

MEMORANDUM

Agenda Item No. 8(K)(4)

TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

DATE: November 7, 2017

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution approving Agreements related to the Grant from Building Better Communities General Obligation Bond Program Project No. 352 – “New Family Units at Liberty Square and Lincoln Gardens” in the amount of \$15,000,000.00 to BAC Funding Corporation and Related Urban Development Group, LLC. and approving use of Replacement Housing Factor funds in the amount of \$1,517,381.00 for Liberty Square Phase One and Hope VI funds in the amount of \$4,063,472.00 for Lincoln Gardens; waiving requirements of Resolution No. R-130-06, authorizing the County Mayor to award such funds, to execute amendments, shell contracts, loan documents and other transactional documents necessary to accomplish the purposes set forth in this resolution, and to exercise termination, waiver, acceleration and other provisions set forth therein

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Vice Chairwoman Audrey M. Edmonson.


Abigail Price-Williams
County Attorney

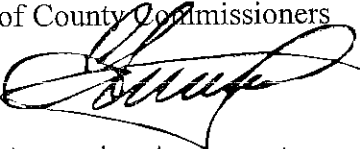
APW/smm

Memorandum



Date: November 7, 2017

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Recommendation for Approving Agreements required for the Grant from Building Better Communities General Obligation Bond Program Project No. 352 "New Family units at Liberty Square and Lincoln Gardens," and for approving Replacement Housing Factor funds, HOPE VI Funds and other Funding Sources for Liberty Square and Lincoln Gardens

Recommendation:

It is recommended that the Board of County Commissioners (Board):

1. Approve the Building Better Communities General Obligation Grant Agreement (Grant Agreement) that is attached to the Resolution as Exhibit A, and the Rental Regulatory Agreement, that is attached to the Resolution as Exhibit B;
2. Approve the use of Replacement Housing Funds (RHF) in the amount of \$1,517,381 for Liberty Square Phase One. It is also recommended that the Board approve the HOPE VI funds in the amount of \$4,063,472, which were previously awarded by the United States Department of Housing and Urban Development (HUD) for the Scott/Carver project, for the Lincoln Gardens public housing site;
3. Award the funds described in Paragraph 2 to Related Urban, LLC or its related affiliates or subsidiaries and to BAC Funding Corporation (the "Grantee"), the entity selected by Related Urban, LLC to receive the grant on its behalf;
4. Authorize the County Mayor or County Mayor's designee to shift funding between previously allocated funding sources and other funding that may become available for this project, including but not limited to additional RHF funds, so long as such funds do not exceed \$46,000,000;
5. Authorize the waiver of Resolution No. R-130-06 in order to provide the Grantee sufficient time to obtain the approval of its board of directors. The Grant Agreement requires that the Grantee provide a corporate resolution from its Board of Directors authorizing its representative to enter into the Agreement. The Grantee was unable to hold a Board of Directors meeting for this purpose prior to the Department submitting this legislation for Board approval. It is advantageous to expedite this legislation so that financial closing can occur in October with new construction starting shortly thereafter, at the Liberty Square site. The Board's approval of the Agreements is contingent on receipt of fully executed Agreements by the Grantee and Liberty Square Phase One, LLC, prior to financial closing;
6. Authorize the County Mayor or County Mayor's designee to execute all standard shell contracts, amendments, standard shell loan documents and other agreements necessary to accomplish the purposes set forth herein and to exercise the cancellation and other provisions contained therein; and

7. Authorize the County Mayor or the County Mayor's designee, upon a determination that it would be in the County's best interest, 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 to exercise the termination, waiver, acceleration, or other provisions set forth therein.

Scope

Liberty Square and Lincoln Gardens are located within District 3, which is represented by Vice Chairwoman Audrey M. Edmonson.

Fiscal Impact/Funding Source

There is no additional fiscal impact. The amount to be provided by the County remains at \$46,000,000, which was the total amount previously allocated by the Board pursuant to Resolution No. R-636-16.

Track Record/Monitor

The project will be monitored by Michael Liu, Director of Miami-Dade Public Housing and Community Development Department (Department).

Background

The Department issued a competitive solicitation on May 27, 2015 titled: Request for Applications No. 2015-01 to Developer Pool Pursuant to RFQ #794A, #794B and #794C for Redevelopment of Liberty Square and Lincoln Gardens "*Liberty Square Rising*" (RFA). Liberty Square is the County's largest and oldest public housing site. It contains approximately 57 acres and is bounded on the north and south by NW 67th Street and NW 62nd Street, respectively, and on the west and east by NW 15th Avenue and NW12th Avenue, respectively. Lincoln Gardens is a vacant 9-acre site located at 4701 NW 24th Court (approximately two miles from Liberty Square). The project will consist of the transformation of these two County sites into a mixed-income mixed-use development (the Project).

Pursuant to Resolution No. R-197-15, as amended by Resolution No. R-852-15, the Board allocated \$32,300,000 of funding from Building Better Communities General Obligation Bond Program Project No. 352 - "New Family Units at Liberty Square and Lincoln Gardens" (the "Total Funding Allocation") to Related Urban Development Group, LLC (RUDG) to partially fund the Project. Subsequently, RUDG created a single purpose entity, Liberty Square Phase One, LLC (the "Developer") to develop the first phase of the Project.

Additionally, the Board previously allocated funding pursuant to Resolution No. R-636-16; (approximately \$32,300,000 in General Obligation Bonds (GOB), \$6,000,000 in Documentary Surtax funding (with \$2,000,000 over three Surtax funding cycles; 2015, 2016 and 2017) and \$8,000,000 from the Capital Fund Financing Program (CFFP) funds) for a total of \$46,000,000 for the Project.

Subsequent to contract award, \$1,517,381 in RHF funds became available for building new public housing units. The RHF funds are Capital Fund Grants that are awarded to public housing agencies (PHA) that have removed units from inventory for the sole purpose of developing new public housing units. A PHA may only be given RHF funding for public housing units that have not already been funded for replacement of public housing units under public housing development, Major Reconstruction of Obsolete Public Housing, HOPE VI, or any other programs that would otherwise provide replacement housing. These funds can only be used to develop or acquire public housing rental units.

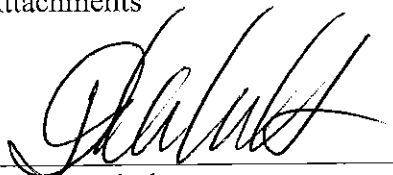
It is advantageous for the County that the RHF funds be used for the Project since the RHF funds must be obligated no later than April 12, 2018. If the obligation deadline is not met, these RHF funds will be recaptured by HUD. The obligation date for mixed-financed development projects is the date that the financial closing occurs. Accordingly, the obligation deadline for the RHF funds will be met once financial closing is completed for Phase 1 of the Project, which is anticipated to take place in October 2017. There are no other current projects which include new public housing units that would meet the obligation deadline. Consequently, the Department recommends that the Board approve the RHF funds for construction of new public housing units for Liberty Square Phase One.

Additionally, there are remaining HOPE VI funds that were previously awarded by HUD for the Scott/Carver project. In consultation with Vice Chairwoman Edmonson, the Department submitted a HOPE VI Revitalization Plan revision (Revised Plan) to HUD on May 26, 2017, which was approved by HUD. A copy of the HUD approval letter is attached to the resolution as Exhibit C. The Revised Plan calls for approximately \$4,063,472 in HOPE VI funds to be used for the construction of public housing units at the Lincoln Gardens site. The Department recommends these HOPE VI Funds be used for the Lincoln Gardens site.

Since \$1,517,381 in RHF funds are recommend for Liberty Square Phase One and \$4,063,472 in HOPE VI funds are recommended for the Lincoln Gardens site, for a total of \$5,580,853, the Department further recommends that \$5,580,853 in GOB funds be re-allocated to other projects, given the substantial need for affordable housing in District 3. Accordingly, out of approximately \$32,000,000 in GOB funding allocated to the Project, \$26,419,147 in GOB funding would remain allocated to the Project and \$5,580,853 in GOB funding would be re-allocated to other projects in District 3.

The Department further recommends that the Board approve the attached Grant Agreement and Rental and Regulatory Agreements, which are the contracts that set forth the terms upon which the County is granting the Building Better Communities General Obligation Bond Program funds to the Grantee.

Attachments



Jack Osterholt
Deputy Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

DATE: November 7, 2017

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 8(K)(4)

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
- Statement of social equity 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)(4)
11-7-17

RESOLUTION NO. _____

RESOLUTION APPROVING AGREEMENTS RELATED TO THE GRANT FROM BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM PROJECT NO.352 - "NEW FAMILY UNITS AT LIBERTY SQUARE AND LINCOLN GARDENS" IN THE AMOUNT OF \$15,000,000.00 TO BAC FUNDING CORPORATION AND RELATED URBAN DEVELOPMENT GROUP, LLC. AND APPROVING USE OF REPLACEMENT HOUSING FACTOR FUNDS IN THE AMOUNT OF \$1,517,381.00 FOR LIBERTY SQUARE PHASE ONE AND HOPE VI FUNDS IN THE AMOUNT OF \$4,063,472.00 FOR LINCOLN GARDENS; WAIVING REQUIREMENTS OF RESOLUTION NO. R-130-06, AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO AWARD SUCH FUNDS, TO EXECUTE AMENDMENTS, SHELL CONTRACTS, LOAN DOCUMENTS AND OTHER TRANSACTIONAL DOCUMENTS NECESSARY TO ACCOMPLISH THE PURPOSES SET FORTH IN THIS RESOLUTION, AND TO EXERCISE TERMINATION, WAIVER, ACCELERATION AND OTHER PROVISIONS SET FORTH THEREIN

WHEREAS, pursuant to Resolution No. R-197-15, adopted on March 3, 2015 (the "Allocation Resolution"), as amended by Resolution No. R-852-15, adopted on October 6, 2015, this Board allocated \$32,300,000.00 of funding from Building Better Communities General Obligation Bond Program (the "Bond Program") Project No. 352 – "New Family Units at Liberty Square and Lincoln Gardens" (the "Total Funding Allocation") to partially fund the development of the Liberty Square Rising project, a mixed-income mixed-use development, to be developed in several phases on County-owned property located at two sites, the Liberty Square public housing site bounded by NW 67th Street, NW 15th Avenue, NW 65th Street, and NW 14th Avenue, and the 9-acre Lincoln Gardens site located at 4701 NW 24th Court, Miami, Florida 33147 (the "Project"); and

WHEREAS, given the need to provide affordable housing units in District 3, this Board desires to approve the Grant Agreement attached to this Resolution as Exhibit "A" between the County and BAC Funding Corporation, a Florida nonprofit corporation (the "Grantee") and the Rental Regulatory Agreement attached to this Resolution as Exhibit "B" between the County, the Grantee, and Liberty Square Phase One, LLC. (the "Developer") for the development of the Project; and

WHEREAS, this Board, pursuant to Resolution No. R-138-14, approved a policy requiring that, for each affordable housing project to be funded utilizing Bond Program funds, that a final underwriting report be undertaken and presented to the Board at the time of approval of the Grant Agreement for such project; and

WHEREAS, the final underwriting report is attached to this Resolution as Exhibit "3" of the Grant Agreement; and

WHEREAS, pursuant to Resolution No. R-636-16, this Board previously allocated funding, approximately \$32,000,000.00 in General Obligation Bonds (GOB), \$6,000,000.00 in Documentary Surtax funding (with \$2,000,000.00 over three Surtax funding cycles: 2015, 2016 and 2017) and \$8,000,000.00 from the Capital Fund Financing Program (CFFP) funds for a total of \$46,000,000.00 for the Liberty Square Rising project; and

WHEREAS, federal funding sources have become available subsequent to contract award, which are time sensitive and can be utilized in the Project, including \$1,517,381.00 in Replacement Housing Factor (RHF) funds for construction of new public housing units at Phase One of the Project, and \$4,063,472.00 in remaining Scott/Carver HOPE VI Grant funds (HOPE VI Funds) for construction of new public housing units at the Lincoln Gardens site; and

WHEREAS, Miami-Dade Public Housing and Community Development Department (Department) recommends Board approval for the use of these and other funds which may become available, so long as the total funds provided to the Project by the County do not exceed the total amount of \$46,000,000.00; and

WHEREAS, this Board wishes to approve federal funding sources that became available subsequent to award of the Project, which are time sensitive and can be utilized in the Project, including \$1,517,381.00 in Replacement Housing Factor (RHF) funds for construction of new public housing units at Phase One of the Project, and \$4,063,472.00 remaining in the Scott/Carver HOPE VI Funds for construction of new public housing units at the Lincoln Gardens site; and

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 foregoing recitals are incorporated in this Resolution and are approved.

Section 2. This Board approves the Grant Agreement with the Grantee in substantially the form attached hereto as Exhibit "A" and the Rental Regulatory Agreement with the Developer and the Grantee in substantially the form attached hereto as Exhibit "B". This Board further authorizes the County Mayor or the County Mayor's designee to execute the Grant Agreement and the Rental Regulatory Agreement on behalf of the County and to exercise any and all other rights conferred therein.

Section 3. Pursuant to Resolution No. R-974-09, this Board directs: (a) the County Mayor or County Mayor's designee to record the Rental Regulatory Agreement and to provide a recorded copy of the Rental Regulatory Agreement to the Clerk of the Board within 30 days of execution of each said instrument; and (b) the Clerk of the Board to attach and permanently store a recorded copy of the Rental Regulatory Agreement together with this resolution.

Section 4. The Board approves the use of \$1,517,381.00 in RHF funds for construction of new public housing at Liberty Square Phase One of the Project. Additionally, this Board approves the use of \$4,063,472.00 in HOPE VI Funds for construction of new public housing units at the Lincoln Gardens site, which the use of such funds was approved by the United States Department of Housing and Urban Development, as more fully described in Exhibit "C" attached hereto and incorporated herein by reference.

Section 5. To further accomplish the objectives of this resolution, this Board waives the requirements of Resolution No. R-130-06, which requires that all contracts must be fully negotiated and executed by a non-County party for the reasons stated in the County Mayor's memorandum.

Section 6. This Board also authorizes the County Mayor or the County's designee to award the funds described in Paragraph 4 of this resolution to Grantee; to shift funding between previously allocated funding sources and other funding which may become available for this project, including but not limited to additional RHF funds so long as such funds do not exceed \$46,000,000.00; to execute all standard shell contracts, amendments, standard shell loan documents and other agreements necessary to accomplish the purposes set forth herein and to exercise the cancellation and other provisions contained therein; upon a determination that it would be in the County's best interest, 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 to exercise the termination, waiver, acceleration, 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:

- | | |
|-------------------------------------|----------------------|
| Esteban L. Bovo, Jr., Chairman | |
| Audrey M. Edmonson, Vice Chairwoman | |
| Bruno A. Barreiro | Daniella Levine Cava |
| Jose "Pepe" Diaz | Sally A. Heyman |
| Barbara J. Jordan | Joe A. Martinez |
| Jean Monestime | Dennis C. Moss |
| Rebeca Sosa | Sen. Javier D. Souto |
| Xavier L. Suarez | |

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of November, 2017. 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.

JRA/TAS

Juliette R. Antoine
Terrence A. Smith

EXHIBIT A

**GENERAL OBLIGATION BOND (GOB)
BUILDING BETTER COMMUNITIES (BBC)
AFFORDABLE HOUSING DEVELOPMENT AND GRANT AGREEMENT**

**BETWEEN
MIAMI-DADE COUNTY
and
BAC FUNDING CORPORATION**

This Development and Grant Agreement (the "Agreement" or "Grant Agreement"), by and between Miami-Dade County, a political subdivision of the State of Florida (the "County" or "Miami-Dade County"), through its Board of County Commissioners (the "Board"), and BAC Funding Corporation, a Florida not for profit corporation (the "Grantee"), with offices at 6600 NW 27 Avenue, Miami, Florida 33147, is entered into this [____ day of _____, 2017].

WHEREAS, pursuant to Resolution No. R-197-15, adopted on March 3, 2015 as amended by Resolution No. R-852-15 adopted on October 6, 2015 (the "Allocation Resolution"), the Board approved a Countywide grant/allocation of \$32,300,000.00 from Building Better Communities General Obligation Bond ("BBC GOB") Project No. 352 titled "New Family Units At Liberty Square And Lincoln Gardens" (the "Funding Allocation") for the development of public housing and affordable housing units at Liberty Square and Lincoln Gardens as part of a mixed-income mixed-use project commonly referred to as *Liberty Square Rising* (the "Overall Project"); and

WHEREAS, pursuant to Resolution No. R-636-16, adopted on July 6, 2016, the Board approved the ground lease dated February 28, 2017, as amended by Amendment #1 to the Ground Lease dated May 16, 2017 for certain land (known herein as the "Property" and described on "Exhibit 4", attached hereto) between the County and Liberty Square Phase One, LLC, a Florida limited liability company (the "Developer") as such ground lease may be further amended or assigned in accordance with the provisions of such ground lease ("Lease") upon which Phase One of the project (the "Project") shall be constructed and a Master Development Agreement between the County and the Developer (the "MDA") for the development of the Overall Project; and

WHEREAS, the Lease and the MDA requires the Developer to build the PHA Assisted Units (as defined in the MDA) , the affordable and workforce housing units described in the MDA on the Property at certain rents based on a percentage of the annual area median income adjusted for family size established by the Department of Housing and Urban Development ("AMI") as described in the Rental Regulatory Agreement ("Regulatory Agreement") attached to, and incorporated in, this Agreement as Exhibit 1, but in all cases, all Affordable Units, as such term is hereinafter defined, shall be leased to tenants earning 60% or less of AMI; and

WHEREAS, the Project is estimated to cost approximately \$45,889,292, which will be funded in accordance with the sources and uses set forth in the budget (the "Budget" which is attached to, and incorporated in this Agreement as "Exhibit 2") of which the County will fund \$15,000,000.00 of the allocated BBC GOB funds (the "Phase One Funding"); and

WHEREAS, in accordance with Resolution No. R-138-14, attached as "Exhibit 3" is the final underwriting report for the Project; and

WHEREAS, pursuant to the terms of this Agreement, the County shall fund a portion of the cost of the Project with the Phase One Funding in fiscal year 2017-2018 for reimbursable capital expenditures made in connection with the Project (the "Funding Plan"); and

WHEREAS, pursuant to Resolution No. [R-____-__], adopted by the Board on [_____, 201__], the County (i) approved the grant of the Phase One Funding to the Grantee, subject to the express condition that the Developer is the developer of the Project, as described in Section 2 below and in the Lease; and (ii) approved the form of this Agreement and the Regulatory Agreement and authorized its representatives to enter into it; and

WHEREAS, the Board of Directors of the Grantee through a corporate resolution, have authorized its representatives to enter into this Agreement; and

WHEREAS, Grantee intends to lend the Phase One Funding to [Liberty Square Phase One Lenders, LLC, a Florida limited liability company] ("Intermediate Lender") and Intermediate Lender intends to lend the Phase One Funding to the Developer.

NOW, THEREFORE, in consideration of the mutual covenants recorded in this Agreement and in consideration of the mutual promises and covenants contained and the mutual benefits to be derived from this Agreement, the parties agree as follows:

Section 1. Parties; Effective Date; and Term. The parties to this Agreement are the Grantee and the County. It is agreed by the parties hereto that the Project will be developed and constructed by the Developer in accordance with the description in Section 2 and the Budget in Section 5. The County has delegated the responsibility of administering this Agreement to the County's Public Housing and Community Development Department or its successor or assigns. The County acknowledges that the Grantee may delegate certain of its responsibilities to the Developer.

This Agreement shall take effect as of the date written above upon its execution by the authorized officers of the County and of the Grantee (such date the "Effective Date" or "Commencement Date") and shall terminate upon the completion and the issuance of a certificate of occupancy for the Units or sixty months (60) from the date of this Agreement

whichever occurs first. In this Agreement, Fiscal Year means the County's Fiscal Year which currently is October 1 through the following September 30.

Section 2. Project Development and Description; Timetable; Use of Funds. The Project shall be developed in accordance with the requirements set forth in the Lease and the MDA. In order to qualify for the Phase One Funding, Grantee and Developer shall comply with the terms of the Lease and the MDA. The Developer shall be obligated to build a minimum of 73 PHA-Assisted Units (as defined in the MDA), 121 units that will be maintained and operated as qualified low-income units ("Affordable Units") and 10 units that will be maintained and operated as workforce housing units (the "Workforce Units" and collectively with the PHA-Assisted Units and the Affordable Units, the "Units") in the Project and all of the required parking for the Units as prescribed by the building code. Any revisions to the Project shall be made in accordance with the Lease and the MDA, as amended.

Grantee agrees that all aspects of the Project as described above shall be completed within thirty (30) months from the Effective Date. If construction is not completed within such sixty month period and the County Mayor or County Mayor's designee (the "County Mayor") has not extended the time for completion pursuant to the terms of this Agreement, it shall be an Event of Default under Section 15 of this Agreement.

The Grantee and Developer shall use, among other sources of funds, BBC GOB grant funds derived from the sale of BBC GOB or related drawdown bonds ("Funds") for the purpose of developing and constructing the Project in the manner described in this Agreement and the Lease, as may be amended from time to time.

Section 3. Restrictive Covenant. 100% of the Affordable Units shall be set aside for a mix of Eligible Tenants as that term is defined in the Regulatory Agreement (the "Eligible Tenants") with incomes equal to or less than sixty percent (60%) of the AMI. Of the 204 total units in the Project, 73 units shall be operated and maintained as PHA-Assisted Units, 116 units shall be maintained and operated as Affordable Units leased to households having incomes not exceeding 60% AMI, 5 units shall be maintained and operated as Affordable Units leased to households having incomes not exceeding 50% AMI and 10 units shall be maintained and operated as Workforce Housing units leased to households having incomes not exceeding 120% AMI.

The initial monthly rates and rental terms are set forth in the Regulatory Agreement. The Regulatory Agreement shall be recorded by the Grantee at its expense. County shall have no obligation to disburse any Funds pursuant to this Agreement until evidence of such recordation is delivered to the County. Any documents which are recorded in connection with the Funds, including without limitation the Regulatory Agreement, shall be specifically subordinate to any commercial mortgage financing obtained by the Developer which is used to finance the Project so long as the Units remain affordable at the set asides set forth in the Regulatory Agreement.

Section 4. Payment of Funding Allocation; and Availability and Disbursement of Funds. Subject to availability of Funds as set forth in this Section 4 and the receipt by the County of the documents set forth in Section VI of the Regulatory Agreement and the terms of this Agreement, the County agrees to make disbursements to the Grantee or the Developer, if designated by the Grantee, as soon as it's practical, from available Funds for the Phase One Funding in accordance with the BBC GOB five year capital plan and the Funding Plan for each Fiscal Year after receipt of invoices from the Grantee or from the Developer, with certification from the Grantee, for capital costs incurred in connection with the development of the Project, provided, however, such reimbursements shall be made not more than thirty (30) days after receipt of invoices when Funds are available. With each request for reimbursement, the Grantee and/or Developer, as applicable, shall also provide a written statement that (a) the Grantee is not in default pursuant to the provisions of this Agreement and the Regulatory Agreement; (b) the Budget has not been materially altered without the County's approval; (c) all quarterly reports have been submitted; (d) the reimbursement is in compliance with the IRC Reimbursement Rules defined below in this Section 4; and (e) the Project is progressing in accordance with its construction schedule.

