MEMORANDUM

Agenda Item No. 8(K)(1)

TO:	Honorable Chairman Jean Monestime and Members, Board of County Commissioners	**DATE:**	June 2, 2015
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution authorizing the County Mayor to substantially amend the FY 2013-2017 Consolidated Plan filed with the United States Department of Housing and Urban Development to allocate Home Investment Partnerships Program Income (HOME) Funds and Community Development Block Grant Program Income Funds received through the Pre-payment of CDBG and HOME Loans

The accompanying resolution was prepared by the Public Housing and Community Development Department and placed on the agenda at the request of Co-Prime Sponsors Commissioner Bruno A. Barreiro and Commissioner Dennis C. Moss.

R. A. Cuevas, Jr.
County Attorney

RAC/cp

Memorandum

MIAMI-DADE COUNTY

Date: June 2, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Substantial Amendment to the FY 2013-2017 Consolidated Plan to Allocate Home Investment Partnerships Program Income and Community Development Block Grant Program Income Funds; Authorize the Loan of Pre-paid Affordable Housing Loan Funds to La Joya Estates, Ltd. or Related Entity for the La Joya Estates Affordable Housing Project and Brickell View Terrace Apartments, Ltd., or Related Entity for the Brickell View Terrace Affordable Housing Project

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Recommendation

It is recommended that the Board of County Commissioners ("Board") substantially amend the FY 2013-2017 Consolidated Plan filed with the United States Department of Housing and Urban Development ("U.S. HUD") to allocate Home Investment Partnerships ("HOME") and Community Development Block Grant ("CDBG") program income funds received through the pre-payment of CDBG and HOME loans, as described in detail below, and authorize the loan of these program income funds to two (2) new affordable housing developments. Specifically, it is recommended that the Board approve a loan in the amount of $3,926,000.00 consisting of $3,562,000.00 of HOME program income funds and $364,000.00 of CDBG program income funds to La Joya Estates, Ltd., or related entity, for the development of La Joya Estates, an affordable housing project located at the northeast corner of SW 267 Street and SW 143 Avenue. It is also recommended that the Board approve a loan of HOME program income funds in the amount of $1,000,000.00 to Brickell View Terrace Apartments, Ltd., or related entity, for Brickell View Terrace, an affordable housing project located at 940 SW First Avenue, Miami, Florida 33130. Both of the loans recommended herein consist of proceeds from previously issued County loans to RPG of Homestead, Ltd. for Royal Palm Gardens Apartments and to Amistad Apartments, Ltd. for Amistad Apartments, respectively, both of which were pre-paid. These pre-paid funds will be re-loaned to developer entities related to the original borrowers of the pre-paid loans.

Both loans are recommended in accordance with Section 17-02 of the Miami-Dade County Code of Ordinances providing that any developer that repays its County loan in full before the date on which the loan is due may, upon approval of the Board, have the repaid funds loaned to it, or a related entity, for additional eligible affordable housing projects.

It is also recommended that the Board authorize the County Mayor or the County Mayor's designee to execute all conditional loan commitments, standard shell contracts, standard shell loan documents, amendments and other agreements necessary to accomplish the purposes of this resolution. It is further recommended that the Board authorize the County Mayor or County Mayor's designee, upon a determination that such actions are in the best interest of the County, to subordinate and/or modify the terms of contracts, agreements, amendments and loan documents so long as such modifications are approved by the County Attorney's

Office and are not substantially inconsistent with this resolution. It is recommended that the Board authorize the County Mayor or the County Mayor's designee to exercise the termination, waiver, acceleration, or other provisions set forth therein and authorize the County Mayor or the County Mayor's designee to execute other documents necessary to accomplish the purposes set forth in this resolution and exercise the cancellation and other provisions contained therein.

Scope

The La Joya Estates project is located on the northeast corner of SW 143 Avenue and SW 267 Street, Naranja, Florida, 33032, in Commission District 9, represented by Commissioner Dennis C. Moss.

The Brickell View Terrace project is located at 940 SW First Avenue, Miami, Florida, 33130, in Commission District 5, represented by Commissioner Bruno A. Barreiro.

