



MEMORANDUM

AGENDA ITEM #VI.B

DATE: JULY 22, 2019

TO: COUNCIL MEMBERS

FROM: STAFF

SUBJECT: SOUTHEAST FLORIDA COMMUNITY DEVELOPMENT FUND, INC REPORT

The Southeast Florida Community Development Fund, Inc.'s (SFCDFI) is an independent 501(c)3 nonprofit organization whose primary mission is to promote community and economic development, access to capital for small businesses, and job creation. The SFCDFI contracts with the South Florida Regional Planning Council for lending expertise, loan management, and administrative and staff support.

The SFCDFI primarily targets low- and moderate-income individuals and activities that revitalize or stabilize:

- low- or moderate-income geographic areas;
- federally designated disaster areas; and
- federally designated distressed or underserved non-metropolitan middle-income geographic areas primarily within Broward, Miami-Dade and Monroe Counties.

The SFCDFI is committed to:

- providing construction financing to build affordable single-family homes to first time minority homebuyers; and
- helping disadvantaged small businesses and start-ups by providing loans and development services that will result in successful businesses, the creation of jobs, and promote economic and community development in the primary target market within Broward, Miami-Dade, and Monroe Counties.

Overview

The SFCDFI targets small businesses and start-up businesses in disadvantaged areas with capital and development services. The SFCDFI's initial capitalization was provided by the Urban League of Broward County (ULBC) and its affiliate CDFI, Central County Community Development Corporation (CCCCDC).

Development services have been provided by agreement through ULBC/CCCCDC's Entrepreneurship Center. In addition, the SFCDFI continues to offer direct development services to help lead these businesses to success. These services include the tools to properly manage and grow a business thereby



helping early growth stage small businesses make sound decisions that support business growth, job creation, and greater prosperity in disadvantaged areas and communities.

Affordable Housing Focus

The SFCDFI is supporting the development of much needed affordable housing with loans to non-profit organizations engaged in affordable housing development. The SFCDFI is helping to address the affordable housing crisis in Broward County by providing the construction funding needed to build single-family homes for first time minority homebuyers in low- and moderate- income census tracts in unincorporated Broward County.

The SFCDFI has been deemed “certifiable” by the U.S. Department of the Treasury Community Development Financial Institutions Fund (CDFI). Upon completing the certification process, the SFCDFI will have the ability to obtain additional funding and be able to address the backlog of numerous single-family homes to be built for first time minority homebuyers in an expanded target market in Broward, Miami-Dade and Monroe Counties.



Growing the Partnership

The SFCDFI program partners with approved developers and contractors to provide construction financing to complete single-family homes. On average, the typical single-family home costs approximately \$217K to build inclusive of all hard and soft costs.

The SFCDFI is seeking additional lending partners to further expand the program’s capacity to meet the current backlog of new homes to be built in the Broward County Municipal Services District and then help address the additional affordable housing needs of all South Florida CRAs and surrounding communities.

The SFCDFI continues to work in partnership with the Urban League of Broward County (ULBC) and its affiliate CDFI, Central County Community Development Corporation (CCCDC). Specifically, \$500,000 has been invested in SFCDFI by ULBC/CCCDC. These funds are backed by a \$1 million loan loss reserve fund held by the ULBC.

Please find herewith correspondence from Mr. Ralph Stone, Director of the Broward Housing Finance and Community Redevelopment Division, recognizing the SFCDFI as an integral partner in addressing affordable housing needs in unincorporated Broward County.

Recommendation

Information only.



Housing Finance and Community Redevelopment Division

110 Northeast 3rd Street, Suite 300 • Fort Lauderdale, Florida 33301 • 954-357-4900 • FAX 954-357-8221

July 15, 2019

Isabel Cosio Carballo, MPA
Authorized Representative
Southeast Florida Community Development Fund, Inc.
One Oakwood Boulevard, Suite 250
Hollywood, FL 33020

Re: Community Partnership: Southeast Florida Community Development Fund, Inc.
and Broward County Housing Finance and Community Development

Dear Ms. Cosio Carballo:

Broward County Housing Finance and Community Redevelopment Division supports the efforts of the Southeast Florida Community Development Fund Inc. as an integral part of our community partnership to help address affordable housing within unincorporated Broward County. The Southeast Florida Community Development Fund's target market consists of census tracts that are contiguous and located within the Washington Park, Roosevelt Gardens, Boulevard Gardens and Franklin Park sections of unincorporated Broward County and that are comprised of low- and moderate-income communities and minorities in particular with a target focus on African-Americans, Hispanics and other minority populations. This community partnership, with a focus on providing construction financing to build affordable housing for first time minority home buyers, has had a direct positive impact on our communities and provides significant social and economic benefit in our county.

The Broward Municipal Service District is made up of four unincorporated neighborhoods in the least wealthy area of the County. Broward County and our funding and non profit partners have been building infill homes on a lot by lot basis for over ten years and are nearing one hundred new affordable homeowners in this area. The County does have additional vacant lots that will be ready to continue this infill program in the near future.

Broward County Board of County Commissioners

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Through the ongoing existing partnership between the Southeast Florida Community Development Fund, Inc. and Broward County new home ownership, small business construction vendors and other non profit partners, the neighborhoods in this area are finally seeing improved values, neighborhood involvement and stronger social connections.

In summary, Broward County offers its full support and commitment to the Southeast Florida Community Development Fund Inc. and that recognize that receipt of the CDFI certification by the Southeast Florida Community Development Fund, Inc. would further strengthen the economic development efforts already underway in Broward County.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R Stone', written in a cursive style.

Ralph Stone, Director
Broward Housing Finance and Community Redevelopment Division