The Phase One Funding shall be disbursed on a reimbursement basis in accordance with the County's BBC GOB Administrative Rules which are attached as Attachment 1 ("Administrative Rules") and incorporated in this Agreement by this reference. By making this grant of the Phase One Funding pursuant to this Agreement, the County assumes no obligation to provide financial support of any type whatsoever in excess of the Funding Allocation. Cost overruns are the sole responsibility of the Grantee. Grantee understands and agrees that reimbursements to the Grantee shall be made in accordance with federal laws governing the BBC GOB Program, specifically the Internal Revenue Code of 1986 and the regulations promulgated under it. Any reimbursement request by the Grantee or Developer for eligible Project expenses shall be made no later than eighteen (18) months after the later of (a) the date the original expenditure is paid, or (b) the date the Units are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid by the Grantee or the Developer (the "IRC Reimbursement Rules"). Notwithstanding the foregoing, provided the Grantee has submitted the required reimbursement request forms as described in the Administrative Rules together with all supporting invoices and is otherwise in compliance with this Grant Agreement, the County will disburse Funds in the amount requested by Grantee no later than thirty (30) days after Grantee's submission of such Reimbursement Request when Funds are available.

The County shall only be obligated to reimburse the Grantee provided the Grantee is not in breach of this Agreement or the Regulatory Agreement and the Grantee has demonstrated that it or the Developer has adequate funds to complete the Project. The Phase One Funding shall be reduced by the amount of Funds disbursed from time to time pursuant to this Agreement. The County shall administer, in accordance with the Administrative Rules, available Funds as authorized by Board Resolutions.

The County covenants to appropriate in its annual budget Funds derived from the sale of BBC GOB notes and/or bonds, or other County financial vehicles designed to bridge the sale or

availability of BBC GOB notes and/or bonds ("GOB Bond Funds") in the amount necessary to fund the Funding Plan in each Fiscal Year until the Phase One Funding is fully funded in accordance with the Funding Plan. The County agrees to notify the Grantee and Developer in writing if there is any proposed change to an annual appropriation through a subsequent budget amendment in that Fiscal Year, provided, however, the County's failure to notify the Grantee and/or Developer of such notice shall not constitute a default under this Agreement or the Lease. The Grantee may not require the County to use any other source of legally available revenues other than from GOB Bond Funds to fund the Funding Plan. This Agreement does not in any manner create a lien in favor of the Grantee on any revenues including the GOB Bond Funds of the County. The County agrees to respond in writing within fifteen (15) days of a request from the Grantee during the term of this Agreement as to the amount appropriated by the County for the Funding Plan for the current Fiscal Year.

Section 5. Project Budget. The Grantee agrees to demonstrate fiscal stability and the ability to administer Funds received pursuant to this Agreement responsibly and in accordance with standard accounting practices by adhering to the Budget. If Grantee wishes to materially revise the Budget for the purpose of meeting its obligations and the economic feasibility of the Project, the Grantee shall submit such a request in writing to the County Mayor seeking approval from the Board of such revisions. Grantee shall not proceed with the revisions until the County has approved the requested revisions in writing. A material revision shall mean a change of more than 10% of the total Budget.

Section 6. Expenditure Deadline. The Grantee shall cause the Developer to spend or commit all of the Phase One Funding on or before thirty (30) from the Commencement Date (the "Expenditure Deadline"). Any Phase One Funding not spent or committed by the Expenditure Deadline for the Project or for which an extension has not been requested shall be subject to reversion to the County and this Agreement shall be terminated in accordance with the provisions of this Agreement. Disbursements of Funds are subject to the IRC Reimbursement Rules described in Section 4.

An extension may be requested in writing from the County Mayor at least thirty (30) days prior to the Expenditure Deadline. The County Mayor, at his or her discretion, may grant an extension of up to one (1) year from the Expenditure Deadline as long as the requested extension will not substantially alter the Project including its quality, impact, or benefit to the County or its citizens or result in a violation of the IRC Reimbursement Rules. All extension requests may be authorized by the County Mayor and must include documentation for the cause for such an extension request to be warranted and a statement on the progress of the Project.

In any case, the thirty (30) month period shall be extended for delays caused by casualty, war, terrorism, natural disasters, unavailability of labor or materials, civil uprising, governmental delays or other matters beyond the Grantee's and/or the Developer's control including, without limitations, delays caused by the County's failure to disburse the Funds in accordance with the

terms of this Grant Agreement but only to the extent such extensions would not violate the IRC Reimbursement Rules.

Section 7. Reports; and Filing Deadlines. To demonstrate that Funds disbursed pursuant to this Agreement have been used in accordance with the Budget, the Grantee shall cause the Developer to submit the following reports to the County Mayor:

Quarterly Reports: The Grantee shall cause the Developer to submit to the County Mayor, a written report documenting that the Grantee is meeting, is fulfilling or has fulfilled all project descriptions and the Budget requirements. This report is to be received by the County Mayor no less than quarterly, and will end upon Project stabilization (as that term is defined in the Developer's limited partnership agreement).

Annual Statements: The Grantee shall cause the Developer to also submit a written report to the County Mayor on or prior to September 30th of each year from the time of the execution of this Agreement through the termination of this Agreement demonstrating that the Grantee and the Developer are fulfilling, or have fulfilled, their purpose, and have complied with all applicable municipal, County, state and federal requirements, and this Agreement, exhibits, and/or other substantive materials affecting this Agreement, whether by reference or as may be attached or included as a condition to the distribution of Funds pursuant to the Funding Plan.

The County Mayor may also request a compilation statement or independent financial audit and accounting for the expenditure of Funds disbursed pursuant to this Agreement. This audit will be prepared by the Grantee's independent certified public accounting firm at the expense of the Grantee. If a dispute arises regarding the expenditure of the Funds as shown in the compilation statement or independent financial audit, the County Mayor may request that an independent certified public accounting firm selected by the County perform an audit at the expense of the Grantee.

The County will notify the Grantee in writing if it does not receive any Quarterly Report or Annual Statement timely. The Grantee shall have five (5) business days from the time it receives any such notice to respond and cure any reporting deficiency. The County may withhold the distribution of any additional Funds pursuant to this Agreement only after (a) the County notifies the Grantee of a report deficiency, and (b) the Grantee fails to cure the report deficiency within the prescribed timeframes above.

In the event that the Grantee fails to submit the required reports as required above, the County Mayor may terminate this Agreement in accordance with Section 15 or suspend any further disbursement of Funds pursuant to this Agreement until all reports are current. Further, the County Mayor must approve these reports for the Grantee to be deemed to have met all conditions of the grant award.

Section 8. Program Monitoring and Evaluation. The County Mayor may monitor and conduct an evaluation of the Grantee's operations and the Project, which may include visits by County representatives to observe and discuss the progress of the Project with the Grantee's personnel. Upon request, the Grantee shall provide the County Mayor with notice of all meetings of its Board of Directors or governing board, and the Project related events. In the event the County Mayor concludes, as a result of such monitoring and/or evaluation, that the Grantee is not in compliance with the terms of this Agreement or the Administrative Rules or for other reasons, then the County Mayor must provide in writing to the Grantee, within thirty (30) days of the date of said monitoring/evaluation, notice of the inadequacy or deficiencies noted which may significantly impact on the Grantee's and/or Developers' ability to complete the Project and fulfill the terms of this Agreement within a reasonable time frame. If Grantee and/or Developer refuses or is unable to address the areas of concern within thirty (30) days of receipt of such notice from the County Mayor, then the County Mayor, at his or her discretion, may withhold Funds until such time as the Grantee can demonstrate that such issues have been corrected. Further, in the event that the Grantee does not expend the Funds for the Project or uses any portion of the Funds for costs not associated with the Project and the Grantee refuses or is unable to address the areas of concern, then the County Mayor may request the return of all or a portion of the Funds disbursed to date pursuant to this Agreement. The County Mayor may also institute a moratorium on applications from the Grantee to County grants programs for a period of up to one (1) year or until the deficient areas have been addressed to the satisfaction of the County Mayor, whichever occurs first. In addition to the Grantee, the County agrees to provide all notices required in this Section 8 to the Developer.

Section 9. Accounting, Financial Review and Access to Records and Audits. The Grantee must keep accurate and complete books and records for all receipts and expenditures of Funds received pursuant to this Agreement in conformance with reasonable general accounting standards. These books and records, as well as all documents pertaining to payments received and made in conjunction with each disbursement of Funds pursuant to this Agreement, such as vouchers, bills, invoices, receipts and canceled checks, shall be retained in the County in a secure place and in an orderly fashion in a location within the County by the Grantee for at least three (3) years after the later of the Expenditure Deadline specified in Section 6; the extended Expenditure Deadline, as approved by the County Mayor, if any; the completion of a County requested or mandated audit or compliance review; or the conclusion of a legal action involving the disbursement of Funds pursuant to this Agreement and/or the Project activities related to the expenditure of such Funds.

The County Mayor may examine these books, records and documents at the Grantee's offices or other approved site under the direct control and supervision of the Grantee during regular business hours and upon reasonable notice. Furthermore, the County Mayor may, upon reasonable notice and at the County's expense, audit or have audited all financial records of the Grantee, whether or not purported to be related to this grant.

The Grantee agrees to cooperate with the Miami-Dade County Office of Inspector General (IG) which has the authority and power to investigate County affairs and review past,

present and proposed County programs, accounts, records, contracts and transactions. The IG contract fee shall not apply to this Agreement and the Grantee shall not be responsible for any expense reimbursements or other amounts payable to the IG or its contractors. The IG may, on a random basis, perform audits on this Agreement throughout the duration of said Agreement (hereinafter "random audits"). This random audit is separate and distinct from any other audit by the County.

The IG shall have the power to retain and coordinate the services of an independent private sector inspector general ("IPSIG") who may be engaged to perform said random audits, as well as audit, investigate, monitor, oversee, inspect, and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the Grantee and contractor and their respective officers, agents and employees, lobbyists, subcontractors, materialmen, staff and elected officials in order to ensure compliance with contract specifications and detect corruption and fraud. The IG shall have the power to subpoena witnesses, administer oaths and require the production of records. Upon ten (10) days written notice to the Grantee (and any affected contractor and materialman) from IG, the Grantee (and any affected contractor and materialman) shall make all requested records and documents available to the IG for inspection and copying.

The IG shall have the power to report and/or recommend to the Board whether a particular project, program, contract or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Monitoring of an existing project or program may include reporting whether the project is on time, within Budget and in conformity with plans, specifications, and applicable law. The IG shall have the power to analyze the need for, and reasonableness of, proposed change orders.

The IG is authorized to investigate any alleged violation by a contractor of its Code of Business Ethics, pursuant to County Code Section 2-8.1.

The provisions in this section shall apply to the Grantee, its contractors and their respective officers, agents and employees. The Grantee shall cause the Developer to incorporate the provisions in this section in all contracts and all other agreements executed by its contractors in connection with the performance of this Agreement. Any rights that the County has under this Section shall not be the basis for any liability to accrue to the County from the Grantee, its contractors or third parties for such monitoring or investigation or for the failure to have conducted such monitoring or investigation and the County shall have no obligation to exercise any of its rights for the benefit of the Grantee.

Grantee agrees to cooperate with the Commission Auditor who has the right to access all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds pursuant to Section 2-481 of the County Code.

Section 10. Publicity and Credits. The Grantee shall cause the Developer to include the following credit line in all promotional marketing materials related to this funding including web sites, news and press releases, public service announcements, broadcast media, programs, and publications: "THIS LIBERTY SQUARE PHASE ONE PROJECT IS SUPPORTED BY THE BUILDING BETTER COMMUNITIES BOND PROGRAM AND THE MAYOR AND BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY."

Section 11. Naming Rights and Advertisements. It is understood and agreed between the parties that the Grantee is funded by Miami-Dade County. Further, by acceptance of the Funds, the Grantee agrees that Project funded by this Agreement shall recognize and adequately reference the County as a funding source. In the event that any naming rights or advertisement space is offered on a facility constructed or improved with the BBC GOB Program, then Miami-Dade County's name, logo, and slogan shall appear on the facility not less than once and equal to half the number of times the most frequent sponsor or advertiser is named, whichever is greater. Lettering used for Miami-Dade County will be no less than 75% of the size of the largest lettering used for any sponsor or advertiser unless waived by the Board. Grantee shall cause the Developer to ensure that all publicity, public relations, advertisements and signs recognize and reference the County for the support of Project. This is to include, but is not limited to, all posted signs, pamphlets, wall plaques, cornerstones, dedications, notices, flyers, brochures, news releases, media packages, promotions and stationery. The use of the official County logo is permissible for the publicity purposes stated herein. The Grantee shall cause the Developer to submit sample of mock up of such publicity or materials to the County for review and approval. The Grantee shall ensure that all media representatives, when inquiring about the Project(s) funded by the Agreement, are informed that the County is its funding source.

Section 12. Liability and Indemnification. It is expressly understood and intended that the Grantee, as the recipient of the BBC GOB Program, is not an officer, employee or agent of the County, its Board of County Commissioners, its Mayor, nor the County department administering this Agreement and the disbursement of Funds. Further, for purposes of this Agreement, the parties agree that the Grantee, its officers, agents and employees are independent contractors and solely responsible for the Project.

The Grantee shall take all actions as may be necessary to ensure that its officers, agents, employees, assignees and/or subcontractors shall not act as nor give the appearance of that of an agent, servant, joint venture partner, collaborator or partner of the department administering these grants, the County Mayor, the Miami-Dade County Board of County Commissioners, or its employees. No party or its officers, elected or appointed officials, employees, agents, independent contractors or consultants shall be considered employees or agents of any other party, nor to have been authorized to incur any expense on behalf of any other party, nor to act for or to bind any other party, nor shall an employee claim any right in or entitlement to any pension, workers' compensation benefit, unemployment compensation, civil service or other employee rights or privileges granted by operation of law or otherwise, except through and against the entity by whom they are employed.

The Grantee agrees to be responsible for all work performed and all expenses incurred in connection with the Project. The Grantee may subcontract as necessary to complete Project, including entering into subcontracts with vendors for services and commodities, provided that it is understood by the Grantee that the County shall not be liable to the subcontractor for any expenses or liabilities incurred under the subcontract and that the Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under the subcontract. It is expressly understood that the Grantee may be loaning the proceeds of the Funds to the Developer which will be building the Project. The development of the Project will be overseen by, and be the responsibility of, the Developer. It is understood that certain of the responsibilities set forth herein undertaken by the Grantee may be satisfied by the Developer.

The Grantee shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement and/or the development of the Project by the Grantee or the Developer or their employees, agents, servants, partners, principals, subconsultants or subcontractors (collectively, "Adverse Proceedings"). Grantee shall pay all claims and losses in connection with such Adverse Proceedings and shall investigate and defend all Adverse Proceedings in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorneys' fees which may result from such Adverse Proceedings. Grantee expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Grantee shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as provided in this Section 12.

Section 13. Assignment. Other than as provided herein, the Grantee is not permitted to assign this Agreement or any portion of it other than as herein provided. Any purported assignment will render this Agreement null and void and subject to immediate rescission of the full amount of the Funding Allocation and immediate reimbursement by the Grantee of the full amount of the Phase One Funding disbursed to date to the Grantee. The Grantee may assign its rights and obligations hereunder to an affiliate which is controlled by Grantee or its principals or to a Florida not for profit corporation if necessary to facilitate the use of federal low income tax credits for the benefit of the Project. The County acknowledges that the Grantee and/or Developer will be obtaining additional financing for the Project and that such lender(s) will require an assignment of this Agreement and/or the Funds to such lender(s) as additional security for their loans. To the extent required by the lender(s), the County agrees to cause a legal opinion acceptable to the lender(s) to be provided to the lender(s) regarding the enforceability of this Agreement and any such assignment to the lender(s). Such assignment will be expressly conditioned on the lender's agreement to use such Funds solely in fulfillment of the purposes set forth herein. Any such financing obtained by the Grantee for purposes of developing the Project will be senior in lien priority to the funding evidenced by this Grant Agreement.

Section 14. Compliance with Laws. The Grantee is obligated and agrees to abide by and be governed by all Applicable Laws necessary for the development and completion of the Project. "Applicable Law" means any applicable law (including, without limitation, any environmental law), enactment, statute, code, ordinance, administrative order, charter, tariff, resolution, order, rule, regulation, guideline, judgment, decree, writ, injunction, franchise, permit, certificate, license, authorization, or other direction or requirement of any governmental authority, political subdivision, or any division or department thereof, now existing or hereinafter enacted, adopted, promulgated, entered, or issued. Notwithstanding the foregoing, "Applicable Laws" and "applicable laws" shall expressly include, without limitation, all applicable zoning, land use, developments of regional impact ("DRIs") and Florida Building Code requirements and regulations, all applicable impact fee requirements, all requirements of Florida Statutes, specifically including, but not limited to, Chapter 11-A of the County Code (nondiscrimination in employment, housing and public accommodations); all disclosure requirements imposed by Section 2-8.1 of the Miami-Dade County Code; County Resolution No R-754-93 (Insurance Affidavit); County Ordinance No. 92-15 (Drug-Free Workplace); County Ordinance No. 91-142 (Family Leave Affidavit); execution and delivery of public entity crimes disclosure statement, Miami-Dade County disability non-discrimination affidavit, and Miami-Dade County criminal record affidavit; all applicable requirements of Miami-Dade County Ordinance No. 90-90 as amended by Ordinance 90-133 (Fair Wage Ordinance); the requirements of Section 2-1701 of the Code and all other applicable requirements contained in this Agreement.

The Grantee shall comply with Miami-Dade County Resolution No. R-385-98 which creates a policy prohibiting contracts with firms violating the Americans with Disabilities Act of 1990 and other laws prohibiting discrimination on the basis of disability and shall execute a Miami-Dade County Disability Non-Discrimination Affidavit confirming such compliance.

The Grantee covenants and agrees with the County to comply with Miami-Dade County Ordinance No. 72-82 (Conflict of Interest), Resolution No. R-1049-93 (Affirmative Action Plan Furtherance and Compliance), and Resolution No. R.-185-00 (Domestic Leave Ordinance).

All records of the Grantee and its contractors pertaining to the Project shall be maintained in Miami-Dade County and, upon reasonable notice shall be made available to representatives of the County. In addition, the Office of Inspector General of Miami-Dade County shall have access thereto for any of the purposes provided in Sec. 2-1076 of the Code of Miami-Dade County.

The Grantee shall submit to the department administering this Agreement, all affidavits required in this Section 14 prior to, or at the time, this Agreement is delivered by the Grantee to the County fully executed by an authorized officer.

Section 15. Default, Opportunity to Cure and Termination.

(a) Each of the following shall constitute a default (a "Grantee Default") by the Grantee:

- (1) If the Grantee uses any portion of the Phase One Funding for costs not associated with the Project (i.e. ineligible costs), and the Grantee fails to cure its default within thirty (30) days after written notice of the default is given to the Grantee by the County; provided, however, that if not reasonably possible to cure such default within the thirty (30) day period, such cure period shall be extended for up to one hundred eighty (180) days following the date of the original notice if within thirty (30) days after such written notice the Grantee commences diligently and thereafter continues to cure.
- (2) If the Grantee shall breach any of the other covenants or provisions in the Regulatory Agreement and/or this Agreement other than as referred to in Section 15(a)(1) and the Grantee fails to cure its default within thirty (30) days after written notice of the default is given to the Grantee by the County; provided, however, that if not reasonably possible to cure such default within the thirty (30) day period, such cure period shall be extended for up to one hundred eighty (180) days following the date of the original notice if within thirty (30) days after such written notice the Grantee commences diligently and thereafter continues to cure.
- (3) If the Grantee fails to complete the Project within four (4) years of the Commencement Date of this Agreement subject to extension as provided above.

(b) The following shall constitute a default (a "County Default") by the County:

- (1) If the County shall breach any of the covenants or provisions in this Agreement and the County fails to cure its default within thirty (30) days after written notice of the default is given to the County by the Grantee; provided, however, that if not reasonably possible to cure such default within the thirty (30) day period, such cure period shall be extended for up to one hundred eighty (180) days following the date of the original notice if within thirty (30) days after such written notice the County commences diligently and thereafter continues to cure.

(c) Remedies:

- (1) Upon the occurrence of a Grantee Default as provided in Section 15(a) and such default is not cured within the applicable grace period, in addition to all other remedies conferred by this Agreement, the

Grantee shall reimburse the County, in whole or in part as the County shall determine, all Funds provided to the Grantee by the County pursuant to the terms of this Agreement and this Agreement shall be terminated.

- (2) Either party may institute litigation to recover damages for any Grantee Default or County Default (as applicable) or to obtain any other remedy at law or in equity (including specific performance, permanent, preliminary or temporary injunctive relief, and any other kind of equitable remedy), provided, however, any damages sought by the Grantee shall be limited solely to legally available Funds appropriated by the County to fund disbursements pursuant to this Agreement and no other revenues of the County.
- (3) Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default.
- (4) Any failure of a party to exercise any right or remedy as provided in this Agreement shall not be deemed a waiver by that party of any claim for damages it may have by reason of the default.

(d) Termination:

- (1) Notwithstanding anything herein to the contrary, either party shall have the right to terminate this Agreement, by giving written notice of termination to the other party, but with respect to the County's right to termination, only to the extent that a material Grantee Default has occurred and is continuing beyond any applicable grace or cure period, and with respect to the Grantee's right to terminate, only to the extent that a material County Default has occurred and is continuing beyond any applicable grace or cure period; provided, however, such termination shall not be effective until all payments are made by Grantee to the County pursuant to (c) (1) of this Section 15 above.
- (2) Termination of this Agreement by any Party is not effective until five (5) business days following receipt of the written notice of termination.
- (3) Upon termination of this Agreement pursuant to Section 15(d)(1) above, no party shall have any further liability or obligation to the other party except as expressly set forth in this Agreement; provided

that no party shall be relieved of any liability for breach of this Agreement for events or obligations arising prior to such termination.

In the event the Phase One Funding is canceled or the Grantee is requested to repay any of the Phase One Funding because of a breach of this Agreement, the Grantee will not be eligible to apply to the County for another grant or contract with the County for a period of one (1) year, commencing on the date the Grantee receives the notice in writing of the breach of this Agreement. Further, the Grantee will be liable to reimburse Miami-Dade County for all unauthorized expenditures discovered after the expiration or termination of this Agreement. The Grantee will also be liable to reimburse the County for all lost or stolen Funds disbursed to the Grantee pursuant to this Agreement. Funds, which are to be repaid to the County pursuant to this Section or other sections in this Agreement, are to be repaid by delivering to the County Mayor a certified check for the total amount due payable to Miami-Dade County Board of County Commissioners. Notwithstanding any other provision contained herein, in the event the Project is completed by the Grantee, no breach hereunder shall give rise to an obligation to repay any Funds which have been properly utilized for the construction and development of the Project.

