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OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 8(K)(2)

TO:	Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners	**DATE:**	December 2, 2014
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution authorizing a loan in an amount not to exceed $1,825,000.00 from Low Income Housing Development proceeds to related Urban Development Group, LLC or its designee or subsidiary for Collins Park Apartments, subject to certain conditions Resolution No. R-1049-14

The accompanying resolution was prepared by the Public Housing and Community Development Department and placed on the agenda at the request of Prime Sponsor Commissioner Audrey M. Edmonson.

R. A. Cuevas, Jr.
County Attorney

RAC/smm

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Memorandum

MIAMI-DADE COUNTY

Date: December 2, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Authorizing the County Mayor or County Mayor's Designee to Allocate and Lend up to $1,825,000.00 in Low Income Public Housing Development Proceeds to RUDG, LLC or its affiliates for Collins Park Apartments

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Recommendation

It is recommended that the Board of County Commissioners ("Board"):

1) Authorize a loan in an amount not to exceed $1,825,000.00 from Low Income Public Housing Development Proceeds ("Development Proceeds") to RUDG, LLC ("Related Urban") or its designee or subsidiary for Collins Park Apartments, subject to certain conditions;
2) Retroactively authorize and approve the Miami-Dade Public Housing and Community Development Department Director's loan commitment letter attached to the resolution as Exhibit A;
3) Authorize the County Mayor or the County Mayor's designee to execute standard loan documents, contracts, agreements and amendments, approve by the County Attorney's Office, and to subordinate and/or modify the terms of contracts, agreements, amendments and loan documents;
4) Authorize the County Mayor or the County Mayor's designee to exercise termination, waivers, acceleration, cancellations and other provisions contained in any of the foregoing agreements;
5) Authorize the County Mayor or the County Mayor's designee to execute other documents necessary to accomplish the purposes set forth herein and further authorize the County Mayor or the County Mayor's designee to exercise the cancellation and other provisions contained therein; and
6) Authorize waiver of Resolution No. R-130-06 because the loan documents will be prepared and negotiated with Related Urban after approval of the resolution.

The County Mayor is authorized to effectuate this Resolution by approving and filing this Resolution with the Clerk of the Board. This will allow the Public Housing and Community Development Department to expedite the loan closing process and assist Related Urban with relocating 124 public housing residents from Three Round Towers to Collins Park Apartments prior to the required tax credit occupancy deadline of November 30, 2014.

Scope

The scope of this resolution is the allocation of up to $1,825,000.00 in Development Proceeds to Related Urban to assist to pay down the current mortgage on Collins Park Apartments. Collins Park Apartments is located in Commission District 3, represented by Commissioner Audrey M. Edmonson.

Fiscal Impact
The fiscal impact to the County for Collins Park Apartments is $1,825,000.00 from Development Proceeds.

Track Record/Monitoring
The project will be monitored by Jorge R. Cibran, AIA, Director of Facilities and Development Division for Public Housing and Community Development (the "Department").

Background
Request for Proposals No. 794 was issued on July 14, 2011 to solicit offers from developers to maximize and expedite the development potential of over 100 existing public housing sites and vacant land sites administered by the Department. On November 23, 2011, the Board pursuant to Resolution No. R-1026-11, awarded site control through ground leases to six (6) developers for twenty-eight (28) project sites, including award of the Three Round Towers redevelopment to Related Urban.

On July 15, 2014, the Board, pursuant to Resolution No. R-668-14, authorized the County Mayor or County Mayor's designee to execute a Master Development Agreement and all necessary mixed-finance agreements with Related Urban or its subsidiaries or designees for the redevelopment of the Three Round Towers Public Housing Development. Resolution No. R-668-14 further approved the conversion of Collins Park Apartments to public housing and the use of public housing operating subsidy. The Board also approved that residents of Three Round Towers who voluntarily elected to relocate to Collins Park Apartments, could do so. Any costs associated with the relocation of the residents will be borne by Related Urban and/or its subsidiary.

The United States Department of Housing and Urban Development ("Housing and Urban Development") determined that in order to effectuate the conversion of Collins Park Apartments to public housing the County would have to acquire the property. On October 21, 2014, the Board adopted, Resolution No. R-947-14, which amended Resolution No. R-668-14, to authorize the County Mayor or the County Mayor's designee, in part, to accept a Special Warranty Deed from Collins Park Apartments, LLC, at no cost to the County, donating a fee estate interest, subject to a reverter, in the land.

There is presently a mortgage in approximately $21,500,000.00 in favor of Citibank encumbering the Collins Park Apartments' property ("Citibank Loan"). The majority of the Citibank Loan is being repaid from low-income housing tax credit equity, but a portion was expected to remain outstanding as permanent debt. As a condition of Housing and Urban Development's approval of the conversion of Collins Park Apartments to public housing, Housing and Urban Development requires the Citibank Loan to be subordinated to a declaration of restrictive covenants to be recorded in favor of Housing and Urban Development. Since there will be insufficient income generated from the public housing units to service the Citibank Loan, it is recommended that the County allocate up to $1,825,000.00 to be used as a loan to pay down a portion of the Citibank Loan. As consideration, Citibank has agreed to subordinate the Citibank Loan to Housing and Urban Development's declaration of restrictive covenants and has further agreed to permit Collins Park Apartments to be converted to public housing. Citibank further requested that the County confirm its commitment to allocate $1,825,000.00 to Collins Park Apartments. Accordingly, the Public Housing and Community Development Department Director signed a loan

commitment letter, which is attached to the resolution to ensure that the County's acquisition of Collins Park Apartments was not jeopardized.