Fiscal Impact/Funding Source

This item allocates HOME and CDBG program income funds and will not have a negative fiscal impact on the County's General Fund. The funding in this item consists of proceeds from previously issued County loans to RPG of Homestead, Ltd. for Royal Palm Gardens Apartments and to Amistad Apartments, Ltd. for Amistad Apartments. Both of these loans were pre-paid in full in December 2014. These pre-paid funds will be re-loaned to developer entities related to the original borrowers of the pre-paid loans. La Joya Estates Ltd., or a related entity, is recommended for a loan in the amount of $3,926,000.00, consisting of $3,562,000.00 of HOME program income funds and $364,000.00 of CDBG program income funds, for the La Joya Estates project; and Brickell View Terrace Apartments, Ltd. is recommended for a loan in the amount of $1,000,000.00 for the Brickell View Terrace project. The details of the pre-paid loans are listed below in Table One and Table Two, respectively.

Track Record/Monitor

The project will be monitored by Michael Liu, Director, Public Housing and Community Development.

Background

Both of the loans recommended in this item involve the re-loan of funds which were pre-paid by developers on other County affordable housing loans. The pre-payment and re-loan structure is permitted by Section 17-02 of the Miami-Dade County Code of Ordinances, which provides that any developer which repays its County loan in full before the date on which the loan is due in full may, upon approval of the Board, have the repaid funds loaned to it, or a related entity, for additional eligible affordable housing projects, without the need to compete again for those funds.

RPG of Homestead, Ltd. pre-paid its $3,926,000.00 loan on the Royal Palm Gardens Apartments project in full on December 1, 2014, a little more than a year before the maturity date. RPG of Homestead, Ltd. requested, in a letter dated November 12, 2014 (Exhibit I), to use the pre-paid funds, which upon repayment became HOME and CDBG program income, respectively, on a new affordable housing project, La Joya Estates.

Upon approval of this item, $3,926,000.00 will be loaned to La Joya Estates, Ltd., or a related entity, to be used for the development of La Joya Estates. The loaned funds will be proportioned just as the pre-paid funds were: $3,562,000.00 of HOME program income funds and $364,000.00 of CDBG program income funds. If approved, the loan described herein would be the only County financing in the project to date.

La Joya Estates is a new construction, affordable housing, multi-family development. The project will include a total of 100 units consisting of four (4) one-bedroom/one-bath units, 64 two-bedroom/two-bath units, and 32 three-bedroom/two-bath units in a mixture of garden-style and direct-entry units situated in five (5) three-story residential buildings. The project is part of the Comprehensive Development Master Plan (CDMP) known as the Naranja Community Urban Center (NCUC). Ninety-six percent of the units will be rented to households with incomes no greater than 60 percent of the Area Median Income ("AMI") and four (4) percent of the units will be rented to households with incomes not greater than 50 percent of the AMI.

Should the Board approve this item, the County Mayor or County Mayor's designee will execute a Conditional Loan Commitment in substantially the form attached hereto as Exhibit III. The La Joya Estates project will be subject to a full credit underwriting analysis, including subsidy layering review, a favorable recommendation from the underwriter, and written financing commitments for the total development costs, all of which shall be completed prior to the financial closing of the loan approved herein or the release of loaned funds. The loan shall be subject to those loan terms prescribed in the HOME and CDBG FY 2014 Request for Applications, (Exhibit IV), subject to change at the discretion of the County Mayor or County Mayor's designee based upon the credit underwriting analysis. Table One below shows the loans pre-paid by RPG of Homestead, Ltd., inclusive of interest:

Table One

RPG OF HOMESTEAD, LTD – Loans Pre-Paid in Full						
Loan #	**Project Name**	**Funding Source**	**Loan Amount**	**Maturity Date**	**Amount Pre-Paid**	**Pay-Off Date**
6625	Royal Palm Gardens Apartments	CDBG	$364,000.00	2/01/16	$365,252.23	12/01/14
8898	Royal Palm Gardens Apartments	HOME	$3,562,000.00	2/01/16	$3,583,164.98	12/01/14
		Total	**$3,926,000.00**		**$3,948,417.21**	

The County Mayor or County Mayor's designee will also file a Substantial Amendment to the FY 2013-2017 Consolidated Plan with U.S. HUD to authorize the allocation of HOME and CDBG program income funds as new loans to La Joya Estates, Ltd., or related entity, for the La Joya Estates affordable housing project, and to Brickell View Terrace Apartments, Ltd., or related entity, for the Brickell View Terrace affordable housing project.