These provisions do not waive or preclude the County from pursuing any other remedy, which may be available to it under the law.

The Developer, Bank of America, N.A., as limited partner of the Developer and as lender to the Developer, shall have the opportunity to cure any default of the Grantee within the time frame allotted to the Grantee under this Agreement.

Section 16. Waiver. There shall be no waiver of any right related to this Agreement unless in writing and signed by the party waiving such right. No delay or failure to exercise a right under this Agreement shall impair such right or shall be construed to be a waiver thereof. Any waiver shall be limited to the particular right so waived and shall not be deemed a waiver of the same right at a later time or of any other right under this Agreement. Waiver by any party of any breach of any provision of this Agreement shall not be considered as or constitute a continuing waiver or a waiver of any other breach of the same or any other provision of this Agreement.

Section 17. Written Notices. Any notice, consent or other communication required to be given under this Agreement shall be in writing, and shall be considered given when delivered in person or sent by facsimile or electronic mail (provided that any notice sent by facsimile or electronic mail shall simultaneously be sent personal delivery, overnight courier or certified mail as provided herein), one business day after being sent by reputable overnight carrier or 3 business days after being mailed by certified mail, return receipt requested, to the parties at the addresses set forth below (or at such other address as a party may specify by notice given pursuant to this Section to the other party):

The County:

#5767296 v6 30364-1057

Director
(Public Housing and Community Development Department)
Miami-Dade County
701 N.W. 1st Court, Suite 1400
Miami, Florida 33136

Grantee:

BAC Funding Corporation
6600 NW 27 Avenue
Miami, Florida 33147
Attention: Ron Frazier

Developer:

Liberty Square Phase One, LLC
315 S. Biscayne Blvd., 3rd Floor
Miami, FL 33131
Attention: Alberto Milo, Jr.

with a copy to:

Brian McDonough
Stearns Weaver Miller
Weissler Alhadeff and Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, FL 33130
Attention: Brian J. McDonough, Esq.
Fax 305-789-3395
bmcdonough@stearnsweaver.com

Section 18. Captions. Captions as used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not affect the meaning or interpretation of any provisions in this Agreement.

Section 19. Agreement Represents Total Agreement; Amendments. This Agreement, and its attachments, which are incorporated in this Agreement, incorporate and include all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained in this Agreement. The parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in this Agreement, and that this Agreement contains the entire agreement between the parties as to all matters pertaining to the funding for the Project by the County through all or a portion of the Phase One Funding and the development of the Units by the Grantee. Accordingly, it is agreed that no deviation from the terms of this Agreement shall be predicated upon any prior representations or agreements, whether oral or written. It is further agreed that any oral representations or modifications concerning this Agreement shall be of no force or effect.

This Agreement may be modified, altered or amended only by a written amendment duly executed by the County and the Grantee or their authorized representatives.

Section 20. Litigation Costs/Venue. In the event that the Grantee or the County institutes any action or suit to enforce the provisions of this Agreement, the prevailing party in such litigation shall be entitled to reasonable costs and attorney's fees at the trial, appellate and post-judgment levels. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. The County and the Grantee agree to submit to service of process and jurisdiction of the State of Florida for any controversy or claim arising out of or relating to this Agreement or a breach of this Agreement. Venue for any court action between the parties for any such controversy arising from or related to this Agreement shall be in the Eleventh Judicial Circuit in and for Miami-Dade County, Florida, or in the United States District Court for the Southern District of Florida, in Miami-Dade County, Florida.

Section 21. Representations of the Grantee. The Grantee represents that this Agreement has been duly authorized by the governing body of the Grantee and that the governing body has designated Don Horn or such other individual or individuals who may be designated by the Grantee in writing from time to time (the "Authorized Officer"), as the individual with the required power and authority to execute this Agreement on behalf of Grantee. The Grantee represents that it is a validly existing not for profit corporation in good standing under the laws of the State of Florida.

Once this Agreement is properly and legally executed by its Authorized Officer, the governing body of the Grantee agrees to a) comply with the terms of this Agreement; b) comply with the terms of the Regulatory Agreement; c) comply with all applicable laws, including, without limitation, the County's policy against discrimination; d) comply with the Administrative Rules; and e) submit all written documentation required by the Administrative Rules and this Agreement to the County Mayor.

Section 22. Responsibilities of Developer. The County's agreement to allow the Funds paid to the Grantee to be subsequently re-loaned by the Grantee to Intermediate Lender and to be further re-loaned by Intermediate Lender to the Developer was specifically conditioned upon the Developer developing the Project. Thus the parties acknowledge that the Developer will be responsible for the various obligations of the Grantee set forth in this Agreement. The Developer has joined in this Agreement for the express purpose of acknowledging such obligation.

Section 23. Representation of the County. The County represents that this Agreement has been duly approved by the Board, as the governing body of the County, and the Board has granted the County Mayor, the required power and authority to execute this Agreement and that this is a legally enforceable agreement in accordance with its terms. The County agrees to provide Funds to the Grantee for the purpose of developing and improving the Project in accordance with terms of this Agreement, including its Exhibits which are incorporated in this

Agreement. The County shall only disburse Funds if the Grantee is not in breach of this Agreement and continues to have adequate funds to complete the Project. Any and all reimbursement obligations of the County shall be fully subject to and contingent upon the availability of Funds within the time periods set forth in this Agreement.

Section 24. Invalidity of Provisions, Severability. Wherever possible, each provision of the Agreement shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Agreement shall be prohibited or invalid under Applicable Law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement, provided that the material purposes of this Agreement can be determined and effectuated.

Section 25. Insurance. The Grantee must maintain and shall furnish, upon request, to the County Mayor, certificate(s) of insurance indicating that insurance has been obtained which meets the requirements as outlined below:

- A. Worker's Compensation Insurance for all employees of the vendor as required Section 440 of the Florida Statutes.
- B. Public Liability Insurance on a comprehensive basis in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage. **Miami-Dade County must be shown as an additional insured with respect to this coverage.**

All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, by the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County's General Services Administration Risk Management Division.

or

The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida" issued by the State of Florida Department of Insurance and are members of the Florida Guaranty Fund.

Modification or waiver of any of the insurance requirements identified in this Section 24 is subject to the approval of the County's General Services Administration Risk Management Division. The Grantee shall notify the County of any intended changes in insurance coverage, including any renewals of existing policies.

Section 26. Special Conditions. The Phase One Funding is awarded to the Grantee with the understanding that the Grantee is performing a public purpose by providing affordable rental units through the development of the Project. Use of the Funds for any purpose other than for construction of the Units and certain soft costs related thereto will be considered a material breach of the terms of this Agreement and will allow Miami-Dade County to seek remedies including, but not limited to, those outlined in Section 15 of this Agreement.

Section 27. Miami-Dade County's Rights As Sovereign. Notwithstanding any provision of this Grant Agreement,

(a) Miami-Dade County retains all of its sovereign prerogatives and rights as a county under Florida laws (other than its contractual duties under this Agreement) and shall not be estopped by virtue of this Agreement from withholding or refusing to issue any zoning approvals and/or building permits; from exercising its planning or regulatory duties and authority; and from requiring the Project to comply with all development requirements under present or future laws and ordinances applicable to its design, construction and development; and

(b) Miami-Dade County shall not by virtue of this Agreement be obligated to grant the Grantee or the Project or any portion of it, any approvals of applications for building, zoning, planning or development under present or future laws and ordinances applicable to the design, construction and development of the Project.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above:

ATTEST:

MIAMI-DADE COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Miami-Dade County Mayor

Approved by County Attorney as to form and legal sufficiency.

By: _____

BAC Funding Corporation,
a Florida not for profit corporation

By: _____
Name: _____
Its: _____

STATE OF FLORIDA

MIAMI-DADE COUNTY

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, the foregoing instrument was acknowledged before me by _____, as _____ of [_____] Inc., a Florida not for profit corporation. He/she is personally known to me or has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this ___ day of _____, 2017.

By:
Notary Public
Print Name:
My Commission Expires:

Exhibit 1
The Rental Regulatory Agreement approved by the Board simultaneously with this Grant Agreement.

This Instrument Was Prepared By:
Record and Return to:
Miami-Dade County
Public Housing and Community Development
701 NW 1st Court, Suite 1400
Miami, Florida 33136
Attention: Director

EXHIBIT B

RENTAL REGULATORY AGREEMENT

**BETWEEN
MIAMI-DADE COUNTY
BAC FUNDING CORPORATION
and
LIBERTY SQUARE PHASE ONE, LLC**

This Rental Regulatory Agreement (the "Agreement"), by and between Miami-Dade County, a political subdivision of the State of Florida (the "County" or "Miami-Dade County"), through its Board of County Commissioners (the "Board"), BAC Funding Corporation, a Florida not for profit corporation ("Grantee"), with offices at 6600 NW 27 Avenue, Miami, Florida 33147, Liberty Square Phase One, LLC, a Florida limited liability company (the "Developer"), with offices at 315 S. Biscayne Blvd., 3rd Floor, Miami, FL 33131, Attention: Alberto Milo, Jr., is entered into as of the [__ day of _____, 2017].

WHEREAS, pursuant to Resolution No. R-197-15, adopted on March 3, 2015 as amended by Resolution No. R-852-15 adopted on October 6, 2015 (the "Allocation Resolution"), the Board approved a Countywide grant/allocation of \$32,300,000.00 from Building Better Communities General Obligation Bonds ("BBC GOB") Project No. 352 titled "New Family Units At Liberty Square And Lincoln Gardens" Phase One Funding for the development of public housing, affordable and workforce units at Phase One of Liberty Square (the "Project") and Lincoln Gardens (collectively with the Project, the "Overall Project"), which Overall Project is anticipated to consist of approximately 720 PHA Assisted Units and 780 non-public housing units. The Project shall consist of 121 qualified low-income units ("Affordable Units"), 73 PHA-Assisted Units, and 10 workforce housing units ("Workforce Housing Units," collectively with the Affordable Units and the PHA-Assisted Units, the "Units") the "Units"); and

WHEREAS, the Units shall be leased to certain individuals and/or families described below at certain rents based on a percentage of the annual area median income, adjusted for family size, as established by HUD, in accordance with this Agreement; and

WHEREAS, pursuant to Resolution No. R-636-16, adopted on July 6, 2016, the Board approved the ground lease dated February 28, 2017, as amended by Amendment #1 to the Ground Lease dated May 16, 2017, for certain land (known herein as the "Property" and described on "Exhibit A", attached hereto) between the County and the Developer as such ground lease may be further amended or assigned in accordance with the provisions of such ground lease ("Lease") upon

which the Project shall be constructed and a Master Development Agreement between the County and the Developer (the "MDA") providing for the terms for the development of the Project; and

WHEREAS, pursuant to the terms of a Grant Agreement between the County and the Grantee, the County Phase One Funding will fund \$15,000,000.00 of the cost of the development of the Project with BBC GOB funds (the "Phase One Funding"); and

WHEREAS, in connection with the receipt of the Phase One Funding, the Grantee and the Developer agree that the Units shall be leased to Eligible Tenants (defined below) and to maintain rents at certain prescribed rates, as set forth in this Agreement.

NOW, THEREFORE, for and in consideration of Ten dollars (\$10.00), the promises and covenants contained in this Agreement and for other good and valuable consideration received and acknowledged, the Grantee, its successors and assigns, the Developer, its successors and assigns, and the County, through its Department of Public Housing and Community Development ("PHCD") and any successor agency or department of the County agree as follows:

PROPERTY ADDRESS: The Project is located in Liberty Square Public Housing site bounded by N.W. 67th Street on the north, N.W. 14th Avenue on the east, N.W. 65th Street on the south and N.W. 15th Avenue on the west, Miami, Florida 33147.

LEGAL DESCRIPTION OF PROPERTY: The leasehold interest in the real property legally described and attached hereto as Exhibit A.

UNITS: The Project shall consists of 204 total units consisting of 24 one-bedroom units, 144 two-bedroom units, 30 three-bedroom units, and 6 four-bedroom units in several multi-family buildings.

ELIGIBLE TENANTS Natural persons or families with total annual household income that does not exceed sixty percent (60%) [one hundred and twenty percent (120%) for the Workforce Housing Units) of area median income for Miami-Dade County adjusted for family size ("AMI") as determined by the United States Department of Housing and Urban Development ("HUD")

WITNESSETH:

I. Grantee and the Developer agree with respect to the Property for the period beginning on the date of recordation of this Rental Regulatory Agreement, and ending on the last day of the thirtieth (30th) year after the year in which the Project is completed and a certificate of occupancy is issued (the "Affordability Period") that:

- a) All of the Units shall be leased to Eligible Tenants as set forth herein. Of the 204 total units in the Project, 73 units shall be operated and maintained as PHA-Assisted Units, 116 units shall be maintained and operated as Affordable Units leased to households having incomes not exceeding 60% AMI, 5 units shall be maintained

and operated as Affordable Units leased to households having incomes not exceeding 50% AMI and 10 units shall be maintained and operated as Workforce Housing units leased to households having incomes not exceeding 120% AMI, all minus a utility allowance in accordance with Section 42 of the Internal Revenue Code (the "Utility Allowance"). Accordingly, the maximum initial approved rental rates for this Property are set forth in the attached Exhibit B. In the case of Section 8 Units, the HUD approved contract rent is allowed.

- b) The parties agree that once recorded, this Agreement shall be a restrictive covenant on the Project that shall run with the Property since the subject matter of this Agreement and its covenants touch and concern the Property. This Agreement shall be binding on the Property, the Project, and all portions of each, and upon any purchaser, transferee, grantee or lessee or any combination of each, and on their heirs, executors, administrators, devisees, successors and assigns and on any other person or entity having any right, title or interest in the Property, the Project, or any portion of each, for the length of time that this Agreement shall be in force. Grantee and Developer hereby make and declare these restrictive covenants which shall run with the title to said Property and be binding on the Grantee, Developer and their successors in interest, if any, for the period stated in the preamble above, without regard to payment or satisfaction of any debt owed by Grantee to the County or the expiration of any agreement between the Grantee and the County regarding the Property, Project or both.
- c) The Project will include such amenities as detailed in the Lease and the MDA.
- d) Grantee and Developer agree that upon any violation of the provisions of this Agreement, the County, through its agent, PHCD, may give written notice thereof to the Grantee and Developer, by registered mail, at the address stated in this Agreement, or such other address or addresses as may subsequently be designated by the Grantee and Developer in writing to PHCD, and in the event Grantee and Developer do not cure such default (or take measures reasonably satisfactory to PHCD to cure such default), within thirty (30) days after the date of notice, or within such further time as PHCD may determine is necessary for correction, PHCD may, without further notice, declare a default under this Agreement, and effective upon the date of such default, PHCD may:
 - i) Declare the whole County Grant immediately due and payable and then proceed with legal proceedings to collect the County Grant;
 - ii) Apply to any court, County, State or Federal, for any specific performance of this Agreement; for an injunction against the violation of this Agreement; or for such relief as may be appropriate since the injury to PHCD arising from a default remaining uncured under any of the terms of this Agreement would be irreparable, and the amount of damage would be difficult to ascertain.

Notwithstanding (i) and (ii) above, the only remedy available to the County with respect to a lender or third party that takes title to the Project through a foreclosure, transfer of title by deed in lieu of foreclosure or comparable conversion is specific performance of the set aside provision in Section I(g) below.

- e) Grantee and Developer further agree that they will, during the term of this Agreement: furnish each resident at the time of initial occupancy, a written notice that the rents to be charged for the purposes and services included in the rents are approved by the County pursuant to this Agreement; that they will maintain a file copy of such notice with a signed acknowledgment of receipt by each resident; and, that such notices will be made available for inspection by the County during regular business hours.
- f) Grantee and Developer agree that the Units shall meet the energy efficiency standards promulgated by the Secretary of HUD, the Florida Housing Finance Corporation (hereafter "FHFC"), and/or Miami-Dade County, as applicable.
- g) Notwithstanding the foregoing, the provisions set forth in Section I(a), above, and the definition of Eligible Tenants described above, shall automatically be modified in the event of involuntary noncompliance caused by foreclosure, transfer of title by deed in lieu of foreclosure or comparable conversion. In such event the Units in the Property shall be leased to natural persons or families with total annual household income at or below one hundred and forty percent (140%) of AMI.

Bank of America, N.A., a national banking association, as an investing member of the Developer, and as lender to the Developer, or their successors in interest, shall have the opportunity to cure, within the time frame allotted to the Grantee and Developer, any default of Grantee or Developer under this Agreement.

- II. PHCD, Grantee and Developer agree that rents may increase as the AMI increases as published by HUD with the prior approval of PHCD. Any other adjustments to rents will be made only if PHCD (and HUD if applicable), in their sole but reasonable discretion, find any adjustments necessary to support the continued financial viability of the Project and only by an amount that PHCD (and HUD if applicable) determine is necessary to maintain continued financial viability of the Project.

Developer will provide documentation to justify a rental increase request not attributable to increases in median income but attributable to an increase in operating expenses of the Project, excluding the management fee attributed to the Grantee for managing the Project. Within thirty (30) days of receipt of such documentation, PHCD will approve or deny, as the case may be, in its sole but reasonable discretion, all or a portion of the rental increase in excess of the amount that is directly proportional to the most recent increase in Median Annual Income. In no event, however, will any increase attributable solely to an increase in Median Annual Income be denied.

- III. Except as otherwise noted, all parties expressly acknowledge that PHCD shall perform all actions required to be taken by Miami-Dade County pursuant to Sections IV, V, VI and

VII of this Agreement for the purpose of monitoring and implementing all the actions required under this Agreement. In addition, thirty (30) days prior to the effective date of any rental increase, the Grantee shall cause the Developer to furnish PHCD with notification provided to tenants advising them of the increase.

IV. Occupancy Reports

The Developer shall, on an annual basis, furnish PHCD, with an occupancy report, which provides the following information:

- A) List of all occupied apartments, indicating composition of each resident family, as of the end date of the reporting period. Composition includes (if legally obtainable and available), but is not limited to:
 - 1. Number of residents per Units.
 - 2. Area median Income (AMI) per Unit.
 - 3. Race, Ethnicity and age per Unit (Head of Household).
 - 4. Number of Units serving special need clients.
 - 5. Gross Household Rent
 - 6. Maximum rent per Unit.
 - 7. The number of Units leased to Eligible Tenants with total annual household income that does not exceed fifty percent (50%) of AMI, sixty percent (60%) of AMI and, solely with respect to the Workforce Units, one hundred twenty percent (120%) of AMI.
- B) A list of all vacant apartments, as of the end date of the reporting period.
- C) The total number of vacancies that occurred during the reporting period.
- D) The total number of Units that were re-rented during the reporting period, stating family size and income.
- E) The Developer shall upon written request of PHCD allow representatives of PHCD to review and copy any and all of its executed leases with tenants residing on the Property.

V. Inspections

Pursuant to 42 U.S.C. § 12755, the Developer shall maintain the Property in compliance with all applicable federal housing quality standards, receipt of which is acknowledged by the Developer, and contained in Sec. 17-1, et seq., Code of Miami-Dade County, pertaining to minimum housing standards (collectively, "Housing Standards").

- A) PHCD shall annually inspect the Property, including a representative sampling of dwelling Units and all common areas, to determine if the Property is being maintained in compliance with Federal Housing Quality Standards and any applicable Miami-Dade County Minimum Housing Codes. The Developer will be furnished a copy of the results of the inspection within thirty (30) days, and will be given thirty (30) days from receipt to correct any deficiencies or violations of the property standards of the Miami-Dade County Minimum Housing Codes or Housing Standards.
- B) At other times, at the request of the Grantee, Developer or of any tenant, PHCD may inspect any Unit for violations to the property standards of any applicable Miami-Dade County Minimum Housing Codes or Housing Standards. The tenant and the Grantee and/or Developer will be provided with the results of the inspection and the time and method of compliance and corrective action that must be taken. The Units shall contain at least one bedroom of appropriate size for each two persons.

VI. Lease Agreement, Selection Policy and Management Plan

Prior to initial rent-up and occupancy, the Grantee and/or Developer will submit the following documents to PHCD:

- A) Proposed form of resident application.
- B) Proposed form of occupancy agreement.
- C) Applicant screening and tenant selection policies.
- D) Maintenance and management plan which shall include the following information:
 - 1. A schedule for the performance of routine maintenance such as up-keep of common areas, extermination services, etc.
 - 2. A schedule for the performance of non-routine maintenance such as painting and reconditioning of dwelling Units, painting of building exteriors, etc.
 - 3. A list of equipment to be provided in each dwelling Unit.

4. A proposed schedule for replacement of dwelling equipment.
5. A list of tenant services, if any, to be provided to residents.

The Developer agrees that the County has the right to refer eligible applicants for housing. The Developer shall not deny housing opportunities to eligible, qualified families, including those with Section 8 Housing Choice Vouchers, unless the Developer is able to demonstrate a good cause basis for denying the housing as determined by PHCD in its sole but reasonable discretion. It is understood that the Developer may conduct reasonable background searches including criminal checks which may be relied upon in determining whether a prospective tenant will be accepted by Developer. Pursuant to the Board's Resolution No. R-34-15, the Developer, its agents and/or representatives, shall provide written notice to the County related to the availability of rental opportunities, including, but not limited to, the number of available units, bedroom size, and rental prices of such rental units at the start of any leasing activity, and after issuance of certificate of occupancy. The Developer, its agents and/or representatives shall also provide the County with the contact information for the Developer, its agents and/or representatives.

VII. Financial Reports

- A) Annually, the Developer shall transmit to the County, upon written request, a certified annual operating statement showing project income, expenses, assets, liabilities, contracts, mortgage payments and deposits to any required reserve accounts (the "Operating Statement"). PHCD shall review the Operating Statement to insure conformance with all provisions contained in this Agreement.
- B) The Developer will create and maintain a reserve account for the maintenance of the Units and will deposit \$300 per Unit per year in such reserve account. This reserve may be combined with reserve accounts required by any other parties making loans to the Developer and will be deemed satisfied by any deposits made by the Developer in accordance with Grant documents.

VIII. Action By or Notice to the County

Unless specifically provided otherwise herein, any action to be taken by, approvals made by, or notices to or received by the County required by this Agreement shall be taken, made by, given or delivered to:

Miami-Dade County Public Housing and Community Development
701 NW 1st Court, 14th Floor
Miami, Florida 33136
Attn: Director

Copy to:

Miami-Dade County Attorney's Office
111 N.W. 1 Street

Suite 2810
Miami, Florida 33128

All notices to the Grantee shall be simultaneously delivered to the Developer, at its address set forth herein.

