

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A FUNDING AGREEMENT WITH PINNACLE AT PEACEFIELD, LTD. TO PROVIDE HOME AND NEIGHBORHOOD STABILIZATION 1 PROGRAM FUNDS AND CITY REMAINING LOAN FUNDS IN THE TOTAL AMOUNT OF \$578,000.00, ALONG WITH SUBORDINATION AGREEMENTS AND ASSOCIATED DOCUMENTS NECESSARY TO FACILITATE DEVELOPMENT OF THE PINNACLE AT PEACEFIELD AFFORDABLE HOUSING PROJECT FOR SENIORS ON ADAMS STREET.

WHEREAS, on December 14, 2016, the City passed and adopted Resolution No. R-2016-377, which approved and authorized a Local Government Loan Contribution not to exceed \$578,000.00 for the development of Pinnacle at Peacefield, a 120-unit Affordable Senior Housing Project on Adams Street between South Dixie Highway and South 24th Avenue; and

WHEREAS, the sources of the Local Government Loan Contribution were to be from one or a combination of the Hollywood Community Redevelopment Agency ("CRA") and/or City administered funds, with the loan to be repaid in a term not to exceed 32 years; and

WHEREAS, the original plan was for the City and the CRA each to provide a loan for the project; however, the repayment date is inconsistent with the June 30, 2025 date on which the Downtown District of the CRA is expected to cease to exist; and

WHEREAS, to resolve this inconsistency, the City and CRA have agreed that the CRA will loan \$144,000.00 toward the project to the City via an Interlocal Agreement, with the loan to be repaid by the City no later than June 30, 2025, or if extended, such other date as the Downtown District of the CRA ceases to exist; and

WHEREAS, the funding agreement between the City and Pinnacle at Peacefield, Ltd. shall have a provision for forgiveness exercisable at the sole discretion of the City; and

WHEREAS, on May 25, 2017, Pinnacle at Peacefield, Ltd. requested an extension of the closing date pursuant to a provision within the Purchase and Sale Agreement requesting a closing date not to exceed November 30, 2017; and

WHEREAS, on September 25, 2017, Pinnacle at Peacefield, Ltd. was successful in securing access to Tax Credits and an invitation for Credit Underwriting by Florida Housing Finance Corporation; and

WHEREAS, on November 15, 2017, the City Commission passed and adopted Resolution No. R-2017-327, which approved and authorized an amendment to the terms and conditions of the agreement that included the Local Government Loan Contribution by extending the expiration date to June 30, 2019; and

WHEREAS, the City has been designated by the United States Department of Housing and Urban Development (“HUD”) as a participating jurisdiction for the receipt and use of funds as provided by the Home Investment Partnership Program (HOME) as set forth in 24 CFR Part 92; and

WHEREAS, funding the Local Government Loan Contribution is an eligible HOME activity; and

WHEREAS, as a result of the enactment of House Resolution 3221, HUD awarded Neighborhood Stabilization Program (NSP-1) funds to states and communities across the country to address the nation's abandoned and foreclosed homes crisis; and

WHEREAS, the NSP-1 funding authorized under Title III of the Housing and Economic Recovery Act of 2008 allows for redevelopment of demolished or vacant properties under Section 2301 of (3)(E); and

WHEREAS, funding the Local Government Loan Contribution is an eligible Redevelopment activity within NSP-1; and

WHEREAS, it is necessary for the City and Pinnacle to also execute the appropriate Mortgages, Promissory Notes, Riders, Subordination Agreements, and Declarations of Restricted Covenants that will restrict the development to age-restricted, affordable housing for a period of not less than 50 years, which is memorialized in the attached funding agreement; and

WHEREAS, HOME funding is available to fund the Local Government Loan Contribution in account number 11.1500.60637.554.008461; and

WHEREAS, NSP-1 funding is available to fund the Local Government Loan Contribution in account number 11.1500.54480.513.049225; and

WHEREAS, the Remaining City Loan Funds will be available to fund the Local Government Loan Contribution as a result of the Interlocal Agreement to be executed between the City and the CRA; and

WHEREAS, funding provided by the City is contingent upon Release of Funds from HUD under 24 CFR Part 58.

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

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves and authorizes the execution, by the appropriate City officials, of the attached Funding Agreement and associated documents, with Pinnacle at Peacefield, Ltd., together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2018.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY for the use and reliance of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES, CITY ATTORNEY