Amistad Apartments, Ltd. pre-paid its HOME loan for Amistad Apartments in the amount of $1,000,000.00 in December 2014, long before the maturity date of July 1, 2033. Once that project was fully completed and operational, the developer pre-paid the loaned funds in full. Brickell View Terrace Apartments, Ltd., a related entity of Amistad Apartments, Ltd., requested in a letter dated January 28, 2015 (Exhibit II), to use the pre-paid funds on a new affordable housing project Brickell View Terrace.

Brickell View Terrace is a new construction, high-rise, affordable multi-family development of 176 units currently being developed by Brickell View Terrace Apartments, Ltd. Of the 176 units, 100 units will be affordable and will consist of 12 one-bedroom/one-bath units, 64 two-bedroom/two-bath units, and 24 three-bedroom/two-bath units. Ninety percent of the units will be rented to households with incomes not greater than 60 percent of the AMI, and ten (10) percent of the units will be rented to households with incomes not greater than 28 percent of the AMI. The project is located at 940 SW First Avenue, Miami, Florida, 33130, Folio Numbers 01-0207-000-1150, 01-0207-000-1160 and 01-0207-000-1020.

To date, the County has invested $4,000,000.00 of Surtax funding in the Brickell View Terrace. The project is currently 62 percent completed but has a funding gap of $1,900,000.00. If this loan is approved, the $1,000,000.00 pre-paid HOME funds from the Amistad Apartments loan, which became HOME program income upon repayments, will be loaned to a related entity to be used to complete construction of Brickell View Terrace.

This project has gone through a full credit underwriting analysis with a favorable recommendation, which was completed prior to financial closing and the release of Surtax funds. The report indicated a gap of $1,900,000.00, as indicated by deferred developer fee. This additional loan approved herein for $1,000,000.00 may be closed in the form of an advance of the prior County loan, in consultation with the County Attorney's Office, and will be subject to those loan terms prescribed in the HOME FY 2014 Request for Applications, (Exhibit IV) subject to change at the discretion of the County Mayor or County Mayor's designee based upon the credit underwriting analysis. Table Two below reflects the loan paid off by Amistad Apartments LTD. The developer's request for use of the funds is attached as Exhibit II.

Table Two

AMISTAD APARTMENTS, LTD – Loans Pre-Paid in Full						
Loan #	**Project Name**	**Funding Source**	**Loan Amount**	**Maturity Date**	**Amount Pre-Paid**	**Pay-Off Date**
7861	Amistad Apartments	HOME	$1,000,000.00*	7/01/33	$900,000.26	12/17/14
		Total	**$1,000,000.00***		**$900,000.26**	

* Ten (10) percent of the $1,000,000.00 loan was retained by the County pursuant to the Funding Agreement until receipt of certificate of occupancy. The borrower chose to pre-pay the loan in full and thus did not draw down the retainage. Because those funds would have

been accessible to the borrower at the time of pre-payment of the loan, the re-loaned amount may be up to the amount of $1,000,000.00.

Should the Board approve this item, the County Mayor or County Mayor's designee will execute a Conditional Loan Commitment in substantially the form attached hereto as Exhibit III.

This item is submitted to the Board pursuant to this provision of Section 17-02 of the Miami-Dade County Code of Ordinances.

Russell Benford, Deputy Mayor

MEMORANDUM
(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: June 2, 2015

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

SUBJECT: Agenda Item No. 8(K)(1)

Please note any items checked.

_____ **"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**

_____ **Ordinance creating a new board requires detailed County Mayor's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