IX. Recourse:

In the event of a default by the Grantee under this Agreement, the County shall have all remedies available to it at law and equity.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, Miami-Dade County, the Grantee and the Developer have caused this Agreement to be executed on the date first above written.

Liberty Square Phase One, LLC,
a Florida limited liability company

By: Liberty Square Phase One Manager, LLC, a
Florida limited liability company, as its manager

By: _____
Alberto Milo, Jr.

STATE OF FLORIDA)
) ss:
COUNTY OF MIAMI-DADE)

The foregoing Rental Regulatory Agreement was acknowledged before me this ____ day of _____, 2017 by Alberto Milo, Jr., , as vice president of Liberty Square Phase One Manager, LLC, a Florida limited liability company, the manager of Liberty Square Phase One, LLC, a Florida limited liability company, on behalf of the limited liability companies.

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

Print or Stamp Name: _____
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: _____

NOTARY STAMP

BAC Funding Corporation,
a Florida not for profit corporation

By: _____
Print Name:
Title:

STATE OF FLORIDA)
)
COUNTY OF MIAMI-DADE)

The foregoing Rental Regulatory Agreement was sworn to, subscribed and acknowledged before me this _____ day of _____, 2017, by _____, as _____ of [_____], Inc., a Florida not for profit corporation, on behalf of the non for profit corporation. He/She is personally known to me _____ or has produced identification _____.

My commission expires:

Notary Public, State of Florida at Large

Miami-Dade County, Florida

By: _____
County Mayor or Deputy Mayor

ATTEST:
HARVEY RUVIN, CLERK

By: _____
DEPUTY CLERK

STATE OF FLORIDA)
)
COUNTY OF MIAMI-DADE)

The foregoing Rental Regulatory Agreement was sworn to, subscribed and acknowledged before me this _____ day of _____, 2017, by on behalf of the _____ He/She is personally known to me _____ or has produced identification _____.

My commission expires:

Notary Public, State of Florida at Large

EXHIBIT "A"

LEGAL DESCRIPTION

Land
(Phase One Premises)

Block 6 LOW COST HOUSING PROJECT H-4602, according to the Plat thereof as recorded in Plat Book 34, Page 99, of the Public Records of Miami-Dade County, Florida. LESS the West 10 feet, and less the external area of a 25 foot radius curve concave to the Southeast, having a central angle of $90^{\circ}25'23''$ and an arc distance of 39.45 feet, said arc being tangent to the North line of said Block 6 and tangent to the East line of the West 10 feet of said Block 6, and less the external area of a 25 foot radius curve concave to the Northeast, having a central angle of $89^{\circ}31'15''$ and an arc distance of 39.06 feet, said arc being tangent to the South line of said Block 6 and tangent to the East line of the West 10 feet of said Block 6.

AND

All of Block 5, LOW COST HOUSING PROJECT H-4602, according to the Plat thereof as recorded in Plat Book 34, Page 99, of the Public Records of Miami-Dade County, Florida

EXHIBIT "B"

Rents:

Number of Units	Type	Set Aside	Gross Rent	Utility	Net Rent
24	One bedroom	60%	\$849.00	\$67.00	\$762.00
5	Two bedroom	50%	\$850.00	\$87.00	\$763.00
137	Two bedroom	60%	\$1020.00	\$87.00	\$933.00
22	Three bedroom	60%	\$1,178.00	\$111.00	\$1,067.00
6	Four bedroom	60%	\$1,314.00	\$137.00	\$1,177.00
2	Two Bedroom	120%	\$2,040.00	\$87.00	\$1,953.00
8	Three Bedroom	120%	\$2,356.00	\$111.00	\$2,245.00

At the discretion of the County, up to twenty percent (20%) of the rental units, per project, may be designated for Housing Choice Voucher (Section 8) subsidy, either project-based or tenant-based, based upon adopted County policies uniformly applied. The Owner shall not deny housing opportunities to eligible, qualified Housing Choice Voucher (Section 8) applicants referred by the County, unless good cause is documented by the Owner and submitted to the County.

In the event an apartment is occupied by a participant of the Section 8 Voucher Program, and the applicable Section 8 office permits rents higher than the levels outlined above, the rents may be as allowed by the Section 8 office, provided that the resident's portion of the rent does not exceed the above Net Rent Limits.

NOTE: the above Net Rents exclude resident options such as cable TV, washers/dryers and/or security alarm systems. If provided, these options would be at an extra charge to the residents.

Rents are based on maximum allowable rents as provided by the Florida Housing Finance Corporation and utility allowances provided by the utility provider.

LOAN DOCUMENT INFORMATION TO BE PROVIDED FOLLOWING RECORDING OF MORTGAGE

Mortgage Document No: _____

Date Recorded: _____

Book Number: _____

Page Number: _____

County: MIAMI-DADE

State: FLORIDA

EXHIBIT 2

Liberty Square Phase One EXECUTIVE SUMMARY

Address 6512 NW 14 Avenue
Miami, FL
 Total Units 204

SOURCES	Construction Source of Funds	Per Unit	Permanent Source of Funds	Per Unit
	Tax Credit Equity:	4,865,741	23,852	16,219,137
Bonds	21,000,000	102,941	10,260,000	50,294
HOME	2,000,000	9,804	2,000,000	9,804
RHF Funds	1,517,381	7,438	1,517,381	7,438
County GOB	15,000,000	73,529	15,000,000	73,529
Deferred Developer Fee:	1,506,170	7,383	892,774	4,376
TOTAL	45,889,292	224,948	45,889,292	224,948

USES	Total	Per Unit
Acquisition		
Acquisition Costs	730,000	3,578
Construction		
Residential Construction	20,787,006	101,897
Community Center/Office	-	
Parking	-	
Site Work/Utilities/Parking	2,680,000	
GC Fees	14% 3,285,381	
Demolition	350,000	
Appliances	505,000	
Window Treatments	81,600	
Hard Cost Contingency	5% 1,384,449	
Total Construction	29,073,436	142,517
Soft Costs		
Accountant Cost Cert:	50,000	
Third party (appraisal, inspections, survey etc.)	86,500	
Environmental	25,000	
Architectural & Engineering	917,000	
Tenant Relocation	464,000	
Other Project Soft Costs	3,391,672	
Developer Legal Costs	970,000	
Financing Costs - Issuance & Origination	683,554	
Financing Legal Costs	250,000	
Equity Syndication Costs	293,987	
Replacement Reserve:	61,200	
Lease Up Reserve	141,716	
Operating Subsidy Reserve	402,093	
Operating Deficit Reserve	378,054	
Debt Reserve:	892,500	
Soft Cost Contingency	5% 339,834	
Soft Costs	9,347,109	45,819
TOTAL COSTS before Developer Fee	39,150,545	191,914
Developer Fee	6,738,747	33,033
TOTAL COSTS	45,889,292	224,948

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Exhibit 3
Project Underwriting Report

**HOUSING FINANCE AUTHORITY OF
MIAMI-DADE COUNTY**

Credit Underwriting Report

Multifamily Mortgage Revenue Tax Exempt Note (“MMRN”)

Liberty Square Phase One

Section A: Report Summary

Section B: MMRN Loan Conditions

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

Final Report

September 19, 2017

Liberty Square Phase One

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Section A
Report Summary

Recommendation

First Housing Development Corporation (“First Housing”) recommends a MMRN in the amount of \$21,000,000 for the construction and permanent financing of Liberty Square Phase One (“Development”).

DEVELOPMENT & SET-ASIDES														
Development Name:		<u>Liberty Square Phase One</u>												
RFA/Program Numbers:		_____ / _____												
Address:		<u>6512 NW 14th Ave</u>												
City:		<u>Miami</u>	Zip Code:		<u>33147</u>	County:		<u>Miami-Dade</u>	County Size:		<u>Large</u>			
Development Category:		<u>Redevelopment</u>					Development Type: <u>Garden Apts (1-3 Stories)</u>							
Construction Type:		<u>Concrete slab on grade, reinforced with welded wire fabric for the first floor and reinforced concrete supported by CMU walls as well as steel columns for the second and third floors</u>												
Demographic Commitment:		Primary: <u>Family</u> for <u>100%</u> of the Units												
Unit Composition:		# of ELI Units: <u>N/A</u> ELI Units Are Restricted to _____ AMI, or less. Total # of units with PBRA? <u>73</u>												
		# of Link Units: <u>N/A</u> Are the Link Units Demographically Restricted? _____ # of NHTF Units: _____												

Miami-Dade County (Miami-Fort Lauderdale-Pompano Beach MSA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	17	632	60%			\$849	\$67	\$ 782	\$ 569	\$ 569	\$ 569	\$ 569	\$ 116,058
1	1.0	2	632	60%		\$ 964	\$849	\$67	\$ 782		\$ 782	\$ 782	\$ 782	\$ 18,768
1	1.0	5	632	60%			\$849	\$67	\$ 782		\$ 782	\$ 782	\$ 782	\$ 46,920
2	1.0	28	836	60%			\$1,020	\$87	\$ 933	\$ 569	\$ 569	\$ 569	\$ 569	\$ 191,154
2	1.0	5	836	50%	\$ 850		\$850	\$87	\$ 763		\$ 762	\$ 763	\$ 763	\$ 45,780
2	1.0	18	836	60%		\$ 1,159	\$1,020	\$87	\$ 933		\$ 932	\$ 933	\$ 933	\$ 201,528
2	1.0	91	836	60%			\$1,020	\$87	\$ 933		\$ 932	\$ 933	\$ 933	\$ 1,018,836
2	1.0	2	836	120%			\$2,040	\$87	\$ 1,953		\$ 1,951	\$ 1,400	\$ 1,400	\$ 33,600
3	2.0	22	1,094	60%			\$1,178	\$111	\$ 1,067	\$ 569	\$ 569	\$ 569	\$ 569	\$ 150,192
3	2.0	8	1,068	120%			\$2,356	\$111	\$ 2,245		\$ 2,244	\$ 1,600	\$ 1,600	\$ 153,600
4	2.0	6	1,300	60%			\$1,314	\$137	\$ 1,177	\$ 569	\$ 569	\$ 569	\$ 569	\$ 40,962
		204	175,964											\$ 2,017,397

The Development will have 73 units that will be designated for public housing. These units will receive an annual subsidy from Miami-Dade County. It is anticipated that the Applicant will enter into a Mixed-Finance Amendment to Consolidated Annual Contributions Contract with Miami-Dade County which will further outline the terms of the Annual Contributions Contract (“ACC”). Since the ACC is not available at this time, First Housing has based the subsidy rents on the Developer’s estimate, which has not been approved by HUD.

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Since the High HOME rent limits are above the 60% AMI rent limits, the Applicant will be restricted to the 60% AMI rent limits for the 20 High HOME units.

The Development will be providing 5% of its units (10 units) for workforce housing which is restricted to 120% AMI. According to the market study prepared by Meridian Appraisal Group (“Meridian”), the Development will not be able to achieve 120% AMI rents and will only be able to achieve \$1,300 for the 3-bedroom units and \$1,500 for the 4-bedroom units. According to the appraisal, prepared by Walter Duke and Partners (“Walter Duke”), the Development will not be able to achieve 120% AMI rents and will only be able to achieve \$1,400 for the 3-bedroom units and \$1,600 for the 4-bedroom units. First Housing has utilized the appraiser’s projected achievable rents in order to be consistent.

Buildings: Residential - 6 Non-Residential - 0
 Parking: Parking Spaces - 259 Accessible Spaces - 12

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRN	40.0%	82	60%	15
HC	95.0%	194	60%	30
Low HOME	2.45%	5	50%	30
High HOME	9.80%	20	65%	30

Absorption Rate 204 units per month for 1 months.

Occupancy Rate at Stabilization: Physical Occupancy 97.00% Economic Occupancy 92.50%
 Occupancy Comments _____

DDA: No QCT: Yes Multi-Phase Boost: Yes QAP Boost: No
 Site Acreage: 6.27 Density: 32.5255 Flood Zone Designation: AH
 Zoning: T-4-R, General Urban Zone-Restricted Flood Insurance Required?: Yes

Please note the appraisal projects that the Development will complete construction February 1, 2019. The appraisal also assumes that the Development will begin preleasing three months prior to completion with 90 units preleased. The remaining units are anticipated to be leased at 30 units per month with a projected stabilization date of July 1, 2019. However, the market study projects that the Development will absorb an average of 24 units per month and that the Development will be at or near 100% preleased upon completion of the last building.

DEVELOPMENT TEAM		
Applicant/Borrower:	Liberty Square Phase One, LLC	% Ownership
Manager	Liberty Square Phase One Manager, LLC	0.0100%
Limited Partner	Bank of America, N.A. ("BoA")	99.9900%
Special LP	Special Member	0.0000%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Liberty Square Phase One, LLC	
CC Guarantor 2:	Liberty Square Phase One Manager, LLC	
CC Guarantor 3:	The Urban Development Group, LLC	
CC Guarantor 4:	JMP, LLC	
CC Guarantor 5:	Alberto Milo, Jr.	
CC Guarantor 6:	Liberty Square Phase One Developer, LLC	
CC Guarantor 7:	RUDG, LLC	
CC Guarantor 8:	PRH Affordable Investments, LLC, PRH Investments, LLC, and Perez Ross Holdings, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Liberty Square Phase One, LLC	
OD Guarantor 2:	Liberty Square Phase One Manager, LLC	
OD Guarantor 3:	The Urban Development Group, LLC	
OD Guarantor 4:	JMP, LLC	
OD Guarantor 5:	Alberto Milo, Jr.	
OD Guarantor 6:	Liberty Square Phase One Developer, LLC	
OD Guarantor 7:	RUDG, LLC	
OD Guarantor 8:	PRH Affordable Investments, LLC, PRH Investments, LLC, and Perez Ross Holdings, LLC	
Note Purchaser	BoA	
Developer:	Liberty Square Phase One Developer, LLC	
Principal 1	RUDG, LLC	
General Contractor 1:	Fortune Urban Construction, LLC	
Management Company:	TRG Management Company	
Syndicator:	BoA	
Architect:	Modis Architects LLC	
Market Study Provider:	Meridian Appraisal Group	
Appraiser:	Walter Duke and Partners	

According to the BoA letter of interest, dated July 18, 2017, a 0% special member affiliated to BoA, who is specifically defined at closing, will be admitted to the Partnership at closing, as shown in the table above.

PERMANENT FINANCING INFORMATION				
	1st Source	2nd Source	3rd Source	4th Source
Lien Position	First	Second	Third	Fourth
Lender/Grantor	BoA/Freddie Mac/ HFAMDC	City of Miami - HOME	Miami Dade PHCD - RHF	Miami Dade PHCD - GOB
Amount	\$10,260,000	\$2,000,000	\$1,517,381	\$15,000,000
Underwritten Interest Rate	5.06%	3.00%	1.00%	0.00%
All In Interest Rate	5.06%	3.00%	1.00%	0.00%
Loan Term	15	30	28	50
Amortization	35	30	-	-
Market Rate/Market Financing LTV	30%	36%	40%	84%
Restricted Market Financing LTV	90%	108%	121%	252%
Loan to Cost - Cumulative	22%	27%	30%	63%
Debt Service Coverage	1.12	1.12	1.09	1.09
Operating Deficit & Debt Service Reserves	\$780,147			
# of Months covered by the Reserves	8			

Deferred Developer Fee	\$825,811
As-Is Land Value	\$4,080,000
As-Is Value (Land & Building)	\$3,780,000
Market Rent/Market Financing Stabilized Value	\$34,330,000
Rent Restricted Market Financing Stabilized Value	\$11,400,000
Projected Net Operating Income (NOI) - Year 1	\$741,040
Projected Net Operating Income (NOI) - 15 Year	\$774,861
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Tax-Exempt Note
Housing Credit (HC) Syndication Price	\$1.00
HC Annual Allocation - Equity Letter of Interest	\$1,623,614

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Tax-Exempt Loan	BoA/Freddie Mac/ HFAMDC	\$21,000,000	\$10,260,000	\$50,294
Second Mortgage	City of Miami - HOME	\$2,000,000	\$2,000,000	\$9,804
Third Mortgage	Miami Dade PHCD - RHF	\$1,517,381	\$1,517,381	\$7,438
Fourth Mortgage	Miami Dade PHCD - GOB	\$15,000,000	\$15,000,000	\$73,529
Housing Credit Equity	BoA	\$4,870,355	\$16,234,516	\$79,581
Deferred Developer Fee	Liberty Square Phase One Developer, LLC	\$1,449,972	\$825,811	\$4,048
TOTAL		\$45,837,708	\$45,837,708	\$224,695

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Strengths:

1. The Principals and Development Team, as well as the General Contractor, and Management Group are experienced in this field.
2. The Guarantors have sufficient financial resources to develop, construct, and operate the proposed Development.

Other Considerations:

1. Jorge Perez, an affiliate of the Applicant and the Developer, has been involved in previous loan workouts which included loan restructures, deeds in lieu of foreclosure, and loan workouts due to the recession of 2008. These workouts were primarily on condominiums of which the various related single purpose entities could no longer meet their loan obligations. During this time, all of Mr. Perez' affordable housing communities remained current on their loans and in full compliance. As far as we are aware, there are no other arrearages or materials defaults outstanding at this time.
2. According to the Miami-Dade Board of County commissioners meeting on June 20, 2017, many Developments that have utilized GOB funding are currently under investigation.

Additional Information:

1. The Borrower has applied to BoA ("Lender") for a twenty-four (24) month forward commitment to provide a loan ("Funding Loan") to the Housing Finance Authority of Miami-Dade County ("HFAMDC") pursuant to the Federal Home Loan Mortgage ("Freddie Mac") Multifamily Direct Purchase of Tax-Exempt Loan Program (the "TEL Program"). The Funding Loan is requested by Related Florida on behalf of the Applicant in connection with the construction and permanent financing of Liberty Square Phase One, pursuant to the requirements of any Federal, State or local requirements concerning the proposed tax exempt private activity allocation and/or the Low Income Housing Tax Credit requirements. The Funding Loan will initially be originated by BoA to HFAMDC. The proceeds of the Funding Loan will be used by HFAMDC to fund a mortgage loan with matching economic terms (the "Project Loan") to the Borrower to finance the construction and permanent financing of the Development. BoA will be responsible for administering the Funding Loan during the construction phase of the project. The Funding Loan will be a nonrecourse obligation of HFAMDC secured solely by receipts and revenues from the Project Loan and the collateral pledged therefore

(including a first mortgage lien with respect to the Property). The date BoA originates the Funding Loan is referred to herein as the "Origination Date".

Upon the satisfaction of the Conditions to Conversion to be described in the Loan Commitment and the Construction Phase Financing Agreement to be delivered on the Origination Date by and among Freddie Mac, BoA, Greystone Servicing Corporation, Inc. ("Seller/Service" or "Greystone"), the Project Loan will convert to the permanent phase. Thereafter, BoA will deliver the Funding Loan to Freddie Mac for purchase pursuant to the TEL Program.

- 2. Since the Note Purchaser and the Tax Credit Investor for this transaction are related entities, for tax purposes, there will be two project loan agreements and the Issuer Fee will be reduced from 25 basis points to 12.5 basis points during the construction period.

Recommendation:

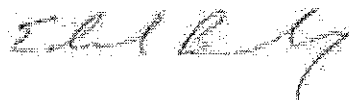
First Housing recommends a MMRN Tax Exempt Loan in the amount of \$21,000,000 for the construction and permanent financing of Liberty Square Phase One.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A), and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRN Loan Conditions (Section B). **This recommendation is only valid for six months from the date of the report.**

The reader is cautioned to refer to these sections for complete information.

Prepared by:

Reviewed by:



Taylor Stephens
Junior Credit Underwriter

Edward Busansky
Senior Vice President

OVERVIEW:**Construction Financing Sources:**

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Tax-Exempt Loan	BoA/HFAMDC	\$21,000,000	\$21,000,000	\$21,000,000	4.074%	\$855,540
Second Mortgage	City of Miami - HOME	\$0	\$2,000,000	\$2,000,000	0.00%	\$0
Third Mortgage	Miami Dade PHCD - RHF	\$0	\$1,517,381	\$1,517,381	0.00%	\$0
Fourth Mortgage	Miami Dade PHCD - GOB	\$18,500,000	\$15,000,000	\$15,000,000	0.00%	\$0
Housing Credit Equity	BoA	\$3,801,639	\$4,865,741	\$4,870,355	N/A	N/A
Deferred Developer Fee	Liberty Square Phase One Developer, LLC	\$3,362,304	\$1,506,170	\$1,449,972	N/A	N/A
Total		\$46,663,943	\$45,889,292	\$45,837,708		\$855,540

First Mortgage (Tax-Exempt Loan):

First Housing has reviewed a term sheet, dated March 17, 2017, which indicates that BoA, or an affiliate thereof, will purchase a tax-exempt Note in an amount up to \$21,000,000 from HFAMDC, the proceeds of which will fund the construction loan. First Housing received a letter, dated May 22, 2017, indicating that the terms of the above referenced term sheet will be valid until closing of the loan. The construction loan amount is limited to the lesser of \$21,000,000, 80% loan to cost, or an amount not to exceed 85% of the adjusted loan-to-value. According to the term sheet, the adjusted loan-to-value means the sum of the appraised value of the land and improvements at 80% calculated on a restricted rent income approach basis plus the value of the tax credits. The adjusted loan-to-value is determined by BoA in its sole and absolute discretion. The loan will be interest only for the term of the loan, which is expected to be for 24 months from the loan closing. A six-month extension option is available subject to approval of BoA. The interest rate of the construction loan will be a floating rate based on the London Interbank Offered Rate ("LIBOR") daily floating rate plus a 2.50% spread. The construction loan interest is calculated based on the LIBOR daily floating rate of 1.18%, as of August 2, 2017, plus 250 basis points spread, a HFAMDC Issuer fee of 12.5 basis points, a Trustee Fee of 1.9 basis points, and a 25 basis points underwriting cushion for an all-in rate of 4.074%.

Second Mortgage:

First Housing reviewed a commitment letter from the City of Miami, dated June 1, 2017, which outlines the terms of a HOME Loan in an amount up to \$2,000,000. During construction, the HOME Loan will bear interest at a rate of 0% and will be used in order to fund construction related costs on a pro-rata basis. According to the commitment letter, the Effective Date is defined as the date on which the contract is signed by the City Manager and attested to by the City Clerk (i.e, the

date of closing). The project shall commence construction within 6 months from the Effective Date, obtain all certificates of occupancy required for the project within 18 months from the Effective Date and have all project units rented within 12 months after the issuance of project's certificates of occupancy, but in no event later than 30 months from the Effective Date. Therefore, First Housing has included a 30 month construction loan term.

