

STATE OF GEORGIA

COUNTY OF CLAYTON

RESOLUTION NO. 2010- 99

A RESOLUTION AUTHORIZING CLAYTON COUNTY TO AMEND THE HOME ANNUAL ACTION PLAN AND REALLOCATE HOME FUNDS; TO AUTHORIZE CLAYTON COUNTY TO PROVIDE A HOME PROGRAM LOAN TO PROGRESSIVE REDEVELOPMENT, INC. TO BE USED TO REHABILITAE THE BROOKSIDE APARTMENTS LOCATED AT 5420 RIVERDALE ROAD, COLLEGE PARK, GEORGIA AND TO REDUCE THE EXISTING FIRST MORTGAGE SECURED BY SAID PRPERTY; TO AUTHORIZE THE CHAIRMAN TO EXECUTE ALL DOCUMENTS AND OTHERWISE PERFORM ALL OTHER ACTS NECESSARY TO ACCOMPLISH THE INTENT OF THIS RESOLUTION; TO AUTHORIZE THE FINANCE DIRECTOR TO AMEND THE BUDGET WHERE NECESSARY TO REFLECT AN APPROPRIATE REVENUE SOURCE AND EXPENSE; TO PROVIDE AN EFFECTIVE DATE OF THIS RESOLUTION; AND FOR OTHER PURPOSES.

WHEREAS, Clayton County has previously allocated a combined \$ 800,000.00 of HOME Program funds to support both a County operated owner occupied single- family comprehensive housing rehabilitation program and an affordable housing purchase program; and

WHEREAS, Clayton County discontinued its housing rehabilitation program and has not began its affordable housing purchase program, therefore making the \$800,000.00 available for use on another HOME Program eligible project; and

WHEREAS, Progressive Redevelopment, Incorporated, a Georgia 501(c) (3) affordable housing non profit organization has submitted an application, including a business plan, to Clayton County requesting a HOME Program zero percent interest loan to make essential repairs to the Brookside Apartments located at 5420 Riverdale Road,

College Park, Clayton County, Georgia and to reduce the existing first mortgage secured by said property which, if approved by Clayton County, will prevent foreclosure of the property by the first mortgage lender; and

WHEREAS, Progressive Redevelopment, Incorporated has represented to Clayton County that Progressive has undertaken prudent measures to increase the revenue stream to pay the debt service for Brookside Apartments by reducing rent to increase occupancy and by reducing management costs but remains unable to make Brookside profitable and prevent foreclosure under the terms of the current mortgage; and

WHEREAS, HOME Program regulations allow HOME funds to be used for a multi-family housing rental project as long as over fifty percent of the HOME funds loaned are used for the rehabilitation of housing units and further that HOME funds may be advanced as non interest bearing loans or advances ; and

WHEREAS, Progressive has represented to Clayton County that all units at the Project qualify for assistance under the HOME program; and

WHEREAS, Clayton County deems it necessary and appropriate to support Progressive Redevelopment Incorporated by the making of a non interest bearing loan to Progressive for the purpose of completing needed rehabilitation on Brookside Apartments using available HOME Program funds and any other purposes that may be permitted by the Program; and

WHEREAS, Clayton County, desires to amend the applicable HOME Program Annual Action Plans to reallocate the \$ 800,000 in funding designated for County owner-occupied, single-family comprehensive housing rehabilitation and affordable housing purchase programs to be used as a loan to Progressive Redevelopment, Incorporated to be used to renovate the apartment buildings in accordance with HOME Program regulations and for other purposes permitted under said regulations.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF

CLAYTON COUNTY, GEORGIA AND IT IS HEREBY RESOLVED

Section 1. The Clayton County Board of Commissioners authorizes the amendment of the applicable HOME Annual Action Plans to reallocate a total of \$800,000 of HOME funds previously reserved for the County's comprehensive owner-occupied single family housing rehabilitation program, and for the affordable housing purchase program, to be loaned to Progressive Redevelopment, Incorporated to be used to make required repairs to Brookside Apartments and for such other purposes as may be permitted under the HOME Program regulations.

Section 2. Further, the Clayton County Board of Commissioners authorizes the reallocated HOME funds in the amount of \$ 800,000 to be provided to Progressive Redevelopment, Incorporated in the form of a zero percent interest loan that is to be repaid to the County over 20 years through annual payments of \$15,000.00 and a final balloon payment of the then outstanding balance unless sooner paid and further authorizes Progressive Redevelopment, Incorporated to use that portion of the \$ 800,000 loan as prescribed by HUD exclusively for apartment building renovations and the balance to be used in accordance with the HOME Program regulations. This approval is contingent upon the provision by Progressive Redevelopment Incorporated to Clayton County of a detailed description of the intended use of the funds, the execution by Progressive Redevelopment, Incorporated of any and all documents required by counsel for Clayton County including but not limited to a Promissory Note, Deed to Secure Debt and Security Agreement and a Loan Agreement which shall include warranties and representations of compliance by Progressive of with all rules and regulations of the HOME Program and that the funds will be used only in accordance with the regulations of said HOME Program, the written approval from the US Department of Housing and Urban Development of the proposed use

of the funds and the written approval of the first mortgage lender and Freddie Mac for the secondary financing.

Section 3. Further the Clayton County Board of Commissioners hereby authorizes the Chairman to execute any and all documents and perform such other acts necessary to accomplish the intent of this Resolution. Further, the Board hereby authorizes the Director of Finance to amend the budget where necessary to reflect an appropriate revenue source and expense.

Section 4. This Resolution shall be effective on the date of its approval by the Board of Commissioners.

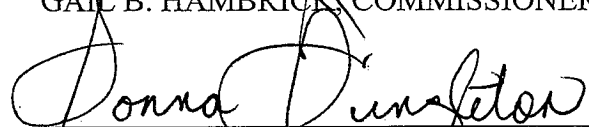
So Resolved, this the 4th day of May, 2010.

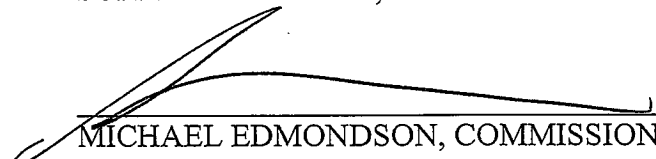
CLAYTON COUNTY BOARD OF COMMISSIONERS


ELDRIN BELL, CHAIRMAN

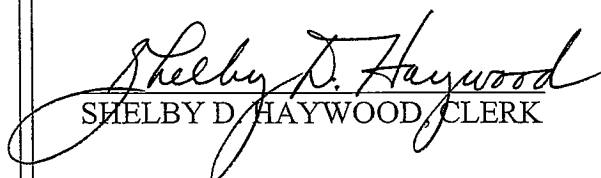

WOLE RALPH, VICE-CHAIRMAN


GAIL B. HAMBRICK, COMMISSIONER


SONNA SINGLETON, COMMISSIONER


MICHAEL EDMONDSON, COMMISSIONER

ATTEST:


SHELBY D. HAYWOOD, CLERK