

Memorandum



Date: September 1, 2009

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

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "G. Burgess", written over the printed name of George M. Burgess.

Subject: Supplemental Report for the FY 2009 Documentary Surtax Mid Year RFA Cycle

Supplement to
Agenda Item No.
8(K)1a

This report serves to provide supplemental information to Agenda item 8K1A, Funding Recommendations for the FY 2009 Documentary Surtax Mid Year RFA Cycle. More specifically, this report focuses on new information acquired after the scoring of the recommended awardees and after the item was presented and discussed at the July 15, 2009 meeting of the Housing and Community Development (HCD) Committee.

On April 3, 2009, Miami-Dade County (County), through the Office of Community and Economic Development (OCED), issued the Mid Year Request for Applications (RFA) of Documentary Surtax (Surtax) funds for affordable housing. The scoring criteria, made part of the RFA, ranked each application based on a number of items, including financial feasibility, as submitted by each proposer. Applicants were reviewed and ranked, as indicated in the attachment to agenda item 8K1A.

Information was brought to light about the financial capability of one of the proposers subsequent to the above actions. This proposer submitted two developments for consideration which were ranked 1 and 2 under Category 2 (gap funding). Since that time, staff has had meetings with the developer to discuss their ability to complete both projects. Moreover, the developer is faced with multiple foreclosures in South Florida, two of which are the developments referenced herein. In conversations with the Office of the County Attorney, site control and other threshold items were also discussed. The number 1 ranked development is pending a foreclosure sale which undermines the developer's site control and ability to complete the project, a threshold item in the RFA.

There are some critical milestones in the near future the developer must meet in order for staff to maintain its recommendation to award funds. This includes the ability to maintain title on both land parcels. Accordingly, staff will recommend to the Board that it consider amending the item on September 1, 2009 to defer the recommendation to fund projects ranked 1 and 2 only, and proceed with awarding funds to projects ranked 3 through 10. Staff believes that deferring the funding recommendation for projects 1 and 2 until the November 17, 2009 regular meeting of the Board affords the developer sufficient time to meet critical milestones and to address concerns that have come to light. Should these milestones not be met, a new recommendation will come forward.

The developer for projects 1 and 2 has significantly contributed to the development of affordable housing in Miami-Dade County and as such the County is offering an opportunity to address these pending issues. At the same time, staff is recommending that the Board approve such an amendment to safeguard Surtax funds.

A handwritten signature in black ink, appearing to read "Cynthia W. Curry", written over the printed name of Cynthia W. Curry.

Cynthia W. Curry
Senior Advisor to the County Manager