

# Memorandum



**Date:** June 9, 2010

HCD  
Supplement to  
Agenda Item No. 7(B)

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

**From:** George M. Burgess  
County Manager

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**Subject:** Supplemental Board of County Commissioners' Training Material as Required by  
Memorandum of Understanding Between US HUD and Miami-Dade County

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Pursuant to the Memorandum of Understanding (MOU) between the County and U.S. Department of Housing and Urban Development (US HUD), which was approved by the Board of County Commissioners (BCC) pursuant to Resolution R-1418-08, the County is required to have ongoing trainings for the BCC, which serves as the governing body of the County's public housing agency. US HUD conducted a workshop for all BCC members on December 14, 2009. Additionally, on April 30, 2010, a Fair Housing Workshop, was jointly sponsored by Miami-Dade County and HOPE, Inc.

In compliance with the MOU's ongoing BCC training requirements, the attached supplemental training materials are presented to the BCC to educate it on MDPHA's Capital Fund Program (CFP) and American Recovery and Reinvestment Act (ARRA) funding. The materials also include a description from US HUD on the Public Housing Capital Fund program, summary of MDPHA funding from 2005-2009, and a narrative on the various projects currently underway.

Attachment

A handwritten signature in black ink, appearing to read "Irene Taylor-Wooten", written over the printed name.

Irene Taylor-Wooten  
Special Assistant to the County Manager

**MIAMI-DADE PUBLIC HOUSING AGENCY (MDPHA)  
FUNDING SOURCES PRESENTATION FOR HCDC**

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**A. SUMMARY OF CAPITAL FUND PROGRAM AND OTHER GRANTS FOR 2005-2009:**

| Source            | 2005                   | 2006                   | 2007                   | 2008                   | 2009                   | Total                   |
|-------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
| CFP               | \$14,658,952.00        | \$14,264,723.00        | \$13,407,071.00        | \$13,089,132.00        | \$13,025,182.00        | \$68,445,060.00         |
| RHF 1             | \$478,755.00           | \$470,121.00           | \$749,489.00           | \$1,559,519.00         | \$1,204,451.00         | \$4,462,335.00          |
| RHF 2             | \$241,417.00           | \$241,650.00           | \$549,707.00           | \$561,312.00           | \$610,260.00           | \$2,204,346.00          |
| CDBG Disaster Rec |                        | \$8,464,481.00         |                        |                        |                        | \$8,464,481.00          |
| ARRA (PH)         |                        |                        |                        |                        | \$19,252,810.00        | \$19,252,810.00         |
| ARRA (HOPE VI)    |                        |                        |                        |                        | \$16,643,865.00        | \$16,643,865.00         |
| <b>Total</b>      | <b>\$15,379,124.00</b> | <b>\$23,440,975.00</b> | <b>\$14,706,267.00</b> | <b>\$15,209,963.00</b> | <b>\$50,736,568.00</b> | <b>\$119,472,897.00</b> |

**B. CAPITAL FUND PROGRAM (CFP)**

1. The Capital Fund Program (CFP) is a US Department of Housing and Urban Development (US HUD) yearly grant provided to the Miami-Dade Public Housing Agency (MDPHA) for the purpose of implementing extraordinary maintenance repairs or capital improvements. MDPHA receives approximately \$13 million per year under the CFP. The program requires that 90 percent of all funds be obligated in two years and 100 percent spent in four years. Under the CFP, MDPHA funds most of its capital improvements, including roof repairs, Job Order Contracts (JOC) for vacancy repairs, and other modernization programs.
2. All CFP projects are administered as follows:
  - a) Projects designed in-house by the Facilities section, which includes the preparation of design and construction documents, bid and award phases, and construction monitoring, until the work is completed or,
  - b) Projects designed by outside consultants selected from the Equitable Distribution Program (EDP). Bid and award phases, and construction monitoring until the work is completed, is also included in the scope of services.

**C. AMERICAN RECOVERY AND RE-INVESTMENT ACT (ARRA) GRANTS**

1. MDPHA received \$19,252,810.00 in ARRA grant funds for use in capital projects improvements, on March 17, 2009. All ARRA grant funds must be obligated the first year, by March 17, 2010. Sixty percent of the funds must be spent within two years, by March 17, 2011, and 100 percent of the funds must be spent in three years, by March 17, 2012.
2. ARRA projects include improvements to 68 public housing developments and include windows, roofs, fire alarm installations, and elevator repairs.

