



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2020-288, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Execute A Hollywood Home Program Agreement With Liberia Economic And Social Development, Inc. For The Construction Of A Single Family Home In The Liberia Neighborhood; Authorizing The Appropriate City Officials To Execute A Community Housing Development Organization Certification.

Quality of Life & Strong Neighborhoods

Staff Recommends: Approval of the attached Resolution.

Explanation:

Liberia Economic and Social Development, Inc. ("LES") is requesting to use the City's HOME funds to build a new home for affordable to low- or moderate-income households. The home will be built in vacant lots at Lot 12, 13 of Block 18 on Raleigh Street to the east of 24th Ave in the Liberia neighborhood.

Part of the City's HOME Investment Partnership Program reserves or sets aside funds for use by local Community Housing Development Organization, also known as CHDOs.

LES is certified by the City as a fully qualified CHDO as required by 24 CFR 92.2. This means LES possesses the requisite skills, knowledge, qualifications and experience to provide single family housing construction services at property owned by LES.

As a qualified CHDO, the City can support construction of new housing affordable to low- or moderate-income households with these funds. Currently, the City's HOME funding allotment has:

- \$59,560.20 of FY 2014/2015 CHDO set-aside funds
- \$8,205.30 of unexpended Fiscal Year 2015/2016 CHDO set-aside funds

By entering into an HOME Program Agreement between the City and LES these funds can be used to finance the proposed affordable housing project and in turn the project shall meet certain requirements. Below are a few highlights from the Agreement which is attached.

LES shall request this start-up allocation to begin construction of the single family home as

follows:

- Start Construction 11/15/2020
- Obtain Final Inspection 6/15/2021
- Close on Original House 9/30/2021

-The funds are loaned at zero percent deferred interest, until construction of the single family home is complete. The loan may be converted to a grant if all home construction is timely and satisfactorily completed.

- The City shall not be responsible or liable to LES for any payments beyond the maximum funding.

- The home purchaser's income documentation shall be in a form consistent with HOME requirements as state in the HUD *Technical Guide for Determining Income and Allowances Under the Home Program*. The HOME funds for the Project Activity will be secured by a note and mortgage.

- Prior to the closing, LES will provide to the City the estimated settlement statement, along with a reconciliation statement, the draft note and mortgage, and the Declaration of Covenant and Restrictions

- LES shall submit its request for reimbursement of eligible costs to the City in accordance with the reimbursement

- All services materials and labor eligible for payment under this agreement must be performed and processed for payment by December 30, 2020

Fiscal Impact:

There is unspent 2014/2015 and 2015/2016 CHDO funding available in account numbers 111.160201.55400 .584100.000225.000.000 and 111.160201.55400.584100.000219.000 .000.

Recommended for inclusion on the agenda by:

Anthony Grisby, Community Development Manager

Shiv Newaldass, Director, Department of Development Services

Gus Zambrano, Assistant City Manager for Sustainable Development