



Legislation Details (With Text)

File #: R-2016-190 **Version:** 1 **Name:** Subordination
Type: Resolution **Status:** Passed
File created: 6/17/2016 **In control:** Community Development Division
On agenda: 7/6/2016 **Final action:** 7/6/2016

Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida Approving Subordination Of A Home Investment Partnership Program (HOME) Loan To Crystal Lakes Redevelopment, Ltd. In The Amount Of \$500,000.00, Said Loan Having Facilitated Development Of The Crystal Lakes Apartments Affordable Housing Project; Authorizing The Appropriate City Officials To Execute The Appropriate Documents; And Providing An Effective Date.

Sponsors:

Indexes:

Code sections:

Attachments: 1. RESOCRYSTALLAKESSUBORDINATION2016 rev1.pdf, 2. Subordination Agreement(rev2).pdf, 3. TermSheetCrystalLakeRedevProjectSubordinationAg2016.pdf, 4. BIS 16216.pdf

Date	Ver.	Action By	Action	Result
7/6/2016	1	Regular City Commission Meeting	adopted as amended	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida Approving Subordination Of A Home Investment Partnership Program (HOME) Loan To Crystal Lakes Redevelopment, Ltd. In The Amount Of \$500,000.00, Said Loan Having Facilitated Development Of The Crystal Lakes Apartments Affordable Housing Project; Authorizing The Appropriate City Officials To Execute The Appropriate Documents; And Providing An Effective Date.

Staff Recommends: Approval of Attached Resolution.

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 Act. To this end, Crystal Lakes Redevelopment,

Ltd. 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.

Recommended for inclusion on the agenda by:

Dr. Wazir Ishmael, City Manager

Gus Zambrano, Assistant City Manager for Sustainable Development

Thomas Barnett, Director, Department of Development Services