✓ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(K)(1)
6-2-15

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBSTANTIALLY AMEND THE FISCAL YEAR 2013-2017 CONSOLIDATED PLAN FILED WITH THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO ALLOCATE HOME INVESTMENT PARTNERSHIPS PROGRAM INCOME (HOME) FUNDS AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM INCOME FUNDS RECEIVED THROUGH THE PRE-PAYMENT OF CDBG AND HOME LOANS, AS DESCRIBED HEREIN; AUTHORIZING PURSUANT TO THE PROVISIONS OF SECTION 17-02 OF THE CODE OF MIAMI-DADE COUNTY, A LOAN OF $3,562,000.00 OF HOME PROGRAM INCOME FUNDS AND $364,000.00 OF CDBG FUNDS TO LA JOYA ESTATES, LTD., OR RELATED ENTITY, FOR DEVELOPMENT OF THE LA JOYA ESTATES AFFORDABLE HOUSING PROJECT AND A LOAN OF $1,000,000.00 OF HOME PROGRAM INCOME FUNDS TO BRICKELL VIEW TERRACE APARTMENTS, LTD., OR RELATED ENTITY, FOR DEVELOPMENT OF THE BRICKELL VIEW TERRACE APARTMENTS AFFORDABLE HOUSING PROJECT; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE ALL CONDITIONAL LOAN COMMITMENTS, STANDARD SHELL CONTRACTS, STANDARD SHELL LOAN DOCUMENTS, AMENDMENTS AND OTHER AGREEMENTS NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS RESOLUTION, INCLUDING THE SUBORDINATION OF THE COUNTY'S INTERESTS, AND TO EXERCISE THE TERMINATION, WAIVER, ACCELERATION, CANCELLATION AND OTHER PROVISIONS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board ratifies and adopts the matters set forth in the accompanying justification memorandum as if fully set forth herein.

Section 2. The Board authorizes, pursuant to the provisions of Section 17-02 of the Code of Miami Dade County, a loan to La Joya Estates, Ltd., or related entity, in an amount not to exceed $3,562,000,000.00 of Housing Investment Partnerships Program ("HOME") program income funds and $364,000.00 of Community Development Block Grant ("CDBG") program income funds for development of the La Joya Estates affordable housing project; and a loan to Brickell View Terrace Apartments, Ltd., or related entity, in an amount not to exceed $1,000,000.00 of HOME program income funds for the Brickell View Terrace Apartments affordable housing project.

Section 3. The Board authorizes the County Mayor or County Mayor's designee to file with the United States Department of Housing and Urban Development ("U.S. HUD") a Substantial Amendment to the Fiscal Year 2013-2017 Consolidated Plan to authorize the loan of HOME and CDBG program income funds to La Joya Estates, Ltd., or related entity, for the development of the La Joya Estates affordable housing project, and to Brickell View Terrace Apartments, Ltd., or related entity, for the development of the Brickell View Terrace Apartments affordable housing project.

Section 4. All funding awards and conditional loan commitments are contingent upon approval by U.S. HUD of the Substantial Amendments described herein and the recipient agencies' (borrowers') compliance with the conditions set forth in this resolution and the justification memorandum. The loans approved herein shall be conditional loan commitments, and the County Mayor or County Mayor's designee is authorized to execute all conditional loan commitments in substantially the form attached hereto as Exhibit III, standard shell contracts,

standard shell loan documents, amendments and other agreements necessary to fulfill the purposes of this resolution. The Board further authorizes the County Mayor or County Mayor's designee, upon a determination that such actions are in the best interest of the County, to subordinate and/or modify the terms of contracts, agreements, amendments and loan documents so long as such modifications are approved by the County Attorney's Office and are not substantially inconsistent with this resolution and to exercise the termination, waiver, acceleration, cancellation or other provisions set forth therein.

The foregoing resolution 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:

Jean Monestime, Chairman
Esteban L. Bovo, Jr., Vice Chairman

Bruno A. Barreiro	Daniella Levine Cava
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of June, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the 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. for BKN

Brenda Kuhns Neuman

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Exhibit I

RPG OF HOMESTEAD, LTD.

7735 NW 146 Street #306 Miami Lakes, FL 33016
305-821-0330 PHONE / 305-821-0402 FAX

VIA EMAIL

November 12, 2014

Julie Edwards
Assistant Director
Public Housing and Community Development
Miami-Dade County
701 NW 1st Court, 14th Floor
Miami, FL 33136

RE: Request for Re-Allocation of Awarded Funds – La Joya Estates

Dear Ms. Edwards:

On February 24, 1998, RPG of Homestead, LTD. entered into a mortgage loan with Citibank, N.A. in connection with the development and management of Royal Palm Garden Apartments. As you are aware, we are in the process of re-financing the property and anticipate closing and full repayment of the county's loan prior to years end.