ARRA funds for capital projects improvements are administered as follows:

1. Projects designed in-house by the Facilities staff, which includes the preparation of design and construction documents, bid and award phases, and construction monitoring, until the work is completed or,

2. Projects designed by outside Consultants selected from the EDP. Bid and award phases, and construction monitoring until the work is completed, is also included in the scope of services.
3. MDPHA, working together with the HOPE VI Scott/Carver Revitalization Project developer, McCormack Baron Salazar (MBS), was successful in obtaining a \$16.6 million American Recovery and Reinvestment Act (ARRA) grant from USHUD in September 2009. The grant will create efficient, green communities for the Scott/Carver HOPE VI, Phase II, Redevelopment.
  - a) This project is planned as a mixed income development in the Liberty City area of Miami-Dade County. It will provide 354 rental units; 177 public housing units, 107 low and moderate income units and 70 market rate units. The concept for the project includes incorporating building designs that are complementary in scale and architectural flavor to the Miami community so it not only blends but helps catalyze further revitalization.
  - b) The grant funds will be used to create Miami-Dade County's first multi-family rental development that employs Enterprise Green communities and LEED for Neighborhood Development guidelines, including solar-powered renewable energy. Additionally, the grant funds will also be used to enhance the project's green features, increase energy efficiency and environmental performance, and catalyze new employment and training opportunities. The developer is completing its design of green features. Construction is scheduled to begin in late summer 2010.

**D. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) SUPPLEMENTAL DISASTER RECOVERY INITIATIVE**

1. MDPHA applied for, and was granted, Disaster Grant funds from the State of Florida. This award included \$8,073,599, as part of three separate applications, to obtain funds to repair roofs and other hurricane mitigation improvements.
2. The Department of Housing and Community Development (DHCD) is responsible for administering these funds which are provided to MDPHA to fund various disaster-related projects.
3. All disaster grant projects will administered as follows:
  - Projects designed by outside consultants selected from the EDP. Bid and award phases, and construction monitoring until the work is completed, is also included in the scope of services.

**E. COORDINATION AND REPORTING TO US HUD**

1. Revisions to the CFP budgets are sent to US HUD annually or as necessary by the MDPHA. New quarterly reports are now required for all ARRA related work for monitoring purposes. These reports are submitted in HUD's web page.  
  
In addition, the US HUD Area Office conducts periodic monitoring of the CFP and ARRA programs as part of national Public Housing surveys, obligation of CFP Funds, OIG audits, and other requests for information.

**F. COORDINATION AND REPORTING TO THE OFFICE OF CAPITAL IMPROVEMENTS (OCI)**

1. MDPHA coordinates all of its 7,360 contracts through the Office of Capital Improvements (OCI). These 7,360 contracts have a \$2.5 million dollar limit. The coordination with OCI includes the Request for Quotation (RPQ), which is entered in OCI's web site, advertising of all bids, processing

change orders, reporting on the progress of the work, and its completion, and final evaluation of the contractor.

2. MDPHA staff also provides quarterly ARRA reports to the Office of Grant Coordination in addition to those provided to US HUD.

**G. COORDINATION AND REPORTING TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD)**

1. MDPHA coordinates projects with DHCD, if the projects have funding from sources administered by DHCD. DHCD receives copies of all of the bid documents, requisitions for payment, quarterly progress reports, and copies of the final closing of the project.

## **Public Housing Capital Fund**

Capital and management funding for public housing agencies.

**Nature of Program:** The Capital Fund is available by formula distribution for capital and management activities, including development, financing, and modernization of public housing projects, which includes redesign, reconstruction, and reconfiguration of public housing sites and buildings (including accessibility improvements) and development of mixed-finance projects; vacancy reduction; addressing deferred maintenance needs and the replacement of obsolete utility systems and dwelling equipment; planned code compliance, management improvements, including the establishment and initial operation of computer centers in and around public housing through a Neighborhood Networks initiative, for the purpose of enhancing self-sufficiency, employability, and economic self-reliance of public housing residents by providing them with on-site computer access and training resources; demolition and replacement; resident relocation; capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents, and improve resident participation; capital expenditures to improve safety and security of residents; and homeownership activities, including programs under Section 32.

Based on Section 9, not more than 20 percent of a public housing agency's (PHA) capital funds may be used for operating expenses if the PHA's plan provides for such use. However, non-troubled PHAs that own or operate fewer than 250 units have full flexibility in how they use capital and operating funds for eligible activities under Sections 9(d)(i) and 9(e)(i).

PHAs may request HUD approval to borrow funds from the private market to make improvements to and/or develop additional public housing, by pledging a portion of their future annual Capital Fund grants to make debt service payments.

**Applicant Eligibility:** Public housing agencies.

**Legal Authority:** Section 9(d) and Section 30 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(d) and 1437z-2). Regulations are at 24 CFR part 905 and part 968.

**Administering Office:** Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

**Information Sources:** Local public housing agencies or HUD field offices.

**Current Status:** Active.