



Legislation Text

File #: 2020-R-01, Version: 1

MOTION TO ADOPT PROPOSED RESOLUTION 2020-R-01.

RESOLUTION 2020-R-01 IS A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PEMBROKE PINES, FLORIDA, APPROVING THE FISCAL YEAR 2019-2020 AGREEMENT WITH BROWARD COUNTY PROVIDING FOR DISBURSEMENT OF HOME PROGRAM FUNDS FOR PURCHASE ASSISTANCE; AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE AGREEMENT FOR THE DESIGNATION OF SUBRECIPIENT AND DISBURSEMENT HOME PROGRAM, FISCAL YEAR 2019-2020, WITH BROWARD COUNTY IN THE AMOUNT OF \$238,973, AND ASSOCIATED DOCUMENTS, IF NECESSARY; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

1. The City has participated as a subrecipient of the HOME program for several years.
2. The HOME program funds are allocated by the U.S. Department of Housing and Urban Development directly to Broward County and the City must be a subrecipient to receive these funds.
No city funds are required.
3. For the 2019-2020 fiscal year, Pembroke Pines will receive **\$238,973** in HOME funds.
4. The City will allocate these funds toward home purchase assistance. Purchase Assistance Program provides eligible households with assistance in the form of a 0% interest deferred second loan that reverts to a grant if all program conditions are met.
5. Eligible households are those whose annual incomes are at or below 80 percent (80%) of Area Median Income for the current fiscal year, as adjusted for household size.
6. Purchase Assistance General Details:

Level of Assistance

Up to \$50,000 for 50% Areawide Median Income or lower and up to \$40,000 for 51% to 80% Areawide Median Income.

Terms

The principal balance of the Forgivable Loan ("Loan") shall be forgiven at the end of fifteen (15) years with no annual reduction. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the fifteen (15) year occupancy period.

For Special Needs applicants, ten percent (10%) of the Loan shall be forgiven each year on the

anniversary date of the Loan provided the property remains the primary residence of the homeowner. Loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the ten (10) year occupancy period.

7. The City, as a subrecipient, is required to enter into an interlocal agreement with Broward County prior to receiving HOME funds.

8. Program costs will include City Housing Administrator (Community Redevelopment Associates of Florida Inc.) project management fee of \$28,676 (12% of contract as per approved professional services agreement).

9. Administration recommends City Commission approve proposed resolution 2020-R-01 and authorize the appropriate City officials execute the interlocal agreement.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: Grant Program. No cost to City.

b) Amount budgeted for this item in Account No: 121-554-600-**2019HOME**-31510 (Professional service-Direct cost), 121-554-600-**2019HOME**-49216 (Home Buyer Assistance).

c) Source of funding for difference, if not fully budgeted: Not Applicable.

d) 5 year projection of the operational cost of the project Not Applicable.

e) Detail of additional staff requirements: Not Applicable.