In lieu of this, we are requesting, pursuant to Miami Dade County Amended Ordinance 13-12 and File Number #131035, that the funds as described in Promissory Note executed on February 27, 1996 between Metro-Dade County and RPG of Homestead, LTD. in the amount of $3,926,000.00, consisting of $3,562,000.00 of HOME funds and $364,000.00 of CDBG funds, with a maturity date of February 1, 2016, be reallocated for the development and construction of a new affordable housing project to be called La Joya Estates located at the North-East corner of SW 267 Street & SW 143 Avenue in Naranja, FL 33032.

Thank you for your time and attention to this matter. If you have any questions or concerns regarding this matter, please do not hesitate to contact me directly.

Sincerely,

Lewis V. Swezy
President of the General Partner
RPG of Homestead, LTD.

Exhibit II

From: David Deutch [mailto:david@pinnaclehousing.com]
Sent: Wednesday, January 28, 2015 4:54 PM
To: Edwards, Julie (PHCD)
Cc: Brown, Clarence D. (PHCD); Mitch Friedman; Lauren Levrant
Subject: Brickell View Terrace Apartments, Ltd. Request for 1.0MM

Julie & Clarence:

Brickell View Terrace (BVT) just completed 50% completion and topped off the building. Yahoo. We are very excited with the progress to date. The building will be done and placed in service by 12/31/15, as we always envisioned.

We are, however, struggling to complete the building in a manner consistent with its mixed income plan. There are a number of unforeseen change orders (230,000 alone for grill work on the garage) plus improvements we wish to include at BVT to enhance its appeal as a mixed income community. However, presently we do not have the proceeds to construct such improvements. Given the mixed income nature of BVT, we feel that the design and product must be consistent with our mixed income objectives. We have already removed certain features from the development (like a swimming pool) that we do not want to replicate further.

As such, please accept this email as our formal request to loan an additional 1.0MM of HOME to BVT. The source of such funding will be the HOME loan we repaid the County from Amistad Apartments, Ltd. Just last month. BVT currently has HOME proceeds from the City of Miami and thus is currently complying with Davis Bacon and Section 3 requirements.

Time is of the essence as we are obviously under construction and need to make decisions regarding our features and amenities very soon.

Please advise how we may proceed with this request at your earliest convenience.

Much thanks,

David.

David O. Deutch
Pinnacle Housing Group
9400 South Dadeland Blvd., Suite 100
Miami, FL 33156
305-854-7100 (o)
305-401-7383 (c)

Exhibit III

Miami-Dade County
Conditional Loan Commitment

To: Name of Agency/Developer
Address of Developer
City, State / Zip Code

Re: Name of Project
Address of the Project
Type of Project (Ex.,Multi-Family New Construction)

Dear Developer:

We are pleased to advise you that on _____ the Board of County Commissioners (BCC) approved a Conditional Loan Commitment for development activity at the above-listed property (the "Property"). The loan is conditionally committed for the MAYOR or MAYOR'S DESIGNEE-CHOOSE AS APPLICABLE [payment of hard construction costs][acquisition of the property] as a portion of the development costs to [construct][rehabilitate] the affordable housing units on the Property. This Conditional Loan Commitment is made based upon the application submitted by Borrower in response to, for HOME funds, the Miami-Dade County Consolidated Request for Applications for FY 2014 Funding – Housing Application, Book Two or, for SURTAX funds, the Miami-Dade County Consolidated Request for Applications for FY 2014 Funding – Documentary Stamp Surtax Funding, Book Three (the "RFA") and is subject to the following terms and conditions:

Borrower: ["NAME OF AGENCY/DEVELOPER"]

Project: [NAME OF THE PROJECT, # OF UNITS AND TYPE OF PROJECT]

Loan Amount: The loan amount of not-to-exceed $_____is the amount approved by the BCC in Resolution R-XXX and includes all terms and conditions of such BCC approval, including project scope, activity type and, for federal funds, national objective to be achieved (the "Loan"). The loan amount may be decreased as determined by the Mayor or the Mayor's designee, based on the information and documentation provided by Developer

Conditions: The Loan is conditioned upon the terms, conditions and requirements set forth below (the "Conditions"). The County shall not issue a final unconditional loan commitment, enter into a funding contract, close on the Loan or disburse the Loan funds until all the Conditions are met.

