

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2023-21**

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

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

30 **Section 1. Appropriation.** For the 2022-2023 fiscal year,
31 within the City's budget, there are hereby appropriated the indicated

1 sum(s) from the account(s) listed in subsection (a) to the account(s)
2 listed in subsection (b):

3 (B.T. 23-031, attached hereto as **Exhibit 1** and incorporated herein
4 by this reference)

5 (a) Appropriated from:

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

7 (b) Appropriated to:

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

9 (c) Explanation of Appropriation

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

21 **Section 2. Purpose.** The purpose of the appropriation in
22 Section 1 is to accept a one-time HOME-ARP grant from the United
23 States Department of Housing and Urban Development ("HUD"), made
24 available through the American Rescue Plan Act of 2021, to provide
25 additional homelessness assistance and services to individuals
26 experiencing homelessness and other vulnerable populations. A copy
27 of the HUD grant award letter is attached hereto as **Exhibit 2**. A
28 total of \$12,000,000 of the HOME-ARP grant funds will be disbursed
29 to Sulzbacher in the form of a forgivable loan for construction of
30 an affordable housing project in Jacksonville to be known as
31 "Sulzbacher Enterprise Village." This development will be located

1 on Walgreen Road near the intersection of Golfair Boulevard and
2 Interstate-95 and will consist of a campus that offers approximately
3 100 units of multi-family residential housing for individuals
4 experiencing homelessness with other wrap-around and supportive
5 services (the "Project").

6 **Section 3. Approval and Authorization to Execute.** The
7 Mayor, or his designee, and the Corporation Secretary are hereby
8 authorized to execute and deliver a Forgivable Loan Agreement (the
9 "Agreement") between the City of Jacksonville and Sulzbacher
10 Enterprise Village, Ltd. providing for a forgivable loan to Sulzbacher
11 for the Project in a not-to-exceed amount of \$12,000,000, subject to
12 the terms and conditions of the HOME-ARP grant and the Term Sheet for
13 HOME-ARP Rental Development Agreement attached hereto as **Exhibit 3**
14 and incorporated herein by this reference. The Agreement may include
15 such additions, deletions and changes as may be reasonable, necessary
16 and incidental for carrying out the purposes thereof, as may be
17 acceptable to the Mayor, or his designee, with such inclusion and
18 acceptance being evidenced by execution of the Agreement by the Mayor,
19 or his designee; provided however, no modifications to the Agreement
20 may increase the financial obligations of the City to an amount in
21 excess of the amount stated in the Agreement or decrease the duties
22 and obligations of Sulzbacher, and any such modifications shall be
23 technical only and shall be subject to appropriate legal review and
24 approval by the Office of General Counsel and the Office of Risk
25 Management for appropriate insurance and indemnification terms. For
26 the purposes of this Ordinance, the term "technical changes" is
27 defined as those changes having no financial impact to the City,
28 changes required for compliance with the terms and conditions of the
29 HOME-ARP grant and/or applicable federal or HUD rules, regulations
30 or policies, and any other non-substantive changes that do not
31 substantively increase the duties and responsibilities of the City

1 under the provisions of the Agreement. The Mayor, or his designee,
2 and the Corporation Secretary, are further hereby authorized to
3 execute and deliver, for and on behalf of the City, any and all
4 documents necessary to effectuate the intent of this Ordinance,
5 including closing and other related documents relative to the
6 forgivable loan.

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

21 **Section 5. Oversight Department.** The Neighborhoods
22 Department, Housing and Community Development Division, shall oversee
23 the project and agreement described herein.

24 **Section 6. Requesting One Cycle Emergency Passage Pursuant**
25 **to Council Rule 4.901 Emergency.** One cycle emergency passage of this
26 Ordinance is requested. The nature of the emergency is that
27 Sulzbacher intends to apply for an additional \$5,000,000 in funding
28 from Florida Housing Finance Corporation ("FHFC") and must do so by
29 January 31, 2023. Applying for this additional financing from FHFC
30 will allow Sulzbacher to apply for 9% tax credits as opposed to 4%
31 tax credits.

1 **Section 7. Effective Date.** This Ordinance shall become
2 effective upon signature by the Mayor or upon becoming effective
3 without the Mayor's signature.

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5 Form Approved:

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7 /s/ Mary E. Staffopoulos

8 Office of General Counsel

9 Legislation prepared by: Mary E. Staffopoulos

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