Memorandum

MIAMI-DADE COUNTY

Date:	June 2, 2009
To:	Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners
From:	George M. Burgess County Manager
Subject:	Proposed FY 2010 Consolidated Planning Process Policies

Agenda Item No. 8(K)(1)(B)

RECOMMENDATION

It is recommended that the Board of County Commissioners (BCC) adopt the attached FY 2010 Consolidated Planning Process Policies document, which outlines the utilization of federally funded grants allocated to Miami-Dade County. These policies will govern the implementation of Miami-Dade County's FY 2008 through FY 2012 Consolidated Plan through the development of the FY 2010 Action Plan and the FY 2010 Consolidated Request for Applications (RFA) process.

SCOPE

The FY 2010 Consolidated Planning Process Policies document addresses high priority needs of low- and moderate-income communities within the Miami-Dade County entitlement jurisdiction. Within geographic Miami-Dade, six municipalities are designated with their own federal entitlements (Miami Gardens, Miami, Hialeah, Miami Beach, North Miami and Homestead) and receive federal funds directly from the US Department of Housing and Urban Development (US HUD). In addition, one municipality (Florida City) participates in the State's Small Cities Program for federal Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Program funds. If the above referenced municipalities demonstrate "Metropolitan Significance" Miami-Dade County may utilize Federal funds as appropriate to fund high priority needs within those jurisdictions.

Normally, as part of the policy paper, the Documentary Stamp Surtax (Surtax) and State Housing Initiatives Partnership (SHIP) Program funds are included in the overall policy process paper as these funds fall under the administrative purview of the Office of Community and Economic Development (OCED). Currently, no Surtax funds are available and as such, will not be included. The County is awaiting information from the State as to the amount of SHIP funding. The amount set aside for Miami-Dade has not yet been determined. The most recent information from the State advises the availability of $30 million in the trust fund State-wide.

FISCAL IMPACT

The FY 2010 Consolidated Planning Process Policies includes the projected revenues for FY 2010 federal, state, and local community, housing, and economic development programs. As part of the FY 2010 Action Plan, these revenues will be recommended for allocation to organizations, municipalities, developers, for profit and not-for-profit businesses and County departments to address high priority needs in low- and moderate-income communities.

BACKGROUND

US HUD requires the County to submit a Consolidated Plan every five years, with the most recent submitted in November 2007. As part of US HUD's requirements, an Action Plan on the implementation of the Consolidated Plan is required annually. The attached recommended FY 2010 Consolidated Planning Process Policies document serves as a blue print to facilitate the submission of the FY 2010 Action Plan which must be filed by November 15, 2009.

The FY 2010 Planning Process Policies document includes the guidelines for how the County will allocate federal CDBG, HOME, and Emergency Shelter Grant (ESG) funds.

OCED continues to consult with other County departments, municipalities, community development corporations (CDCs), community-based organizations (CBOs) and neighborhood-based citizen participation groups as part of its continuing effort to meet the goals of the FY 2008-2012 Consolidated Plan. Active participation of all stakeholders is critical for successful implementation of the Action Plan while ensuring that federal requirements are met.

The outcome of these consultations has yielded new policy recommendations and changes to existing policies for the FY 2010 Consolidated Planning Process Policies. These changes are being proposed, based on feedback from the community and the latest federal Community Planning and Development (CPD) guidelines that strongly encourage: 1) the use of a local performance measurement system, 2) the development of new management strategies, and 3) the implementation of management by objectives.

Changes are also being recommended to ensure that federal funding allocated to agencies is expended in a timely manner. US HUD requires that the County's CDBG balance does not exceed 1.5 times its annual allocation. In 2008, the County exceeded the expenditure ratio requirement with a 1.64 ratio, and as a result, received an audit finding from US HUD. For 2009, the County already received $17.9 million; therefore, the County cannot have a balance of more than $26.9 million on October 31, 2009. Any balance above $26.9 million may be de-obligated and reduced from the County's entitlement. As such, the County will allocate funds to projects that have properly leveraged other funding, can be completed in a timely manner, and will achieve a national objective

For the HOME program, US HUD requires that the dollars be committed in two years and spent within five years since these funds are primarily used for the construction of affordable housing which typically takes longer than one year to complete. Because the County currently does not have issues with the expenditure of HOME funds, the priority under the current administration is a focus on the CDBG ratio issues described above. However, early projections for the next two years reveal that a portion of HOME funds may be at risk due to several uncompleted projects that have exceeded US HUD's five year dead line for completion. Accordingly, a separate plan of action in ensuring appropriate and timely use of HOME funds is required. In order to more fully inform the BCC as to the plan of action, a separate report will be forthcoming and will outline the necessary steps.

The changes recommended in the 2010 Policy Paper are designed to improve the efficiency and effectiveness of OCED and participating agencies, resulting in an increase in the quality of services provided and providing the most effective use of the funding awarded to Miami Dade County

The following policies are proposed for 2010:

1) **Award bonus points to economic development projects that create and retain green jobs**.
   In an effort to further support the manufacturing and distribution of environmentally safe products, the County's evaluation of proposals for CDBG funds will award bonus points to those employers generating activities that result in significant gains in energy efficiency or the use of alternative energy sources recognized as leading to net reductions in carbon emissions. Such activities include weatherization; manufacturing, sales, distribution, marketing, installation and repair of solar energy systems or high efficiency appliances; construction and/or design of energy efficient structures; design, manufacture and servicing of electric, hybrid or biodiesel vehicles; and recycling of discarded materials

2) **Standardize procedures for funding Incubators in an effort to further support entrepreneurship in Miami-Dade County**
   The County currently funds business incubators but will now require they provide a minimum level of support to its businesses in an effort to ensure their success after they graduate from the incubator. Support such as assisting businesses with developing and implementing a strategic plan, assisting with the development of business plans and in applying for loans or grants in addition to providing financial support for membership in trade associations will all be prerequisites for an incubator to receive CDBG funds.

Studies have shown that incubators can be valuable tools for reducing the risk of failure for start-up and micro businesses. This support will increase entrepreneurial success by fostering a nurturing growth environment during the critical phases of a business' development. Graduates from these programs are more likely to create jobs, revitalize neighborhoods, and generate local tax revenue.

Incubators receiving CDBG funding will be required to meet performance benchmarks set forth as a condition of funding award, with established penalties for failure to meet performance benchmarks as may be considered reasonable by OCED and may include cancelation of award or ineligibility to receive future funding. Similar performance benchmarks and penalties for failure to meet performance measures will also be applied to non-governmental organizations providing CDBG funded business consulting services.

3) **Ensure that all CDBG funds are allocated to projects that are adequately leveraged to ensure that they are completed in a timely manner.**
All CDBG funds, including Community Advisory Committee (CAC) and Commission District Fund (CDF) monies, can only be allocated to Economic Development, Housing, Historic Preservation or Capital Improvement activities that have: 1) applied through the competitive RFA process, 2) have received a score in the top 45 percent of the viable applications for the funding category, and 3) have a funding gap. In order for a project to score in the top 45 percent, the project must have received points for providing proof of leverage, since leveraged projects have a greater chance of success. Projects cannot be funded for greater (sum total of all allocations) than the original amount requested from the agency. This minimum score will not apply to County department allocations.

In addition to the above recommendation, CAC and CDF allocations shall have a minimum award of $50,000 per entity. It is highly encouraged that CAC and the CDF funds be allocated towards "shovel ready" capital projects. Because "shovel ready" capital projects are ready to move forward, they are the best use of funding in the current climate to help ensure the CDBG ratio is met in time.

4) **All CDBG funds, except those awarded to County Departments, will be awarded in the form of a loan that will be forgivable upon meeting the national objective.**
In the past, some agencies have received federal dollars to develop housing, create jobs or develop other projects and have failed to do so even though all grants funds had been expended.

To ensure that the residents of Miami-Dade County receive the benefit of the federal CDBG dollars, all funding will now be awarded in the form of a loan. Upon meeting the national objective, the loan will be forgiven. The national objective is required by the contract documents and is a contingency of the award of funding. Failure to meet the requirement will result in a finding. The repayment terms will be specified in the award contract.

5) **Future Funds will not be provided to an agency that has failed to meet the national objective and required performance benchmarks and also fails to repay the loan indicated in (4) above according to the terms agreed to in the award contracts.**
The County funds public service and economic development activities, which do not involve construction, on an annual basis. If either a governmental agency or non-governmental organization (NGO) fails to achieve the national objective within the contract period, including the extension provided by OCED for the purpose of the achieving the objective, the agency or NGO will not be eligible to receive future CDBG dollars for the same or similar activity during the next RFA cycle.

6) **Award bonus points to previously awarded municipal projects if the County recaptured project funds due to the slow expenditure resulting from cancelled institutional financing.**
In an effort to ensure timely expenditure of CDBG funds, the County will move to recapture funds from projects that are slow moving. Many construction projects are currently being delayed due to the poor economy, and municipal projects are being delayed due to revenue shortfalls. Furthermore, many

banks are not extending credit or have tightened their underwriting criteria. Because funds in this RFA are meant to provide gap financing, a project must have other sources of funds in order for construction to commence. If construction or development progress does not commence within the first year of award, the County must recapture these funds and award to other projects that can expend so as not to negatively impact services to the community.

When the project (for which funds were recaptured) does obtain full financing, the agency may reapply through the RFA process and the project may be awarded bonus points if the recapture occurred as a result of cancelled/reduced financing from other sources. Municipalities will compete with an abbreviated application.

Any previously approved policies by the Board not amended herein, will continue to guide the FY 2010 Action Plan Process. Among those approved policies from previous years is that all CDBG funds not appropriated at the time of adoption of the Action Plan must be appropriated within 90 days of approval of the Action Plan, to ensure timely allocation and expenditure of funds. In addition, it is important to note that the CDBG contract period between the County and each entity is to end by December 31, 2009 because these funds are tied to the annual funding cycle that runs from January to December. Failure to appropriate funding within the 90 day period and any funds spent beyond the funding cycle period will significantly weaken the County's goal of timely meeting the spending ratio.

In addition, the County requires all sub-grantees to adhere to federal and local program compliance requirements. In the event that a sub grantee cannot meet the terms and conditions (such as the ones mentioned above) of its contract or agreement, OCED may recommend that the contract be terminated and the funds either be allocated to another entity to carry out the same activity, or allocated to a different priority.

The intent of the implementation of these policies is to streamline the FY 2010 Consolidated RFA Process and ensure the County enters into viable contracts. Moreover, the policies should facilitate the County's adherence to the CDBG 1.5 spending ratio. This will also have a direct impact on improving the effectiveness of County efforts to revitalize low moderate-income areas.

Attachment

Cynthia W. Curry
Senior Advisor to the County Manager

MEMORANDUM

(Revised)

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

DATE: June 2, 2009

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

SUBJECT: Agenda Item No. 8(K)(1)(B)

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. 8(K)(1)(B)
6-2-09

RESOLUTION NO. _____

RESOLUTION APPROVING THE POLICIES GOVERNING THE PLANNING PROCESS FOR AMENDMENTS TO THE FY 2008-2012 CONSOLIDATED PLAN THROUGH THE PREPARATION OF THE FY 2010 ACTION PLAN; APPROVING THE USE OF A REQUEST FOR APPLICATIONS PROCESS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM, THE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME), STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) AND THE EMERGENCY SHELTER GRANT (ESG) TO SOLICIT AGENCIES TO APPLY FOR FUNDING TO ADDRESS NEEDS ALREADY IDENTIFIED IN THE PLAN OR TO MEET NEEDS RESULTING FROM THE CITIZEN PARTICIPATION PROCESS

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 approves the policies governing amendments to the FY 2008-2012 Consolidated Plan including the FY 2010 Action Plan Planning Process for the Community Development Block Grant, HOME Investment Partnerships, State Housing Initiatives Partnership, and Emergency Shelter Grant programs; and approves the use of a Request for Application process to include the CDBG, HOME, SHIP, and ESG Programs to solicit agencies to apply for funding to address needs to be identified in the Plan or to meet additional needs resulting from the Citizen Participation Process in substantially the form attached hereto and made a part hereof.

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	

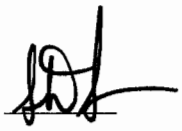
The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of June, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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.



Shannon D. Summerset

Miami-Dade County

FY 2010 Consolidated Planning Process Policies

"In celebration of providing 35 years of national support for low-to-moderate income communities."

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FY 2010 CONSOLIDATED PLANNING PROCESS POLICIES

EXECUTIVE SUMMARY

The Miami-Dade County Office of Community and Economic Development (OCED) recommends the following changes and amendments to the existing policies for the FY 2010 Consolidated Planning Process Policies. These changes are being proposed, based on feedback from the community and the latest federal Community Planning and Development (CPD) guidelines that strongly encourage 1) the use of a local performance measurement system, 2) the development of new management strategies, and 3) the implementation of management by objectives. Ultimately, these changes are designed to improve the efficiency and effectiveness of OCED and participating agencies, resulting in an increase in the quality of services provided.

