



**Proposed Amendment to the
FY 2007 through FY 2009 Action Plan**

To

**Reallocate Community Development Block
Grant (CDBG) Funds and Add Refinancing
Guidelines for the HOME Investment
Partnerships Program (HOME) and the
Community Development Block Grant
(CDBG) Program**

DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

“Delivering Excellence Every Day”

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Proposed Reallocation of Community Development Block Grant (CDBG) Funds

SOURCES OF RECAPTURED CDBG FUNDS				
Agency	Activity Name	IDIS #	Amount	Source
Commission District Fund	Commission District Fund 02 Reserve	N/A	\$150,000	CDBG 2009
Commission District Fund	Commission District Fund 07 Reserve	N/A	\$160,000	CDBG 2009
Commission District Fund	Commission District Fund 13 Reserve	N/A	\$200,000	CDBG 2009
MBCDC: The London LLC*	London Apartments (CDBG)	4795	\$111,402	CDBG 2009
Commission District Fund	Commission District Fund 08 Reserve	N/A	\$65,000	CDBG 2007
Commission District Fund	Commission District Fund 13 Reserve	N/A	\$5,000	CDBG 2007
	TOTAL CDBG FUNDS RECAPTURED	--	\$691,402	--

*The proposed number of rental units will be reduced from 33 to 24 units.

RECOMMENDED REDISTRIBUTION OF CDBG FUNDS				
Agency	Activity Name	IDIS #	Amount	Source
City of Opa Locka	Sherbondy Park Pool/ Gymnasium Expansion & Renovation	3062	\$36,402	CDBG2009
City of South Miami	Murray Park Aquatic Center (to include swimming pool)	3245	\$160,000	CDBG2009
Contractor's Resource Center	ED Technical Assistance (CCRC)	4756	\$75,000	CDBG2009
Dynamic Community Development Corp.	Economic Development Technical Assistance	4777	\$50,000	CDBG2009
Hialeah-Dade Development, Inc.	Hialeah-Dade Development, Inc.	N/A	\$205,000	CDBG2009
Accion USA, Inc.	Micro Loan Program	N/A	\$15,000	CDBG 2009
Partners for Self Employment, Inc./dba Micro-Business, USA	Matched Savings Fund	4778	\$50,000	CDBG 2009
City of North Miami Beach	NE 173 rd Street Roadway Improvements	N/A	\$100,000	CDBG 2009
	TOTAL CDBG FUNDS TO BE REALLOCATED	--	\$691,402	--

TOTAL CDBG ALLOCATIONS RECAPTURED (Non CDF and CDF)	\$691,402
TOTAL CDBG FUNDS REDISTRIBUTED (Non CDF and CDF)	\$691,402

Proposed Refinancing Guidelines

Miami-Dade County Proposed HOME Refinancing Guidelines

Multifamily projects developed by locally based organizations that receive HOME funds for rehabilitation may utilize HOME funds to refinance existing debt, consistent with 24 Code of Federal Regulations (CFR) Part 92.206(b)(2) and 24 CFR 91.220(l)(2)(iii), if they demonstrate the following:

- Rehabilitation is the primary eligible activity for refinancing. A minimum of \$7,500 of rehabilitation per unit is required.
- Management capacity and practices are in place to ensure that: 1) disinvestment in property has not occurred; 2) long-term needs of project can be met; and 3) targeted population can be served over an extended affordability period.
- The new investment is being made to maintain current affordable units, to create greater affordability in current affordable units, or to create additional affordable units. The applicant must demonstrate that refinancing is necessary to permit or continue affordability under 24 CDR 92.252.
- The minimum HOME affordability period shall be 15 years.
- All HOME loans will continue to be secured by a mortgage on the property.
- HOME funds may be used countywide for refinancing.
- HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG. Refinancing for any Miami-Dade County or municipal loan program is also not permitted. Only private loans shall be eligible for refinancing.
- Refinancing shall be limited to projects that have previously received an investment of public funds.

Miami-Dade County Proposed CDBG Refinancing Guidelines

Pursuant to 24 CFR 570.202(b)(3) and 24 CFR 570.200(e), Miami-Dade County may make loans to refinance existing indebtedness secured by a residential property (single-family and multi-family) being rehabilitated with CDBG funds if the following is demonstrated:

- Refinancing is necessary or appropriate to achieve the locality's community development objectives
- Refinancing is necessary to permit or continue affordability under 24 CDR 92.252.

- The minimum CDBG affordability period for refinancing shall be 15 years for multifamily and 10 years for single-family units.
- All CDBG refinance loans will be secured by a mortgage on the property.
- CDBG funds may be used countywide for refinancing.
- CDBG funds can be used only to refinance existing secured loans, such as mortgages. CDBG funding cannot be used to pay-off or refinance existing liens and judgments,¹ including personal debts, tax liens, delinquent utility bills, homeowner association fees, or any other related unsecured debts.
- CDBG funds cannot be used to refinance loans made or insured by any CDBG, HOME, Miami-Dade County or municipal loan program. Only private loans shall be eligible for refinancing.

¹ 1992 memo from the Deputy Assistant Secretary for Grants Programs