

1 Introduced by the Council President at the request of the Mayor and
2 Co-Sponsored by Council Members Clark-Murray, Carlucci, Becton,
3 Bowman, Boylan, Carrico, Cumber, DeFoor, Diamond, Ferraro, Morgan,
4 Newby, Pittman, Priestly Jackson, Salem, White, Howland, and Gaffney,
5 Jr. and amended by the Neighborhoods, Community Services, Public
6 Health and Safety Committee and amended on the Floor of Council:
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ORDINANCE 2023-21-E

10 AN ORDINANCE APPROPRIATING HOME INVESTMENT
11 PARTNERSHIP GRANT PROGRAM - AMERICAN RESCUE PLAN
12 OF 2021 ("HOME-ARP") GRANT FUNDS IN THE AMOUNT
13 OF \$12,060,074 FROM THE UNITED STATES DEPARTMENT
14 OF HOUSING AND URBAN DEVELOPMENT TO PROVIDE
15 HOUSING, SERVICES AND SHELTER TO INDIVIDUALS
16 EXPERIENCING HOMELESSNESS AND OTHER VULNERABLE
17 POPULATIONS; APPROVING, AND AUTHORIZING THE
18 MAYOR, OR HIS DESIGNEE, AND THE CORPORATION
19 SECRETARY TO EXECUTE A FORGIVABLE LOAN AGREEMENT
20 WITH I.M. SULZBACHER CENTER FOR THE HOMELESS,
21 INC. ("SULZBACHER") FOR THE DEVELOPMENT OF
22 AFFORDABLE HOUSING, AND ANY AND ALL DOCUMENTS
23 NECESSARY TO EFFECTUATE THE INTENT OF THIS
24 ORDINANCE; WAIVING SECTION 118.107 (NONPROFITS
25 TO RECEIVE FUNDING THROUGH A COMPETITIVE
26 EVALUATED AWARD PROCESS), PART 1 (GENERAL
27 PROVISIONS), CHAPTER 118 (CITY GRANTS),
28 *ORDINANCE CODE*, TO ALLOW A DIRECT CONTRACT WITH
29 SULZBACHER; PROVIDING FOR OVERSIGHT BY THE
30 NEIGHBORHOODS DEPARTMENT, HOUSING AND COMMUNITY
31 DEVELOPMENT DIVISION; REQUESTING ONE CYCLE

EMERGENCY PASSAGE; PROVIDING AN EFFECTIVE DATE.

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

Section 1. Appropriation. For the 2022-2023 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. 23-031, attached hereto as **Exhibit 1** and incorporated herein by this reference)

(a) Appropriated from:

See B.T. 23-031 \$12,060,074

(b) Appropriated to:

See B.T. 23-031 \$12,060,074

(c) Explanation of Appropriation

The funding above represents an appropriation of Home Investment Partnership Grant Program - American Rescue Plan Act of 2021 ("HOME-ARP") grant funds for use in the provision of housing, services and shelter to individuals experiencing homelessness and other vulnerable populations. Grant funds in the amount of \$12,000,000 will be paid to I.M. Sulzbacher Center for the Homeless, Inc. ("Sulzbacher") in the form of a forgivable loan for the development of affordable housing. The City will retain \$60,074.00 for administrative costs to oversee the loan agreement and distribution of the grant funds.

Section 2. Purpose. The purpose of the appropriation in Section 1 is to accept a one-time HOME-ARP grant from the United States Department of Housing and Urban Development ("HUD"), made available through the American Rescue Plan Act of 2021, to provide additional homelessness assistance and services to individuals experiencing homelessness and other vulnerable populations. A copy

1 of the HUD grant award letter is attached hereto as **Exhibit 2**. A
2 total of \$12,000,000 of the HOME-ARP grant funds will be disbursed
3 to Sulzbacher in the form of a forgivable loan for construction of
4 an affordable housing project in Jacksonville to be known as
5 "Sulzbacher Enterprise Village." This development will be located
6 on Walgreen Road near the intersection of Golfair Boulevard and
7 Interstate-95 and will consist of a campus that offers approximately
8 100 units of multi-family residential housing for individuals
9 experiencing homelessness with other wrap-around and supportive
10 services (the "Project").

