florida and a firm commitment for construction financing from an approved lender; and

WHEREAS, the CRA Advisory Board for the Redevelopment Area approved funding for this Project on October 8, 2019; and

WHEREAS, the Board of Commissioners of the CRA finds that development of the Project will create much needed affordable housing in the Redevelopment Area, enhance the area's physical appearance, create new business, retail and art spaces, as well as facilitate a responsive and proactive business climate, all in accordance with and in furtherance of the Redevelopment Plan, as authorized by and in accordance with the Act; and

WHEREAS, the CRA Board finds that FAT Live Limited Partnership has demonstrated that it has the financial capacity, legal ability, development experience, qualifications and ability best suited to carry out the proposal; and

WHEREAS, staff finds that the physical improvements comply with the Redevelopment Plan, will improve the Redevelopment Area and increase the supply of affordable housing;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. That the Recitals set forth above are true and correct and incorporated herein by this reference.

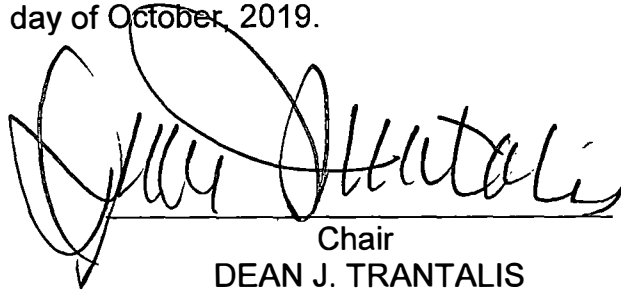
SECTION 2. That the Fort Lauderdale Community Redevelopment Agency hereby approves a forgivable loan under the CRA's Development Incentive Program (DIP) in the amount of Five Million and No/100 Dollars (\$5,000,000.00), payable in equal installments over five (5) years starting in fiscal year 2019/2020, to FAT Village Limited Partnership as gap financing for the Project located at 501 NW First Avenue, contingent on an award of Nine Percent (9%) Low Income Housing Tax Credits from the Florida Housing Finance Corporation, an award of a \$5,000,000 loan from Broward County, Florida and a firm commitment for construction financing from an approved lender.

SECTION 3. That the governing body of the Fort Lauderdale Community Redevelopment Agency hereby authorizes execution of the Florida Housing Finance Corporation Local Government Verification of Contribution-Loan Form, in substantially the form attached hereto, and any and all other documents or instruments, including, without limitation, subordination agreements and estoppel certificates, necessary or incidental to consummation of the transaction without further action or approval of this body. Except for the authority to increase the amount of the forgivable loan or to waive the Affordable Housing Limitation, the Executive Director or his designee is delegated authority to negotiate additional terms and conditions, modify the terms, take further actions, and make such further determinations he deems advisable in furtherance of the goals and objectives of the Redevelopment Plan and to execute all instruments and documents necessary or incidental to consummation of the CRA forgivable loan, including without limitation, execution of a Development Agreement, Subordination Agreement or Estoppel Certificates.

SECTION 4. That the office of the General Counsel shall review and approve as to form all documents prior to their execution by the Executive Director.

SECTION 5. That this Resolution shall be in full force and effect upon final passage.

ADOPTED this the 15th day of October, 2019.



Chair
DEAN J. TRANTALIS

ATTEST:



CRA Secretary
JEFFREY A. MODARELLI

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

Name of Development: _____

Development Location: _____
(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 _____, commits \$ _____ (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 net present value of the above-referenced loan, based on its payment stream, inclusive of a reduced interest rate and the designated discount rate (as stated in the applicable RFA) is: \$ _____.

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

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

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.