The paper also includes a discussion of the Documentary Surtax (Surtax) and State Housing Initiatives Partnership (SHIP) programs and the projected expenditure of revenues from these programs. To meet the intent and spirit of federal requirements OCED will consult with relevant County Departments, Municipalities, Community Development Corporations (CDCs), Community-Based Organizations (CBOs), for profit developers and neighborhood-based citizen participation groups as part of its continuing effort to fulfill our mission. Active participation of all stakeholders facilitates successful implementation of the Action Plan.

Changes are also being recommended to ensure that federal funding allocated to agencies is expended in a timely manner. US HUD requires that the County's CDBG balance does not exceed 1.5 times its annual allocation. In 2008, the County exceeded the expenditure ratio requirement with a 1.64 ratio, and as a result, received an audit finding from US HUD. For 2009, the County already received $17.9 million; therefore, the County cannot have a balance of more than $26.9 million on October 31, 2009. Any balance above $26.9 million may be de-obligated and reduced from the County's entitlement. As such, the County will allocate funds to projects that have properly leveraged other funding, can be completed in a timely manner, and will achieve a national objective.

Staff is recommending the proposed new policies for 2010:

1) **Award bonus points to economic development projects that create and retain green jobs.**
   In an effort to further support the manufacturing and distribution of environmentally safe products, the County's evaluation of proposals for CDBG funds will award bonus points to those employment generating activities that result in significant gains in energy efficiency or the use of alternative energy sources recognized as leading to net reductions in carbon emissions. Such activities include weatherization; manufacturing, sales, distribution, marketing, installation and repair of solar energy systems or high efficiency appliances; construction and/or design of energy efficient

structures; design, manufacture and servicing of electric, hybrid or biodiesel vehicles; and recycling of discarded materials

2) **Standardize procedures for funding incubators in an effort to further support entrepreneurship in Miami Dade County**
The County currently funds business incubators but will now require that incubators provide a minimum level of support to its businesses in an effort to ensure their success after they graduate from the incubator. Support such as assisting businesses with developing and implementing a strategic plan, assisting with the development of business plans and in applying for loans or grants in addition to providing financial support for membership in trade associations will all be pre requites for an incubator to receive CDBG funds.

Studies have shown that incubators can be valuable tools for reducing the risk of failure for start-up and micro businesses. This support will increase entrepreneurial success by fostering a nurturing growth environment during the critical phases of a business' development. Graduates from these programs are more likely to create jobs, revitalize neighborhoods, and generate local tax revenue.

Incubators receiving CDBG funding will be required to meet performance benchmarks set forth as a condition of funding award, with established penalties for failure to meet performance benchmarks as may be considered reasonable by OCED and may include cancelation of award or ineligibility to receive future funding. Similar performance benchmarks and penalties for failure to meet performance measures will also be applied to non-governmental organizations providing CDBG funded business consulting services.

3) **Ensure that all CDBG funds are allocated to projects that are adequately leveraged to ensure that they are completed in a timely manner.**
All CDBG funds, including Community Advisory Committees (CAC) allocations and Commission District Fund (CDF) allocations can only be allocated to Economic Development, Housing, Historic Preservation or Capital Improvement activities that have applied through the competitive RFA process, and have received a score in the top 45 percent of the applications for the funding category and have a funding gap. In order for a project to score in the top 45 percent the project must have received points for providing proof of leverage. These projects have a greater chance of being completed. Projects cannot be funded for greater (sum total of all allocations) than the original amount requested from the agency. This minimum score will not apply to County department allocations.

In addition to the above recommendation, CAC and CDF allocations shall have a minimum award of $50,000 per entity. It is highly encouraged that CAC and the CDF funds be allocated towards "shovel ready" capital projects. Because "shovel ready" capital projects are ready to move forward, they are the best use of funding in the current climate to help ensure the CDBG ratio is met in time.

4) **All CDBG funds, except those awarded to County Departments, will be awarded in the form of a loan that is forgivable if the national objective is met.**
In the past, some agencies have received federal dollars to develop housing, create jobs or develop other projects and have failed to do so even though all grants funds had been expended. If upon an audit from US HUD or other auditing arm, it is discovered that neither jobs nor housing, or any other national objective was met, the County is required to re pay expended dollars to US HUD in general revenue dollars.

To ensure that the residents of Miami Dade County receive the benefit of the federal CDBG dollars, this policy is being implemented and is supported by the community. If a national objective is met, meaning that funds were used to accomplish the goal stipulated in the Request for Application (RFA) and minimum performance benchmarks as specified in the award contract are met, then the loan will be forgiven. The repayment terms in the event that the national objective and minimum performance benchmarks are not met will be specified in the award contract.

5) **Future Funds will not be provided to an agency that has failed to meet the national objective and required performance benchmarks and also fails to repay the loan indicated in (4) above according to the terms agreed to in the award contracts.**
The County funds some public service and economic development activities on an annual basis. These activities do not involve construction. However, if the government agency or non-government organization (NGO) fails to achieve the national objective within the contract period or any extension provided by OCED for the purpose of the achieving the objective, the agency or NGO will not be eligible to receive future CDBG dollars for the same activity.

6) **Award bonus points to previously awarded projects if the County re captured project funds due to the slow expenditure resulting from cancelled institutional financing.**
In an effort to address the CDBG 1.5 ratio, the County will move to recapture funds from projects that are slow moving. Many construction projects are currently being delayed due to the poor economy. In addition, municipal projects are being delayed due to less tax revenues received. Furthermore, many banks are not extending credit or have tightened their underwriting criteria making it close to impossible to obtain a bank loan or providing a much smaller loan amount than originally projected. Because funds in this RFA are meant to provide gap financing, a project must have other sources of funds in order for construction to commence. If construction or development progress does not commence within the first year of award, the County must recapture these funds and award to other projects that can expend them so as not to negatively impact services to the community.

When the same project does obtain full financing, the agency may re apply through the RFA process and the project may be awarded bonus points if the recapture

occurred as a result of cancelled/reduced financing or if municipal capital improvement projects had various funding sources and construction could commence without the CDBG funds. Municipalities will only be required to submit an abbreviated application.

PART I: PURPOSE AND BACKGROUND

PURPOSE

This paper contains the Miami-Dade County Office of Community and Economic Development's (OCED) proposed FY 2010 Consolidated planning policies. These policies will guide the implementation of the FY 2008-2012 Consolidated Plan and FY 2010 Action Plan and the FY 2010 Consolidated Request for Application (RFA) process. In our continued efforts to prepare the FY 2010 Action Plan, OCED is working closely with the community to meet the overall goals of the Consolidated Plan. Based on standards of the U.S. Department of Housing and Urban Development (U.S. HUD), the overall goals of the Consolidated Plan are to:

- Develop viable communities by providing decent housing;
- Provide a suitable living environment by improving the safety and livability of neighborhoods; and
- Expand economic opportunities including job creation and retention.

BACKGROUND

U.S. HUD requires OCED to submit a Consolidated Plan every five years and an annual Action Plan every calendar year. The current Consolidated Plan covers the five-year period from January 1, 2008 through December 31, 2012. The Consolidated Plan includes a Housing and Homeless needs assessment, a Housing market analysis, a five-year Strategic plan for Neighborhood Revitalization Strategy Areas (NRSAs), an annual Action Plan, U.S. HUD Certifications and Monitoring standards and procedures. This policy paper includes the FY 2010 Action Plan priorities and funding criteria for the following programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Shelter Grant (ESG)
- Documentary Surtax Activity (SURTAX)
- State Housing Initiatives Partnership Program (SHIP)

To meet the intent and spirit of federal requirements, OCED will continue to consult with relevant County departments, municipalities, community development corporations (CDCs), community-based organizations (CBOs) and neighborhood-based citizen participation groups as part of its effort to fulfill its mission. Active participation of all stakeholders facilitates successful implementation of the Action Plan.

CDBG

The County's CDBG Program allocates block grant funds from U.S. HUD to private non-profit community based development organizations, community development corporations, community-based organizations, for profit businesses, municipalities and county departments for activities that benefit low-and moderate income areas (areas in which at least 51 percent of residents make below 80 percent of the County's median income), or low and moderate income persons. For reference, below is a table reflecting area median income in Miami-Dade County by family size.

Miami-Dade County: HUD 2009 - 50%, 80% and 120% of AMI Income Thresholds by Household Size

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
50% of AMI	23,600	26,950	30,350	33,700	36,400	39,100	41,800	44,500
80% of AMI	37,800	43,150	48,600	53,950	58,250	62,600	66,900	71,200
120% of AMI	56,600	64,700	72,800	80,900	87,350	93,800	100,300	106,750

Source: http://www.huduser.org/publications/commdevl/nsp.html

HOME

The HOME Program allocates housing funds in the form of permanent and construction first and second mortgage financing to assist very low and low income families in renting or purchasing affordable housing units. The HOME Program is designed to:

- Expand the supply of decent and affordable housing, particularly rental housing, for low- and very-low income Americans.
- Strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing.
- Provide both financial and technical assistance to participating jurisdictions (entitlement areas) including the development of model programs of affordable housing for very-low and low-income families.
- Expand and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

ESG

- Reduce hardships on homeless persons through the provision of emergency shelter.
- Provide or arrange for the provisions of essential support services to homeless persons in the shelter, including food, clothing, personal care items, medical care, alcohol, drug abuse and mental health treatment, counseling and assistance in obtaining government benefits, employment and permanent housing.

SHIP

The legislative intent of the SHIP Program is "...to allow local government the greatest degree of flexibility in meeting its communities housing needs." As required, Miami-Dade County has adopted both an ordinance (Ordinance 95-70) and a resolution (R-517-95) that describe a housing program for utilizing SHIP funds. The legislation sets forth the

following minimum program requirements for the use of SHIP funds. Funds must be used to implement the approved Local Housing Assistance Plan (LHAP). The program must benefit eligible persons occupying eligible housing. Generally, SHIP funds may be used:

- For locally designated strategies that create or preserve affordable housing.
- To supplement other housing programs.
- To provide local match to obtain Federal housing grants or programs (such as HOME).
- Funds may be used for both homeownership and rental housing activities. However, at least 65 percent must be used for homeownership activities.
- A minimum of 75 percent of the annual grant must be used for construction, rehabilitation, or emergency repair.

In 2009, the County created a Foreclosure Intervention Program funded with SHIP dollars. The County will provide an eligible homeowner up to $5,000 loan as rescue funds to assist homeowners with restructuring their loan and making their loan current if payments are outstanding.

DOCUMENTARY SURTAX

The Documentary Surtax program requires that a minimum seventy five (75) percent of funds allocated to each successful developer are to benefit low-income families (those with income 80 percent or less of the area median income for Miami-Dade County). No more than25 percent are to be made available to moderate-income families (those with income of up to 140 percent of the AMI for Miami-Dade County).

In 2007, the Development and Loan Administration Division (DLAD) of Miami Dade Housing Agency merged with OCED. As a result, OCED is now responsible for the administration of the SHIP and Surtax programs. These programs are further administered through a separate loan servicing unit and a homeownership unit. No Surtax funds are being allocated as part of this Request for Application process.

Loan Servicing

OCED, through its Loan Servicing Unit, manages the County's affordable housing mortgage portfolio through a staff of mortgage service specialists and technical support staff.

The staff ensures payment on homeownership loans, primarily benefiting low and moderate income individuals. Most of these loans are for second mortgages. The Loan Servicing Unit acts much like a mortgage company wherein monthly mortgage payments are collected and processed. However, they are noticeably different in that they also serve to help homeowners with foreclosure prevention programs, forbearance agreements and payment plans. Information on payoff requests and satisfactions of debt are available through this unit.

In addition to managing individual accounts, the Unit also services loans for large multi-family developments funded to create affordable housing units within Miami-Dade County. They process the loan payments for the developers and monitor the payments to ensure that they are made in timely manner. Should a developer become delinquent in

their loan payment(s), the loan servicing unit works with the Finance Department and the Office of the County Attorney to remedy the problem.

Homeownership Unit
The Homeownership Unit manages the County's affordable housing second Mortgage Loan Program, Single Family Rehabilitation Program, and Hurricane Shutter program.

The unit processes low-interest second mortgages to very low, low and moderate income individuals and families as first time homebuyers of Miami Dade County. In addition, the unit provides mortgage loans to eligible individuals and families for the rehabilitation of their primary residence. This program primarily assists the homeowner in bringing their current home up to current building codes, which also includes disability access modifications. Additionally, up to $5,000 in the form of a deferred low interest loan, payable at 10 years maturity is available for the installation of hurricane shutters. The loans are forgivable should the borrower maintain ownership and residence in the unit for the affordability period.