Collateral: Upon satisfaction of the Conditions, Miami-Dade County (County) and Borrower will enter into a funding contract and loan agreement. The Loan shall be evidenced by a promissory note and secured by a construction/permanent mortgage with assignment of leases and rents, a collateral assignment of leases and rents, a collateral assignment of construction documents, a rental regulatory agreement (where applicable), and any other security or collateral as deemed appropriate by the Mayor or Mayor's designee, in his or her sole discretion, with approval of the County Attorney's Office. Borrower shall additionally be required to provide the County with an environmental indemnification agreement, a UCC-1, title affidavit, partnership affidavit

(if applicable), corporate resolution approving the loan documents, opinion of counsel, certification of borrower to borrower's counsel, and title policy making the County an insured. The Collateral shall be determined based upon financial feasibility and subsidy layering underwriting to be performed by County staff in an internal process and by an independent underwriter and paid for by Borrower ("Underwriting") following review of a current title search. Additional forms of security may be required if liens, encumbrances, restrictions or covenants exist on the Property which the Mayor or Mayor's designee determines, in his or her sole discretion, threaten the County's Collateral. The Mayor or Mayor's designee shall determine, in his or her sole discretion and in consultation with the County Attorney's Office, whether the Collateral provided by Borrower is sufficient to close and disburse the Loan.

Interest Rate: Loan terms, including the interest rate, are those set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Repayable: There will be no penalty for prepayment of the Loan (payment of Loan balance before the end of the repayment term). Repayment terms are those set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The prepayment of any Loan shall not affect the term of affordability set forth in the Rental Regulatory Agreement or in any of the other Loan Documents.

Term: The Loan will be for the period of time set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as it may be modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Conditions:

1. Underwriting, as explained above, shall include financial feasibility review, subsidy layering review, and credit review. Underwriting is performed to protect the County's scarce affordable housing funds and is performed to ensure that the Project has sufficient financing to be completed timely and that the Project is not over-subsidized, meaning the Loan is not needed or the Loan Amount is too high. The County reserves the right to reduce the Loan Amount subject to Underwriting. The County further reserves the right to refuse to issue a final, unconditional loan commitment to Borrower or to enter into a contract for the Loan or to close on the Loan in the event that Underwriting determines that the project is financially unfeasible or otherwise is unfeasible. The costs of Underwriting are to be paid by Borrower.
2. Borrower must prove control of the Property through purchase or lease, as evidenced by a deed or lease and recorded memorandum of lease in Borrower's name. Absence of any threat of foreclosure, taking by eminent domain, or pending bankruptcy are additionally required.
3. Borrower must provide the County with written financing commitments showing committed financing for the entire Development Cost of the Project, including any gaps between the Loan and the overall costs to develop the Project. The Development Cost of the Project means the total cost of completing the entire Project, from acquisition to the issuance of Certificate of Occupancy, including but not limited to the costs for acquisition, design and planning, zoning and variances, financing costs, legal costs, construction, and permitting. In the event of a dispute as to what amount constitutes the actual Development Cost, Borrower and County will use the amount determined by Underwriting to be the Development Cost.

4. Conformance of the Project design with the application submitted in the RFA, unless changes are approved by the Mayor or Mayor's designee.
5. Complete plans and specifications of the Project.
6. Payment and performance bond in the amount of the entire construction budget or otherwise in conformance with applicable law. Where a payment and performance bond is not required by law, the Mayor or Mayor's designee may alternatively accept – at the Mayor or Mayor's designee's sole discretion – a letter of credit in an amount acceptable to the Mayor or Mayor's designee.
7. Appraisal of the Property showing that the value of the Project and Property, when completed, exceeds the total amount of debt from all sources to be secured by the Project, unless waived by the Mayor or Mayor's designee.
8. A Phase I environmental report requiring no further action.
9. Such other conditions which are customary and reasonable for a loan of this nature, such as adhering to all Federal, State and local regulations, ordinances, codes and standards.
10. Meeting all requirements of the Surtax or HOME program, respectively.

