



Legislation Details (With Text)

File #: R-2016-377 **Version:** 1 **Name:** Adam Street Loan
Type: Resolution **Status:** Passed
File created: 12/6/2016 **In control:** Regular City Commission Meeting
On agenda: 12/14/2016 **Final action:** 12/14/2016

Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Provide A Local Government Loan Contribution Not To Exceed Five Hundred And Seventy-Eight Thousand Dollars (\$578,000.00) For That Certain Agreement Between Pinnacle At Peacefield, LLC And The City Of Hollywood And The Hollywood Community Redevelopment Agency For An Application Of Tax Credit Financing For The Development Of An Affordable Senior Housing Project On Adams Street.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Adams Street-Pinnacle-Loan Resolution final rev1.pdf, 2. Adams Street-Peacefield City Loan Commitment-Final.pdf, 3. Local Government Verification of Contribution – Loan Form rev 1.pdf, 4. terpinnacleloan.pdf, 5. BIS 17067.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|---------------------------------|--------|--------|
| 12/14/2016 | 1 | Regular City Commission Meeting | adopt | Pass |

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Provide A Local Government Loan Contribution Not To Exceed Five Hundred And Seventy-Eight Thousand Dollars (\$578,000.00) For That Certain Agreement Between Pinnacle At Peacefield, LLC And The City Of Hollywood And The Hollywood Community Redevelopment Agency For An Application Of Tax Credit Financing For The Development Of An Affordable Senior Housing Project On Adams Street.

Staff Recommends: Approval of Resolution

Explanation:

On or about November 5, 2015, the City of Hollywood, Florida and Pinnacle at Peacefield, LLC entered into a Purchase and Sale Agreement pursuant to which the City was to sell to Pinnacle certain property on Adams Street and at the same time, the City of Hollywood, Florida Community Redevelopment Agency and Pinnacle entered into a Purchase and Sale Agreement pursuant to which the CRA was to sell to Pinnacle certain property that abuts the City property referenced above. After the sale of these properties, Pinnacle was to develop an affordable senior housing project on them, subject to a tax credit contingency consisting of: (i) an award from Florida Housing in connection with Request for Applications No. 2015-107 (the "RFA") issued by Florida Housing for

Federal Income Tax Credits under the Low Income Housing Tax Credit Program in an amount sufficient, in Pinnacle's sole and absolute discretion, to enable Pinnacle to acquire the Property and construct its intended improvements on the Property, with all time to appeal such award having expired and with no appeal then pending and no appeal instituted or petition filed, and (ii) a binding commitment acceptable to Pinnacle in its sole and absolute discretion for a syndication/sale of such Tax Credits to an investor. Pinnacle filed an application for Tax Credits as contemplated by the executed agreement. The City and Pinnacle acknowledged that Pinnacle's application for Tax Credits was not successful, and the City and Pinnacle desired to amend the agreement to give Pinnacle the opportunity to submit an application to Florida Housing in the upcoming RFA 2015-113. The City and Pinnacle desired to amend the agreement on the terms and conditions that included the addition of a provision stating that the agreement cannot be extended beyond June 30, 2016 without the City's consent.

Pinnacle filed an application for Tax Credits as contemplated by the executed agreement. However, the City and Pinnacle acknowledged that Pinnacle's application for Tax Credits was not successful, and the City and Pinnacle desired to enter into another agreement once again to give Pinnacle the opportunity to submit an application to Florida Housing in the upcoming RFA 2016-113.

The City and Pinnacle desires to once again enter into a Purchase and Sale Agreement with the City and CRA, including the addition of a provision stating that the agreement cannot be extended beyond June 30, 2017 without the City's consent. In order to apply for Tax Credits, a local government contribution is required and in order to see the successful revitalization of this Property, the City and CRA will provide a local government loan contribution in an amount not to exceed Five Hundred and Seventy-Eight Thousand Dollars (\$578,000.00). The sources of the Loan shall be, \$144,000.00 from the City of Hollywood Community Redevelopment Agency, \$350,000.00 from the City NSP-1, and \$84,000.00 from HOME funds.

Recommended for inclusion on the agenda by:

Dr. Wazir Ishmael, City Manager

Shiv Newaldass, Chief Development Officer