STRATEGIC PLANNING

The FY 2008-2012 Consolidated Plan has been developed in concert with the County's Strategic Plan. The strategic area mission statements, goals and performance measures are in the following areas: Housing, Economic Development, Health and Human Services, Neighborhood and Unincorporated Area Municipal Services, Public Safety, Recreation and Culture, and Transportation.

CITIZEN PARTICIPATION

In May 1990, the Board of County Commissioners (BCC) approved an amended Citizen Participation Plan (Attachment A) and guidelines for the Community Action Agency (CAA) and OCED Community Advisory Committees. One of the goals of this Plan is "the establishment of a formal structure through which residents may participate in the planning, implementation and evaluation of the program in an advisory role." The Citizen Participation element of the Consolidated Plan has been modified to fully comply with U.S. HUD's Consolidated Planning requirements. Attachment A includes the Citizen Participation plan approved by the BCC on June 4, 2002. The updated Citizen Participation Plan was approved by the BCC on September 8, 2005.

The County's citizen participation process for feedback on the Consolidated Plan is year round. The Plan includes a minimum of four meetings per year in each NRSA with residents within each commission district or combination of districts. This allows for citizen feedback on the FY 2008-2012 Consolidated Plan update, funding priorities, and the RFA process. The public hearing for this policy paper is scheduled for May 13, 2009, at the Housing and Community Development Committee (HCDC) meeting. The public hearing for the FY 2010 Action Plan is expected to be scheduled on October 14, 2009

with the comment period occurring from September 14, 2009 and ending on October 14, 2009. In addition, the proposed policy as it relates to new agencies responding to the Request for Application (RFA), must make presentations at District and NRSA meetings in the District/NRSA where the activity is located or will be carried out. Agencies with currently funded activities are required to give periodic updates of their activities to the neighborhood advisory committees. These presentations are designed to provide citizens with an opportunity to receive information on proposed and ongoing projects. Through this citizen participation process, OCED relies upon County citizens to:

- **Identify** both neighborhood and community needs;
- **Prioritize** those needs;
- **Recommend** activities that address priority needs based upon consultation with stakeholders; and
- **Support** conclusions and recommendations reached during the community-based Charrette process.

In an effort to directly meet the needs of low- and moderate-income communities, OCED will continue to appropriate $100,000 to each of the eight Community Advisory Committees (CACs) to address high priority needs in their neighborhoods. CACs will be empowered to make funding recommendations regarding these non-public service priorities as part of the RFA process. Funding will be subject to the activity meeting one of the U.S. HUD mandated national objectives, consistency with Consolidated Plan priorities, and formal application through the RFA process. Any funds not allocated within ninety (90) days of the fiscal year will be recaptured and reprogrammed in order to meet HUD's timely expenditure requirements. OCED will be authorized to re-structure its community consultation with NRSAs to allow for a more efficient and effective process.

PART II: FY 2010 POLICIES

FY 2010 PLAN NEEDS AND OBJECTIVES

The strategic plan section of the current FY 2008-2012 Consolidated Plan contains numerous policy objectives. The FY 2010 Action Plan focuses upon policy objectives including, but not limited to, the following:

- Provision of new and rehabilitated multi-family housing with a particular emphasis on building strategies for low to moderate income persons and providing mortgage assistance to these families;
- The creation and retention of jobs;
- The creation and retention of businesses;
- Ensure the timely expenditures of HOME and CDBG dollars to ensure that services are provided to the neighborhoods;
- Installation of and/or improvements to infrastructure;
- Effective programs that support capacity building for not for profit Development Corporations with an emphasis in the NRSAs.

In fulfilling these objectives, it is recommended that OCED utilize a consolidated Request for Applications (RFA) process for the Community Development Block Grant (CDBG) and Emergency Shelter Grant (ESG) programs. The RFA will serve to identify agencies that have the capacity to address the inventory of unmet needs identified during the FY 2008-2012 Plan update.

OCED will solicit, through public notices, an RFA for addressing individual NRSA and countywide priority needs in the following categories for CDBG and HOME funded projects:

- Housing
- Capital Improvements
- Economic Development and
- Historic Preservation.

Additionally, any allocation made to an agency within an entitlement municipality will require an inter-local agreement stating that the entitlement municipality is financially obligated to match or exceed the County allocation with their own CDBG allocation and/or through their own General Funds. Failure to secure a municipal match will immediately disqualify the applicant from receiving an allocation.

Currently, U.S. HUD guidelines allow Miami-Dade County to use twenty (20) percent of the annual entitlement for the administration of the program and allocate eighty (80) percent towards projects/agencies. On July 17, 2008 , the BCC adopted a policy to increase the funding for County departments from thirty (30) percent of the eighty (80) percent to forty (40) percent. The BCC approved, as part of the FY 2007 Policy Paper, the policy of reimbursing County Departments for work performed based on pre-established performance measures.

On June 22, 2004, through Resolution R-805-04, the BCC approved a Commission District fund of $200,000 and a $100,000 reserve fund for Neighborhood Revitalization Strategy Area Advisory Committees from the CDBG entitlement. On June 2006, through R-670-06 the BCC amended this policy to allow the County Manager to substitute CDBG funds with HOME, HODAG and Rental Rehabilitation funding sources when necessary to address high priority housing needs.

The Board has approved several policies under 2009 policy paper which are recommended to be continued under the 2010 process. They are as follows:

1. **<u>Sustainable Development and Smart Growth</u>**
   - OCED rewards Green Development with bonus points in the RFA evaluation process.
   - OCED awards points to projects that promote infill development and Transit Oriented Developments (TOD) in conjunction with the Community Affordable Housing Strategies Alliance (CAHSA) Housing Strategic Plan.

- OCED implemented bonus points for building of ENERGY STAR Qualified New Homes. ENERGY STAR homes must meet guidelines for energy efficiency set by the US Environmental Protection Agency.

2. **Homebuyer Assistance Program, Homebuyer Underwriting and Foreclosure Prevention and Intervention**

OCED implemented the following initiatives to fend off foreclosures: 1) establishment of forbearance accounts, 2) one-time fresh start agreements that suspend payments from troubled borrowers in order to help improve their financial condition 3) counseling services and a 4) Foreclosure Intervention Prevention program. This program is limited to homeowners who currently have mortgages with Miami-Dade County. The program funds may be utilized to contract with Homebuyer Assistance Counseling agencies to include foreclosure intervention prevention in the FY 2009 Action Plan.

3. **Other Affordable Housing Recommendations**

Current market conditions have shown a saturation of the residential condominium market with one of the highest vacancy inventories in the County's history. Vacancy rates are exacerbated by the rate of foreclosures thereby driving the demand for affordable rentals upward. Hence, the County's has redirected its efforts to focus on delivering affordable rentals instead of converting existing rentals to condominiums Going forward, the County intends to:

- Given the scarcity of affordable housing units in the region, the County will not provide support for projects that would result in the loss or conversion of affordable housing units without the replacement of the same number of units in or around the area. In other words, there should not be a net loss of affordable housing to the county or neighborhood. For HOME units, affordable housing is defined as households with incomes at or below 80 percent of area median income (AMI), adjusted for family size. The Documentary Surtax Program requires that a minimum of 75 percent of funds allocated to each successful developer are to benefit low-income families (those with income at 80 percent or less of AMI for Miami-Dade County). No more than 25 percent are to be made available to moderate income families (those with income of up to 140 percent of the AMI for Miami-Dade County.)
- In 2009, OCED reduced the required minimum retainage from 10 percent to five percent when projects reach 75 percent completion. The five percent retainage and any and all remaining retainage is released after satisfactory final certification of completion or occupancy, final release of liens, and as-built drawings are received by OCED. This allows more flexible cash flow for the project.

4. **Citizen Participation**

It is recommending that the number of Community Advisory Committee (CAC) members remain at 13. Twelve will be elected by the community and one will be appointed by the Commissioner of the district in which the NRSA is located. Since CAC officers were elected in March 2008 for a period of two years, it is recommended that the new committee structure not be implemented until 2010.

5. **Continued Policies from the FY 2008-2012 Consolidated Plan**
   - Providing assistance to rental households by increasing both the supply of affordable housing and the availability of rental assistance and support services, especially for those with incomes at or below 30 percent of the median income group.
   - Promoting homeownership opportunities by providing assistance to homebuyers and by maintaining the supply of affordable units available for purchase.
   - Reducing lead-based paint hazards.
   - Provided support facilities and services as well as increasing the supply of units for non-homeless persons with special needs.
   - Continuing to improve the living conditions of residents of public housing by physically upgrading existing units.
   - Continuing to assist existing homeowners to maintain their properties by providing financial assistance to the rehabilitation of substandard units.

6. **Recommended Economic Development Policy**
   Economic development is defined as all endeavors aimed at sustaining or increasing the level of business activity and creating/retaining jobs. All economic development activities funded through the Action Plan must create and or retain jobs. In order for a for profit business to meet the contractual job creation/retention requirement, full-time permanent jobs must be created or retained due to capital improvements to the business property, micro enterprise or a direct loan to the for profit business. A no for profit organization may count full time permanent jobs created or retained through the execution of a job placement agreement with a for profit business that agrees to hire the employee. The employee must be low to moderate income. The agreement must remain on file with the grantee and the hiring business must agree to keep or create a specific number of jobs and identify each such job by type and whether the job will be full or part time.

7. **Increase funding for County Departments**
   Currently, U.S. HUD guidelines allow Miami-Dade County to use 20 percent of the annual entitlement for the administration of the program and allocate 80 percent towards projects, programs or agencies.

   Separately, on May 25, 2001 the BCC adopted a policy to reflect that only 30 percent of the 80 percent (all funds for projects, programs or agencies) to be set aside for County Departments. This policy was amended in 2009 to raise the cap on County Department funding to 40 percent, and is recommended to remain at 40 percent for 2010.

FY 2010 PLAN PRIORITIES AND FUNDING CRITERIA

The following will serve as plan priorities and general funding criteria for FY 2010:

- Low- to moderate-income and extremely low-income households and neighborhoods;
- Affordable housing;
- Economic development;
- Financial viability, leveraging and partnerships; and
- Project's ability to be implemented within the contracted period.
- Priority to those activities located in, or serving US HUD approved Neighborhood Revitalization Strategy Areas.

These priorities and criteria demonstrate project funding priorities through several means, among them are funding set-asides, additional or "bonus points" added to the application ranking, or other special considerations that enhance the feasibility or implementation of the project. Adherence to past performance requirements and activity service area will be factored into consideration.

LOW INCOME AND EXTREMLEY LOW INCOME HOUSEHOLDS AND NEIGHBORHOODS

Strong emphasis will be placed on projects, CBO capacity building programs, and activities that directly address priority needs of populations that contain the highest incidences of poverty identified in the FY 2008-2012 Consolidated Plan. The 2008-2012 Consolidated Plan will focus on updating priorities identified by the neighborhood revitalization strategies for an October 2009 submission to the BCC for approval by November 13, 2009.

PUBLIC SERVICE

- It is proposed that only County departments be funded with public service funds, subject to the 15 percent US HUD mandated cap and the 40 percent County Department cap.

GEOGRAPHIC AREAS OF SPECIAL EMPHASIS

- **Neighborhood Revitalization Strategy Areas (NRSAs)**. In 1996, U.S. HUD established criteria for approving locally determined strategies for revitalizing an area that is among the community's most distressed. In order to provide some incentive for grantees to undertake such revitalization, the CDBG regulations provide certain benefits for the use of CDBG funds in such an area. The incentives for NRSAs are as follows:
  - Job creation/retention activities undertaken pursuant to the strategy may be qualified as meeting area benefit requirements thus eliminating the need to track the income of persons;
  - Aggregation of Housing Units for the purposes of applying the low and moderate-income national objective criteria;

- Aggregate Public Benefit Standard Exemption: Economic Development activities carried out under the strategy may, at the grantee's option, be exempt from the aggregate public benefit standards, thus increasing a grantee's flexibility for program design as well as reducing its record-keeping requirements; and
- Additional RFA points will be awarded to activities benefiting NRSAs.

- The designated NRSAs must meet the following criteria: 1) evaluation of boundaries; 2) an analysis of demographic criteria, consultation with residents, businesses and non-profits; and 3) an economic empowerment strategy and identification of performance measurements. Currently there are eight HUD approved NRSAs: Opa-locka, West Little River, Model City, Melrose, South Miami, Perrine, Goulds, and Leisure City/Naranja. The Federal Enterprise Community and Empowerment Zone, within the Miami Dade County Entitlement areas are also eligible.

