Memorandum

MIAMI-DADE COUNTY

Date: May 5, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 10(A)(3)

From: George M. Burgess
County Manager

Subject: Resolution Approving the Selection of Public Resources Advisory Group to Serve as Financial Advisors for the Housing Finance Authority

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The item was amended at the April 15, 2009 meeting of the Housing and Community Development Committee to remove the automatic renewal of the contract. Therefore, the contract must be presented to the BCC to extend the contract beyond its one-year contract term. The HFA Board is required to approve the amended contract prior to its execution.

This item is being placed on the Board of County Commission (BCC) agenda at the request of the Housing Finance Authority (HFA). This resolution approves i) the selection of Public Resources Advisory Group to serve as Financial Advisors and ii) the execution of the related contract for the HFA. This item has been reviewed and approved by the County Attorney's Office.

Scope
The service impact of the HFA is countywide.

Fiscal Impact
Public Resources Advisory Group will be compensated based on the amount of bonds issued during the fiscal year as well as an annual retainer for other financial advisory services provided.

The contract costs will be covered from housing fees and charges generated by the HFA. No County general funds will be utilized.

Monitoring
The HFA will monitor this contract. This agreement shall be for a period of one year; with an option for four one-year renewals subject to approval by the BCC. Public Resources Advisory Group has served as HFA's financial advisor since 2006.

Background
Per the HFA's creation through Ordinance 78-89, which was adopted on December 12, 1978, Section 10 states that all contracts that the HFA wishes to enter into shall first be approved by Resolution of the BCC. As a result, the HFA is requesting BCC consideration.

Attachment

Cynthia W. Curry
Senior Advisor to the County Manager

Memorandum

MIAMI-DADE COUNTY

Date: May 5, 2009

To: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

From: Don L. Horn
Chairman, Housing Finance Authority

Through: George M. Burgess
County Manager

Subject: Resolution Approving Selection of Public Resources Advisory Group as Financial Advisors for the Housing Finance Authority of Miami-Dade County and Approving Related Agreement

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RECOMMENDATION

It is respectfully recommended that the Board approve the selection by the Housing Finance Authority (the "Authority") of Public Resources Advisory Group ("Advisors") for financial advisory services and execution of the related contract, based on its response to the Authority's Request for Qualifications ("RFQ").

BACKGROUND

The Authority has always had a need for, and has employed, an outside financial advisory firm to provide financial advice on a wide range of issues from the issuance of bonds to the feasibility of projects and developers. Therefore, it is important that the Authority utilize highly skilled and experienced financial advisory firm. For the past several years, Public Resources Advisory Group ("PRAG") has served as financial advisor to the Authority. With the expiration of that appointment pending, the Authority issued a Request for Qualifications seeking the services of qualified financial advisory firms on February 23, 2009. Only one response was received. It was from PRAG. A selection committee met on March 19, 2009 to review the response and recommended PRAG.

Based on the committee's recommendation and other considerations, the Authority members approved the selection of PRAG when it adopted the attached Authority resolution at its March 23, 2009 meeting. The appointment is for a term of 1 year with an automatic renewal of 4 years. The Authority also approved the execution and delivery of a related agreement with PRAG in substantially the form attached to the Authority's resolution

The Authority requests that the County Commission also approve the selection of PRAG as financial advisor to the Authority and the execution by the Authority of the related agreement by adopting the accompanying resolution.

All costs associated with the Authority's financial advisor will be paid solely from bond proceeds and/or from Authority funds. The County has no obligation financial or otherwise with respect to such services.

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: May 5, 2009

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

SUBJECT: Agenda Item No. 10(A)(3)

Please note any items checked.

_____ **"4-Day Rule" ("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**

_____ **Bid waiver requiring County Mayor's written recommendation**

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

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 10(A)(3)
5-5-09

RESOLUTION NO. _____

RESOLUTION APPROVING APPOINTMENT OF PUBLIC RESOURCES ADVISORY GROUP AS FINANCIAL ADVISOR FOR HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY, FLORIDA AND APPROVING FORM, EXECUTION AND DELIVERY BY AUTHORITY OF RELATED AGREEMENT

WHEREAS, the Housing Authority of Miami-Dade County, Florida ("Authority") has requested that this Board approve the (i) appointment of Public Resources Advisory Group ("PRAG") as its financial advisor, after a competitive process, and (ii) the form of Agreement for such services between the Authority and PRAG in substantially the form attached to this Resolution ("Agreement"), all in accordance with the Authority memorandum which accompanies this Resolution,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that the appointment of PRAG as financial advisor to the Authority and the execution and delivery by the Authority of the Agreement in substantially the form attached to this Resolution are approved.

The foregoing resolution was offered by Commissioner ,

who moved its adoption. The motion was seconded by Commissioner

and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 5th day of May, 2009. This resolution shall become effective 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.

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

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

AGREEMENT FOR THE PROVISION OF FINANCIAL ADVISORY SERVICES
TO THE HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY, FLORIDA

This agreement, dated the (Blank) of (Blank), 2009, is made and entered by and between PUBLIC RESOURCES ADVISORY GROUP, (the "Advisors") and the HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY, FLORIDA ("Authority").

