Introduced by the Council President at the request of the Mayor and Co-Sponsored by Council Member Clark-Murray and substituted by the Neighborhoods, Community Services, Public Health and Safety Committee:

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## ORDINANCE 2023-441-E

ORDINANCE APPROPRIATING \$2,392,309.57 REALLOCATED EMERGENCY RENTAL ASSISTANCE PROGRAM (ROUND TWO) GRANT FUNDS FROM THE U.S. DEPARTMENT OF THE TREASURY TO THE COMMUNITY DEVELOPMENT FUND MISCELLANEOUS GRANTS AND AIDS ACCOUNT TO PROVIDE \$1,000,000 TO ABILITY HOUSING, INC. FOR DEVELOPMENT AND CONSTRUCTION OF A 90 APARTMENT COMMUNITY, \$1,000,000 TO THE JACKSONVILLE HOUSING AUTHORITY FOR CONSTRUCTION OF FIVE NEW SINGLE-FAMILY HOMES, AND \$392,309.57 TO JACKSONVILLE COMMUNITY LAND TRUST, INC. FOR THE CONSTRUCTION OF TWO NEW SINGLE-FAMILY HOMES, TO BE ADMINISTERED BY THE HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF THE NEIGHBORHOODS DEPARTMENT IN ACCORDANCE WITH EMERGENCY RENTAL ASSISTANCE PROGRAM THE ESTABLISHED BY SECTION 501, DIVISION N, OF THE CONSOLIDATED APPROPRIATIONS ACT, 2021, INITIATED BY B.T. 23-102; APPROVING, AUTHORIZING THE MAYOR, OR HER DESIGNEE, AND THE CORPORATION SECRETARY TO EXECUTE AN AGREEMENT WITH ABILITY HOUSING, INC. ("ABILITY HOUSING") RENTAL FOR THE DEVELOPMENT OF AFFORDABLE HOUSING; WAIVING SECTION 118.107 (NONPROFITS TO

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RECEIVE FUNDING THROUGH A COMPETITIVE EVALUATED AWARD PROCESS), PART 1 (GENERAL PROVISIONS), CHAPTER 118 (CITY GRANTS), ORDINANCE CODE, TO ALLOW A DIRECT CONTRACT WITH ABILITY HOUSING; APPROVING, AND AUTHORIZING THE MAYOR, OR HER DESIGNEE, AND THE CORPORATION SECRETARY TO EXECUTE AN AGREEMENT WITH THE JACKSONVILLE HOUSING AUTHORITY FOR THE DEVELOPMENT AFFORDABLE RENTAL HOUSING; APPROVING, AND AUTHORIZING THE MAYOR, OR HER DESIGNEE, AND THE CORPORATION SECRETARY TO EXECUTE AN AGREEMENT WITH JACKSONVILLE COMMUNITY LAND TRUST, INC. ("JCLT") FOR THE DEVELOPMENT OF AFFORDABLE RENTAL HOUSING; WAIVING SECTION 118.107 (NONPROFITS TO RECEIVE FUNDING THROUGH A COMPETITIVE EVALUATED AWARD PROCESS), PART 1 (GENERAL PROVISIONS), CHAPTER 118 (CITY GRANTS), ORDINANCE CODE, TO ALLOW A DIRECT CONTRACT WITH INVOKING THE EXEMPTION IN SECTION JCLT; 126.107(G) (EXEMPTIONS), PART 1 (GENERAL REGULATIONS) CHAPTER 126 (PROCUREMENT CODE), ORDINANCE CODE, TO ALLOW FOR DIRECT CONTRACTS WITH ABILITY HOUSING AND JCLT; PROVIDING FOR OVERSIGHT; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED by the Council of the City of Jacksonville:

Section 1. Appropriation. For the 2023-2024 fiscal year, within the City's budget, there are hereby appropriated the indicated sum(s) from the account(s) listed in subsection (a) to the account(s) listed in subsection (b):

(B.T. 23-102 attached hereto as **Exhibit 1** and incorporated herein by

this reference):

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(a) Appropriated from:

See B.T. 23-102 \$2,392,309.57

(b) Appropriated to:

See B.T. 23-102 \$2,392,309.57

(c) Explanation of Appropriation

The funding above is an appropriation of additional Emergency Rental Assistance Program (Round Two) ("ERAP2") grant funds, made available to the City through a reallocation of ERAP2 grant funds by the U.S. Department of the Treasury under Section 501(d), Division N, of the Consolidated Appropriations Act, 2021 (the "Act"), in the amount of \$2,392,309.57 (the "ERAP2 Funds"), to the Community Development Fund Miscellaneous Grants and Aids Account for development of affordable rental housing, including \$1,000,000 to Ability Housing, Inc. ("Ability Housing") for construction of a 90 unit apartment community, \$1,000,000 to the Jacksonville Housing Authority ("JHA") for construction of five new singlefamily homes, and \$392,309.57 to Jacksonville Community Land Trust, Inc. (the "CLT") for construction of two new single-family homes. No local match is required.

Section 2. Purpose. The purpose of the appropriation in Section 1 is to allocate additional ERAP2 Funds from the U.S. Department of the Treasury to provide funding for development and construction of affordable housing in Duval County that will be made available for rent to qualified households. Distribution and expenditure of the ERAP2 Funds shall be conducted in compliance with the Act for eligible expenses incurred by Ability Housing, JHA and JCLT for the construction of affordable rental housing through September 30, 2025. Affordable housing developed in accordance

herewith shall be rental housing and remain affordable until the later of 20 years after issuance of a Certificate of Occupancy for a given project or September 30, 2045. A copy of the award notification from the U.S. Department of the Treasury is attached hereto as **Exhibit** 2 and incorporated herein by this reference.

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Approval and Authorization to Execute Agreement Section 3. with Ability Housing, Inc. The Mayor, or her designee, and the Corporation Secretary are hereby authorized to execute and deliver an agreement between the City of Jacksonville and Ability Housing, Inc. ("Ability Housing") in a not-to-exceed amount of \$1,000,000 for development by Ability Housing of a 90 unit apartment (rental) community known as "Village at Cedar Hills", subject to the terms and conditions of the Term Sheet attached hereto as Exhibit 3 and incorporated herein by this reference. The agreement may include such additions, deletions and changes as may be reasonable, necessary and incidental for carrying out the purposes thereof, as may be acceptable to the Mayor, or her designee, with such inclusion and acceptance being evidenced by execution of the agreement by the Mayor, or her designee; provided however, no modifications to the agreement may increase the financial obligations of the City to an amount in excess of the amount stated in the agreement or decrease the duties and obligations of Ability Housing, and any such modifications shall be technical only and shall be subject to appropriate legal review and approval by the Office of General Counsel and the Office of Risk Management for appropriate insurance and indemnification terms.

For the purposes of this Ordinance, the term "technical changes" is defined as those changes having no financial impact to the City, changes required for compliance with the terms and conditions of the ERAP2 grant and/or applicable federal rules, regulations or policies, and any other non-substantive changes that do not substantively increase the duties and responsibilities of the City under the

provisions of the agreement.

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funding through a competitive evaluated award process), Part 1 (General Provisions), Chapter 118 (City Grants), Ordinance Code. The provisions of Section 118.107 (Nonprofits to receive funding through a competitive evaluated award process), Part 1 (General Provisions), Chapter 118 (City Grants), Ordinance Code, are hereby waived to allow for a direct contract between the City of Jacksonville and Ability Housing, Inc. The City finds that the direct contract approved herein is justified because there is an extreme need for affordable housing in Duval County. Ability Housing is a well-established non-profit with a proven record of building quality affordable housing, including apartment communities such as the project to be funded through this legislation.

Approval and Authorization to Execute Agreement Section 5. with the Jacksonville Housing Authority. The Mayor, or her designee, and the Corporation Secretary are hereby authorized to execute and deliver an agreement between the City of Jacksonville and the Jacksonville Housing Authority ("JHA") in a not-to-exceed amount of \$1,000,000 for construction of five new single-family homes on parcels owned by JHA to be made available for rent to qualified households, subject to the terms and conditions of the Term Sheet attached hereto as **Exhibit 4** and incorporated herein by this reference. The agreement may include such additions, deletions and changes as may be reasonable, necessary and incidental for carrying out the purposes thereof, as may be acceptable to the Mayor, or her designee, with such inclusion and acceptance being evidenced by execution of the agreement by the Mayor, or her designee; provided however, modifications to the agreement may increase the financial obligations of the City to an amount in excess of the amount stated in the agreement or decrease the duties and obligations of JHA, and any such

modifications shall be technical only and shall be subject to appropriate legal review and approval by the Office of General Counsel and the Office of Risk Management for appropriate insurance and indemnification terms.