- **Eligible Block Groups (EBGs).** EBG's are census block groups where income is less than 80 percent of the County's median household income and there is a high concentration of poverty and unemployment. The boundaries of CDBG eligible block groups are determined by the results of the 2000 Census.

  - EBGs not formerly designated as Community Development NRSAs are grouped regionally by Commission District and are included in the District's Strategic Plan.
  - Non-housing projects are recommended for census tracts and EBGs where at least 51 percent of the households have low or moderate-incomes in unincorporated Miami-Dade County and participating jurisdictions. In municipalities that do not have their own CDBG entitlement program, proposed activities must address the needs of the priority needs populations listed above.

- CDBG Entitlement jurisdictions and State Small Cities CDBG jurisdictions include the following cities: Miami, Hialeah, Miami Beach, North Miami, Homestead, Florida City, and Miami Gardens. However, funding in these areas is limited to activities that demonstrate Metropolitan Significance and are consistent with the high priority needs identified in that jurisdiction's Consolidated Plan. To be eligible for CDBG funding, they must pass an eligibility test that demonstrates the majority of its beneficiaries have benefited unincorporated Miami-Dade County and its participating jurisdictions in the past. HOME projects in entitlement jurisdictions require a 25 percent local match.

- The Consolidated Planning process concentrates on a regional focus. All CDBG eligible areas are evaluated on a regional basis through a community planning and review process. The formula for allocating available funding for Plan activities in eligible areas considers: per capita expenditures, concentrations of poverty, overcrowding, and the low- and moderate-income population in the area. OCED will coordinate strategies and funding in all areas of special emphasis for maximum leveraging of public and private funds.

HOUSING AND CAPITAL IMPROVEMENTS

In compliance with BCC action on November 5, 1991, there shall be a minimum set-aside of 15 percent of CDBG housing funds for CDCs involved in housing activities, as well as a housing activity land acquisition set-aside of 5 percent for use by all CDCs.

Emphasis will be placed on housing, community and economic development funding for:

- Mixed-income single and multi-family affordable housing projects and the dispersal of these projects throughout the County to avoid an over-concentration of such projects in particular geographic areas;
- Mixed-use projects that support both housing and economic development; and
- Agencies requesting funds for land acquisition must submit a realistic and attainable development plan for all properties to be acquired with County funds.
- Ongoing projects with previous funding approval by the BCC to encourage the "finish what is started" mandate providing there is project viability and financial feasibility.

- All projects involving acquisition of existing buildings must demonstrate that there will be no displaced individuals as a result of the acquisition. If the relocation of individuals is necessary, a plan must be submitted with the application.

- Sub-recipients funded for capital improvements, or construction of housing, may be given multi-year funding commitments and/or contracts, provided they meet all U.S. HUD guidelines and OCED contractual requirements. SHIP and Surtax projects will not be considered for multi-year funding.

- All costs associated with the United States Department of Housing and Urban Development (HUD) environmental reviews, conducted by OCED, will be charged to each construction project funded through the Request for Application (RFA).

- Timelines of expenditures will be factored in the evaluation of proposals. As such, it is anticipated that:
  - Each project to be funded should have a schedule for the use of projected funds tied to key project milestones so performance can be measured against expectations and problems identified at an early stage.
  - An alternative plan to handle unexpended funds is to recapture dollars from projects that are no longer feasible and reallocation for the completion of ongoing projects.
  - Priority will be given to completing ongoing projects approved by the BCC. The capacity of all agencies will be enhanced with technical assistance from OCED staff.

- Pursuant to approved policy in FY 2006, prior to the application submission, all Housing and Capital Improvement applicants are required to have a technical assistance pre-consultation meeting with their respective Community and Economic Development Division District teams. In FY 2007, it was recommended that only new Housing, Capital Improvement and Economic Development applicants be required to

have a technical assistance pre-consultation meeting with their respective Community and Economic Development Division District teams. As a mandatory prerequisite, no housing, capital improvement or economic development applications will be accepted without a pre-consultation meeting. Attendance at a pre-consultation meeting does not guarantee funding.

- OCED will provide increased project management and technical assistance through Community and Economic Development Division staff for activities funded through CDBG, HOME and HODAG. The cost of such assistance will be charged to the activities budget. All Capital and Housing project budgets will be charged costs associated with Environmental and Historic Preservation Reviews, if applicable.
- The BCC in 2006 created the Community Affordable Housing Strategies Alliance (CAHSA) Task Force and in 2007 issued a report from nine subcommittees to address the issues of housing including affordable and workforce homeownership and rental housing, public housing, maintenance of affordability issues, property taxes, insurance, and land use. All housing activities that meet the criteria set forth by the national objectives of US HUD's resources (i.e. CDBG, HOME, HOPWA) will be addressed utilizing these CAHSA recommendations and policy values as a guideline for implementation.
- Funding criteria for Housing and Capital Projects will be based on a risk assessment protocol comprising underwriting risk, fund leveraging analysis, review of program and project results, developer's ability to perform, staff and organization's capacity, affordability, feasibility, project contribution to public goals, past compliance and performance, and quality of reporting and documentation, when applicable.
- For-profit and non-profit entities applying for the same Housing or Capital Improvement Projects must apply as single entities such as joint ventures. Partnerships and or Joint Ventures must submit their partnership agreements. This includes sources and uses budget, capital budget, and scope of services for each project. County Departments will be exempt from this requirement.
- Site control is mandatory for housing and capital improvement projects. No substantial change of the initial BCC-approved projects such as site change or transfer of funds to other projects will be allowed. In such event(s), the application will be nullified for the current fiscal cycle. A change of entity for the same site, same use and same funding amount may be approved.
- To facilitate payment of pre-development and overhead costs, developers will be allowed the use, at a pro-rated percentage, their developers' fee. OCED shall pay the agency as maximum compensation or fee for the developer services required pursuant to the scope of work. The percentage of compensation shall be predetermined based on each applicant's scope of work. Each phase of development will have a corresponding percentage of the fee assigned. These are project related soft costs that are necessary and reasonable. This measure shall assist agencies including non-profit entities and CHDOs to have access to cash in the initial stage of the project to finance pre-development.
- CDBG, HOME and HOME/CHDO funds are to be used as gap financing and not as the sole funding source for a project or program. Applicants must provide written documentation, with the application, of the availability and status of all other current

sources of funding (towards the project or its administration) at the time the application is submitted.

- HOME funds will be viewed as loans, not grants. All HOME funds will be treated as loans requiring property or another form of collateral to be used as security for repayment for the duration of the affordability period. Loan repayment may be in the form of a purchase price buy-down in accordance with an appropriate restrictive covenant and shared equity provision. Forgiveness of the loan will be considered on a case-by-case basis, only for projects serving very-low income residents, homeless persons and families.
- For major capital improvement and housing projects, OCED will require that the CDBG funds awarded be in the form of a loan, which must be secured by a mortgage on all real property acquired or improved in whole or in part with CDBG funds. Contractors shall execute any mortgage required by OCED and pay any costs associated with recording and perfecting of said mortgage. However, the contractor will not be required to make any payments on the mortgage until the property is sold or fails to be used to meet a CDBG national objective.
- To ensure the preservation of the existing affordable housing stock, it is recommended that in the event of a transfer by homeowners of affordable housing units (through sale within the affordability period), OCED , shall be entitled to recapture an amount equal to the percentage subsidized, from the proceeds of the sale of the home. These funds will be utilized for provision of new affordable housing.
- Currently, OCED holds ten 10 percent of the grant award as a retainage until the completion of the construction work reaches the 90 percent rate. In accordance with industry and County standards, it is recommended that OCED holds the ten (10) percent retainage until the project reaches 75 percent completion, at which point the retainage will be reduced to 5 percent. The five percent retainage and any and all remaining retainage will be released after satisfactory final certification of completion or occupancy, final release of liens, and as-built drawings are received by OCED.
- Agencies funded under Housing and Capital Improvement activities must initiate loan closings within one year of the execution of their contract. A funded agency must provide proof that they have initiated a loan closing within the required one-year time period and within that time span has secured the balance of the funding from non–County outside funding sources. If these conditions are not met, the Mayor or designated representative County Manager shall have the authority to recommend to the BCC a recapture and reallocation of these funds to other eligible activities.
- The resale option: This option ensures that the HOME assisted unit remains affordable over the entire affordability period. If a unit is designated affordable and it is sold during the affordability period, the sale must be to a low-income family meeting the HOME program definition.
- The recapture option: This is a mechanism to recapture all or a portion of the direct HOME subsidy if the HOME recipient decides to sell the house within the affordability period at whatever price the market will bear.

The following language must be included in all affordable housing contracts:

> Upon sale of an assisted Property within the affordability period, the homeowner will pay to Miami-Dade County the principal amount of the Loan, together with a share of the

appreciation in the value of the Property. Such share shall be determined by applying (I) the percentage which represents the ratio of the original principal amount of the Loan to the original unsubsidized sales price (i.e. the gross purchase price) in the connection with the purchase of the Property (The "Principal to Original Sales Price Ratio") to (II) the amount, if any, by which the sales price upon transfer of the Property exceeds such original sales price. If the Loan is not evidenced by funds but a benefit conferred by the Lender (Miami-Dade County) or other public agency on the seller of the Property, and the homeowner is not in default under the Note or the Subordinate Security Instrument, the share of appreciation due the Lender herein shall be reduced by sum of (a) the amount of any cash down payment for the purchase of the Property, (b) the homeowner's reasonable and customary costs of sale of the Property (including any broker's commission, and (c) the value of any documented, permanent improvements to the Property that are in compliance with any applicable requirements established by the Lender.

ECONOMIC DEVELOPMENT

As a minimum goal, at least 20 percent of the CDBG funding allocation will be allocated for economic development activities. Economic development activities are needed to address rising living costs and high housing prices that have placed strain on the County's unemployed and low income earners. CDBG programmatic responses to these needs must have at least one of the following outcomes and should accomplish the following:

- Assist the economy at all levels and be tied to affordable housing initiatives, strategies and programs.
- Create economic opportunities aimed at the County's low- and moderate-income residents and distressed communities that promote financial self-sufficiency and a greater share in the economic prosperity of the area.
- Address the interrelated needs of Miami Dade County's distressed communities through coordinated programmatic responses across a range of disciplines including workforce development, small business assistance, capital improvements and community economic development.
- Foster a local entrepreneurial environment that promotes capacity of small businesses and community economic development organizations.
- Promote access to private capital (equity and debt-financing) through effective public-private partnerships and leveraging of public resources.
- Encourage mixed-use projects that are needed in Miami-Dade County's distressed neighborhoods that are transit-friendly and fulfill both commercial and housing needs.

The County will continue the policy of requiring a pre-consultation meeting for any new economic development activity. Attendance at a pre-consultation meeting does not guarantee funding.

FINANCIAL VIABILITY, LEVERAGING AND PARTNERSHIPS

Funding criteria for Housing and Capital Projects will be based on a risk assessment protocol comprising underwriting risk, fund leveraging analysis, review of program and project results, the developer's ability to perform, the capacity of staff and organization, affordability, the feasibility, project contribution to public goals, past compliance and performance, and quality of reporting and documentation, when applicable.

Proposals will be evaluated for leverage and must indicate adequate financial resources to complete the project. Any financial gaps or contingencies must be noted prior to project commencement. Documentation of other funding sources through letters of commitment will be required for all projects.
Emphasis will be placed on applications that:

- Utilize partnerships among the private and non-profit sectors in the development, construction and operation of affordable housing;
- Package housing proposals using nine percent and four percent Federal Low Income Housing Tax Credits meeting subsidy layering review threshold requirements in order to enhance their competitive position in the State or County competition for credits; and
- Competitive costs per client or units;

- The concept of "zero-based" budgeting will be implemented in the review of requests for funding. Thus, there is no presumption of funding for any agency that is currently receiving funding. However, County Departments and agencies currently implementing projects may be recommended for subsequent funding for on-going projects started in a prior year.
- OCED will not consider for funding any activity that has not secured a minimum of $25,000 in outside funding sources to support its operations. The implementing agency for the activity must submit with its Request for Application (RFA) documentation that confirms that the outside funding has been secured.

ENSURING PROJECT COMPLETION: MONITORING AND EVALUATION

All CDBG funds not appropriated at the time of adoption of the Action Plan must be appropriated within 90 days of approval of the Action Plan, to ensure timely allocation and expenditure of funds. The County requires all sub-grantees to adhere to all federal and local program compliance requirements. The County, on a regular basis, will monitor each sub-grantee through progress reports and site visits. A monitoring report must be on file by August 31, 2009 for FY 2009 activities. If a sub-grantee cannot meet the terms and conditions of its contract or agreement, OCED may recommend that the contract be terminated and the funds either be used by another entity to carry out the same activity, or address a different priority.

