MEMORANDUM Agenda Item No. 11(A)(18)

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

DATE: June 30, 2009

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

SUBJECT: Resolution directing the County Mayor or County Mayor's designee to prepare a plan to establish the Community Development Bank Fund

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Dennis C. Moss.

R. A. Cuevas, Jr.
County Attorney

RAC/cp

RESO\2078

MEMORANDUM
(Revised)

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

DATE: June 30, 2009

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

SUBJECT: Agenda Item No. 11(A)(18)

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. 11(A)(18)
6-30-09

RESOLUTION NO. _____

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PREPARE A PLAN TO ESTABLISH THE COMMUNITY DEVELOPMENT BANK FUND

WHEREAS, some CDBG funded projects are ready to go to construction and need additional funding support while other projects are not ready to go to construction, but have CDBG funds committed; and

WHEREAS, there is a need to be able to utilize the committed (granted) CDBG funds for a construction ready project, while providing an available funding guarantee to the project that is not construction ready, and allows its grant funding to be used for the construction ready project; and

WHEREAS, general revenue funded projects that are CDBG eligible can use CDBG funds to complete the project and then have the general fund dollars for that CDBG project transferred to a community development bank fund solely for a pool of funding available to provide additional funding to those projects that are still feasible but are not construction ready, and agree to allow their committed or granted funding to be used for a construction ready project with a guarantee that when their project is construction ready, that the project will receive funding either through regular CDBG funds or funds from the community development bank "fund"; and

WHEREAS, the establishment of the community development bank "fund" will help the Office of Community and Economic Development (OCED) meet its 1.5 CDBG ratio requirement by enabling OCED to expend its funding in a more efficient and effective manner, by not tying up CDBG funds on projects that are still feasible but not quite construction ready,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby directs the County Mayor or County Mayor's designee to develop a plan to establish a Community Development Bank Fund (the "Fund") and bring the plan back to this Board for approval. In developing the plan, the County Mayor or County Mayor's designee shall, at a minimum, address the following:

1. Identify all CDBG-eligible projects that are currently being funded with general fund dollars and identify the amount of general fund dollars in those projects.

2. Prepare a CDBG plan amendment that allocates CDBG funds to the projects identified pursuant to section one above and re-allocates the general fund dollars to the Fund.

3. Prepare guidelines outlining the process for award of funds from the Fund.

4. The plan shall be brought back to this Board for approval within ninety (90) days of this resolution.

The Prime Sponsor of the foregoing resolution is Chairman Dennis C. Moss. It 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 30th 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.

BKN
for SDS

Shannon D. Summerset

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

Legislative Notes

Agenda Item:	**11(A)18**
File Number:	**091618**
Committee(s) of Reference:	Board of County Commissioners
Date of Analysis:	June 6, 2009
Type of Item:	Resolution Directing County Mayor to Prepare a Plan to Establish Community Development Bank Fund
Prime Sponsor:	Chairman Dennis C. Moss

Summary

The resolution directs the County Mayor to prepare a plan to establish a Community Development Bank Fund within 90 days and submit the plan to the Board of County Commissioners.

Background and Relevant Legislation

During the May 13, 2009, Housing and Community Development Committee meeting, the Office of Community and Economic Development (OCED) Director explained that the United States Department of Housing and Urban Development (US HUD) has raised issues with the Miami-Dade County's (County) Community Development Block Grant (CDBG) funds balance exceeding 1.5 times its annual allocation.

On June 2, 2009, the BCC adopted Resolution 679-09 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. The resolution also approved the use of a request for applications process for the Community Development Block Grant (CDBG) program. The cover memorandum to the resolution stated that changes were being recommended to ensure that federal funding allocated to agencies is expended in a timely manner. The memorandum further stated that the County in 2008 had exceeded the expenditure ration requirement with a 1.64 ratio, and as a result received an audit finding from US HUD. For 2009, the County has already received $17.9 million; therefore the County cannot have a balance of more that $26.9 million on October 31, 2009. Any balance above $26 million may be de-obligated and reduced from the County's entitlement. Because of this, the County will allocate funds to projects that have properly leveraged other funding can be completed in a timely manner and will achieve the national objective.

Policy Change and Implication

This resolution seeks to assist the County with achieving its 1.5 CDBG ratio requirement by allowing the County Mayor to develop a plan to identify projects that are CDBG-eligible projects that are currently

being funded with general fund dollars that are classified as "construction ready". Once the projects are identified the County Mayor or his designee will prepare an amendment to the CDBG plan to fund the identified projects with CDBG dollars and re-allocates the general fund to the Community Development Bank Fund.

Question
On handwritten page 4 of the resolution, it states that guidelines outlining the process for award of funds from the Fund should be included in the plan; will this require applicants of CDBG awarded projects who have been deemed "feasible, but not ready to move" to participate in a separate process to receive funding from the Community Development Bank Fund?

Budgetary Impact
N/A

Prepared By:
Tiandra D. Sullivan