Memorandum

MIAMI-DADE COUNTY

Date: October 5, 2010

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

From: George M. Burgess
County Manager

Subject: Neighborhood Stabilization Program (NSP1) – July 2010 Report

Agenda Item No. 12(B)4

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 report is the July 2010 report reflecting data current through the end of June 2010. 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 within four years from March 10, 2009.

The attached table shows that of the $62.207 million awarded, the County has obligated and/or expended $54 million, or 87 percent of the total grant.

The Spot Loan activity still has funds available to assist buyers who can locate a foreclosed upon home in any of the priority areas. The County continues to work with banks and applicants to get these funds obligated and one loan is currently obligated with another two loans pending the underwriting process.

The County will continue with the strategy to acquire, rehabilitate, and sell single family homes. As of the time this report went to print, the number of single-family homes acquired stands at 45. There are six remaining single-family homes in the pipeline for purchase, which if acquired will get the County well beyond the performance measure of acquiring and rehabilitating 43 single-family homes. The sale of the homes continues with new marketing efforts contemplated, such as a homeownership fair.

The $32,886,480 under the category of acquiring and rehabilitating multi-family units have been fully committed. Other projects are on standby in case any of the projects should falter. The County will be able to move quickly and replace commitments prior to the September deadline.

Staff continues to work on demolition activities with the following municipalities: City of Opa-locka, City of South Miami, and City of Florida City. A letter has been issued to the three municipalities requesting all demolition documentation to be considered by July 9, 2010. The demolition of Lincoln Gardens is pending the environmental review process as the project was approved for the 15-day public comment period and for the request of the release of funds. After this process (approximately 40 days) is completed, the funds would be available for use. Homes provided by the Building and Neighborhood Compliance Department are also considered for demolition and are currently being reviewed for appropriateness.

The HOPE VI project continues to move with the site preparation and remediation that is required for the public infrastructure. As of the time this report went to print, the project in the HOPE VI expanded area continues under the cone of silence.

The Board will continue to be updated on a monthly basis on the NSP's progress.

Attachment

Irene Taylor-Wooten
Special Assistant to the County Manager

Neighborhood Stabilization Program Round 1 Funds By Activity

APPLICATION GOALS							STATUS OF GOALS (ACTUALS)						
	UNITS						UNITS				FUNDS		
Task	50% or less AMI	51% - 80% AMI	80% or higher AMI	TOTAL	Amount (As Amended)	Due Date	50% or less AMI	51% - 80% AMI	80% or higher AMI	TOTAL UNITS	Amount Obligated	Amount Expended	Comments/Update
Soft-second mortgage assistance and closings costs ($80,000) maximum to purchasers of foreclosed-upon homes in areas of greatest need(s). **Responsible Department: DHCD**	0	3	7	10	$750,000	11/30/2012	0	2	1	3	$60,000	$478,963	Applicants for homebuyer assistance have opportunities to purchase eligible units with a spot loan, selecting a home of their choice, until the funds are committed. Two loans are pending commitment after they go through the underwriting process.
Soft-second mortgage assistance and closings costs. $80,000 maximum to purchasers of foreclosed-upon homes purchased through NSP Acquisition/Rehabilitation Program. **Responsible Department: DHCD**	0	0	0	0	$0	11/30/2012	0	0	0	0	$0	$5,146	This line item is zero based on an opinion by HUD that requires no additional funds be added to homes that are acquired by the County. Instead, the County will reduce the price of the home to make it affordable. The reduction in sales price will be recorded as a second mortgage.
Acquisition and Rehabilitation of foreclosed-upon single family homes (up to $200,000 per unit). **Responsible Department: GSA**	0	9	34	43	$8,085,000	11/30/2011	TBD	1	TBD	45	$17,139	$5,618,467	GSA has closed on 45 homes, an increase from 37 last month. As many as 6 units are in the pipeline and have been fully approved by the seller and buyer. GSA will continue to work towards closing on these homes and will continue to purchase with program income derived from the sale of the homes.
Acquisition and rehabilitation of foreclosed-upon multi-family residential properties to provide affordable rental housing ($125,000 per unit). **Responsible Department: GSA**	256	366	0	622	$32,886,480	09/30/2012	0	0	0	0	$32,840,129	$46,351	The County has committed all funds in this activity. Projects are availability as pack-up should any deal fall out.
Minimum 8 hour homebuyer counseling for income-qualified persons provided soft-second mortgage assistance to purchase foreclosed-upon homes ($500 per participant). **Responsible Department: DHCD**	0	104	26	130	$65,000	see above	0	0	0	0	$65,000	$0	This line item is the funding for the homebuyer education that is required for all homebuyers. Not-for-profit agencies have submitted reimbursement requests for processing.
Demolition of blighted structures to address public health and safety problems in negatively impacted neighborhoods. **Responsible Department: DHCD**	n/a	n/a	n/a	122	$600,000	03/31/2013	n/a	n/a	n/a	n/a	$225,695	$4,687	Florida City, Opa-locka and the City of South Miami have submitted the interlocal agreement for demolition and are putting together the documentation for the specific units. The County is moving forward to demolish the 47 units at Lincoln Gardens (public housing). The environmental review is being finalized. The County will also be undertaking some demolition of the Brownsville tornado affected homes. BNC has provided a list of potential demolition sites that are being reviewed. A letter has been issued to the participating City to provide all documentation by July 9, 2010.
Neighborhood redevelopment of affordable multi-family rental housing on vacant property ($36,411 per unit). *This activity will be directed toward the Scott Carver HOPE VI affordable housing project for public infrastructure cost.* **Responsible Department: MDPHA**	59	225	70	354	$8,600,000	09/30/2011	0	0	0	0	$8,398,386	$201,614	The Miami-Dade Public Housing Agency (MDPHA) through its developer continues the site prep work.
Neighborhood redevelopment through multi-family rental housing development in the Expanded HOPE V Area ($125,000 per unit). **Responsible Department: DHCD**	20	10	10	40	$5,000,000	03/31/2013	0	0	0	0	$0	$7,136	The expenditures in this activity reflect the environmental work that has been completed. The funding agreement was forwarded to the developer for signature. The cone of silence is still in effect.
Administration and Planning. **Responsible Department: DHCD**	n/a	n/a	n/a	n/a	$6,220,720	03/31/2013	n/a	n/a	n/a		$5,539,800	$680,620	This is the entire amount of $6.22 million approved for administration. All funds would be expended by the end of the grant life, therefore, funds not expended to date are reflected as obligated. These expenditures include staff, consultants, and training for working on the NSP program.
TOTAL NSP ROUND 1					**$62,207,200**		**0**	**3**	**1**	**48**	**$47,146,149**	**$7,042,984**	