PART III: FUNDING AND PROJECTED ALLOCATIONS

ACTION PLAN FUNDING ALLOCATIONS

The following table lists the FY 2009 funding sources and types that were included in the FY 2009 Action Plan. Projected allocations for 2010 for each program are also provided. (These projected numbers are estimates based on current allocations and are subject to change.)

FY 2009-2010 TOTAL ESTIMATED FUNDING ALLOCATION BY FUNDING SOURCE

Funding Source	Type	FY 2009 Funding	Estimated FY 2010 Funding
Community Development Block Grant (CDBG)	Federal	17,620,605	16,740,000
CDBG Program Income	Federal	400,000	400,000
Emergency Shelter Grant (ESG)	Federal	788,348	748,000
Housing Development Assistance Grant – Program Income (HODAG)	Federal	3,691,000	0
Home Investment Partnerships (HOME)	Federal	6,255,897	5,943,102
HOME Program Income	Federal	900,000	3,000,000
American Dream Down payment Initiative (ADDI)	Federal	34,875	33,131
State Housing Initiative Partnership (SHIP)	State	2,750,000	TBD
Rental Rehabilitation Program Income (RR)	Federal	0	0
Documentary Surtax Program (Surtax)	County	0	0
TOTAL ALL SOURCES		**32,440,725**	**29,614,233**

FY 2009-2010 CDBG FUNDING ALLOCATION BY CATEGORY

Funding Category	FY 2009 Funding	Estimated FY 2010 Funding	FY 2010 Percentage
Administration	3,604,121	3,408,000	20%
Capital Improvement	5,045,769	4,260,000	25%
Economic Development	3,604,121	3,408,000	20%
Historic Preservation	180,206	170,400	1%
Housing	1,802,060	2,215,200	13%
Public Service	2,703,090	2,556,000	15%
Reserve	1,081,236	1,022,400	6%
TOTAL	**18,020,603**	**17,040,000**	**100.00%**

FY 2009-2010 HOME ESTIMATED FUNDING ALLOCATION

Category	FY 2009 Funding	Estimated FY 2010 Funding	FY 2010 Percentage
Program Administration	722,564	666,310	10%
CHDOs Operating Support	361,282	333,155	5%
CHDO Set-Aside	1,083,847	999,465	15%
Rental Housing	1,922,364	2,031,041	33%
Homeless Housing	1,000,000	1,000,000	14%
Homeownership (CAA)	1,000,000	1,000,000	14%
American Dream (ADDI)	35,587	33,131	1%
Tenant Based Rental Assistance (TBRA)	600,000	600,000	8%
Foreclosure Intervention prevention	500,000	TBD	0
TOTAL	**7,225,644**	**6,663,102**	**100%**

OCED reserves the right to substitute all or part of the HOME Homeless housing set-aside with HODAG or Rental Rehabilitation Funds as appropriate for the funded activity. In order to receive HOME funds from US HUD a local funding match is required. This match is expected to be covered through the utilization of the SHIP funds.

PART IV: TIMELINE FOR FY 2010 CONSOLIDATED PLANNING ACTIVITIES

March, 2009
• OCED meets with NRSAs', Community Advisory Committees (CACs) and Commission District community meetings regarding performance of currently funded neighborhood activities and priority needs for FY 2010. • Distribute appropriate sections of RFA and attachments to OCED, and Homeless Trust for updating and revisions
April 2009
• Consultation with South Florida Community Development Coalition
• Meeting with RFA Work Group
• OCED meets with County Departments regarding performance of currently funded neighborhood activities and priority needs for FY 2010
• Consult with participating municipalities to update neighborhood priorities and needs
• Consult with Office of Americans With Disability Act (ADA) Coordination and Commission on Disabilities
• Monitoring of Action Plan activities begins and continues throughout the year
May-July 2009
• May 13, 2009, Housing and Community Development Committee public hearing to approve FY 2010 Policies
• RFA technical assistance workshop for agencies, groups and individuals
• Meeting with RFA County partners working groups.
• June public meetings.
July/August/September 2009
• FY 2010 RFA available
• OCED and the Office of Strategic Business Management discuss funding recommendations.
• First draft of Action Plan, along with accompanying recommendations, is forwarded to Budget Office for review, upon approval by County Mayor's Office.
• Funding recommendations are completed and forwarded to County Manager for approval and transmittal to Board for second public hearing.
• Neighborhood agencies included in Plan are advised of funding recommendations.
• BCC approves funding recommendations following a 30-day Public Comment period for affected citizens to review the proposed Action Plan.
• Consultations with Applicants by OCED staff
• Staff recommendations published in September and 30-day comment period begins.
• Applicants give presentations to citizens at district public meetings
October-December 2009
• FY 2010 Action Plan submitted to U.S. HUD
• FY 2010 Action Plan is presented to citizens at public meetings.
• FY 2010 contracts are completed

ATTACHMENT A

CITIZEN PARTICIPATION PLAN

(The Citizen Participation Plan is attached)
Adopted by the Board of County Commissioners
Resolution #R-978-05 on September 8, 2005

PART I:

MIAMI-DADE COUNTY CITIZEN PARTICIPATION PLAN FOR THE CONSOLIDATED PLANNING PROCESS

OVERVIEW OF THE OFFICE OF COMMUNITY AND ECONOMIC DEVELOPMENT

The Office of Community and Economic Development (OCED) administers Federal and State funding that supports the development of viable urban neighborhoods in Miami-Dade County. Such support is characterized as decent housing, expansion of economic opportunities, public service, capital improvements and the preservation of historic properties. The main sources of funding utilized to meet these needs are the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Shelter Grant (ESG). These programs are established to help low- and moderate-income persons, particularly those living in slum and blighted areas. The U.S. Department of Housing and Urban Development (HUD) regulates and governs the CDBG, HOME and ESG programs. The regulations specify that an entitlement area must adopt a citizen participation plan, which establishes policies and procedures for citizen participation.

APPLICABILITY AND ADOPTION OF THE CITIZEN PARTICIPATION PLAN

The US Department of Housing and Urban Development (US HUD) through Section 24 of the Category of Federal Register (CFR) Parts 91, et al, requires that Miami-Dade County's Office of Community and Economic Development (OCED) submit a Consolidated Plan in order to receive funding under various grant programs. Miami-Dade County's Consolidated Plan includes three US HUD Community Planning and Development (CPD) formula programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Shelter Grants (ESG)

Additionally, Miami-Dade County is required to adopt a Citizen Participation Plan that sets forth the jurisdiction's policies and procedures for citizen participation. Those citizen participation policies and procedures are listed as follows:

ENCOURAGEMENT OF CITIZEN PARTICIPATION

- Citizens will have the opportunity to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the consolidated annual performance evaluation report.

- The main focus of Miami-Dade Office of Community and Economic Development Citizen Participation Plan is to encourage all citizens to participate in each of the above-defined activities. The Citizen Participation Plan is designed especially to

- As a matter of policy, the County will take measures to avoid displacement of families and individuals while carrying out activities under the Consolidated Plan. This includes acquiring vacant buildings and land rather than occupied buildings and land. However, where there seems to be no alternative, the following steps will be taken to assist families and individuals who are displaced:

  - Tenants and homeowners will receive those benefits provided for under the Relocation and Real Property Acquisition Act of 1970, as amended.
  - Relocation referrals are provided to persons being displaced. Various methods are utilized by the relocation staff to identify relocation sources. Those include:

    - Referrals form Realtors or large rental agencies.
    - Response from owners/agents to advertisements, published in English and Spanish.
    - Signs displayed by owners/agents in various neighborhoods noted by relocation advisors and/or housing inspectors who report this information to the relocation office.
    - Word of mouth referrals from persons with whom the relocation office has dealt in the past.
    - Advertisements in English and Spanish and other non-English newspapers placed by owners/agents offering units for rent and/or sale.

  - When possible and if requested, provisions are made to allow displacees to locate in the neighborhood from which they were displaced.

  - Tenants and homeowners are advised of their rights and responsibilities.

Publishing the proposed Consolidated Plan

This information will be part of the public notice, which will be advertised, to announce the Public Hearing to adopt the Consolidated Plan. This information will also be part of the package of information provided to persons or groups applying for funding through grant programs supporting the Consolidated Plan.

Public Hearings

There will be two Public Hearings to obtain citizens views and to respond to proposals and questions. Both hearings will be held before the Miami-Dade Board of County Commissioners (BCC) or a committee of the Board. These hearing will address housing and community development needs, development of proposed activities and review of program performance. The hearings will be held in a public facility that is easily accessible to the public including persons with disabilities. The place, date and time of these hearings will be determined by the County Manager in consultation with the

Chairperson of the Board of County Commissioners or the Chairperson of the Board's committee on Community Empowerment and Economic Revitalization or applicable committee as determined by the BCC Chairperson.

The first public hearing will be held during the development of the Consolidated Plan. To guide the process of soliciting proposals for funding, a policy paper will be presented to the Board of County Commissioners or a committee of the Board. The views of citizens on housing and community development needs, including priority non-housing community development needs will be considered.

The second public hearing will be held to adopt the final Consolidated Plan. The Board of County Commissioners or a Committee of the Board will review program performance, including the performance of ongoing activities, in their consideration of adopting the annual action plan. During the public hearing, the board will consider the comments or views of citizens received orally, or in writing, in preparing to adopt the final consolidated plan.

A public notice summarizing the action to be taken at each public hearing will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons, at least 15-days prior to the hearing.

At the time of submission of the Consolidated Plan to the County Commission agenda coordinator, a public announcement summarizing the Consolidated Plan and the availability of copies will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the Consolidated Plan will be distributed to regional public libraries, the Office of American's with Disabilities Coordination, the Homeless Trust and through the Miami-Dade Community Action Agency neighborhood network. Copies of the Plan will be available at the Office of Community and Economic Development during regular business hours. This public notice will allow for a 15-day or 30-day comment period as per U.S. HUD regulations for citizens to respond to the proposed plan before it is adopted by the Board of County Commissioners. A public hearing may be held at any time during the public comment period. A summary of the comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final consolidated plan.

CRITERIA FOR SUBSTANTIAL AMENDMENTS TO THE CONSOLIDATED PLAN

A substantial change in a planned or actual activity will require an amendment to the plan. A substantial change is any change in purpose, scope, funding amount, location and/or beneficiaries of an activity, which actually and/or materially affects one or more of the preceding in the manner stated below:

- An activity assumes a new purpose.
- The scope of activity is increased by 100% or more.
- The minimum change in the cost of an activity is $250,000 or more, or

**The corresponding Board of County Commission Committee is now the Economic Development and Human Services Committee*

- An activity's services are redirected outside of the previously agreed upon strategy areas.

Amendments, which affect established target areas will be submitted to the respective Neighborhood Advisory Committees for their review and comment during their next regularly scheduled meeting in order to provide citizens with a reasonable opportunity to comment on any substantial amendments to the Plan.

At the time of submission of Substantial Amendments to the Consolidated Plan to the County Commission agenda coordinator, a public announcement summarizing the amendments will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the amendments will be available at the Office of Community and Economic Development during regular business hours.

This public notice will allow for a 15-day or 30-day comment period for citizens to respond to the proposed amendments as per U.S. HUD regulations before they are adopted by the Board of County Commissioners in a public hearing. A public hearing may be held at any time during the public comment period. A summary of the comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final consolidated plan.

PERFORMANCE REPORTS

Before the annual grantee performance report is submitted to US HUD, a public notice announcing the availability of the report will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the report will be available at the Office of Community and Economic Development during regular business hours. The notice will allow for a 15-day period during which OCED will receive comments on the performance report before its submission. The Miami-Dade Office of Community and Economic Development will consider any comments or views of citizens received in writing or orally at public hearings in preparing the performance report. A summary of these comments or views will be attached to the performance report.

MEETINGS

Miami-Dade County has an adopted Community and Economic Development Citizen Participation Plan. That plan establishes a formal structure through which residents may participate in the planning, implementation and evaluation of the program in an advisory role. Residents are given the opportunity to help identify community conditions and determine community needs, help develop corrective strategies and monitor their progress and effectiveness. To foster the most effective citizen participation process possible, Miami-Dade will make reasonable efforts to ensure continuity of individuals' involvement by encouraging continuous participation throughout all stages of the program, from initial planning through assessment of performance.

Public meetings will be held in each of the NRSAs on a regular basis to provide residents the opportunity for continuous input into all phases of the process. The meetings will be for the general purpose of providing residents with information, soliciting their views and providing them with an opportunity to comment on Miami-Dade's community development needs and performance.

