

Memorandum



Date: December 1, 2009

Agenda Item No. 12(R)4

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 "Burgess", written over the printed name of George M. Burgess.

Subject: Neighborhood Stabilization Program (NSP1) - November 2009 Report

Pursuant to Implementing Order (IO) 2-11, regarding the Miami Dade County's neighborhood Stabilization Program (NSP), monthly progress reports to the Board of County Commissioners (BCC) are required. The attached summary is the November 2009 update by each specific NSP activity.

The NSP activities encompass six strategies: (1) second mortgages, (2) acquisition of single-family homes and rehabilitation, (3) acquisition of multi-family properties and rehabilitation, (4) demolition, (5) redevelopment activity on the HOPE VI project, and (6) redevelopment in the expanded HOPE VI area. The funds associated with these activities must be under contract in 18 months and funds must be spent in four years.

General Services Administration has made significant progress in efforts to acquire foreclosed upon homes that will be rehabilitated and sold to eligible buyers. As many as 100 homes are in the pipeline and recommended for purchase.

The County has also shown progress under the redevelopment activity on the HOPE VI Project. The Master Developer for the HOPE VI revitalization project has signed the Additional Services Agreement, which will obligate the \$8.6 million allocated to that project for the completion of public infrastructure.

The second mortgage activity continues to move slowly because lottery winners that have the ability to purchase in any of the County's priority areas have not been as successful as initially forecasted. Applicants that cannot find a home on their own or with the assistance of a realtor will be offered a home that has been acquired by the County.

At the present time, it is recommended that the funding allocations remain the same until the end of the first quarter FY 2009-10. Staff will continue to monitor the progress of the NSP program, and a recommendation will be made to the BCC to adjust funding by activity to better deliver on the goals of the NSP Program.

Staff will continue to keep the BCC informed on a monthly basis.

Attachment

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

1. Second Mortgages

- There are 3 purchase contracts submitted by lottery winners. As many as 12 have not been able to proceed due to units not passing Housing Quality Standard (HQS) requirements.
- We have obligated \$210,000 for the 3 loans referenced above.
- An extension will be offered to those that have found a home and are in the process of closing. Those who have not will be given the opportunity to purchase a County acquired home.
- Separately, two lottery winners have purchased home to date (districts 9 and 11).
- A total of \$130,000 in subsidies has been spent on the two loans.

2. Rehabilitation of Single-Family and Multi-Family Homes

- GSA closed on the first six homes this month (four in district 8 and one each in 9 and 3).
- A total of \$561,250.26 was spent to purchase the six homes.
- GSA has as many as 100 homes in the pipeline that have been evaluated and recommended. We do not expect that all will come to fruition as we have seen some offers rejected for sale to an owner occupant.
- The County has obligated an additional \$1,045,610 for the pending acquisition of single-family homes. This represents fully executed contracts pending closing.
- The Evaluation Committee is meeting every week and recently began considering as many as thirty homes at one time.
- The Interdepartmental Agreement has been fully executed.

3. Demolition

- The respective Interlocal Agreements with Florida City and Opa-locka have been signed by the municipalities and are filed with the Clerk of the Board.
- South Miami and their attorneys are currently reviewing the Agreement.
- Request for price quotes to identify the demolition contractors is pending.
- Close to 40 homes have been identified in the three cities. The County is also considering a 47-unit public housing site (Lincoln Gardens).

4. HOPE VI for Public Infrastructure

- The Interdepartmental Agreement with the MDPHA has been executed by the Miami-Dade Public Housing Agency and the Department of Housing and Community Development. This agreement outlines the requirements for the use of NSP funds at the HOPE VI revitalization project.
- The Additional Services Agreement has been reviewed and amended by the Office of the County Attorney and is now subject to the requirements of the Interdepartmental Agreement. It has been forwarded for signatures. This Additional Services Agreement supplements the HOPE VI Master Development Agreement for the use of the \$8.6 million at HOPE VI revitalization project.

5. HOPE VI Expanded Area

- The Cone of Silence is in effect for the solicitation issued on June 3, 2009.
- A Phase I environmental site assessment has been completed for the development site at 2320 NW 62nd Street. It has been determined that no further investigation is required. A meeting is scheduled for November 3, 2009, for the negotiations.

6. Administration

- DHCD held a NSP training in September 2009 for DHCD staff, as well as other County staff working with the NSP program.
- The consultants engaged for this program are working on solidifying a comprehensive Processes and Procedures manual.