Third Mortgage:

First Housing has reviewed a letter from Miami-Dade County Public Housing and Community Development ("PHCD"), dated August 8, 2017. The letter indicates that Replacement Housing Factor ("RHF") funding in the amount of \$1,517,381 is available for the Liberty Square Phase One. The loan will be 0% interest during the construction term of 2 years.

Fourth Mortgage:

First Housing has received an Evidence of Availability of Project Financing Certification from Miami Dade County. The Certification indicates that Miami Dade County has committed to make up to \$18,000,000 available in General Obligation Bonds ("GOB") as a grant for the funding of the construction and permanent phases of Liberty Square Phase One. The Applicant is currently only intending to draw \$15,000,000 of the GOB funding. According to draft loan documents, Miami-Dade County will lend the GOB funds to a designated Non-Profit entity as a forgivable loan. The designated Non-Profit Entity will then lend the GOB funds to an affiliate of the Applicant and an affiliate of the Developer, Liberty Square Phase One Lenders, LLC ("LSPOL"), as a forgivable loan. LSPOL will then lend the GOB funds to the Applicant at a 0% interest rate. According to the draft loan documents, at the end of the 50 year maturity, the Applicant will be required to repay the GOB funds to LSPOL. Verification that the loan documents will require LSPOL to redeploy the funds for use in another affordable housing project within one year of the GOB maturity for an acceptable length of time is a condition to closing.

Housing Credit Equity:

First Housing reviewed a letter of interest, dated July 18, 2017, which indicates that BoA or an affiliate will be admitted as the Investor Member with a 99.99% interest in exchange for a total capital contribution in the amount of \$16,234,516, payable in five (5) installments. The tax credit price is \$1.00 per dollar of housing credits. The first installment in the amount of \$4,058,629 equals 25% of the total equity, which satisfies the FHFC requirement that 15% of the equity be funded at or prior to closing.

Deferred Developer Fee:

In order to balance the sources and uses of funds during the construction period, the Developer must defer \$1,449,972 or 21.54% of allowable Developer Fee during construction.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Tax-Exempt Loan	BoA/Freddie Mac/HFAMDC	\$9,575,000	\$10,260,000	\$10,260,000	15	35	5.06%	\$626,091
Second Mortgage	City of Miami - HOME	\$0	\$2,000,000	\$2,000,000	30	30	3.00%	\$101,185
Third Mortgage	Miami Dade PHCD - RHF	\$0	\$1,517,381	\$1,517,381	28	0	1.00%	\$15,174
Fourth Mortgage	Miami Dade PHCD - GOB	\$18,500,000	\$15,000,000	\$15,000,000	50	0	0.00%	\$0
Housing Credit Equity	BoA	\$15,206,554	\$16,219,137	\$16,234,516	N/A	N/A	N/A	N/A
Deferred Developer Fee	Liberty Square Phase One Developer, LLC	\$2,565,407	\$892,774	\$825,811	N/A	N/A	N/A	N/A
Total		\$45,846,961	\$45,889,292	\$45,837,708				\$742,450

First Mortgage:

BoA will provide a Funding Loan to HFAMDC during the permanent phase. Proceeds from the Funding Loan will fund the Project Loan made by HFAMDC to the Borrower. Thereafter, BoA will deliver the Funding Loan to Freddie Mac for purchase pursuant to the Freddie Mac TEL Program. Terms of the Project Loan will match those of the Funding Loan.

First Housing has reviewed a letter of interest from BoA and Greystone Servicing Corporation, Inc., dated August 8, 2017, to provide the Funding Loan during the permanent period. The Funding Loan amount is up to \$10,260,000 not to exceed 90% of the loan-to-value with a minimum 1.15x debt service coverage ratio requirement. The Funding Loan has a term of 15 years after loan conversion, and will be amortized over a 35-year schedule with monthly payments of principal and interest. The estimated interest rate is based on 257 basis points over the yield on the 10-year Treasury. For purposes of the credit underwriting, First Housing has used the 10-year treasury rate of 2.24%, as of August 9, 2017, plus 257 basis point spread, and a 25 basis point credit underwriting cushion, for an interest rate of 5.06% during the permanent period.

Annual fees related to the Note will include, an Issuer Fee of 25 basis points of the principal amount of the Note, plus a compliance fee of \$30 per rental unit, and a Fiscal Agent fee of \$4,000.

The first mortgage will be resized at closing based on the locked interest rate in order to maintain the projected 1.10 Debt Service Coverage (“DSC”).

Second Mortgage:

First Housing reviewed a commitment letter from the City of Miami, dated June 1, 2017, which outlines the terms of a HOME Loan in an amount up to \$2,000,000. During permanent period, the loan will bear interest at a rate of 3% and will have a 30-year amortization as well as a 30 year

loan term. Accrued interest and principal will be deferred to the end of the 30-year loan term. At the sole discretion of the City, the interest and principal payments or both payments may be waived. First Housing has included the 3% interest and subsequent payment in the chart above for illustrative purposes. Payments on the HOME loan have not been included in the 15-year pro forma as payments on the loan are deferred until the 30 year maturity.

Third Mortgage:

First Housing has reviewed a letter from Miami-Dade County Public Housing and Community Development, dated August 8, 2017. The letter indicates that RHF funding in the amount of \$1,517,381 is available for Liberty Square Phase One. The loan will bear interest at 1% during the permanent term of 28 years. Any outstanding principal or interest shall be paid on the maturity date. Based on an email, dated August 10, 2017, from Christina Salinas Cotter, representative of Miami-Dade PHCD, the interest payments will be subject to available cash flow.

Fourth Mortgage:

First Housing has received an Evidence of Availability of Project Financing Certification from Miami Dade County. The Certification indicates that Miami Dade County has committed to make up to \$18,000,000 available in GOB funds as a grant for the funding of the construction and permanent phases of Liberty Square Phase One. The Applicant is currently only intending to draw \$15,000,000 of the GOB funding. According to draft loan documents, Miami-Dade County will lend the GOB funds to a designated Non-Profit entity as a forgivable loan. The designated Non-Profit Entity will then lend the GOB funds to LSPOL as a forgivable loan. LSPOL will then lend the GOB funds to the Applicant at a 0% interest rate. According to the draft loan documents, at the end of the 50 year maturity, the Applicant will be required to repay the GOB funds to LSPOL. Verification that the loan documents will require LSPOL to redeploy the funds for use in another affordable housing project within one year of the GOB maturity for an acceptable length of time is a condition to closing.

Housing Credit Equity:

First Housing reviewed a letter of interest, dated July 18, 2017, in which BoA, or an affiliate thereof, will be admitted as the Investor Member with a 99.99% interest. Based on a syndication rate of \$1.00, BoA anticipates a net capital contribution of \$16,234,516 paid in five (5) installments, as follows:

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
			The latter of closing of the Operating Company, closing and initial funding of all construction financing for the Project, receipt of commitments for all permanent financing on the Project with the interest rate fixed for at least 15 years, evidence of either acquisition or a long-term leasehold interest in the land for the Project, evidence of an allocation from FHFC in an amount equal to the Projected federal credits, receipt by the Investor of a tax opinion prepared by special tax counsel for the Operating Company in a form which is acceptable to the Investor, and satisfactory completion of Investor's due diligence.
1st Installment	\$4,058,629	25.00%	
2nd Installment	\$811,726	5.00%	75% Construction Completion
			The latter of 100% construction completion, temporary certificates of occupancy have been issued for each building, and the owner's title policy has been amended to remove all mechanics lien exceptions.
3rd Installment	\$8,117,258	50.00%	

4th Installment	\$2,435,177	15.00%	The letter of achievement of at least three consecutive months of a minimum 1.15 DSC on the permanent loan, 90% occupancy, all tax credit units have been leased to qualified tenants at least once, all permanent loans have closed and funded or will close and fund concurrent with this capital contribution, permanent certificates of occupancy have been issued for each building, and all reserves have funded or will fund concurrent with this capital contribution. The letter of 8609s, cost certification has been received, Extended Use Agreement has been recorded and provided, a copy of the compliance audit of initial tenant files has been provided, and calculations of final adjusters have been prepared and agreed to.
5th Installment	\$811,726	5.00%	
Total	\$16,214,516	100.00%	

Annual Credit Per Syndication Agreement	\$1,623,614
Calculated HC Exchange Rate	\$1.00
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$4,870,355

Deferred Developer Fee:

In order to balance the permanent sources and uses of funds, the Developer must defer \$825,811 or 12.27% of allowable Developer Fee during the permanent period.

Uses of Funds

CONSTRUCTION COSTS:	Revised		Underwriters	Cost Per Unit
	Applicant Costs	Applicant Costs	Total Costs - CUR	
New Rental Units	\$29,087,100	\$20,787,006	\$23,467,006	\$115,034
Site Work	\$0	\$2,680,000	\$0	\$0
Constr. Contr. Costs subject to GC Fee	\$29,087,100	\$23,467,006	\$23,467,006	\$115,034
General Conditions	\$0	\$1,408,020	\$1,408,020	\$6,902
Overhead	\$0	\$469,340	\$469,340	\$2,301
Profit	\$0	\$1,408,020	\$1,408,020	\$6,902
Total Construction Contract/Costs	\$29,087,100	\$26,752,387	\$26,752,387	\$131,139
Hard Cost Contingency	\$0	\$1,384,449	\$1,337,619	\$6,557
PnP Bond paid outside Constr. Contr.	\$0	\$169,138	\$169,138	\$829
Demolition paid outside Constr. Contr.	\$0	\$350,000	\$350,000	\$1,716
Other: Repair 57 existing Liberty Square units	\$0	\$350,000	\$350,000	\$1,716
Other: Appliances	\$0	\$505,000	\$505,000	\$2,475
Other: Window Treatments	\$0	\$81,600	\$81,600	\$400
Total Construction Costs:	\$29,087,100	\$29,592,574	\$29,545,744	\$144,832

Notes to Construction Costs:

1. The Applicant has provided an executed construction contract, dated June 20, 2017, between Liberty Square Phase One, LLC and Fortune Urban Construction, LLC. This is a Standard Form of Agreement between the Owner, Liberty Square Phase One, LLC, and the Contractor, Fortune Urban Construction, LLC, where the basis for payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price of \$26,752,387. The contract requires a substantial completion date no later than 15 months (456 days) from the date of commencement. A minimum of 10% retainage holdback is required until the project is completed.
2. The Applicant obtained a predevelopment loan from Miami-Dade County in the amount of \$1,500,000 in order to pay for demolition costs, site work, surveys, permits, repairing of the existing Liberty Square units, etc. Satisfactory receipt of documentation representing full payoff of the \$1,500,000 predevelopment loan provided by Miami-Dade County to the Applicant is a condition to closing.
3. Hard cost contingency has been adjusted to be 5% of total construction costs as allowed for new construction developments.
4. The General Contractor's Fees are equal to the maximum allowed of 14% of hard costs.

GENERAL DEVELOPMENT COSTS:	Revised		Underwriters	Cost Per Unit
	Applicant Costs	Applicant Costs	Total Costs - CUR	
Accounting Fees	\$0	\$50,000	\$50,000	\$245
Appraisal	\$0	\$7,500	\$7,500	\$37
Architect's Fee - Site/Building Design	\$0	\$714,000	\$714,000	\$3,500
Architect's Fee - Supervision	\$0	\$50,000	\$50,000	\$245
Building Permits	\$0	\$300,000	\$300,000	\$1,471
Builder's Risk Insurance	\$0	\$263,841	\$0	\$0
Capital Needs Assessment/Rehab	\$0	\$35,000	\$35,000	\$172
Environmental Report	\$0	\$25,000	\$25,000	\$123
FHFC Administrative Fees	\$0	\$145,987	\$146,125	\$716
FHFC Application Fee	\$0	\$3,000	\$3,000	\$15
FHFC Credit Underwriting Fee	\$0	\$0	\$11,883	\$58
FHFC Compliance Fee	\$0	\$145,000	\$140,504	\$689
Impact Fee	\$0	\$316,890	\$316,890	\$1,553
Lender Inspection Fees / Const Admin	\$0	\$31,500	\$31,500	\$154
Green Building Cert. (LEED, FGBC, NAHB)	\$0	\$51,000	\$51,000	\$250
Insurance	\$0	\$0	\$263,841	\$1,293
Legal Fees - Organizational Costs	\$0	\$1,210,000	\$1,210,000	\$5,931
Market Study	\$0	\$7,500	\$5,000	\$25
Marketing and Advertising	\$0	\$50,000	\$50,000	\$245
Plan and Cost Review Analysis	\$0	\$15,000	\$2,125	\$10
Survey	\$0	\$40,000	\$40,000	\$196
Tenant Relocation Costs	\$0	\$464,000	\$464,000	\$2,275
Title Insurance and Recording Fees	\$0	\$197,503	\$197,503	\$968
Utility Connection Fees	\$0	\$244,800	\$244,800	\$1,200
Soft Cost Contingency	\$0	\$339,834	\$296,633	\$1,454
Other: Soft Costs	\$9,315,252	\$0	\$0	\$0
Other: Private Provider Inspections and Permitting	\$0	\$273,000	\$273,000	\$1,338
Other: Site Security	\$0	\$500,000	\$500,000	\$2,451
Other: Community Engagment meetings	\$0	\$500,000	\$500,000	\$2,451
Other: Art in Public Places	\$0	\$300,000	\$300,000	\$1,471
Total General Development Costs:	\$9,315,252	\$6,280,354	\$6,229,304	\$30,536

Notes to the General Development Costs:

1. General Development Costs are the Applicant's anticipated costs, which appear reasonable.
2. First Housing has utilized actual costs for: Credit Underwriting, Market Study, as well as Plan and Cost Review.
3. FHFC Compliance Fee of \$140,504 is based on the compliance fee calculator spread sheet provided by FHFC.

4. The FHFC Administrative Fee is based on 9% of the expected annual housing credit allocation of \$1,623,614.
5. The Developer budgeted \$263,841 for Builder's Risk Insurance, which includes all other insurance expenses. First Housing has moved the budgeted insurance expense to the Insurance line item.
6. The Developer has advised that the community engagement meetings were held prior to construction and will continue to be held during construction. The meetings are to inform the community of the renovations and to solicit feedback from the community on design preferences and community amenities.
7. The Developer has advised that the Art in Public Places costs will be for several art pieces that will be installed throughout the property. All of the art pieces are only for the Liberty Square Phase One site.
8. Soft Cost Contingency has been decreased to 5% of General Development Costs before contingency.

FINANCIAL COSTS:	Revised		Underwriters	Cost Per Unit
	Applicant Costs	Applicant Costs	Total Costs - CUR	
Construction Loan Origination Fee	\$0	\$210,000	\$210,000	\$1,029
Construction Loan Interest	\$0	\$892,500	\$958,205	\$4,697
Permanent Loan Application Fee	\$0	\$10,260	\$25,260	\$124
Permanent Loan Origination Fee	\$0	\$102,600	\$102,600	\$503
Permanent Loan Closing Costs	\$0	\$10,000	\$2,500	\$12
Permanent Loan Servicing Fee	\$0	\$6,000	\$6,000	\$29
Local HFA Note Application Fee	\$0	\$0	\$3,060	\$15
Local HFA Note Underwriting Fee	\$0	\$20,000	\$14,194	\$70
Local HFA Note Origination Fee	\$0	\$117,240	\$52,500	\$257
Local HFA Note Servicing Fee	\$0	\$0	\$6,120	\$30
HOME Closing Costs	\$0	\$50,000	\$50,000	\$245
Misc Loan Origination Fee	\$0	\$15,174	\$15,000	\$74
Placement Agent/Underwriter Fee	\$0	\$30,000	\$30,000	\$147
Other: Local HFA Financial Advisor Fee	\$0	\$45,000	\$35,000	\$172
Other: Freddie Mac Due Diligence	\$0	\$25,000	\$25,000	\$123
Other: Freddie Mac Stand-By Fee	\$0	\$30,780	\$30,780	\$151
Other: Local HFA Conversion Fee	\$0	\$0	\$52,500	\$257
Total Financial Costs:	\$0	\$1,564,554	\$1,618,719	\$7,935
Dev. Costs before Acq., Dev. Fee & Reserves	\$38,402,352	\$37,437,482	\$37,393,767	\$183,303

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 1% of the construction loan amount according to the BoA term sheet, dated March 17, 2017.
2. The Construction Loan Interest of \$958,205 is based on a 24 month term, an interest rate of 4.074% and an average outstanding balance of 56%.
3. Permanent Loan Application Fee includes the Freddie Mac Application Fee of 0.1% of the loan amount plus \$15,000 Lender and Seller/Service application fee as outlined in the letter of intent from BoA, dated August 8, 2017.
4. Permanent Loan Origination Fee is based on the 1% Assumption Fee as outlined in the letter of intent from BoA, dated August 8, 2017.
5. Permanent Loan Closing Costs includes the Freddie Mac conversion fee.
6. According to the Developer, HOME Loan closing costs include the estimated costs for Davis Bacon monitoring.
7. The Misc. Loan Origination Fee is equal to 1% of the Predevelopment Loan amount as indicated in the Predevelopment Loan commitment letter, dated February 24, 2017.
8. The Freddie Mac Stand-By Fee is also known as the Freddie Forward Commitment Fee and is 15 basis points per year. First Housing has included 2 years based on a construction loan term of 24 months. However, in the event conversion happens prior to 24 months and a portion of the Stand-By Fee becomes refundable, the amount refunded to the Developer shall not exceed the allowable 18% Developer Fee. Language which indicates the above should be added to the loan documents and is a condition of closing.
9. The Local HFA Conversion Fee is equal to two years of the Issuer Fee of 25 basis points of the principal amount of the bonds issued less the 12.5 basis points which are being paid during construction. The Local HFA Conversion Fee is to be funded at closing and held in escrow by the Fiscal Agent until conversion. At conversion, the fee will be released to HFAMDC.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
	Building Acquisition Cost	\$0	\$0	\$0
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. Since the existing buildings will be demolished as part of the construction, the capitalized lease payment associated with the Ground Lease is attributed to the land.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
	Developer Fee - Unapportioned	\$6,724,609	\$6,738,747	\$6,730,878
Total Other Development Costs:	\$6,724,609	\$6,738,747	\$6,730,878	\$32,995

Notes to the Other Development Costs:

1. The recommended Developer's Fee is equal to the maximum 18% of total development cost before developer fee, operating reserves and land costs.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
	Land Acquisition Cost	\$720,000	\$730,000	\$730,000
Total Acquisition Costs:	\$720,000	\$730,000	\$730,000	\$3,578

Notes to the Land Acquisition Costs:

1. First Housing has reviewed a Ground Lease, dated February 28, 2017, between Miami-Dade County ("Landlord") and Liberty Square Phase One, LLC ("Tenant"). The Ground Lease will be for a period of 75 years commencing on February 28, 2017. The Tenant will pay an annual rent amount equal to \$30,000 (increasing each year at 4%). The annual rent will be payable out of 50% of the available net cash flow after payment of any deferred developer fees. Any portion of the annual rent not paid with respect to any given year shall be deferred to the following year. No annual rent shall accrue until after full payment of any deferred developer fees. The Tenant will also pay a one-time capitalized lease payment in the amount of \$2,500 times the number of units or \$510,000. The capitalized lease payment shall be due at closing.
2. First Housing has reviewed a Master Development Agreement, dated September 23, 2016, between Miami-Dade County and RUDG, LLC. On Page 21 of the Master Development

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Agreement under section 5. (c), the Agreement states that the County will receive a fee in the amount of \$400,000 upon the execution of the Ground Lease for Liberty Square. Such fees shall be held in escrow until the later of achievement of all zoning, permitting, and HUD approval for Liberty Square Phase 1B. Forty-five percent of the fee will be applied against the capitalized lease payment at closing and the balance of each fee shall be an additional payment to the County. Therefore, First Housing has included 55% of the fee (\$220,000) in the land acquisition costs above.

3. The appraisal, dated July 11, 2017 indicated the market value of the fee simple estate in the Development, “as is”, as of April 14, 2017, was \$3,780,000.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
	ACC Reserve (Lender)	\$0	\$402,093	\$402,093
Operating Deficit Reserve (Syndicator)	\$0	\$378,054	\$378,054	\$1,853
Replacement Reserves (Lender)	\$0	\$61,200	\$61,200	\$300
Reserves - Start-Up/Lease-up Expenses	\$0	\$100,000	\$100,000	\$490
Other: Tax Escrow	\$0	\$41,716	\$41,716	\$204
Total Reserve Accounts:	\$0	\$983,063	\$983,063	\$4,819

Notes to Reserve Accounts:

1. According to the letter of interest, dated July 18, 2017, from BoA, the syndicator will be requiring that \$780,147 be funded upon permanent loan conversion into an Operating Reserve account to be used for potential operating deficits and subsidy shortfalls. The breakout of the ACC Reserve and the Operating Deficit Reserve were provided by the Developer. At the end of the Compliance Period, any remaining balance of the ODR and ACC Reserve less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay HFAMDC debt; if there is no HFAMDC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding HFAMDC fees. If any balance is remaining in the ODR or ACC Reserve after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Accounts cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to HFAMDC, its Servicer and its legal counsel.

2. According to the Developer, the permanent Lender, BoA and Freddie Mac, are requiring the Replacement Reserve deposit and the Tax Escrow.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
TOTAL DEVELOPMENT COSTS:	\$45,846,961	\$45,889,292	\$45,837,708	\$224,695

Notes to Total Development Costs:

1. Total Development Costs have decreased a total of \$9,253 from \$45,846,961 to \$45,837,708 or 0.0% since the Application.

Operating Pro Forma: Liberty Square Phase One

FINANCIAL COSTS:				Year 1
OPERATING PRO FORMA				
INCOME	Gross Potential Rental Income			\$2,017,397
	Other Income			
	Miscellaneous			\$40,800
	Gross Potential Income			\$2,058,197
	Less:			
	Physical Vac. Loss	Percentage:	3.00%	\$61,746
Collection Loss	Percentage:	4.50%	\$92,619	
Total Effective Gross Income			\$1,903,832	
EXPENSES	Fixed:			
	Real Estate Taxes			\$195,796
	Insurance			\$102,000
	Variable:			
	Management Fee	Percentage:	5.00%	\$95,192
	General and Administrative			\$71,400
	Payroll Expenses			\$244,800
	Utilities			\$137,700
	Marketing and Advertising			\$20,400
	Maintenance and Repairs/Pest Control			\$71,400
	Grounds Maintenance and Landscaping			\$35,700
	Contract Services			\$10,200
	Security			\$71,400
	Other			\$45,605
	Reserve for Replacements			\$61,200
Total Expenses			\$1,162,793	
Net Operating Income			\$741,040	
Debt Service Payments				
First Mortgage - BoA/Freddie Mac/HFAMDC			\$626,091	
Second Mortgage - City of Miami HOME			\$0	
Third Mortgage - PHCD RHF*			\$15,174	
Fourth Mortgage - PHCD GOB			\$0	
First Mortgage Fees - HFAMDC			\$35,623	
Total Debt Service Payments			\$676,887	
Cash Flow after Debt Service			\$64,152	
Debt Service Coverage Ratios				
DSC - First Mortgage plus Fees			1.12x	
DSC - First and Second Mortgages plus Fees			1.12x	
DSC - First, Second, and Third Mortgages plus Fees			1.09x	
DSC - First, Second, Third, and Fourth Mortgages plus Fees			1.09x	
Financial Ratios				
Operating Expense Ratio			61.08%	
Break-even Economic Occupancy Ratio (all debt)			89.76%	

*Please note payments on the RHF funding are subject to available cash flow. First Housing has based its recommendation on the DSC for the first mortgage. DSC on the first mortgage is anticipated to be 1.12 in year 1.

