

RESOLUTION NO. 2011-113

RESOLUTION AUTHORIZING THE CONTRIBUTION OF FUNDS TO THE HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY FOR CONSTRUCTION OF AFFORDABLE SINGLE-FAMILY WORKFORCE HOUSING WITHIN THE COUNTY IN CONNECTION WITH THE COUNTY COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 2007-34 enacted on May 17, 2007, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. On October 31, 2006, and January 9, 2007, St. Johns County, Florida (the "County"), and the St. Johns County Community Redevelopment Agency (the "Agency"), respectively, authorized the Housing Finance Authority of St. Johns County (the "HFA") to submit a Community Workforce Housing Innovation Pilot Program application to the Florida Housing Finance Corporation ("FHFC") for \$5,000,000 in funding for affordable and workforce housing in the West Augustine Community Redevelopment Area (the "CWHIP Program"), which included the County, the Agency, Habitat for Humanity St. Augustine/St. Johns County, Inc. ("Habitat") and several local builders as program partners.

B. In May 2007, FHFC selected the HFA's application for funding; in November 2009, the FHFC issued a firm commitment for such funding; and in March 2010, the HFA and FHFC executed the related documents and commenced the CWHIP Program in the County.

C. As part of the County's CWHIP Program participation, the County committed to provide impact fee offset assistance ("Impact Fee Offset Assistance") in the amount of \$4,863 per home for 111 CWHIP homes, 77 to be built by the HFA using local builders and 34 to be built by Habitat, under the County's Affordable Housing Economic Incentive Program established under St. Johns County Ordinance No. 2005-101 enacted on November 1, 2005, as amended (the "AHEI Ordinance").

D. FHFC has initially limited the HFA to building only 2 models and capped the selling price for each model, with the result that the first mortgage lien and the required FHFC second mortgage lien total the maximum selling price allowed by FHFC.

E. The Impact Fee Offset Assistance funding under the AHEI Ordinance has a lien requirement and that additional lien, when combined with the first mortgage and second mortgage liens, would result in exceeding the maximum selling price allowed by FHFC.

F. The HFA is, therefore, prevented from drawing down the County's Impact Fee Offset Assistance of \$4,863 per home, forcing the HFA to take a significant unanticipated loss on its CWHIP homes.

G. Even after modifying home specifications to lower costs and contributing other upfront program expenses, which the HFA has undertaken, the HFA would still incur a financial loss on its CWHIP homes due to the loss of the Impact Fee Offset Assistance and such loss would prevent future sales of CWHIP homes by the HFA.

H. To preserve the CWHIP Program, the HFA is requesting a County CWHIP contribution of \$3,500 per home in lieu of the Impact Fee Offset Assistance, which will allow the HFA to continue the construction of CWHIP homes and result in a reduction of 28% of the County's prior commitment.

I. The construction of the CWHIP homes is significant to the redevelopment of the West Augustine Community Redevelopment Area. CWHIP homes increase the tax base within the West Augustine Community Redevelopment Area. CWHIP homes provide much needed construction employment and other economic benefits to suppliers and others in St. Johns County.

J. Recognizing the County's prior commitment to the CWHIP Program, the need to continue economic revitalization in the West Augustine Community Redevelopment Area and the need to preserve FHFC's \$5,000,000 CWHIP funding for the construction of 111 new homes which provides jobs for the construction industry and business for local suppliers, it is necessary, desirable and in the best interest of the County to (a) provide assistance on a per home basis to the HFA in the amount of \$3,500, with no related lien required, in lieu of Impact Fee Offset Assistance to assist with offsetting a portion of the total CWHIP development and construction costs incurred by the HFA (the "CWHIP Contribution Program"), and (b) direct and authorize the Director of the County Housing and Community Services Division (the "Housing Director") and other County staff, officers and attorneys to further develop as needed and implement the CWHIP Contribution Program, all in the manner provided herein.

SECTION 3. APPROVAL OF CWHIP CONTRIBUTION PROGRAM. The County hereby approves and authorizes the CWHIP Contribution Program.

SECTION 4. DEVELOPMENT AND IMPLEMENTATION OF THE CWHIP CONTRIBUTION PROGRAM. The Housing Director and other County officers, employees and attorneys are hereby directed and authorized to further develop and implement the CWHIP Contribution Program, with no further action of the Board of County Commissioners of the County (the "Board") required, all in accordance with and as contemplated by this Resolution.

SECTION 5. AUTHORIZATION OF EXECUTION OF DOCUMENTS, CERTIFICATES AND OTHER INSTRUMENTS. The Chair or Vice Chair of the Board, the Clerk of the Board or any deputy clerk, the County Administrator and the Housing Director are hereby authorized and directed, either alone or jointly, under the official seal of the County, to execute and deliver documents, certificates and such other instruments as shall be necessary or desirable to perform the County's obligations under this Resolution and to consummate the

transactions contemplated hereby and to take such other actions as shall be necessary to implement and administer the CWHIP Contribution Program in the manner provided herein, with no further Board action required.

SECTION 6. GENERAL AUTHORITY. The members of the Board and the County's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in this Resolution, and they are hereby authorized to execute and deliver all documents which shall be reasonably required to effectuate, implement and administer the CWHIP Contribution Program.

SECTION 7. REPEAL OF INCONSISTENT PROVISIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

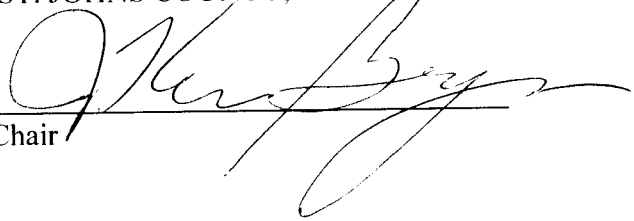
SECTION 8. SEVERABILITY. In the event that any portion or section of this Resolution is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Resolution which shall remain in full force and effect.

SECTION 9 ADMINISTRATIVE MATTERS. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board.

SECTION 10. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

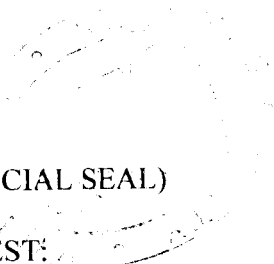
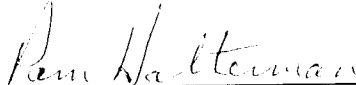
PASSED, APPROVED AND ADOPTED this 3rd day of May, 2011.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA


Its Chair

(OFFICIAL SEAL)

ATTEST:



Deputy Clerk

RENDITION DATE 5/5/11