This Conditional Loan Commitment will expire in six (6) months if not extended by Miami-Dade County. An extension of this Conditional Loan Commitment may be granted at the sole and absolute discretion of Miami-Dade County. Any extension granted will be contingent upon compliance with and in accordance with Resolutions No. R-165-13 and/or R-232-14, as applicable and must be signed by the Mayor or Mayor's Designee to be valid. If the loan does not close prior to the expiration or extension of this Conditional Loan Commitment, the funds will be subject to recapture and allocated to other projects. This Conditional Loan Commitment is not assignable. This Conditional Loan Commitment is the sole and complete agreement between the parties as to the terms of the Loan described herein. The terms of this Conditional Loan Commitment may only be changed in writing in a document signed by the Mayor or the Mayor's designee. No representations, written or verbal, of Miami-Dade County employees, or others purporting to act on behalf of Miami-Dade County, may change the terms of this Commitment.

Miami-Dade County wishes to thank you for your proposal and the opportunity to provide financing for this development, and we look forward to closing this transaction.

Sincerely,
Miami-Dade County

_____
Carlos A. Gimenez, Mayor

c: Russell Benford, Deputy Mayor
Michael Liu, Director

Agreed and Accepted:

By: _____

Name: _____

Title: _____

Date: _____

Approved as to Form and Legal Sufficiency

_____
Assistant County Attorney

_____
Date

MIAMI-DADE COUNTY
DEPARTMENT OF PUBLIC HOUSING AND COMMUNITY DEVELOPMENT
RECOMMENDATIONS FOR LOAN TERMS AND CONDITIONS FOR FY 2014 RFA

Interest Rates below are subject to an independent underwriting analysis

			LOAN TERMS			
FUNDING SOURCE	USE OF FUNDS	TYPE OF AGENCY	RATE	CONSTRUCTION TERMS	AFFORDABILITY	NOTES
HOME/ HOME CHDO	ACQUISITION, NEW CONSTRUCTION OR REHABILITATION OF AFFORDABLE RENTAL HOUSING, PRE-DEVELOPMENT.	NOT-FOR-PROFIT	0% during construction, yrs. 1-2. 0% to 3.0% accrual in years: 3-30 subject to project cash flow.	2 years for construction completion.	- Subject to rental regulatory agreement for set aside units during the entire 30 year term - Subject to Florida Housing Finance Corporation (FHFC) terms. - Subject to subsidy layering review	Overall debt service ratio 1.25 maximum and 1.10 minimum
HOME	ACQUISITION, NEW CONSTRUCTION OR REHABILITATION OF AFFORDABLE RENTAL HOUSING (RENTAL ONLY).	FOR PROFIT	0% during construction, yrs. 1-2. 0%-6% accrual in years: 3-30 which will not be collected as long as development complies with all loan conditions..	2 years for construction completion.	- Subject to rental regulatory agreement for set aside units during the entire 30 year term - Subject to FHFC terms. - Subject to subsidy layering review	Overall debt service ratio 1.25 maximum and 1.10 minimum
HOME	HOMELESS	NOT-FOR-PROFIT	0% during construction, yrs. 1-2. 0% to 3% accrual in years 3-30 which will not be collected as long as development complies with all loan conditions.	2 years for construction completion. If the project complies with all loan conditions, then the principal and interest shall be forgiven in equal increments equal to twenty- five percent (25%) of the loan amount in years 27 through 30.	- Subject to rental regulatory agreement. - Subject to a 30 year affordability and occupancy restriction period. - Subject to FHFC terms. - Subject to subsidy layering review	If borrower ceases its use of the property as a homeless facility, then or at any time, upon written notice from the County, the loan, including any accrued interest, if any, shall become immediately due and payable.
HOME	HOMELESS	FOR PROFIT	0% during construction, yrs. 1-2. 0% - 6% accrual in years 3-30 which will not be collected as long as development complies with all loan conditions.	2 years for construction completion. If the project complies with all loan conditions, then the principal and interest shall be forgiven in equal increments equal to twenty- five percent (25%) of the loan amount in years 27 through 30.	- Subject to rental regulatory agreement. - Subject to a 30 year affordability and occupancy restriction period. - Subject to FHFC terms. - Subject to subsidy layering review	If borrower ceases its use of the property as a homeless facility, then or at any time, upon written notice from the County, the loan, including any accrued interest, if any, shall become immediately due and payable.