Notes to the Operating Pro Forma and Ratios:

1. The Gross Potential Rental Revenue chart reflects the anticipated ACC rents for the public housing units, the 2017 restricted rents less utility allowance for the affordable housing units, and the market study provider’s estimation for the market rate units. Below is the rent roll for the Development:

Miami-Dade County (Miami-Fort Lauderdale-Pompano Beach MSA)

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	17	632	60%			\$849	\$67	\$ 782	\$ 569	\$ 569	\$ 569	\$ 569	\$ 116,058
1	1.0	2	632	60%		\$ 964	\$849	\$67	\$ 782		\$ 782	\$ 782	\$ 782	\$ 18,768
1	1.0	5	632	60%			\$849	\$67	\$ 782		\$ 782	\$ 782	\$ 782	\$ 46,920
2	1.0	28	836	60%			\$1,020	\$87	\$ 933	\$ 569	\$ 569	\$ 569	\$ 569	\$ 191,154
2	1.0	5	836	50%	\$ 850		\$850	\$87	\$ 763		\$ 762	\$ 763	\$ 763	\$ 45,780
2	1.0	18	836	60%		\$ 1,159	\$1,020	\$87	\$ 933		\$ 932	\$ 933	\$ 933	\$ 201,528
2	1.0	91	836	60%			\$1,020	\$87	\$ 933		\$ 932	\$ 933	\$ 933	\$ 1,018,836
2	1.0	2	836	120%			\$2,040	\$87	\$ 1,953		\$ 1,951	\$ 1,400	\$ 1,400	\$ 33,600
3	2.0	22	1,094	60%			\$1,178	\$111	\$ 1,067	\$ 569	\$ 569	\$ 569	\$ 569	\$ 150,192
3	2.0	8	1,068	120%			\$2,356	\$111	\$ 2,245		\$ 2,244	\$ 1,600	\$ 1,600	\$ 153,600
4	2.0	6	1,300	60%			\$1,314	\$137	\$ 1,177	\$ 569	\$ 569	\$ 569	\$ 569	\$ 40,962
		204	175,964											\$ 2,017,397

2. First Housing has included vacancy and collection loss at a total of 7.5%. Collection loss includes a projected loss on the operating subsidy in the event that the full subsidy is not received. First Housing’s projections are supported by the Appraisal.
3. The other income category includes any other income from the property including revenues from late fees, damage income, cancellation fees, bad debt recoveries, and miscellaneous sources.
4. Based upon operating data from comparable properties, third-party reports (Appraisal and Market Study) and the Credit Underwriter’s independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.
5. The applicant has submitted an executed Property Management Agreement between the Applicant and TRG Management Company, LLP. The Management fee shall be payable in arrears and equal to five percent (5.0%) of the gross income actually collected during the month.

6. The Owner will be responsible for common area electric, water, sewer and trash collection, with tenants responsible for in-unit electric and cable. The Appraiser estimated this line item at \$675 per unit per year.
7. Replacement Reserves of \$300 per unit per year are recommended.
8. The Appraiser also included a Public Housing Assistance Asset ("PHA") Management Fee of 5% of the operating subsidy, which the Developer states is typical of public housing projects. The PHA Asset Management Fee is to be taken out of expenses for the project. First Housing has included this fee of \$20,105 in other expenses.
9. Refer to Exhibit 1, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.
10. Based on the Ground Lease, the Tenant will pay an annual rent amount equal to \$30,000 (increasing each year at 4%). However, since the annual rent will be payable out of 50% of the available net cash flow after payment of any deferred developer fees. Any portion of the annual rent not paid with respect to any given year shall be deferred to the following year. No annual rent shall accrue until after full payment of any deferred developer fees. First Housing has not included this payment in the above pro forma.

Section B

MMRN Loan Conditions

Special Conditions:

The First Mortgage Tax-Exempt Loan recommendation contained within this Credit Underwriting Report is contingent upon receipt and satisfactory review of the following items by the HFAMDC and/or its Servicer prior to closing. Failure to submit and to receive approval of these items may result in postponement of the Pricing Date. For competitive Bond Sales, these items must be reviewed and approved prior to issuance of the Notice of Bond Sale.

1. Satisfactory receipt and review of updated financials within 90 days of closing, or audited financials for the last fiscal year end for the Guarantors and the Developer.
2. Receipt and satisfactory review of the Final signed, sealed "approved for construction" plans and specifications by the Construction Consultant and the Servicer.
3. Receipt and satisfactory review of the Operating Agreements for the Applicant, Developer, and Manager.
4. Satisfactory receipt of documentation representing full payoff of the \$1,500,000 predevelopment loan provided by Miami-Dade County to the Applicant.
5. Receipt and satisfactory review of a first mortgage commitment from BoA, Greystone, and Freddie Mac with terms in accordance with the assumptions of this credit underwriting report.
6. The DSC will be recalculated at closing based on the locked interest rate in order to ensure that the minimum 1.10 DSC is maintained.
7. Confirmation of the HFAMDC Issuer Fee during construction.
8. Receipt and satisfactory review of closing documents for the City of Miami HOME Loan, the Miami Dade PHCD RHF funds, and the Miami Dade PHCD GOB funds with terms in accordance with the assumptions of this credit underwriting report.
9. In the event permanent loan conversion happens prior to 24 months and a portion of the Freddie Mac Stand-By Fee becomes refundable, the amount refunded to the Developer shall not exceed the allowable 18% Developer Fee. Language which indicates the above should be added to the loan documents.

10. Verification that the loan documents will require LSPOL to redeploy the funds for use in another affordable housing project within one year of the GOB maturity for an acceptable length of time.
11. The Management Agreement is not currently dated and is to be dated at closing. Receipt of an executed and dated management agreement with terms consistent with this report is a condition to closing.
12. Satisfactory receipt and review of the final Management Plan which is approved by Miami-Dade County.
13. Notwithstanding any and all provisions including those pertaining to release, expenditure, or other conditions to the ODR and ACC Reserve Accounts within the Operating Agreement, any and all terms and conditions of the Reserve Accounts must be acceptable to HFAMDC, its Servicer, and its legal counsel.
14. Any other reasonable requirements of the Servicer, HFAMDC, or its legal counsel.

General Conditions:

The First Mortgage Tax-Exempt Loan recommendation contained within this Credit Underwriting Report is contingent upon receipt and satisfactory review of the following items by the HFAMDC and/or its Servicer prior to closing. Failure to submit and to receive approval of these items may result in postponement of the Closing.

1. GLE is to act as construction inspector during the construction phase.
2. At all times there will be undisbursed loan funds (collectively held by HFAMDC, the first mortgage lender, and any other sources) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development Costs or to deposit additional equity with HFAMDC which is sufficient (in HFAMDC's judgement) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to HFAMDC in its sole discretion.

3. During construction/rehabilitation, the Developer is only allowed to draw a maximum of 50% of the total Developer fee but in no case more than the payable Developer fee during construction/rehabilitation, which is determined to be "Developer's overhead". No more than 35% of "Developer's overhead" will be funded at closing. The remainder of the "Developer's overhead" will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by HFAMDC and its Servicer. The remaining unpaid Developer fee (if applicable) shall be considered attributable to "Developer's profit", and may not be funded until the development have achieved 100% lien free completion, and only after retainage has been released.
4. Signed and sealed survey, dated within 90 days of loan closing, unless otherwise approved by HFAMDC, and its legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to HFAMDC, and its legal counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of HFAMDC.
5. Building permits and any other necessary approvals and permits (e.g., final site plan approval, Development of Environmental Protection, Army Corps of Engineers, the Water Management District, Department of Transportation, etc.) or a letter from the local permitting and approval authority stating that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
6. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications, if applicable.
7. Final sources and uses of funds schedule itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction loan interest based upon the final draw schedule, documentation of the closing costs, and draft loan closing statement must also be provided.
8. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. The closing draw must include appropriate backup and ACH wiring instructions.

9. Evidence of insurance coverage which is acceptable to HFAMDC and its Servicer.
10. A 100% Payment and Performance Bond or a Letter of Credit (LOC) in an amount not less than 25% of the construction contract is required in order to secure the construction contract between the GC and the Borrower. In either case, HFAMDC must be listed as co-obligee. The P&P bonds must be from a company rated at least "A-" by A.M. Best & Co with a financial size category of at least FSC VI. FHFC, and/or legal counsel must approve the source, amount(s) and all terms of the P&P bonds, or LOC. If the LOC option is utilized, the LOC must include "evergreen" language and be in a form satisfactory to HFAMDC, its Servicer and its Legal Counsel.
11. Borrower is to comply with any and all recommendations noted in the Plan and Cost Review prepared by GLE.
12. Award of HC and purchase of HC by BoA or an affiliate under terms consistent with the assumptions of this report.
13. An acceptable updated Environmental Audit Report, together with a reliance letter to First Housing as an agent for HFAMDC, prepared within 90 days of closing, unless otherwise approved by HFAMDC, and legal counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations and remediation restrictions noted in the Environmental Assessment(s) and Updates and the Environmental Review, if applicable.
14. HFAMDC and its legal counsel shall review and approve all other lenders closing documents and the limited partnership or other applicable agreement. HFAMDC shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.
15. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRN Loan in form and substance satisfactory to HFAMDC, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s).
16. The operating agreement from BoA or an affiliate shall be in a form and of financial substance satisfactory to HFAMDC, its Counsel, and its Servicer.

17. All amounts necessary to complete construction must be deposited with the Fiscal Agent prior to closing, or any phase HC equity pay-in amount necessary to complete construction shall be contingent upon on obligation of the entity providing payments, regardless of any default under any documents relating to the HC's, as long as the First Mortgage continues to be funded. Notwithstanding the foregoing, at least 15% of all HC equity (but not less than provided for in the syndication agreement or such higher amount as recommended by the Servicer) shall be deposited with the Fiscal Agent at the MMRN Loan closing unless a lesser amount is approved by HFAMDC prior to closing. If bridge loan proceeds are used in lieu of HC equity funding during construction, said loan must close simultaneously or prior to the MMRN Loan, and sufficient amounts will be drawn from the bridge loan at MMRN Loan closing in order to satisfy the 15% requirement.
18. Guarantors to provide the standard HFAMDC Construction Completion Guarantee, to be released upon lien-free completion, approved by the Servicer.
19. For the Note, Guarantors are to provide the standard HFAMDC Operating Deficit Guarantee. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guarantee if all conditions are met, including achievement of a 1.15x debt service coverage ratio on the MMRN Loan as determined by HFAMDC or its agent and 90% occupancy and 90% of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by HFAMDC or its agent. Notwithstanding the above, the operating deficit guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
20. Guarantors are to provide the standard HFAMDC Environmental Indemnity.
21. Guarantors are to provide the standard HFAMDC Guaranty of Recourse Obligations.
22. Replacement Reserves in the amount of \$300 per unit per year will be required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee, HFAMDC, or the Servicer.
23. Closing of all funding sources prior to or simultaneous with the Tax Exempt Loan.

24. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy.

25. Any other reasonable requirements of the Servicer, HFAMDC, or its legal counsel.

Section C

Supporting Information & Schedules

**Additional Development &
Third Party Supplemental Information**

Site Inspection: First Housing completed a site inspection on April 25, 2017. The Development is phase one of the revelation initiative to demolish the existing Liberty Square and redevelop the area. In addition, as part of the Redevelopment, new commercial space and new features and amenities will be added to the surrounding area. The surrounding area of the Development is mostly residential. The surrounding area is in poor condition and has a high crime rate. The Development is less than one mile from shopping and dining locations. The Development is surrounded by multiple bus stops and is within walking distance of many shopping and dining locations. The Development is less than 10 minute drive from the Arlington Expressway, I-195 and I-95. The Development is centrally located in Miami.

Appraisal: First Housing has reviewed a real estate appraisal report for the Development, dated July 11, 2017 with an effective date of April 14, 2017. The appraisal was prepared by Walter Duke and Partners.

Based on this report, the Market Value of the fee simple estate in the Development "As If Vacant" was \$4,080,000. The Market Value of the fee simple estate in the Development "As Is", as of April 14, 2017, was \$3,780,000. The Prospective Value of the leasehold interest of the Development "As If Completed", and leased subject to restricted rents to qualify for low-income housing tax credits, as of February 1, 2019, would be \$11,000,000. The Prospective Value of the leasehold interest of the Development "As Stabilized", and leased subject to restricted rents to qualify for low-income housing tax credits, as of July 1, 2019, would be \$11,400,000. The Prospective Hypothetical Value of the leasehold interest of the Development "As If Completed", and leased at prevailing unrestricted market rental rates for the units at the property, as of February 1, 2019, would be \$33,700,000. The Prospective Hypothetical Value of the leasehold interest of the Development "As Stabilized", and leased at prevailing unrestricted market rental rates for the units at the property, as of July 1, 2019, would be \$34,330,000.

Please note, the income capitalization approach used to obtain the prospective stabilized and completed values includes the ground lease

expense. First Housing has removed the ground lease expense from the pro forma since the payments are subordinate to debt service payments and are payable out of 50% of available cash flow. If the appraisal had excluded the ground lease expense, the resulting valuation would increase. First Housing has used the current appraisal values for the Loan-to-Value calculations since they are a conservative approach.

Please note the appraisal projects that the Development will complete construction February 1, 2019. The appraisal also assumes that the Development will begin preleasing three months prior to completion with 90 units preleased. The remaining units are anticipated to be leased at 30 units per month with a projected stabilization date of July 1, 2019. However, the market study projects that the Development will absorb an average of 24 units per month and that the Development will be at or near 100% preleased upon completion of the last building.

Market Study:

Meridian prepared a Market Study for Liberty Square Phase One, dated May 24, 2017. Upon completion, the Development will offer two hundred and four (204) apartment units within six, three-story apartment buildings. Unit amenities will include a refrigerator with ice-maker, oven/range, dishwasher, disposal, microwave oven, garbage disposal, ceiling fans, fire sprinklers, alarms, washer/dryers and balcony/patio. Common amenities will include a small park and a playground; the future Phase II site will include a 25,000 square foot recreational facility with a community center, multi-purpose rooms, national grocery store, basketball courts, Olympic-Size swimming pool, tennis courts and playgrounds that will be available to the Development's tenants. Overall, the Development will have similar units compared to the comparables. The Development offers typical unit features of similar quality finish as compared to the market rate and affordable comparables. The Development has similar project amenities compared to the competition

Meridian has estimated an average absorption rate for the Development property of 24 units per month. Since there is a limited number of new projects coming on line in the area and the Development is moderate in size, Meridian projects that the Development will be at or near 100% preleased upon completion of the last building.

The Development site is rectangular in shape and contains 6.27 acres. The Development has frontage along the north side of NW 65th Street, frontage along the south side of NW 67th Street, frontage along the west side of NW 14th Avenue and frontage along the east side of NW 15th Avenue. The Development is proposed to access points from the north side of NW 65th Street and the south side NW 67th Street. The Development property is located in Miami-Dade County in what is considered the South Florida Regional Area (“RA”). The Development neighborhood has four Metrorail Stations which connects the Development Neighborhood with most of Miami-Dade County. The primary roadways servicing this neighborhood are Interstate 95, Interstate 396, NW Miami Avenue, NW 7th Avenue, and Flagler Street. The Downtown Core Area of Miami is located just southeast of the Development’s neighborhood and is a major employment center. The region is served by three international airports, the Miami International Airport located in Miami/Dade County, the Palm Beach International Airport located in Palm Beach County and the Fort Lauderdale/Hollywood International Airport located in Broward County. The region is also served by three deep water ports and a very good network of major highways providing easy access to and from the metro.

The Development’s neighborhood is considered primarily the Overtown area and includes much of the Park West area. The Development’s neighborhood is just northwest of Downtown Miami, northeast of Little Havana, southeast of Allapattah, and south of Midtown/Design District. The Development is in the northern portion of the neighborhood. The Development is located in an area that is undergoing a significant amount of revitalization and reconstruction. Just west of the Development’s neighborhood and Interstate 95 is a major industrial area with a significant medical influence. The Development’s neighborhood is a mixed-use area just northwest of Downtown Miami, with older single family neighborhoods, established industrial uses, a large medical district nearby, and commercial/retail corridors. Employment centers in the neighborhood include the local, regional and national commercial business owners, medical, and industrial users in the neighborhood. Downtown Miami is just east of the Development with the Downtown Core Area less than a mile southeast of the Development.

The South Florida RA has a total population of 6,110,137 people and grew 8.38% over the last six years. It is expected to reach 6,493,245 people by 2021 which is an anticipated increase of 6.27% over this five year period. Miami-Dade County has a current population of 2,712,952 and this population grew 8.67% over the last six and is expected to grow 6.39% over the next five years. Miami-Dade County population has exceeded the growth rate of the region, the State and the Nation and is expected to exceed the growth rate of the region, the State and the Nation over the next five years.

The South Florida RA has a total of 2,299,185 households and grew 7.93% over the last six years. It is expected to reach 2,443,392 households by 2021 which is an anticipated increase of 6.27% over this five year period. Miami-Dade County currently has 944,344 households and total households have grown 8.88% over the last six years and are expected to grow 6.70% over the next five years. Miami-Dade County total households have exceeded the growth rate of the region, the State and the Nation over the last six years. They are expected to exceed the growth rate of the region, the State and the Nation over the next five years.

The statewide unemployment rate for May 2017 was 4.7% while the national unemployment rate was 4.3%. The Miami-Dade unemployment rate was 4.7% as of May 2017.

The apartment market within Miami-Dade County consists of a wide variety of unit types ranging from subsidized housing, older market rate developments, newer affordable developments, and upscale market rate developments. Occupancy rates in Miami-Dade County, the 10- mile ring and three-mile ring from the Development are at higher levels than the average of the past five years. Rental rates in the 10-mile ring are generally higher than in the county and three-mile ring. The absorption on the county level and the 10 and 3-mile ring are all positive. The vacancy rate is lowest at the county level.

The Primary Market Area ("PMA") is defined as a 10-mile ring centered on the Development. The area determination is based on data gathered in the Small Area Data Case Study that can be found on the FHFC website. The study indicated that most affordable family developments receive about 2/3 to 3/4 of their tenants from within 10

miles. The CMA is defined as those developments lying in closest proximity to the Development with similar income restrictions and demographic commitments. In large markets, numerous like-kind properties can be found in close proximity (within two to three mile rings) of the Development. In smaller markets, the CMA may expand beyond the PMA to capture sufficient like-kind developments. The Development's CMA, for the purpose of determining a like-kind inventory of competitive units in the Occupancy Analysis, consists of eight like-kind properties with a total of 971 units.

The three-mile Levels of Effort ("LOE") for the comparison counties range from 19.9% to 54.4% compared to the Development's three-mile LOE of 50.1%. The five-mile LOE for the comparison counties range from 6.0% to 46.9% compared to the Development's five-mile LOE of 31.1%. The 10-mile LOE for the comparison counties range from 19.5% to 42.1% compared to the Development's 10-mile LOE of 19.3%. The Development's Levels of Effort are most similar to the well-occupied properties' average Levels of Effort in all of the market areas. The relatively low Levels of Effort suggest adequate market depth considering the size of the existing and funded supply relative to the number of income-qualified renter households in the market areas.

The Capture Rate ("CR") for the comparison counties range from 4.3% to 19.9% compared to the Development's three-mile CR of 1.8%. The five-mile CR for the comparison counties range from 1.5% to 6.2% compared to the Development's five-mile CR of 0.7%. The 10-mile CR for the comparison counties range from 0.5% to 1.7% compared to the Development's 10-mile CR of 0.2%. The Development is generally more similar to the counties with strong occupancy rates. The three-mile Capture Rate of 1.8% suggests the size of the Development is appropriate relative to the number of income-qualified renter households in the market. A Capture Rate of 10% or less in the three-mile ring is a typical developer's benchmark that a project is appropriately sized for the market. Based on this analysis, it appears the Development is appropriately sized, relative to the number of the income-qualified renter households in the market.

Remaining Potential Demand ("RPD") is the number of income-qualified renter households that are not housed in existing or funded affordable units. Residents of these households may live in housing

developments funded under other programs or other forms of housing. The three-mile RPD for the comparison counties range from 1,084 to 4,423 compared to the Development's three-mile RPD of 5,533. The five-mile RPD for the comparison counties range from 2,709 to 12,233 compared to the Development's five-mile RPD of 20,008. The 10-mile RPD for the comparison counties range from 13,657 to 42,858 compared to the Development's 10-mile 68,659. The Development's RPD indicates significant remaining potential demand in all market areas.

There are twelve (12) properties located in the Development's CMA, eight (8) of which are like-kind properties. Meridian projects a moderate case for impact on four existing like-kind projects since they are located within one mile of the Development. Meridian projects a weak impact to the remaining four family affordable developments located in the CMA in the short-term. Meridian projects a weak impact to all developments in the CMA over the long-term.

There is one FHFC Guarantee Fund Development, Golden Lakes, located within 10 miles (PMA). The Development will have a weak impact on the Guarantee Fund project.

The weighted average occupancy rate of the comparables is 98.7%, which meets the FHFC requirement that the submarket must have an average physical occupancy rate of 92% or greater. The market rate comparables are 97% to 100% occupied with a weighted average of 98%. The restricted rate projects are 97% to 100% occupied, with a weighted average of 99%; all are stabilized.

Based on First Housing's calculations, the Development's achievable market rents will have a rent advantage averaging 127% when compared to the Development's highest proposed LIHTC rents. As required by FHFC, the average market rental rate in the submarket based on unit mix and annualized rent concessions is 110% or greater of the applicable maximum housing credit rental rate.

Environmental
Reports:

Dynatech Engineering Corp. ("Dynatech") prepared a Phase I Environmental Site Assessment ("ESA") dated July 22, 2016. The Phase I ESA was completed in conformance with the scope and limitations of ASTM Practice E 1527-13.

The ESA was performed for the entire Liberty Square Housing Project which is a total area of approximately 49.35 +/- acres. Based upon Dynatech's research, the Development revealed no evidence of Recognized Environmental Conditions during their inspection. No further assessment is warranted at this time.

