



Legislation Text

File #: R-2018-364, **Version:** 1

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.

Staff Recommends: Approval of Attached Resolution.

Explanation:

On or about November 5, 2015 the City Commission approved Resolution R-2015-332 authorizing the appropriate City officials to negotiate and execute an agreement between the highest ranked proposer, Pinnacle at Peacefield Group (now Ltd.) and the City, for development of an affordable housing project for seniors on City-owned land on Adams Street between South Dixie Highway and South 24th Avenue. The proposed development was contingent upon the developer securing an allocation of 9% Housing Tax Credits from the Florida Housing Finance Corporation.

On December 14, 2016, the City Commission approved Resolution R-2016-377 to provide a Local Government Loan Commitment not to exceed \$578,000.00, for the development of Pinnacle at Peacefield, a 120-unit Affordable Housing Development for seniors, on Adams Street. The sources of the Local Government Loan were to be from one or a combination of Community Redevelopment Agency (CRA) and City administered funds and are due upon closing for the Low Income Housing Tax Credit financing. The City's Local Government Loan Commitment is comprised of \$84,000.00 in Home Investment Partnerships Program funds and \$350,000.00 in Neighborhood Stabilization Program funds, for a total of \$434,000.00. The City, at its sole discretion, and pursuant to 24CFR Section 92.201(a), may forgive the loan, as allowed and specified on Section 4 of the Promissory Notes.

Beginning in May of 2017, the Agreement that includes the Local Government Loan Commitment was amended on several occasions. The most recent amendment was approved on November 15, 2017 via Resolution R-2017-327 and it extended the expiration date to June 20, 2019.

On September 25, 2017 Pinnacle at Peacefield, Ltd. was successful in securing access to Low Income Housing Tax Credits and an invitation for Credit Underwriting by Florida Housing Finance Corporation. This item seeks approval to execute a combination HOME Investment Partnerships Program and Neighborhood Stabilization Program loan agreement and associated mortgages, promissory notes, subordination agreement and declarations of restricted covenants to facilitate disbursement of the City's Local Government Loan Commitment. The projected closing date for the

project's financing and for disposition of the land is November 29, 2018.

The CRA owns a portion of the land to be developed. CRA staff will be seeking approval by the CRA Board to implement its portion of the City's funding commitment in a separate action.

Recommended for inclusion on the agenda by:

Dr. Wazir Ishmael, City Manager

Gus Zambrano, Assistant City Manager for Sustainable Development

Shiv Newaldass, Director, Department of Development Services

Clay Milan, Manager, Community Development Division