



Legislation Text

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TO: Mayor and City Commission

FROM: Samuel A. May, City Manager

DATE: March 6, 2019

APPROVING A TRANSFER FROM THE GENERAL FUND TO STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) FUND FOR 2012/2013 AND 2013/2014 SHIP PROGRAM EXPENDITURES AND A TRANSFER FROM THE GENERAL FUND THROUGH THE SHIP FUND TO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND, TO PROVIDE FOR REQUIRED RECAPTURE RESULTING FROM 2018 FLORIDA HOUSING FINANCE CORPORATION (FHFC) COMPLIANCE MONITORING AUDIT; PROVIDING FOR CONSISTENCY WITH PREVIOUS FEDERAL AND STATE GRANT SYSTEM ENTRIES; PROVIDING FOR AN EFFECTIVE DATE.

BACKGROUND: The Florida Housing Finance Corporation (FHFC), as the statewide administrator of the SHIP program, conducted a compliance monitoring audit on-site visit October 22 - 25, 2018. The scope of the review was housing activities funded from the City's SHIP distributions for fiscal years 2012/13 and 2013/14. FHFC subsequently released a report produced from the on-site visit which included a recapture amount of \$140,501 (including unexpended SHIP funds held by the City). Upon review of the report by staff, and with concurrence by FHFC, the recapture amount for SHIP was reduced to \$110,857.64 mainly to allow for a transfer to the CDBG fund of \$27,621 for program income from CDBG clients.

The SHIP recaptured funds will be transferred to Broward County, as the local administrator of the City's SHIP program, to be included in the City's SHIP funds to benefit Margate residents. The \$27,621 difference will be deposited into the City's CDBG fund and transferred to Broward County, as the local administrator of the City's CDBG program, to be included in the City's CDBG funds to benefit Margate residents. All recaptured funds can only be expended on activities approved by the City Commission as part of the City's Consolidated Plan, Action Plans, and Local Housing Assistance Plans.

RECOMMENDATION: For approval.

FISCAL IMPACT: Approximately \$140,523. The above to be provided for by a 2019 budget amendment to the respective funds. The amount requested in the monitoring audit has been adjusted for interest earned for monies deposited in the SHIP Trust Fund account.

CONTACT PERSON: Samuel A. May, City Manager