WITNESSTH THAT:

WHEREAS, the Authority desires the services of highly skilled and experienced financial advisors to provide the Authority with ongoing advisory services;

WHEREAS, the Advisors have the expertise to perform such financial services for the Authority; and

WHEREAS, the Authority has determined to retain the Advisors to provide such financial advisory services,

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the Authority and the Advisors agree as follows:

Scope of Services

The Advisors will coordinate their activities so they are jointly able to perform the following services:

- Assist the Authority with the development and analysis of proposed bond financing structures. This will include the preparation of studies to determine whether it is economically advisable to proceed with a bond issuance, bond refunding or bond restructuring.
- Advise the Authority in each step of bond issuance process, including advice with respect to timing, takedown, interest rates, and associated fees. Prepare a written analysis of recommendation on all substantive matters pertinent to each proposed transaction.
- Review, analyze, and make recommendations with respect to housing and financing proposals made to the Authority by investment bankers, developers, nonprofit community groups, or others. Evaluate the financial strength of a multi-family project proposal, developer's financial situation and experience, assumptions made with regards to income and expenses, marketability of the project, and architecture and site plans.
- Provide information and advice to the Authority from time to time concerning the Authority's investment of available funds, general economic conditions, housing market conditions, and tax law changes.
- Attend monthly meetings and special meetings of the Authority and any meetings of the County Commission as deemed necessary by the Authority.
- Assist legal counsel, bond counsel, and investment bankers in the development of new programs and in preparation of rules and regulations and other documentation necessary

to implement such programs.

- Assist with the preparation of Requests for Proposals and selection of other professionals as needed by the Authority.
- Discuss, at the direction of the Authority, the present and proposed programs with any interested parties such as institutional investors, participating lenders, community groups and developers.
- Review cash flows, evaluate bond pricing by the underwriters, and review bond documents and official statements. Participate in all necessary meetings prior to the bond issuance and, if necessary, in activities associated with rating agency reviews.
- Perform related services and special studies as needed.

Compensation

The Advisors shall be compensated for professional services rendered and expenses incurred in accordance with the terms of this agreement, and shall be paid within thirty (30) days upon invoicing. Fees for professional services shall be in accordance with the schedule set forth below:

- In lieu of hourly fees, the Advisors will have an annual fixed retainer fee of $45,000 for ongoing advisory services. The retainer of $45,000 would cover all services, except bond issuances and will be billed and paid on a quarterly basis.

- For services in connection with the sale of bonds:

  $1.25 per $1,000 of the bond amount, with minimum fees as follows:

Single family	$25,000
Multifamily, publicly offered and rated investment grade by Standard & Poors, Moody's, or Fitch	$25,000
Multifamily, privately placed	$35,000

The work necessary to review multifamily projects prior to the inducement of such projects by the Authority shall be compensated in a manner consistent with the Authority's policies for multifamily projects.

- Fees for special projects not included in the scope of services described herein may be negotiated. In addition, the Authority and the Advisors can agree to payment of additional fees for extraordinary services.

All compensation earned will be paid to PUBLIC RESOURCES ADVISORY GROUP. Expenses shall be paid as submitted.

Sale of Bonds

The Advisors will coordinate with the Director any negotiated sale of bonds, including the approval of the initial pricing of the bonds, any repricing, and all components of the

underwriter's fee or discount and all other costs, as necessary to ensure the best possible terms to the Authority.

The Advisors shall provide a detailed analysis of any purchase proposal for bonds submitted by underwriters. This analysis will be of sufficient detail to allow the Authority to determine that the rate of interest and underwriting fees are fair and in accordance with prevailing market conditions.

Neither of the Advisors will bid on any of the Authority's bonds advertised for public sale, or traded, or sold in a negotiated sale; nor will the Advisors represent any entity seeking financing from the Authority.

Severability

Any term or provision of this agreement which is invalid or unenforceable can be severed without rendering invalid or unenforceable the remaining terms or provisions of this agreement.

Amendment

This agreement shall be amended at any time by action of either party, provided that said amendment is in writing and mutually agreeable.

Applicable Law

To the extent not inconsistent with applicable federal law, this agreement shall be construed pursuant to, and shall be governed by, the laws of the State of Florida.

Term of Agreement

This agreement shall be for a period of one (1) year from the date of 2009, with the option for four (4), one-year renewals subject to approval of such renewal by the BCC. The agreement may be terminated by either the Authority or the Advisors, without cause, upon thirty (30) days written notice, delivered by registered, first class United States mail, or overnight delivery service. The agreement may be terminated by either the Authority or the Advisors with cause at any time, upon three (3) days written notice, delivered by registered, first class United States mail, or overnight delivery service.

The Advisor may terminate their participation in this contract, or the Authority may terminate its contract with the Advisor, all as provided for in the preceding paragraph, without causing the termination of the contract between the other parties. In the event that the Advisor terminates their participation in this contract, or is terminated by the Authority, this contract may be amended to provide for participation by another qualified financial advisory firm.

Miscellaneous

Marianne Edmonds shall be the principal contact and financial advisor within Public Resources

Advisory Group for the Authority.

IN WITNESS WHEROF, the parties have each caused this agreement to be executed by their respective duly appointed officers on the day, month and year written above.

_____ _____

HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY

_____
Don L. Horn
Chairman

Attest: _____
Assistant County Attorney