ACCESS TO RECORDS

All information and records relating to the development of the Consolidated Plan and Miami-Dade use of assistance under related programs will be on file at the Office of Community and Economic Development, 701 NW 1 Court, Suite 1400, Miami, FL. The office is open from 8:00 a.m. until 5:00 p.m., Monday through Friday. It is closed on holidays. The public has access to these records for the current year and four years after the performance report is submitted to US HUD.

TECHNICAL ASSISTANCE

Technical Assistance will be provided to groups representing low-and-moderate income persons. Upon request, individuals and groups, including persons with disabilities or other special needs will be assisted in the completion of applications or proposals for funding assistance under any of the programs covered by the Consolidated Plan, as well as the preparation of a budget for any proposed activity.

COMPLAINTS

Complaints from citizens received in writing or orally at public hearings, in the development of the final Consolidated Plan, amendments to the plan, or the performance report, will be summarized and attached to the final consolidated plan, amendment of the plan or performance report. A summary of comments or views not accepted and the reason thereof will also be attached. Citizens written complaints will receive a response in writing within 15-days of receipt of the complaint.

ATTACHMENT B

BOARD APPROVED ORDINANCES AND RESOLUTIONS

BOARD APPROVED ORDINANCES AND RESOLUTIONS ORDINANCES

ORDINANCES

- **Ordinance 82-16** - Further restricts CDBG program allocations:
  - At minimum, 75% of all beneficiaries must be low- or moderate-income households;
  - Emphasis must be placed on job creation for economic development activities; and
  - Emphasis must be placed on neighborhoods and citizen participation.

- **Ordinance 16A-2** – States that the Consolidated Planning Process must include protection, enhancement and perpetuation of properties of historical, cultural, archeological, aesthetic and architectural merit are in the interests of health, prosperity and welfare of the people of Miami-Dade County.

- **Ordinance 97-33** - Creates the Task Force on Urban Economic Revitalization, and provides for a review of OCED recommendations for CDBG economic development category funding and CBO funding relating to economic development for the purpose of ensuring that OCED's staff recommendations are in accordance with priorities established by the Plan. When the Board considers funding for economic development in Targeted Urban Areas, the Board will accept the recommendations of the Task Force unless the recommendations are disapproved by a two-thirds vote of the entire membership of the Board. OCED must report to the Board the dollar amount being spent in Targeted Urban Areas.

RESOLUTIONS

- **Resolution 404-92** - All CDBG program income from economic development loans is to be placed into the Revolving Loan Fund until $15 million is reached in the loan pool.

- **Resolution 406-92** - The County will develop a plan for CDCs engaged in rental housing construction to establish escrow accounts to be used to renovate rental housing projects.

- **Resolution 408-92** – The County will emphasize minority business participation in CDBG and Surtax projects.

- **Resolution 409-92** - The County is to provide a cost estimate for each CDBG funded capital improvement or historic preservation project.

- **Resolution 1185-98** – The County requires compliance with HUD Section 3 requirements and directs all County departments to monitor compliance. It also requires all applicable County contracts and solicitations to contain language-requiring compliance with *Section 3. Section 3* ensures that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those receiving government assistance for housing and to business concerns providing economic opportunities to low- and very low-income persons.

- **Resolution 543-05** – The County Manager to submit an annual performance report relating to Community Development Block Grant (CDBG) funding to the Board of County Commissioners.

Procedures have been put in place to fulfill the requirements of these ordinances, and resolutions listed above. It is recommended that the Board continue these policies accommodating potential conflicts with Federal policies as required.

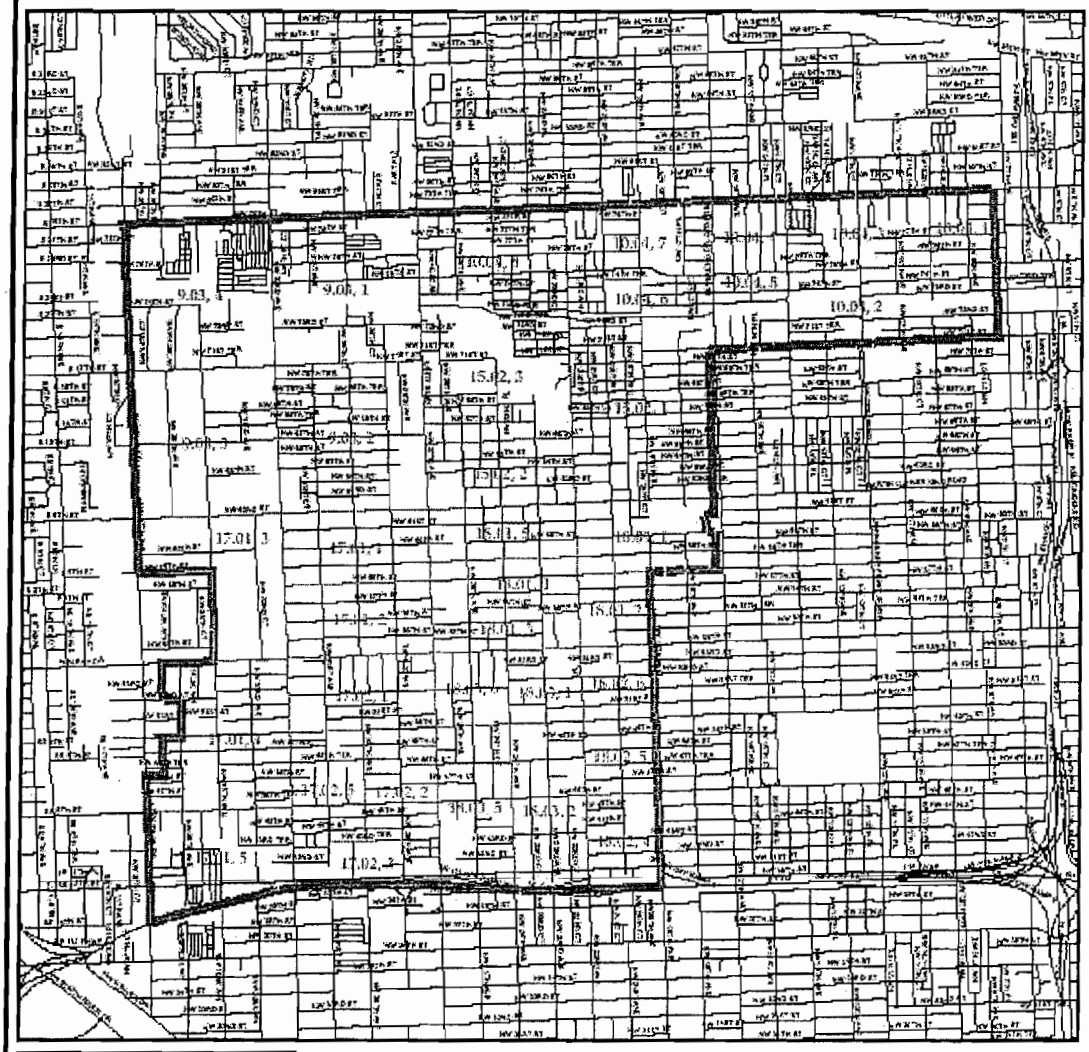
ATTACHMENT C

NEIGHBORHOOD REVITALIZATION STRATEGY AREAS LIST AND MAPS

Opa-locka	Commission District 1
West Little River	Commission District 2
Melrose	Commission District 2
Model City	Commission District 3
South Miami	Commission District 7
Perrine	Commission District 9
Goulds	Commission District 9
Leisure City/Naranja	Commission Districts 8 & 9

MODEL CITY NRSA

MIAMI - DADE COUNTY, FLORIDA



LEGEND

- Model City NRSA Boundary
- 2000 Block Groups
- Streets and Highways

0 — Miles

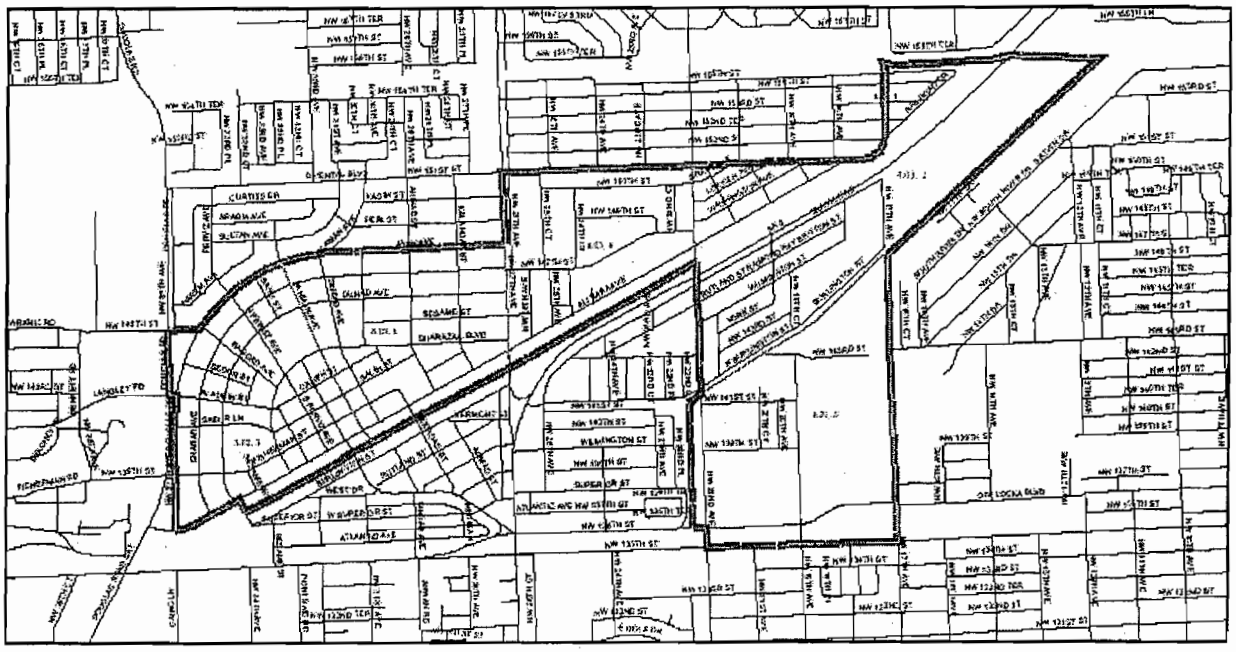
©

NOVEMBER 2007

DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION

OPA-LOCKA NRSA

MIAMI - DADE COUNTY, FLORIDA



LEGEND

- Opa - Locka NRSA Boundary
- 2000 Block Groups
- Streets and Highways

0 — 1 Miles

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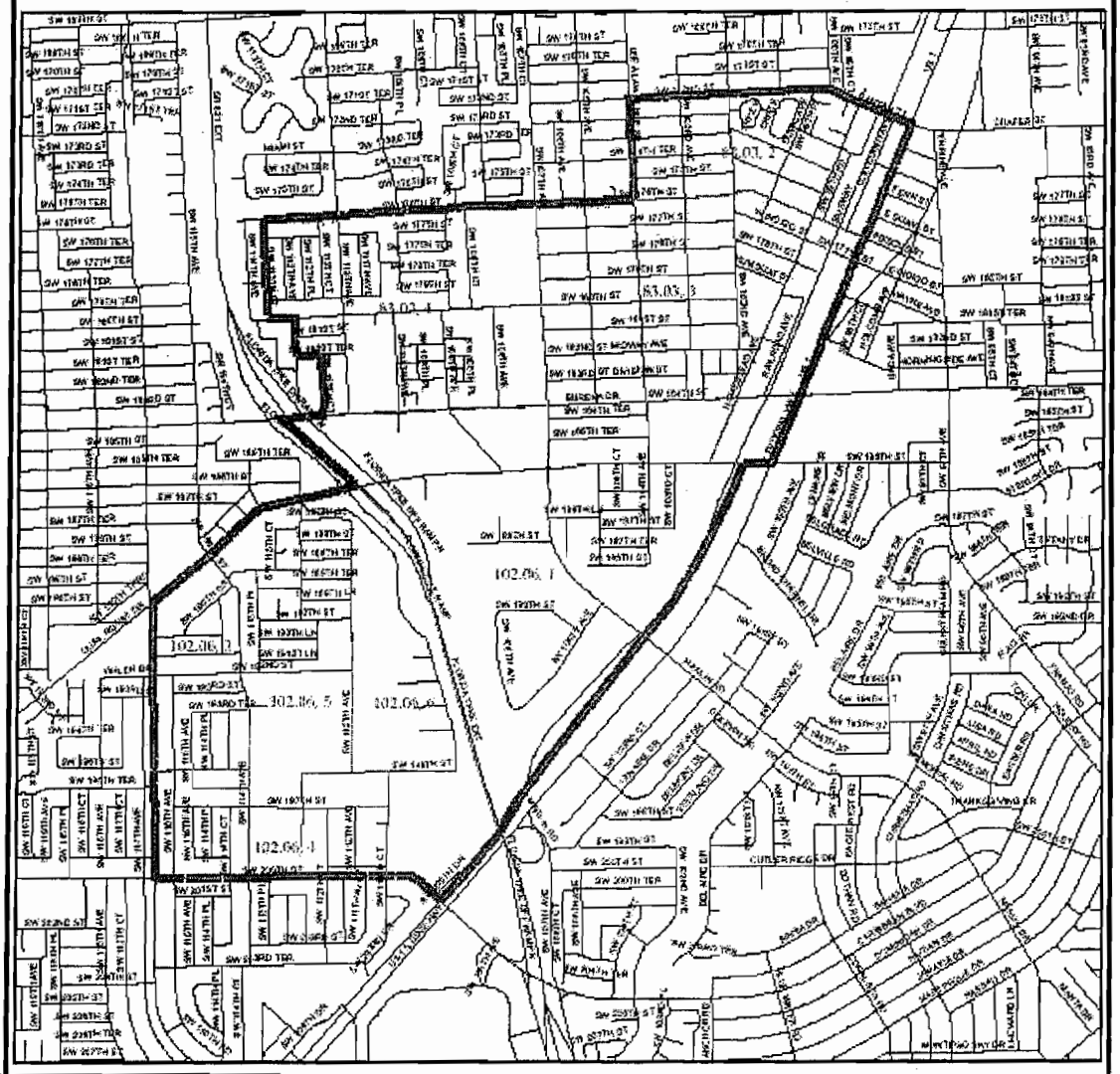
NOVEMBER 2002

DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION

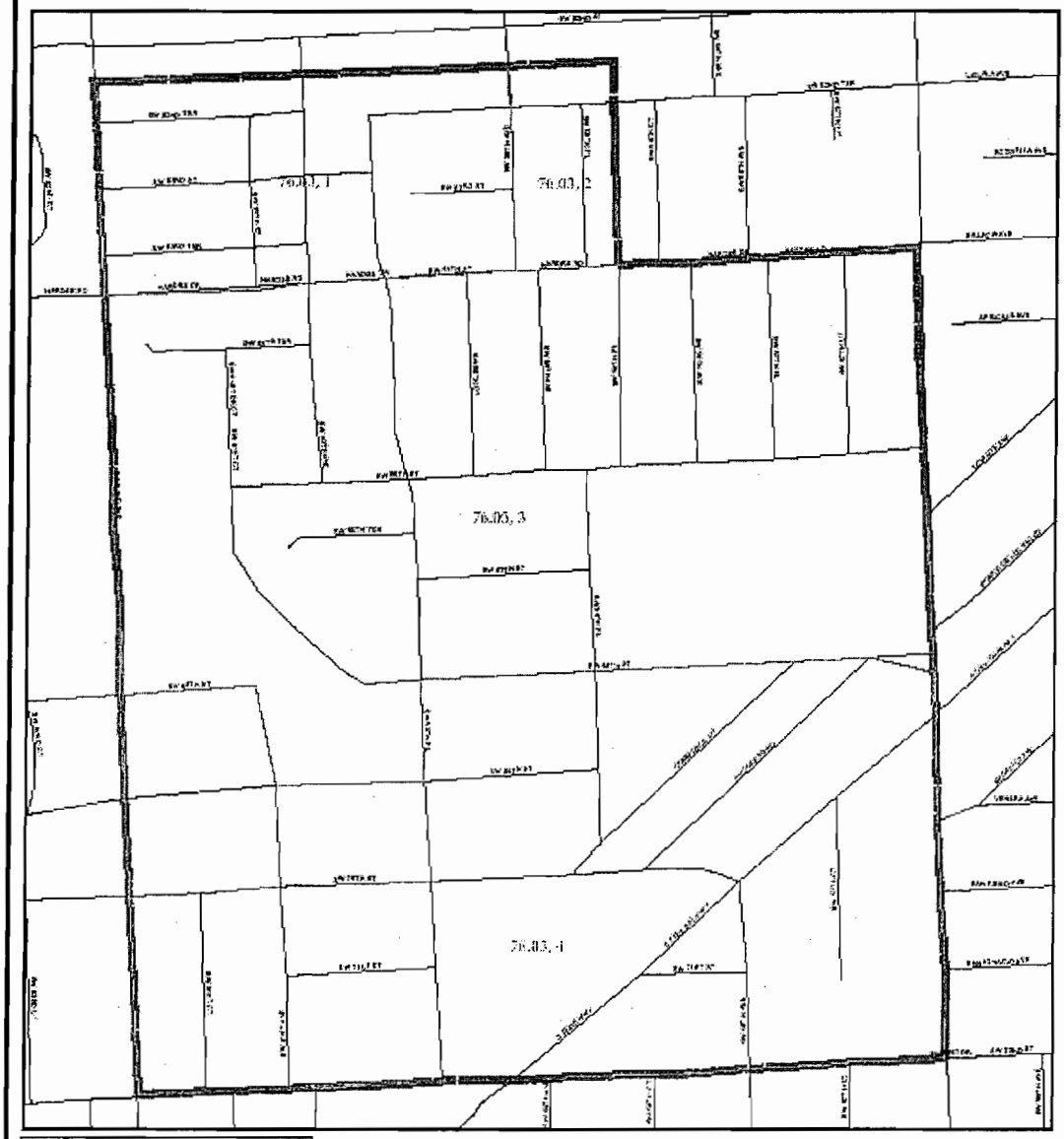
PERRINE NRSA

MIAMI - DADE COUNTY, FLORIDA



SOUTH MIAMI NRSA

MIAMI - DADE COUNTY, FLORIDA



LEGEND

- South Miami NRSA Boundary
- 2000 Block Groups
- Streets and Highways

0 1125
Meas.

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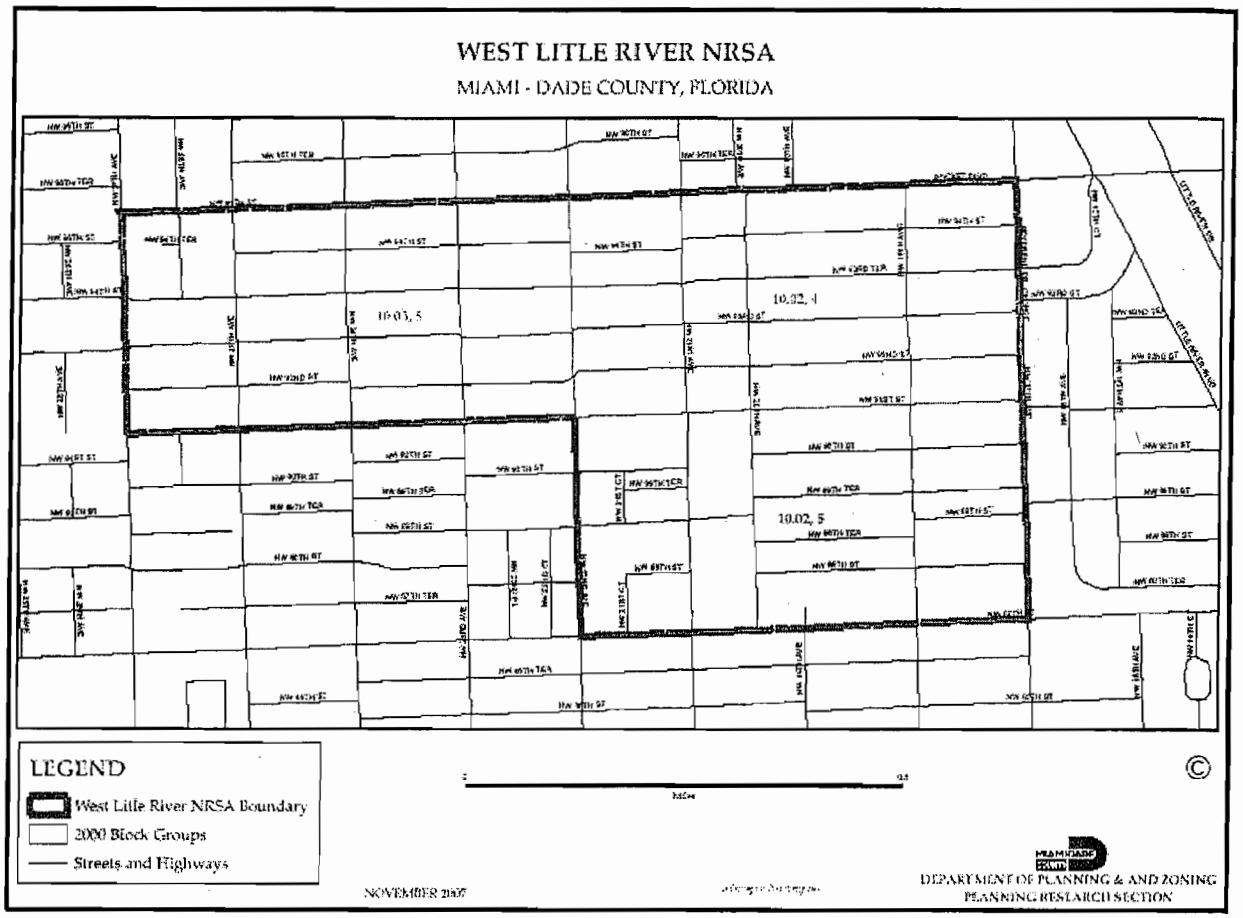
NOVEMBER 2007

DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION


WEST LITLE RIVER NRSA
MIAMI - DADE COUNTY, FLORIDA
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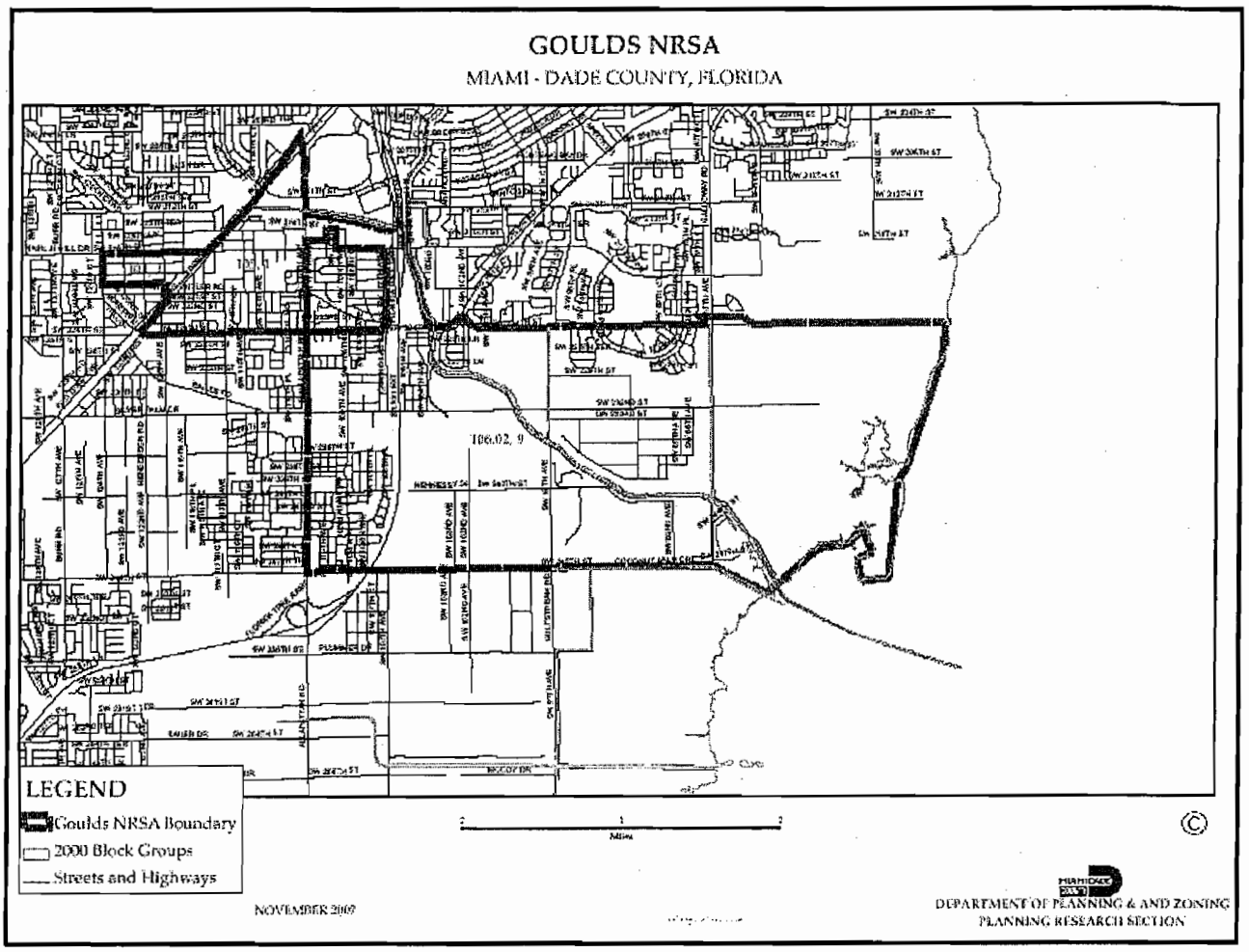
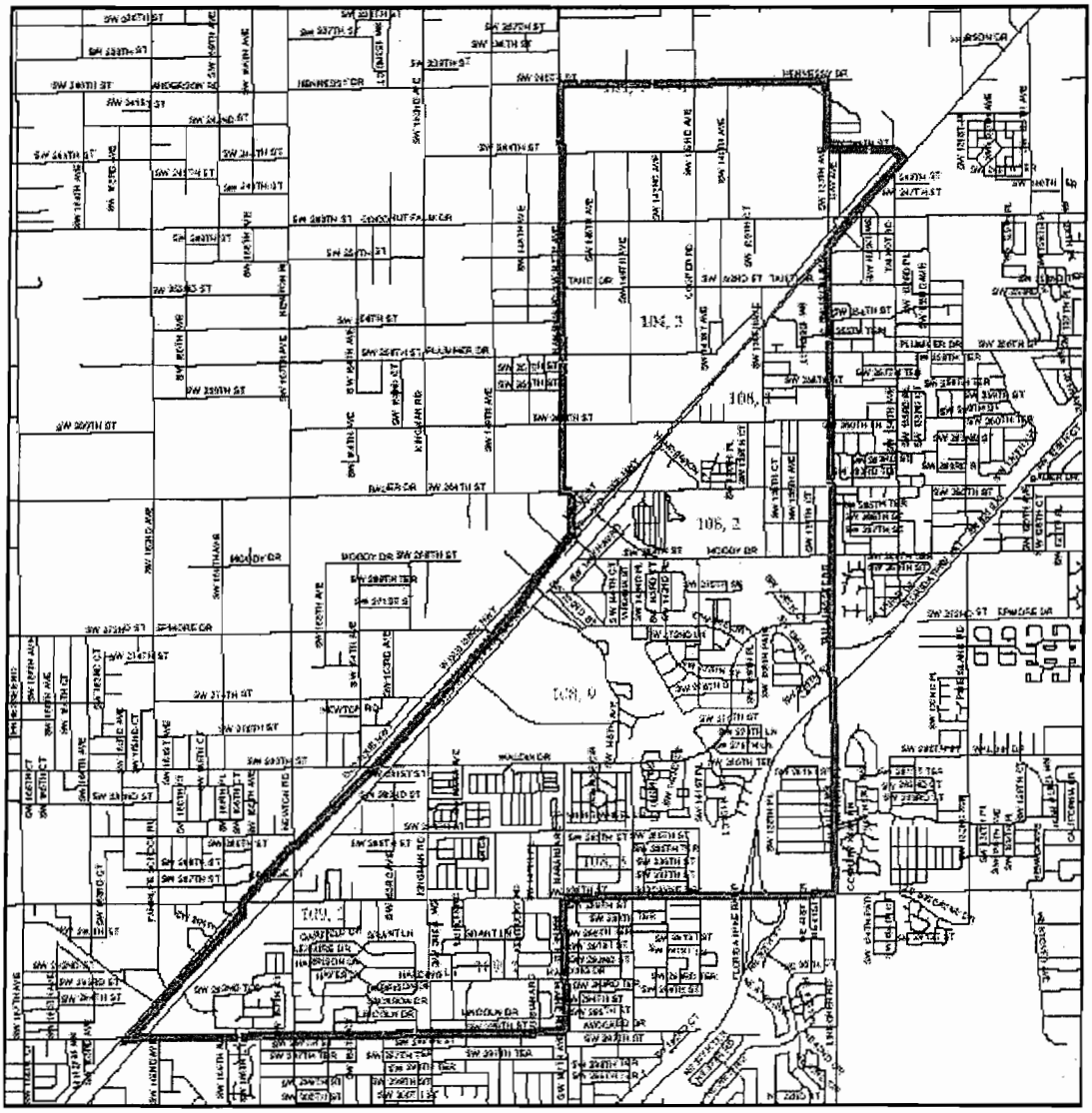
10.02, 4
10.02, 5
LEGEND
West Litle River NRSA Boundary
2000 Block Groups
Streets and Highways
NOVEMBER 2005
DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION


GOULDS NRSA
MIAMI - DADE COUNTY, FLORIDA
LEGEND
Goulds NRSA Boundary
2000 Block Groups
Streets and Highways
NOVEMBER 2009
DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION

LEISURE CITY NRSA

MIAMI - DADE COUNTY, FLORIDA



LEGEND

- Leisure City NRSA Boundary
- 2000 Block Groups
- Streets and Highways

0 — Miles

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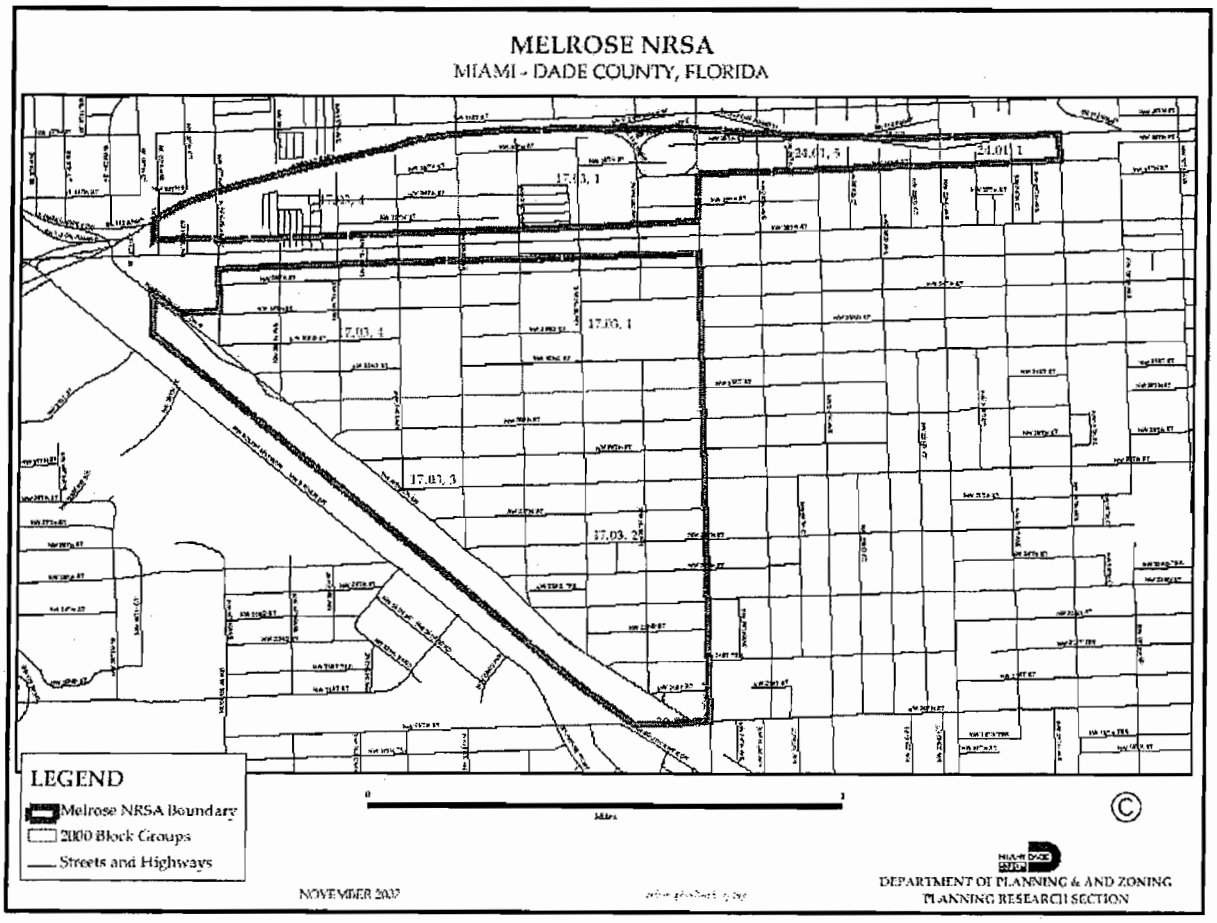
NOVEMBER 2007

MIAMI-DADE COUNTY

DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION


MELROSE NRSA
MIAMI - DADE COUNTY, FLORIDA
24.01, 5
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17.03, 1
17.03, 4
17.03, 1
17.03, 3
17.03, 2
LEGEND
Melrose NRSA Boundary
2000 Block Groups
Streets and Highways
0
1
Miles
©
NOVEMBER 2002
DEPARTMENT OF PLANNING & AND ZONING
PLANNING RESEARCH SECTION

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: 8(K)1(B)

File Number: 091436

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: May 18, 2009

Type of Item: Resolution Approving Amendments to the FY 2008-2012 Consolidated Plan

Commission District: Countywide

Summary

This resolution approves the policies governing amendments to the FY 2008-2012 Consolidated Plan and the FY 2010 Action Plan Process for the Community Development Block Grant, HOME Investment Partnerships, State Housing Initiatives Partnership and Emergency Shelter Grant programs and approves the use of a Request for Application process to include the CDBG, HOME, SHIP and ESG Programs to solicit agencies to apply for funding.

Background and Relevant Legislation

The Action Plan document describes federal, non-federal and other resources expected to be available to fund priority activities. Annually, the Action Plan lists the activities to be undertaken, the geographic distribution of activities, homeless and special needs activities, and other actions taken to address the goals and objectives of the Consolidated Plan.

On July 9, 2008, through Resolution R-839-08, the Board of County Commissioners (Board) approved the FY 2009 Consolidated RFA process. The Board approved the allocation the FY 2009 CDBG, HOME, HODAG, SHIP and ESG funds through the Action Plan on October 21, 2008 through R-1127-08. The funding requests received totaled $95.88 million and $32,440,725 was allocated.

Policy Change and Implication

Once the Board approves the FY 2010 Consolidated Planning Policies, applications for funding will be solicited through a consolidated RFA process. On handwritten page 29 of the item, it states that the estimated FY 2010 funding totals $29,614,233. This figure does not include the estimated amount of SHIP funding. The cover memorandum states that the SHIP amount for Miami-Dade County has not been determined and that the projected available amount from the trust fund State-wide is $30 million.

The cover memorandum also states that Surtax funding will not be allocated during this RFA process. During the 2009 State Legislative Session, the State adopted Senate Bill 2430, which preserved the Miami-Dade County's collection of Documentary Surtax through 2031. The collection of surtax on these types of commercial transactions are still performing lower than previous years. The Department of Office of Community and Economic Development, has stated that they plan to pay off future commitments with the available Surtax before funding new projects.

Questions

On handwritten page 1, third paragraph, it states that if municipalities demonstrate "Metropolitan Significance" the County may use Federal funds as appropriate to fund high priority needs within those jurisdictions...what criteria must a municipality demonstrate in order to be defined as an area of "Metropolitan Significance"?

In order for a municipality to demonstrate metropolitan significance, at least 51 percent of the people who benefit from the activity must be residents of unincorporated Miami-Dade County. The municipality must demonstrate this in its application. Metropolitan significance will be determined and monitored by OCED for compliance.

On handwritten page 2, fourth paragraph, it states that early projections for the next two years reveal that a portion of home funds may be at risk due to several uncompleted projects that have exceeded US HUD's five year deadline for completion; the Office of the Commission Auditor has requested the number of projects that are at-risk, along with the project description, the Commission district and the cause for the delay of construction?

There are eight HOME projects that have exceeded the five year deadline. OCA is waiting for the responses of the remaining questions.

On handwritten page 4, first paragraph, it mentions that projects that are awarded financing do not commence construction or the development process within the first year of the award, the County must recapture these funds and award to other projects; is this a steadfast deadline or will the developer or applicant be given the opportunity to extend this timeline?

In order to be in compliance with US HUD's timeliness ratio, funds must be expended or they will be de-obligated by US HUD. As long as the pre-development phase has begun and funds are being expended, the County will not recapture the funds.

How many incubators are funded by the County and in what districts are they located?

OCED is currently funding two incubators with CDBG funds: a) The Business and Technology Development Corporation (Carrie P. Meek Center for Business Technical Assistance) and b) the Martin Luther King Development Center.

Budgetary Impact

N/A

Prepared By:
Tiandra D. Sullivan