First Housing has reviewed a Report of Asbestos Survey, dated February 8, 2017, prepared by Sievers Contracting, Inc. The Asbestos Survey sampled the existing structures on the Liberty Square site. Since all existing buildings will be demolished, a Florida Licensed Asbestos Abatement Contractor should perform the removal of any Category I Materials which have become friable. Any category I non-friable materials may be left in place during demolition under wet conditions. All materials must be disposed of properly in a Class I Landfill.

Soils Test Report:

A subsurface investigation was conducted by Dynatech on April 11, 2017. Subsurface conditions at the site were explored with twelve (12) Standard Penetration Test (SPT) borings located throughout the site. The borings were drilled to a depth of 30 feet below the existing land surface. The borings complied with ASTM D-1586 standards.

The purpose of this study was to explore the subsurface conditions at the site relative to foundation design of the proposed structures. This report briefly outlines the testing procedures, describes the site and subsoil conditions, and presents geotechnical recommendations for foundation design and general site development.

Results of the investigation confirm that the site is generally suitable from a geotechnical perspective for shallow foundation system of the planned construction. The proposed structures may be supported on shallow foundations, pursuant to the report's foundation recommendations.

Groundwater was measured upon completion of the borings and was found at an average depth of approximately 8.5 to 9.0 feet below existing ground surface. Fluctuation in water level is anticipated. Surface flooding may result under hurricane conditions and should be taken into consideration in the design of the project.

Plan and Cost Review: First Housing reviewed a Plan and Cost Review (“PCR”) for the Development dated July 17, 2017 and prepared by GLE.

Once completed, the proposed Development will consist of six (6) three-story garden-style apartment buildings consisting of approximately 234,135 total square feet on a 6.27 acre lot. The Development will offer 204 residential units.

Building construction will generally consist of reinforced concrete strip footings supporting concrete masonry unit (CMU) bearing walls. The exterior walls will be finished with a combination of painted cement plaster (stucco) and pre-engineered concrete veneer panels. The roofs will consist of concrete tile over oriented strand board (OSB) pre-engineered wood trusses.

A complete set of drawings and specifications were provided. They included the civil, landscape, architectural, structural, plumbing, mechanical, and electrical drawings. Upon review, GLE states that they all appeared to be satisfactory.

The Geotechnical Exploration Report indicates that the information within the structural and civil engineering drawings is consistent with the geotechnical reports recommendations.

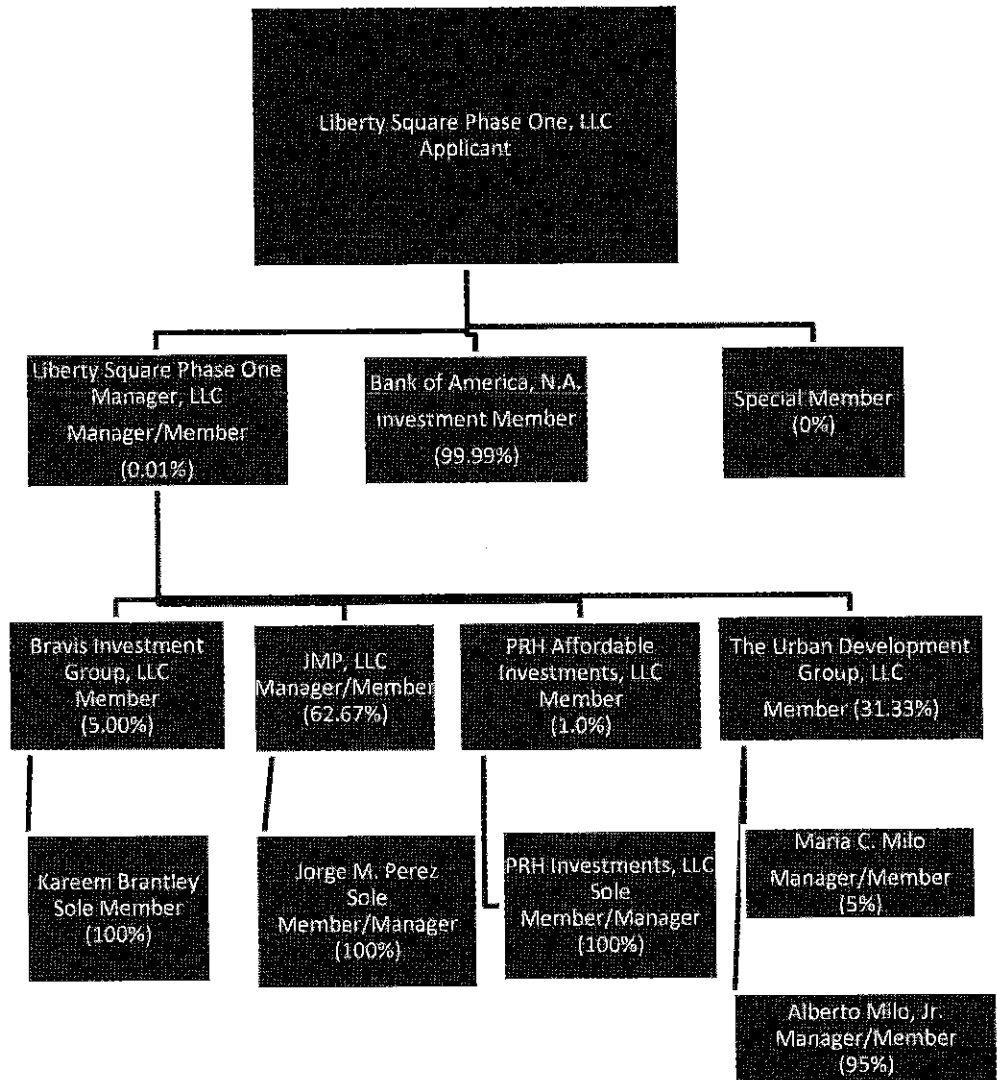
GLE has reviewed the construction contract, dated June 20, 2017, between the Applicant and Contractor where the basis of payment is the cost of the work plus a fee with a guaranteed maximum price of \$26,752,387, which yields a cost of \$131,139.15 per unit. It is GLE’s opinion that this is within the acceptable range for similar type projects. The construction schedule indicates that project completion is to occur in 357 days. GLE finds the construction schedule appropriate for the transaction.

Applicant Information

Applicant Name: Liberty Square Phase One, LLC

Applicant Type: A Florida Limited Liability Company

Ownership Structure:



The Developer for the Development is Liberty Square Phase One Developer, LLC. RUDG, LLC is 95% member/manager of the Developer and Bravis Investment Group, LLC is 5% member of the Developer. Kareem Brantley is the sole member of Bravis Investment Group, LLC. Based on a letter, dated

March 30, 2017, the Developer is a newly formed single purpose entity and has no financial statements, contingent liabilities, tax returns, etc.

Copies of the Operating Agreements and/or Articles of Incorporation have been provided on each of the ownership structure entities.

Based on a letter from the Developer, dated March 30, 2017, the Applicant is a newly formed single purpose entity and has no financials, tax returns, references, etc. Additionally, based on a letter from the Developer, dated March 30, 2017, the Manager, Liberty Square Phase One Manager, LLC, is a newly formed single purpose entity and has no financials, tax returns, contingent liabilities, etc.

Contact Person: Alberto Milo, Jr.
The Related Group
315 S. Biscayne Blvd.
Miami, Florida 33131
(305) 460-9900 telephone

Experience: The Applicant, Manager, and Developer were created to construct, own, and operate the Development, but have no development experience. The development experience lies within RUDG, LLC. RUDG, LLC combines the experience of two of the leading developers in South Florida: Jorge Perez and Alberto Milo, Jr.

Through his ownership in Related Affordable Housing, The Related Companies of Florida, and The Related Group of Florida, Mr. Perez has developed, rehabilitated, and managed over 11,000 affordable housing units in his career. Though he has been a successful developer of mixed-use and condominium development, Mr. Perez never lost his passion to provide high quality affordable housing.

Under Mr. Perez's direction, The Related Group and its affiliates have developed and/or managed more than 80,000 apartments and condominium residences. Its current portfolio represents assets under development of more than \$11.1 billion.

Alberto Milo, Jr. is principal and Senior Vice President of The Urban Development Group, LLC and Mr. Milo formed a joint venture with Mr. Perez in order to create RUDG, LLC. RUDG, LLC has developed, rehabilitated, and managed numerous affordable housing development with financing obtained through tax-exempt bonds and low income

housing tax credits. Mr. Milo is responsible for leading RUDG, LLC's day-to-day activities and will be involved in all major decision making efforts.

Credit Evaluation: First Housing reviewed satisfactory credit reports for Alberto Milo, Jr. Jorge Perez, Kareem Brantley, Perez Ross Holdings, LLC, PRH Investments, LLC, The Urban Development Group, LLC and RUDG, LLC.

A credit report was available for Bravis Investment Group, LLC; however, it shows that no paydex information is available due to the limited activity of the company.

A credit report was not available for the Applicant, Manager, Developer, PRH Affordable Investments, LLC, or JMP, LLC.

References: Bank and trade references for the Applicant, Manager, and Developer were not available. First Housing received the appropriate forms for the remaining members of the development team and submitted the forms to the corresponding contacts provided. First Housing has received and reviewed a satisfactory bank references for Jorge Perez and Perez Ross Holdings, LLC. First Housing has received one satisfactory trade reference for each of the following: JMP, LLC, PRH Affordable Investments, LLC, PRH Investments, LLC, PRH Related Holdings, LLC, The Urban Development Group, LLC and RUDG, LLC

Financial Statements
and Contingent
Liabilities:

The Applicant, Manager, and Developer are all single purpose newly formed entities; therefore, tax returns and financials were not available. First Housing received 2014 and 2015 tax returns as well as 2016 tax return extensions for RUDG, LLC, Perez Ross Holdings, LLC, Jorge Perez, and Kareem Brantley. First Housing has received 2014 and 2015 tax returns for Alberto Milo, Jr. and The Urban Development Group, LLC. Receipt of 2016 tax return extensions for these entities is a condition to closing. Tax returns are not available for PRH Investments, LLC, PRH Affordable Investments, LLC, or Bravis Investment Group, LLC, since they all have one sole member. If an entity has a sole member ownership it is disregarded for tax purposes. First Housing has reviewed the following satisfactory financial statements:

PRH Affordable Investments, LLC	
Un-audited Consolidated Financial Statement	
March 31, 2017	
Cash	\$7,910,000
Total Assets	\$228,515,000
Total Liabilities	\$101,038,000
Total Equity	\$127,477,000

First Housing also received a statement, dated August 7, 2017, confirming that the financials dated March 31, 2017 for PRH Affordable Investments, LLC are the most recently prepared statements available. Additionally, the letter certifies that there has been no material adverse change in the condition of the affairs of PRH Affordable Investments, LLC.

PRH Investments, LLC and Subsidiaries	
Consolidated Audited Financial Statement	
December 31, 2016	
Cash	\$156,197,000
Total Assets	\$1,693,320,000
Total Liabilities	\$796,755,000
Total Equity	\$896,565,000

First Housing also received a statement which indicates that the consolidated financials of RUDG, LLC are included in PRH Investments, LLC consolidated financial statement, since RUDG, LLC is a subsidiary.

Based on a schedule dated, December 31, 2016, PRH Investments, LLC has contingent liabilities in the amount of \$47,527,680. Based on a statement, dated April 1, 2017, RUDG, LLC has contingent liabilities in the amount of \$49,656,108.

Perez Ross Holdings, LLC and Subsidiaries Consolidated Audited Financial Statement December 31, 2016	
Cash	\$178,446,000
Total Assets	\$1,812,018,000
Total Liabilities	\$876,927,000
Total Equity	\$935,091,000

Based on a schedule, dated December 31, 2016, Perez Ross Holdings, LLC has contingent liabilities in the amount of \$5,125,000.

Jorge Perez Un-audited Statement of Financial Condition December 31, 2016	
Cash and Cash Equivalents	\$86,994,000
Total Assets	\$1,297,815,000
Total Liabilities	\$189,986,000
Total Equity	\$1,107,829,000

First Housing also received a statement, dated August 10, 2017, confirming that the financials dated December 31, 2016 for Jorge Perez are the most recently prepared statements available. Additionally, the letter certifies that there has been no material adverse change in the condition of the affairs of Jorge Perez. Based on the statement of financial condition, Jorge Perez may be obligated to advance funds under certain debt guarantees. Mr. Perez' share of contingent obligations under such agreements at December 31, 2016 was approximately \$73.4 million.

The Urban Development Group, LLC Un-audited Corporate Financial Statement March 31, 2017	
Liquid Assets	\$987,654
Total Assets	\$3,897,654
Total Liabilities	\$53,000
Total Equity	\$3,844,654

First Housing also received a statement, dated August 1, 2017, confirming that the financials dated March 31, 2017 for The Urban Development Group, LLC are the most recently prepared statements available. Additionally, the letter certifies that there has been no material adverse change in the condition of the affairs of The Urban Development Group, LLC. Based on a schedule, dated April 1, 2017, The Urban Development Group, LLC has contingent liabilities in the amount of \$47,527,680.

Alberto Milo, Jr.	
Un-audited Personal Financial Statement	
March 31, 2017	
Cash	\$175,187
Total Assets	\$4,577,776
Total Liabilities	\$15,000
Total Equity	\$4,562,776

First Housing also received a statement, dated August 1, 2017, confirming that the financials dated March 31, 2017 for Alberto Milo, Jr. are the most recently prepared statements available. Additionally, the letter certifies that there has been no material adverse change in the condition of the affairs of Alberto Milo, Jr. Based on a schedule, dated April 1, 2017, Alberto Milo, Jr. does not have any contingent liabilities.

Kareem Brantley	
Un-audited Personal Financial Statement	
July 31, 2017	
Cash	\$9,279
Total Assets	\$1,119,262
Total Liabilities	\$24,411
Total Equity	\$1,094,851

Based on a schedule, dated August 2, 2017, Kareem Brantley does not have any contingent liabilities.

Bravis Investment Group, LLC	
Un-audited Balance Sheet	
July 31, 2017	
Cash	\$302,122
Total Assets	\$488,313
Total Liabilities	\$22,326
Total Equity	\$456,987

Based on a schedule, dated August 2, 2017, Bravis Investment Group, LLC does not have any contingent liabilities.

Financial Affairs: It should be noted that Jorge Perez has been involved in previous loan workouts which included loan restructures, deeds in lieu of foreclosure, and loan workouts due to the recession of 2008. These workouts were primarily on condominiums of which the various related single purposes entities could no longer meet their loan obligations. During this time, all of Mr. Perez's affordable housing communities remained current on their loans and in full compliance. As of April 20, 2017, Jorge Perez is also involved in two pending lawsuits which were filed in 2017. Mr. Perez is expecting to be dismissed from both cases.

As of March 21, 2017, Perez Ross Holdings, LLC is also involved in two lawsuits. Perez Ross Holdings, LLC is currently seeking to be dismissed from both cases. No liability is expected.

As of March 21, 2017, PRH Investments, LLC is involved in one lawsuit as a defendant. PRH Investments, LLC has filed a motion to dismiss the case. No liability is expected.

First Housing has reviewed a statement of financial affairs, dated July 26, 2017, for Kareem Brantley. The statement indicates that Mr. Brantley has had a previous personal residence which fell into foreclosure and was sold as a short sale in 2012 in order to satisfy the outstanding mortgage. Mr. Brantley indicated that the home fell into foreclosure due to financial stress experienced in the recession of 2008. Since this financial period, Mr. Brantley has not failed to make any required payments to creditors on any assets as far as we are aware.

Summary: Based upon review of the Financial Statements and Contingent Liabilities, First Housing concludes that the development team has the requisite

financial strength to complete construction and to operate the Development.

Guarantor Information

Guarantor Name: Liberty Square Phase One, LLC, Liberty Square Phase One Manager, LLC, The Urban Development Group, LLC, JMP, LLC, Alberto Milo, Jr., Liberty Square Phase One Developer, LLC, RUDG, LLC, PRH Affordable Investments, LLC, PRH Investments, LLC, and Perez Ross Holdings, LLC.

Nature of the Guarantees: The Guarantors will sign standard Construction Completion, Operating Deficit, Environmental Indemnity, and Recourse Obligation guarantees. The Construction Completion Guarantee will be released upon 100% lien free completion as approved by the Servicer.

For the Note, Guarantors are to provide the standard Operating Deficit Guarantee to be released when the Development achieves a 1.15x debt service coverage ratio on the MMRN Loan and 90 percent occupancy and 90 percent of the gross potential rental income, all for 12 consecutive months as certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. Notwithstanding the above, the operating deficit guarantee shall not terminate earlier than three (3) years following the final certificate of occupancy.

Financial Statements: Financial Statements for the Guarantors were summarized in the "Applicant Information" section of this credit underwriting report.

Contingent Liabilities: Contingent Liabilities for the Guarantors were satisfactorily reviewed.

Summary: Based upon review of the financial statements and contingent liabilities, First Housing concludes that the above referenced Guarantors have sufficient net worth for the purpose of collateralizing the Guarantees.

Syndication Information

Syndicator Name: Bank of America, N.A. and/or its affiliates

Contact Person: Laura Sheehan
 Senior Vice President
 100 S. Charles Street, 4th Floor
 Baltimore, MD 21201
 410-547-4067 Telephone

Experience: BoA helps to create more than 10,000 affordable housing units for families, seniors, veterans, and individuals with special needs every year. BoA consistently provides more than \$2 billion in loan and tax-credit investments annually. BoA has over 30 years of experience in community development banking. BoA Community Development Corporation, a subsidiary of BoA, has offices in 12 U.S. cities and has assisted in developing or rehabilitating more than 24,000 affordable housing and mixed-income rental units.

Financial Statements: First Housing has received and reviewed Form 10-K for Bank of America Corporation and the consolidated balance sheet is summarized below. BoA is a subsidiary of Bank of America Corporation.

Bank of America Corporation	
Consolidated Balance Sheet (Dollars in millions)	
March 31, 2107	
Cash and Cash Equivalents	\$168,025
Total Assets	\$2,247,701
Total Liabilities	\$1,979,548
Equity	\$268,153

Summary: BoA has demonstrated that it has the experience and financial strength to serve as the syndicator for this Development.

General Contractor Information

General Contractor: Fortune Urban Construction, LLC

Type: A Florida Limited Liability Company

Contact: Luis Castellon
 444 Brickell Avenue, Suite 301
 Miami, Florida 33131
 (305) 459-8158 Ext. 362 Telephone

Experience: Fortune Urban Construction is a general contracting and construction management company that specializes in multifamily residential and mixed-used projects. Fortune Urban Construction was formed in September 2013. Fortune Construction Company is Fortune Urban Construction’s principal owner and managing partner. Fortune Construction Company was established in December 1992 and has been involved with the development of more than 5,000 units throughout the State of Florida. First Housing received a Florida Certified General Contractor License for Jorge Serna, Director of Construction, which is valid through August 31, 2018.

Credit Evaluation: A credit report was not available for Fortune Urban Construction, LLC.

References: First Housing has received bank and trade forms for Fortune Urban Construction. First Housing has received one satisfactory bank reference and one satisfactory trade reference at this time.

Financial Statements: First Housing has received and reviewed consolidated financial statements as summarized below.

Fortune Construction Company LLP and Subsidiary Consolidated Financial Statements December 31, 2016	
Cash and Equivalents	\$4,575,698
Total Assets	\$9,712,398
Total Liabilities	\$5,422,786
Total Equity	\$4,289,612

Summary: FHDC recommends that Fortune Urban Construction be accepted as the general contractor for the construction of this Development based on its experience and financial strength. Additionally, a 100% Payment and Performance Bond will be provided.

Property Manager Information

Management Company: TRG Management Company LLP

FEI: 650740253

Contact: Marilyn Pascual
Division President
2400 North Commerce Parkway, Suite 105
Weston, FL 33326
(305) 442-8628

Experience: TRG was formed in 1984 to primarily manage various forms of multi-family housing. Since its inception, the company has been identified as a leader in the real estate management business in Florida having managed more than 70,000 units.

Currently, TRG has more than 80 properties in the company’s portfolio and has become a fully integrated organization. Efficient operational systems and a decentralized organizational structure allow for fast and efficient decision making with maximum upper management control. TRG’s innovative management programs and effective support system have made the firm a recognized industry leader.

Management Agreement: The Applicant has submitted an executed, but not dated, Property Management Agreement which reflects a management fee of 5% of the gross income actually collected during the month. The Property Management Agreement also details a construction supervision fee, in the amount of 10% of actual costs for the supervision of all construction and/or capital improvement work, which is to be paid to the management agent if any construction and/or capital improvement work over \$25,000 is done on the property. A dated Property Management Agreement with conditions as assumed in this report is a condition to closing.

Management Plan: The Applicant has submitted a draft management plan. The management plan is to be reviewed and approved by Miami-Dade County. Such approval is a condition to this report.

Summary: The management company's principals have an acceptable amount of experience in the management of affordable multifamily housing.