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For the purposes of this Ordinance, the term "technical changes" is defined as those changes having no financial impact to the City, changes required for compliance with the terms and conditions of the ERAP2 grant and/or applicable federal rules, regulations or policies, and any other non-substantive changes that do not substantively increase the duties and responsibilities of the City under the provisions of the agreement.

Section 6. Approval and Authorization to Execute Agreement with Jacksonville Community Land Trust, Inc. The Mayor, or her designee, and the Corporation Secretary are hereby authorized to execute and deliver an agreement between the City of Jacksonville and Jacksonville Community Land Trust, Inc., in a not-to-exceed amount of \$329,309.57 for construction of two new single-family homes to be made available for rent to qualified households, subject to the terms and conditions of the Term Sheet attached hereto as Exhibit 5 and incorporated herein by this reference. The agreement may include such additions, deletions and changes as may be reasonable, necessary and incidental for carrying out the purposes thereof, as may be acceptable to the Mayor, or her designee, with such inclusion and acceptance being evidenced by execution of the agreement by the Mayor, or her designee; provided however, no modifications to the agreement may increase the financial obligations of the City to an amount in excess of the amount stated in the agreement or decrease the duties and obligations of JCLT, and any such modifications shall be technical only and shall be subject to appropriate legal review and approval by the Office of General Counsel and the Office of Risk Management for appropriate insurance and indemnification terms.

For the purposes of this Ordinance, the term "technical changes" is defined as those changes having no financial impact to the City, changes required for compliance with the terms and conditions of the ERAP2 grant and/or applicable federal rules, regulations or policies, and any other non-substantive changes that do not substantively increase the duties and responsibilities of the City under the provisions of the agreement.

Waiver of Section 118.107 (Nonprofits to receive Section 7. funding through a competitive evaluated award process), Part 1 (General Provisions), Chapter 118 (City Grants), Ordinance Code. The provisions of Section 118.107 (Nonprofits to receive funding through a competitive evaluated award process), Part 1 (General Provisions), Chapter 118 (City Grants), Ordinance Code, are hereby waived to allow for a direct contract between the City of Jacksonville and Jacksonville Community Land Trust, Inc. The City finds that the direct contract approved herein is justified because there is an extreme need for affordable housing in Duval County. JCLT is a non-profit whose mission is to create home ownership options for low- and moderate-income individuals and families in Jacksonville. Since the creation of the JCLT, the City and JCLT have worked together to identify and assist with projects that will increase the affordable housing stock in Duval County and the addition of the project contemplated herein will further this mutual goal.

Section 8. Invoking the Exemption in Section 126.107(g), Ordinance Code. The City is hereby authorized to procure the use of the professional services of Ability Housing and JCLT for development of affordable housing in Duval County, subject to the terms and conditions outlined in this legislation and any and all federal terms, conditions, policies, or rules applicable to receipt and expenditure of the ERAP2 Funds. Pursuant to Section 126.107(g) (Exemptions), Part 1 (General Regulations), Chapter 126 (Procurement Code), Ordinance

Code, such procurement is exempted from competitive solicitation because the supplies or services are to be provided by those specifically prescribed within authorizing legislation appropriates the same. With the exception of the foregoing, all other provisions of Chapter 126, Ordinance Code, shall remain in full force

and effect. 6 7

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/s/ Shannon MacGillis

without the Mayor's signature.

herein in accordance with the Act.

Office of General Counsel

Form Approved:

Section 9.

Legislation Prepared By: Mary E. Staffopoulos

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that

Oversight Department. The Housing and Community

Development Division of the Neighborhoods Department shall oversee

the administration and distribution of ERAP2 Funds appropriated

effective upon signature by the Mayor or upon becoming effective

Section 10. Effective Date. This Ordinance shall become