

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: June 22, 2016

File: BIS 16-216

File: TMP-2016-314

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED SUBORDINATION AGREEMENT AMONG GREYSTONE FUNDING CORPORATION, THE CITY OF HOLLYWOOD AND CRYSTAL LAKES REDEVELOPMENT LTD. IN ORDER FOR CRYSTAL LAKES REDEVELOPMENT, LTD. TO REFINANCE THE PROJECT WHEREIN THE CITY'S HOME INVESTMENT PARTNERSHIP PROGRAM LOAN IN THE AMOUNT OF \$500,000.00 FOR THE CRYSTAL LAKES APARTMENTS AFFORDABLE HOUSING PROJECT WILL BE SUBORDINATE TO THE GREYSTONE FUNDING CORPORATION REFINANCED LOAN .

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient budgetary resources identified/available;
3. Budgetary resources not identified/unavailable;
4. Potential Revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

In 2004 the City Commission approved a \$500,000.00 allocation from the Home Investment Partnership Program (HOME) to be used in connection with the demolition and reconstruction of the Crystal Lakes Public Housing Project at 2900 N. 24th Avenue. The project was completed in 2008.

The City secured its financing with a mortgage and note that was subordinate to a first position mortgage held by CitiBank and second position mortgage held by Broward County.

Crystal Lakes Redevelopment, Ltd. is seeking to refinance the first position debt through Section 207/223(f) of the National Housing and is requesting the City to re-subordinate its loan. The City's debt will remain in third position and will be secured by an approximately 11.5 acre portion of the site on which housing was constructed. Additionally, the affordability period for the loan will extend an additional thirty-five (35) years until 2051.

There is no immediate impact on the budget with this action.

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