



Amend Federal HOME Program Contract between City of Phoenix and Phoenix Broadway Associates Limited Partnership (Ordinance S-47355)

Request authorization for the City Manager, or his designee, to amend the federal HOME Investment Partnerships Acquisition and Rehabilitation Loan Agreement, City Contract No. 97116, between the City of Phoenix and Phoenix Broadway Associates Limited Partnership, an Arizona limited partnership to increase the number of City HOME units to six units and increase the Period of Affordability by five years in exchange for a forgiveness of the outstanding interest on the loan of approximately \$150,000. Authorization is also requested for the City Manager, or his designee, to take all action and execute all necessary documents to implement the amended terms. There is no impact to the General Fund.

Summary

City Contract No. 97116, in the original amount of \$250,000 of federal HOME Investment Partnerships Program (HOME) funds, was executed on June 13, 2001 to assist with the development of the 196-unit Sunrise Vista Apartments located at 4415 S. 28th St. As part of this contract the City also entered an intercreditor agreement in partnership with the Arizona Department of Housing and the Phoenix IDA who also provided funding for the project. The Loan Agreement currently secures four City HOME units serving households whose income does not exceed 50 percent of the Area Median Income.

The Phoenix Broadway Associates Limited Partnership, an Arizona limited partnership (Owner) is in the process of refinancing this property and has offered to pay off the entire principal balance of the loan as well as increase the public benefit by extending the Period of Affordability by five years along with providing the City an additional two HOME units (for a total of six) in exchange for a forgiveness of the outstanding interest of approximately \$150,000. As the original funding came from federal sources, there is no impact on the General Fund. All recaptured debt will be repurposed for further affordable housing per the requirements of the original funding source.

Financial Impact

There is no financial impact to the General Fund.

Location

4415 S. 28th St.

Council District: 8

This item is submitted by Deputy City Manager Inger Erickson and the Housing Department.