

Resolution No. 2-18

RESOLUTION: To Approve a Grant in the Amount of \$500,000 to Rockville Housing Enterprises for the Modernization of Fireside Park Apartments for the Preservation of Mixed-Income, Affordable Housing in the City of Rockville

WHEREAS, Rockville Housing Enterprises (RHE), a public housing authority, has as its core mission to provide for affordable housing for citizens of the City of Rockville; and

WHEREAS, RHE, with the City's approval, purchased Fireside Park Apartments in December 2012; and

WHEREAS, the terms and conditions of the purchase required the refinancing of the existing loans on the property by or before December 2019;

WHEREAS, the Mayor and Council of the City of Rockville seek a variety of housing types to meet current and future resident needs, including supporting the provision of affordable housing in Rockville; and

WHEREAS, RHE has committed to maintaining a minimum of 118 units at Fireside Park Apartments as affordable to households at or below 60 percent of the current Area Median Income for the duration of its ownership of the property; and

WHEREAS, RHE is contributing \$197,415 of equity towards the modernization and \$600,000 in deferred developer fee, and Montgomery County has committed a \$2,763,864 loan towards the modernization of the property; and

WHEREAS, RHE has requested that the City of Rockville provide financial assistance in a form of a grant in amount of \$500,000 to enable it to modernize Fireside Park Apartments; and

WHEREAS, there is no financial risk to the City related to the refinancing and modernization activities at the Fireside Park Apartments; and

WHEREAS, the City will no longer have financial interest in Fireside Park Apartments; and

WHEREAS, RHE will no longer have specific financial reporting obligations for Fireside Park Apartments to the City once the refinancing is complete and existing loans are repaid; and

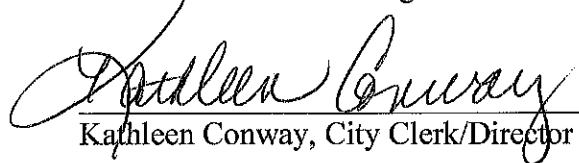
WHEREAS, the source of funds for the City's assistance will originate from the Housing Opportunities Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND, as follows:

1. The City will grant RHE \$500,000 towards the modernization efforts of Fireside Park Apartments according to the conditions set forth in a Grant Agreement to be established by and between the City of Rockville and Rockville Housing Enterprises.
2. Authorize the City Manager to execute the grant agreement necessary to establish the terms and conditions for the transactions which agreement shall be in a form approved by the City Attorney.

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I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Mayor and Council at its meeting of March 19, 2018.



Kathleen Conway, City Clerk/Director of Council Operations