Initially, it was anticipated that Surtax funds (as identified in the County Mayor's memorandum in support of Resolution No. R-668-14) would be used for the purpose set forth herein. However, the Department has determined that instead of using Surtax funds, it will use funds from Development Proceeds, which are derived from the ground lease payments received by the Department from Related Urban from the other public housing developments that Related Urban has developed or redeveloped.

Russell Benford, Deputy Mayor

MEMORANDUM
(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: December 2, 2014

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(K)(2)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Mayor's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

✓ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(K)(2)
12-2-14

RESOLUTION NO. R-1049-14

RESOLUTION AUTHORIZING A LOAN IN AN AMOUNT NOT TO EXCEED $1,825,000.00 FROM LOW INCOME HOUSING DEVELOPMENT PROCEEDS TO RELATED URBAN DEVELOPMENT GROUP, LLC OR ITS DESIGNEE OR SUBSIDIARY FOR COLLINS PARK APARTMENTS, SUBJECT TO CERTAIN CONDITIONS; RETROACTIVELY AUTHORIZING AND APPROVING THE PUBLIC HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT DIRECTOR'S EXECUTION OF A LOAN COMMITMENT LETTER; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE STANDARD LOAN DOCUMENTS, CONTRACTS, AGREEMENTS AND AMENDMENTS, TO SUBORDINATE AND/OR MODIFY THE TERMS OF CONTRACTS, AGREEMENTS, AMENDMENTS AND LOAN DOCUMENTS; AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO EXERCISE TERMINATION, WAIVER, ACCELERATION, CANCELLATION AND OTHER PROVISIONS CONTAINED IN ANY OF THE FOREGOING AGREEMENTS; AND AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO EXECUTE OTHER DOCUMENTS AS MAY BE NECESSARY; WAIVING RESOLUTION NO. R-130-06

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Incorporates and approves the foregoing recitals. as if fully set forth herein.

Section 2. Authorizes a loan in the amount not to exceed $1,825,000.00 from Low Income Housing Development Proceeds ("Development Proceeds") to Related Urban

Development Group, LLC and its designee or subsidiary ("Related Urban") for Collins Park Apartments contingent upon the availability of such funding, and Related Urban's satisfaction of the terms and conditions set forth in the Loan Commitment Letter, attached hereto as Exhibit A and incorporated by reference, and compliance with the conditions set forth in this resolution, the justification memorandum, and the contracts and loan documents to be executed on or after the effective date of this resolution.

Section 3. Retroactively authorizes and approves Public Housing and Community Development Department Director's execution of the Loan Commitment Letter, in substantially the form attached hereto as Exhibit A and incorporated by reference.

Section 4. Authorizes the County Mayor or County Mayor's designee to execute standard shell contracts, loan documents, amendments and other agreements, approved by the County Attorney's Office necessary to fulfill the purposes of this resolution. The Board further authorizes the County Mayor or County Mayor's designee, upon a determination that such actions are in the best interest of the County, to subordinate and/or modify the terms of contracts, agreements, amendments and loan documents so long as such modifications are approved by the County Attorney's Office and are not substantially inconsistent with this resolution, and to exercise the termination, waiver, acceleration, or other provisions set forth therein. The Board also authorizes the County Mayor or the County Mayor's designee to execute other documents necessary to accomplish the purposes set forth in this resolution and authorizes the County Mayor or the County Mayor's designee to exercise the cancellation and other provisions contained therein.

Section 5. Authorizes waiver of Resolution No. R-130-06 because the loan documents will be prepared and negotiated with Related Urban after approval of the resolution.

The foregoing resolution was offered by Commissioner **Juan C. Zapata**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman			**aye**
Bruno A. Barreiro	**absent**	Esteban L. Bovo, Jr.	**aye**
Daniella Levine Cava	**aye**	Jose "Pepe" Diaz	**aye**
Audrey M. Edmonson	**aye**	Sally A. Heyman	**aye**
Barbara J. Jordan	**aye**	Jean Monestime	**aye**
Dennis C. Moss	**absent**	Sen. Javier D. Souto	**absent**
Xavier L. Suarez	**aye**	Juan C. Zapata	**aye**

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of December, 2014. This resolution shall become effective upon the earlier of (1) ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Terrence A. Smith

Carlos A. Gimenez, Mayor

Public Housing and Community Development
701 NW 1st Court • 16th Floor
Miami, Florida 33136-3914
T 786-469-4100 F 786-469-4199

miamidade.gov

October 30, 2014

Alberto Milo, Jr.
Collins Park Apartments, LLC
315 S. Biscayne Blvd.
Miami, FL 33131

Re: Collins Park Apartment, LLC – Low-Income Public Housing Development Proceeds Funding

Dear Mr. Milo:

This letter is to confirm the status of the Miami-Dade County's Public Housing and Community Development (PHCD) Low-Income Public Housing Development Proceeds (LIPH Development Proceeds) funding of $1,825,000 for Collins Park Apartments, LLC ("Collins Park"). The loan will be funded pending receipt of the required documentation and execution of all necessary loan documents.

The LIPH Development Proceeds loan will have a 3% origination fee totaling $54,750 which is payable at closing and funding of the loan. In addition, a capitalized interest payment of 3% totaling $54,750 will be made upon closing and funding of the loan.

The terms of the Public Housing Preservation Development's LIPH Development Proceeds loan will be 0% interest and no payments for 26 years and 25% principal write downs annually from years 27 to 30.

If you need any additional information please do not hesitate to contact me.

Sincerely,

Michael Liu
Director