11 **Section 3. Approval and Authorization to Execute.** The
12 Mayor, or his designee, and the Corporation Secretary are hereby
13 authorized to execute and deliver a Forgivable Loan Agreement (the
14 "Agreement") between the City of Jacksonville and I.M. Sulzbacher
15 Center for the Homeless, Inc. providing for a forgivable loan to
16 Sulzbacher for the Project in a not-to-exceed amount of \$12,000,000,
17 subject to the terms and conditions of the HOME-ARP grant and the
18 Term Sheet for HOME-ARP Rental Development Agreement attached hereto
19 as **Exhibit 3** and incorporated herein by this reference. The Agreement
20 may include such additions, deletions and changes as may be
21 reasonable, necessary and incidental for carrying out the purposes
22 thereof, as may be acceptable to the Mayor, or his designee, with
23 such inclusion and acceptance being evidenced by execution of the
24 Agreement by the Mayor, or his designee; provided however, no
25 modifications to the Agreement may increase the financial obligations
26 of the City to an amount in excess of the amount stated in the
27 Agreement or decrease the duties and obligations of Sulzbacher, and
28 any such modifications shall be technical only and shall be subject
29 to appropriate legal review and approval by the Office of General
30 Counsel and the Office of Risk Management for appropriate insurance
31 and indemnification terms. For the purposes of this Ordinance, the

1 term "technical changes" is defined as those changes having no
2 financial impact to the City, changes required for compliance with
3 the terms and conditions of the HOME-ARP grant and/or applicable
4 federal or HUD rules, regulations or policies, and any other non-
5 substantive changes that do not substantively increase the duties and
6 responsibilities of the City under the provisions of the Agreement.
7 The Mayor, or his designee, and the Corporation Secretary, are further
8 hereby authorized to execute and deliver, for and on behalf of the
9 City, any and all documents necessary to effectuate the intent of
10 this Ordinance, including closing and other related documents
11 relative to the forgivable loan.

12 **Section 4. Waiver of Section 118.107 (Nonprofits to receive**
13 **funding through a competitive evaluated award process), Part 1**
14 **(General Provisions), Chapter 118 (City Grants), Ordinance Code.** The
15 provisions of Section 118.107 (Nonprofits to receive funding through
16 a competitive evaluated award process), Part 1 (General Provisions),
17 Chapter 118 (City Grants), *Ordinance Code*, are hereby waived to allow
18 for a direct contract between I.M. Sulzbacher Center for the Homeless,
19 Inc. and the City of Jacksonville. The City finds that the direct
20 contract approved herein is justified because there is an extreme
21 need for affordable housing in Duval County. Sulzbacher is a well-
22 established non-profit that offers housing opportunities and a myriad
23 of supportive services to homeless individuals and other vulnerable
24 populations and is prepared to immediately begin construction of the
25 Project, thus justifying this direct appropriation.

26 **Section 5. Oversight Department.** The Neighborhoods
27 Department, Housing and Community Development Division, shall oversee
28 the project and agreement described herein.

29 **Section 6. Requesting One Cycle Emergency Passage Pursuant**
30 **to Council Rule 4.901 Emergency.** One cycle emergency passage of this
31 Ordinance is requested. The nature of the emergency is that

1 Sulzbacher intends to apply for an additional \$5,000,000 in funding
2 from Florida Housing Finance Corporation ("FHFC") and must do so by
3 January 31, 2023. The City must make a funding commitment of
4 \$12,000,000 before Sulzbacher applies to the Florida Housing Finance
5 Corporation. Applying for this additional financing from FHFC will
6 allow Sulzbacher to apply for 9% tax credits as opposed to 4% tax
7 credits.

8 **Section 7. Effective Date.** This Ordinance shall become
9 effective upon signature by the Mayor or upon becoming effective
10 without the Mayor's signature.

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12 Form Approved:

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14 /s/ Mary E. Staffopoulos

15 Office of General Counsel

16 Legislation prepared by: Mary E. Staffopoulos

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