15 Year Pro Forma

FINANCIAL COSTS:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA															
Gross Potential Rental Income	\$2,017,397	\$2,057,745	\$2,098,900	\$2,140,878	\$2,183,696	\$2,227,369	\$2,271,917	\$2,317,355	\$2,363,702	\$2,410,976	\$2,459,196	\$2,508,380	\$2,558,547	\$2,609,718	\$2,661,913
Other Income	\$40,800	\$41,616	\$42,448	\$43,297	\$44,163	\$45,046	\$45,947	\$46,866	\$47,804	\$48,760	\$49,735	\$50,730	\$51,744	\$52,779	\$53,835
Miscellaneous	\$2,058,197	\$2,099,361	\$2,141,348	\$2,184,175	\$2,227,859	\$2,272,416	\$2,317,864	\$2,364,222	\$2,411,506	\$2,459,736	\$2,508,931	\$2,559,109	\$2,610,292	\$2,662,487	\$2,715,747
Gross Potential Income															
Less:															
Physical Vac. Loss	\$61,746	\$62,981	\$64,240	\$65,525	\$66,836	\$68,172	\$69,536	\$70,927	\$72,345	\$73,792	\$75,268	\$76,773	\$78,309	\$79,875	\$81,472
Collection Loss	\$92,519	\$94,471	\$96,361	\$98,288	\$100,254	\$102,259	\$104,304	\$106,390	\$108,518	\$110,688	\$112,902	\$115,160	\$117,463	\$119,812	\$122,209
Total Effective Gross Income	\$1,903,832	\$1,941,909	\$1,980,747	\$2,020,362	\$2,060,789	\$2,101,985	\$2,144,024	\$2,186,905	\$2,230,643	\$2,275,256	\$2,320,761	\$2,367,176	\$2,414,520	\$2,462,810	\$2,512,066
Fixed:															
Real Estate Taxes	\$195,796	\$201,670	\$207,720	\$213,952	\$220,370	\$226,981	\$233,791	\$240,804	\$248,029	\$255,469	\$263,133	\$271,027	\$279,158	\$287,533	\$296,159
Insurance	\$102,000	\$105,060	\$108,212	\$111,458	\$114,802	\$118,246	\$121,793	\$125,447	\$129,211	\$133,087	\$137,079	\$141,192	\$145,428	\$149,790	\$154,284
Variable:															
Management Fee	\$95,192	\$98,047	\$100,989	\$104,018	\$107,139	\$110,353	\$113,664	\$117,074	\$120,586	\$124,203	\$127,930	\$131,767	\$135,700	\$139,732	\$143,866
General and Administrative	\$71,400	\$73,542	\$75,748	\$78,021	\$80,361	\$82,770	\$85,255	\$87,813	\$90,447	\$93,161	\$95,956	\$98,834	\$101,799	\$104,853	\$107,999
Payroll Expenses	\$244,800	\$252,144	\$259,708	\$267,500	\$275,525	\$283,790	\$292,304	\$301,073	\$310,105	\$319,408	\$328,991	\$338,860	\$349,026	\$359,497	\$370,282
Utilities	\$137,700	\$141,831	\$146,086	\$150,469	\$154,983	\$159,632	\$164,421	\$169,354	\$174,434	\$179,667	\$185,057	\$190,609	\$196,327	\$202,217	\$208,284
Marketing and Advertising	\$20,400	\$21,012	\$21,642	\$22,292	\$22,960	\$23,649	\$24,359	\$25,089	\$25,842	\$26,617	\$27,416	\$28,238	\$29,086	\$29,958	\$30,857
Maintenance and Repairs/Pest Control	\$71,400	\$73,542	\$75,748	\$78,021	\$80,361	\$82,770	\$85,255	\$87,813	\$90,447	\$93,161	\$95,956	\$98,834	\$101,799	\$104,853	\$107,999
Grounds Maintenance and Landscaping	\$35,700	\$36,771	\$37,874	\$39,010	\$40,181	\$41,386	\$42,628	\$43,906	\$45,224	\$46,580	\$47,978	\$49,417	\$50,900	\$52,427	\$53,999
Contract Services	\$10,200	\$10,508	\$10,821	\$11,146	\$11,480	\$11,825	\$12,179	\$12,545	\$12,921	\$13,309	\$13,708	\$14,119	\$14,543	\$14,979	\$15,428
Security	\$71,400	\$73,542	\$75,748	\$78,021	\$80,361	\$82,770	\$85,255	\$87,813	\$90,447	\$93,161	\$95,956	\$98,834	\$101,799	\$104,853	\$107,999
Other	\$45,605	\$46,973	\$48,382	\$49,834	\$51,329	\$52,869	\$54,455	\$56,088	\$57,771	\$59,504	\$61,288	\$63,128	\$65,022	\$66,972	\$68,982
Reserve for Replacements	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200	\$61,200
Total Expenses	\$1,162,793	\$1,195,890	\$1,229,880	\$1,264,940	\$1,301,052	\$1,338,248	\$1,376,559	\$1,416,020	\$1,456,665	\$1,498,529	\$1,541,684	\$1,586,148	\$1,631,937	\$1,679,083	\$1,727,625
Net Operating Income	\$741,040	\$746,069	\$750,868	\$755,422	\$759,717	\$763,737	\$767,465	\$770,885	\$773,978	\$776,727	\$779,217	\$781,463	\$783,477	\$785,253	\$786,811
Debt Service Payments															
First Mortgage - BOA/Freddie Mac/HFAMDC	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091	\$676,091
Second Mortgage - City of Miami HOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - PHCD RHF*	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174	\$15,174
Fourth Mortgage - PHCD GOB	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - HFAMDC	\$35,623	\$35,342	\$35,046	\$34,735	\$34,408	\$34,063	\$33,701	\$33,321	\$32,920	\$32,499	\$32,056	\$31,590	\$31,100	\$30,584	\$30,042
Total Debt Service Payments	\$676,887	\$676,606	\$676,310	\$675,999	\$675,672	\$675,328	\$674,966	\$674,585	\$674,185	\$673,763	\$673,320	\$672,854	\$672,364	\$671,849	\$671,307
Cash flow after Debt Service	\$64,153	\$69,462	\$74,557	\$79,423	\$84,045	\$88,409	\$92,499	\$96,300	\$99,794	\$102,964	\$105,956	\$108,773	\$111,423	\$113,914	\$116,255
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	1.12	1.13	1.14	1.14	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	1.18
DSC - First and Second Mortgages plus Fees	1.12	1.13	1.14	1.14	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	1.18	1.18	1.18
DSC - First, Second, and Third Mortgages plus Fees	1.09	1.10	1.11	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.16	1.16	1.16
DSC - First, Second, Third, and Fourth Mortgages plus Fees	1.09	1.10	1.11	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.16	1.16	1.16
Financial Ratios															
Operating Expense Ratio	61.08%	61.58%	62.09%	62.61%	63.13%	63.67%	64.20%	64.75%	65.30%	65.86%	66.51%	67.16%	67.82%	68.48%	69.15%
Break-even Economic Occupancy Ratio (all debt)	89.76%	89.52%	89.30%	89.10%	88.92%	88.75%	88.61%	88.47%	88.36%	88.26%	88.16%	88.07%	87.98%	87.89%	87.80%

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50% Test

Tax Exempt Bond Amount	\$21,000,000
Less: Debt Service Reserve Funded with Tax Exempt Bond Proceeds	\$0
Other	\$0
Other	\$0
Equals Net Tax Exempt Bond Amount	\$21,000,000
Total Depreciable Cost	\$40,437,492
Plus Land Cost	\$730,000
Aggregate Basis	\$41,167,492
Net Tax Exempt Bond to Aggregate Basis Ratio	51.01%

Attachment 1
GOB Administrative Rules

Memorandum



Date: June 15, 2010

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

Amended
Agenda Item No. 12(A)(2)

From: George M. Burgess
County Manager

Resolution No. R-668-10

Subject: Recommended Policy for the use of Economic Development Funds under the Building Better Communities General Obligation Bond Program Project No. 124 – "Economic Development Fund" and Project No. 320 – "Economic Development in Targeted Urban Areas" and Amending the Administrative Rules

This item was amended at the June 15, 2010 meeting of the Board of County Commissioners to incorporate all the suggested changes in Supplement No. 2 with the exception of the recommendation to increase the cap per project to \$25 million. The item was further amended to include a minimum amount per project of \$10 million under GOB Project No. 124.

Recommendation

It is recommended that the Board of County Commissioners (Board) adopt the attached resolution which: 1) establishes policy on the criteria for projects to be funded by the Building Better Communities General Obligation Bond Program's (BBC GOB Program) Project No. 124 – "Economic Development Fund" (Project No. 124) and Project No. 320 – "Economic Development in the Targeted Urban Areas" (Project No. 320); and 2) amends the GOB Administrative Rules accordingly. Pursuant to the BBC GOB Program's Administrative Rules, the funds allocated to Project No. 124 and Project No. 320 are collectively referred to as the Economic Development Fund. In addition, this item also corrects minor scrivener's errors, and amends the Administrative Rules with respect to soft costs eligible under the Sustainable Buildings Ordinance and expands the ownership of properties funded under the BBC GOB Program to include active and duly registered Florida for-profit corporations or other recognized business entities.

Scope

The Economic Development Fund must be used to spur economic development and attract new businesses to the community in order to create jobs. Of the \$90 million allocated, \$75 million is available countywide and the remaining \$15 million is set aside to target economic development activities within the County's Targeted Urban Areas. Targeted Urban Areas are identified under the County Code of Ordinances Article VI Section 30A-129(2) as those geographical areas commonly known as: Liberty City/Model City, Carol City, Goulds, Overtown, Little Haiti, Brownsville, Opa-Locka, Richmond Heights, Homestead/Florida City, Coconut Grove, Northwest 27th Avenue Corridor, Northwest 183rd Street Corridor, West Little River, Princeton/Naranja, Leisure City, South Miami, Perrine, and the City of North Miami's 7th Avenue District, Downtown District, West Dixie Highway District and Biscayne Boulevard District.

Fiscal Impact

There will be no fiscal impact to the County with the approval of this item which simply sets policy on the use of \$90 million in GOB funds set for economic development.

Background

In November 2004, Miami-Dade County voters approved the issuance of \$352.182 million in general obligation bonds to, among other things, construct and improve bridges, public infrastructure, and neighborhood improvements as part of the BBC GOB Program. Within that amount, a total of \$90

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million was allocated towards the Economic Development Fund for which the eligible uses are, but are not limited to:

- infrastructure funding for road construction, water and sewer lines, fencing, sidewalks, entryways, lighting, and handicap accessibility;
- acquisition of land or buildings, subject to certain limitations and to be evaluated on a case by case basis;
- new construction or renovation of buildings, subject to certain limitations and to be evaluated on a case by case basis; and
- construction or acquisition of parking lots and structures, subject to certain limitations and to be evaluated on a case by case basis.

Ineligible uses of the funds on deposit in the Economic Development Fund include, but are not limited to, working capital, furniture and fixtures, office equipment, and other non-capital related expenses.

Staff has developed criteria for two separate programs under the Economic Development Fund (as detailed further below) to: a) spur economic development and attract new businesses to the community in order to create jobs; b) stimulate private sector investment in key strategic locations that strengthen the local economic base for long-term growth; and c) provide a significant economic return on the investment of BBC GOB Program dollars.

Economic Development Grant Fund – Project No. 124

Staff proposes that \$75 million from the Economic Development Fund be used to not only accomplish the goals of private sector development, accelerate job creation, and provide a significant return on investment, but more importantly to develop projects with the potential to transform the regional economy and produce a significant number of jobs. More specifically, the County wishes to use these funds in ways that strengthen the economy's capacity for innovation and commercialization of scientific advancements, and expand leadership in local industry clusters such as Aviation and Aerospace, Financial and Professional Services, Homeland Security and Defense, Information Technology, Life Sciences, and International Trade and Global Commerce.

The recommended use of these funds is a shift from the County's current economic development incentive programs as it focuses on the building of institutions that serve as catalysts for such new investments, productivity growth, and the foundation for long-term regional competitive advantage. Using BBC GOB Program Project No. 124 funds, the County can move quickly to take advantage of "game-changing" economic development opportunities likely to have very significant impacts on the entire County and/or South Florida region, rather than specific neighborhoods or sections of the County.

This portion of the Economic Development Fund will fund new public infrastructure projects that incentivize real property investments by innovative businesses willing to relocate to Miami-Dade County that are unlikely to occur without such incentive. The innovative businesses sought are businesses likely to be catalysts for the growth of an existing or emerging high technology cluster or likely to have a significant impact on long term regional growth. Eligible projects can be located anywhere in Miami-Dade County as long as they meet the criteria set in the attached administrative rules. However, staff still encourages the further development of industry clusters, and the five strategic areas referenced below are as examples of such potential clusters for aviation, global logistics, life science, maritime, homeland security and defense, and clean energy companies. The five strategic areas have been identified as (see Exhibit L to the Administrative Rules):

- Opa-locka Executive Airport area defined on the north by the airport property line from NW 37 Avenue on the east to NW 57 Avenue on the west, south along NW 57 Avenue to NW 135 Street, then east along NW 135 Street to NW 42 Avenue and south along NW 42 Avenue to

[Handwritten signature]

- East 56 Street, east along East 56 Street to NW 37 Avenue, and then north along NW 37 Avenue to the northeast corner of the airport property;
- Civic Center/Medical District defined by the area bounded on the north by NW 28th Street, on the east by Interstate 95, on the south by the Miami River, and on the west by NW 17th Avenue;
 - Port of Miami defined as the combination of Dodge Island and Lummus Island;
 - Kendall-Tamiami Executive Airport area defined by SW 120th Street on the north, SW137 Avenue on the east, the CSX railroad line on the south, and SW 157 Avenue on the west; and
 - Homestead Air Reserve Base area defined by the irregular boundaries shown on Exhibit L of the Administrative Rules.

This program would provide \$75 million in grant funds to reimburse projects for the cost of public infrastructure investments associated with private development. These private capital investments must support long term economic development and create a significant number of jobs. Reimbursement for infrastructure investment will be contingent upon the private entity having secured total project capital investment from non-County government sources as required under a Grant Agreement.

The Economic Development Grant Fund requirements listed below establish guidelines to identify qualified projects. This list of general qualifications and requirements reflects the County's intent to move forward with projects that will have a significant, and lasting, impact on future economic development and job creation.

Project No. 124 requirements include:

- The funds must be used to provide infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs.
- The funds must be used for public infrastructure, including parking structures and public facilities, along with other infrastructure improvements, subject to certain limitations and to be evaluated on a case by case basis.
- These infrastructure improvements must support economic development activities that have the potential to create a significant number of permanent new jobs in Miami-Dade County that benefit the community at-large.
- The project must leverage public bond monies with other funding sources to yield a significant economic impact and return on public incentive investments, and demonstrate the financial capacity and financial commitment to complete the economic development project.
- The project must demonstrate long-term benefits to the County in spurring future economic growth through an analysis of local economic and County fiscal impacts over a 20-year time period using a Miami-Dade County REMI model or an equivalent model that is widely available and professionally accepted among economists.
- A project-specific grant would reimburse up to 100 percent of public infrastructure costs per project, but subject to a maximum cap of \$15 million and a minimum amount of \$10 million.
- Actual grant funds would be disbursed on a reimbursement basis only after verified completion of the public infrastructure project upon receipt of an audited financial accounting of infrastructure development costs and subject to funding and compliance with federal tax laws.
- Grants in excess of \$5 million would be disbursed over no more than a 5 year period from the date the public infrastructure improvements are completed when taxable bonds are issued to fund such public infrastructure improvements. If tax-exempt bonds are issued for the public infrastructure improvements reimbursements for such public infrastructure improvements will be disbursed over no more than a three year period from the date of the expenditure but in no case later than 18 months from the date the public infrastructure project is placed in service.

- Annual benchmarks for required private sector capital investments in a project would be established and disbursement of grant funds would be subject to attainment of said benchmarks. A prorated grant disbursement may be allowed when actual project investment falls short of benchmarks.
- A clawback provision in the event that established benchmarks are not met subsequent to disbursement of grant funds shall be included in the Grant Agreement. The Grant Agreement shall require that the grant recipient provide collateral securing the clawback provision. The collateral may include, but shall not be limited to, any instrument such as a personal guarantee, performance bond, restrictive covenant, or any other collateral as appropriate.
- As a condition of the grant award for public infrastructure improvements, the grant recipient agrees as a matter of contract to the application of Section 2-11.16 of the Code on the portion of the project that is specifically tied to EDF-funded public infrastructure improvements.

Development projects that are LEED certified will receive additional consideration in the evaluation process commensurate with the level of LEED certification in order to provide an incentive to build energy efficient facilities and reduce CO₂ emissions.

Economic Development in Targeted Urban Areas Fund – Project No. 320

Staff proposes policies that will facilitate utilization of the \$15 million allocated to Project No. 320 to support projects that provide a significant return on the investment of BBC GOB Program dollars in Targeted Urban Areas. The County needs to be able to move quickly when economic development opportunities, with significant private sector participation, present themselves in the Targeted Urban Areas. Project No. 320, like Project No. 124, is intended to support private sector development and job creation through public infrastructure improvements. This may be achieved by encouraging new businesses to relocate specifically to Miami-Dade County's Targeted Urban Areas.

Project No. 320 requirements:

- The funds must be used for public infrastructure, including parking structures and public facilities, along with other infrastructure improvements located within the boundaries of the County's 19 Targeted Urban Areas, subject to certain limitations and to be evaluated on a case by case basis.
- The infrastructure improvements must spur economic development and attract new businesses to the community in order to create jobs.
- The project must benefit the residents and businesses within the individual Target Urban Areas.
- The project must include private sector investment and leverage public bond monies with other funding sources, and demonstrate the financial capacity and financial commitment to complete the economic development project.
- The project must create a significant number of jobs that are available to residents of a Targeted Urban Area.
- No more than \$3 million of reimbursements can be allocated within any one Targeted Urban Area. The grant would reimburse up to 100 percent of public infrastructure costs per project, but subject to a cap of the lesser of \$3 million or the total amount of grant funding available.
- Actual grant funds would be disbursed on a reimbursement basis only after verified completion of the public infrastructure project upon receipt of an audited financial accounting of infrastructure development costs and subject to funding and compliance with federal tax laws.
- Grants would be disbursed over no more than a 5 year period from the date the public infrastructure improvements are completed when taxable bonds are issued to fund such public infrastructure improvements. If tax-exempt bonds are issued for the public infrastructure improvements reimbursements for such public infrastructure improvements will be disbursed over no more than a three year period from the date of the expenditure but in no case later than 18 months from the date the public infrastructure project is placed in service.

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- Benchmarks for required private sector capital investments in a project would be established and disbursement of grant funds would be subject to attainment of said benchmarks. A prorated grant disbursement may be allowed when actual project investment falls short of benchmarks.
- A clawback provision in the event that established benchmarks are not met subsequent to disbursement of grant funds shall be included in the Grant Agreement. The Grant Agreement shall require that the grant recipient provide collateral securing the clawback provision. The collateral may include, but shall not be limited to, any instrument such as a personal guarantee, performance bond, restrictive covenant, or any other collateral as appropriate.
- As a condition of the grant award for public infrastructure improvements, the grant recipient agrees as a matter of contract to the application of Section 2-11.16 of the Code on the portion of the project that is specifically tied to EDF-funded public infrastructure improvements.

While the construction of infrastructure will have an immediate impact on employment levels within the County, the intent of Project Nos. 124 and 320 is to create sustainable long term economic development and job growth. Each proposed project must be evaluated primarily according to the "permanent" new jobs directly and indirectly created, but consideration will also be given to the directly and indirectly created jobs during the project's development phase. Once a proposed project is approved by the Board, actual funding is dependent upon the availability of BCC GOB Program bond proceeds.

The proposed resolution authorizes the County Mayor or the County Mayor's designee to consider economic development projects in accordance with the policy set forth herein and submit them to the Board for approval at any time with the understanding that the amount of the grant and schedule of disbursements will depend upon the availability of funds in the BCC GOB Program and subject to compliance with federal tax laws.

While the marketplace and economic conditions will determine the specific projects presented to the Board for consideration, the criteria above provide the mechanism for the County Mayor or the County Mayor's designee, to negotiate with private sector partners on potential projects that meet Miami-Dade's long-term goals for economic growth and job creation. The need to move quickly to take advantage of economic development opportunities likely to have very significant impacts in terms of jobs and investments in Miami-Dade County or in our Targeted Urban Areas, requires that the County streamline the process of analyzing and evaluating economic development proposals and have the authority to negotiate the terms of public incentives on a case by case basis. Community involvement, through the Task Force on Urban Economic Revitalization, in evaluation of projects applying for funding under Project 320 is preserved in the amended Administrative Rules. The actual grant award and approval of the terms of each grant agreement under BBC GOB Program Project No. 124 and Project No. 320 shall be subject to approval by the Board.

Additional changes recommended for Board approval are described below.

Increase on Soft Costs to Address the County's Sustainable Buildings Ordinance

For BBC GOB projects to effectively comply with the Sustainable Buildings Ordinance, the amount eligible for reimbursement for project soft costs will be increased from 17 percent to 20 percent to accommodate both the costs of green building design, commissioning and pre-certification services in accordance with the Sustainable Buildings Ordinance No. 07-65 and Implementing Order 8-8. For those projects where it is not practical to attain certification, design services can be employed to implement design interventions that on the average will result in an estimated payback of up to 10 years. Typical categories of payback include but are not limited to energy efficiency, water efficiency, productivity and operations and maintenance.

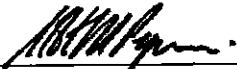
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Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners
Page 6

Ownership of Property

Currently, title to land acquired with BBC GOB Program funds or facilities constructed/developed with BBC GOB funds shall vest with a Public Agency, or a legally incorporated 501(c)(3) not-for-profit Community-Based Organization. The recommended change will allow for an active and duly registered Florida for-profit corporation or other recognized business entity to own property for which BBC GOB funds will be used to construct or develop facilities.

Attachment



Assistant County Manager



MEMORANDUM

(Revised)

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

DATE: June 15, 2010

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

SUBJECT: Amended
Agenda Item No. 12(A)(2)

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 Manager'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

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Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 12(A)(2)
6-15-10

RESOLUTION NO. R-668-10

RESOLUTION APPROVING AMENDMENTS TO ADMINISTRATIVE RULES GOVERNING THE BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM AND AUTHORIZING CORRESPONDING MODIFICATIONS TO STANDARD GRANT AND INTERLOCAL AGREEMENTS AFTER CONSULTATION WITH COUNTY ATTORNEY'S OFFICE

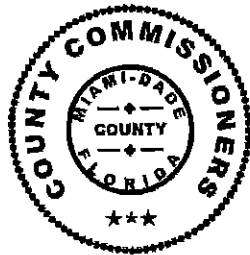
WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by this reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the amendments to the Building Better Communities General Obligation Bond Program's Administrative Rules in substantially the form attached to this resolution and authorizes the corresponding modifications to the standard grant and interlocal agreements after consultation with County Attorney's Office.

The foregoing resolution was offered by Commissioner **Barbara J. Jordan**, who moved its adoption. The motion was seconded by Commissioner **Audrey M. Edmonson** and upon being put to a vote, the vote was as follows:

	Dennis C. Moss, Chairman	aye	
	Jose "Pepe" Diaz, Vice-Chairman	absent	
Bruno A. Barreiro	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Barbara J. Jordan	aye	Joe A. Martinez	absent
Dorin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	absent	Rebeca Sosa	absent
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 15th day of June, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in dark ink, appearing to be "MR" or similar initials, written over a horizontal line.

By: **DIANE COLLINS**
Deputy Clerk

Monica Rizo

BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM ADMINISTRATIVE RULES

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ARTICLE I - GENERAL CONDITIONS

SECTION 1. BACKGROUND

These administrative rules govern the implementation by Miami-Dade County (the "County") of its Building Better Communities General Obligation Bond Program as established by Ordinance No. 05-47 (the "Ordinance").

SECTION 2. SCOPE

These administrative rules have been prepared to address the administration and allocation of funds for the projects and programs identified in the Building Better Communities General Obligation Bond Program ("BBC GOB Program"). In addition to the funding of Projects specifically listed in the BBC GOB Program, eligible projects may be funded through the application process described in these administrative rules with monies from four (4) funds. The funds are the Historical Preservation Fund, the Economic Development Fund, the Not-for-Profit Community Organization Capital Fund and the Primary Health Care Facilities Fund (collectively, the "Funds").

SECTION 3. GENERAL

All recipients of funding for specific projects identified in the BBC GOB Program and for projects approved for funding from one of the Funds are required to follow these administrative rules. Failure to do so may lead to disqualification.

Additional copies of the administrative rules and/or application materials may be obtained by contacting the County Executive Manager's Office. All inquiries, correspondence and applications for the BBC GOB Program should be addressed to:

Miami-Dade County
County Executive Office
111 NW 1 Street
Suite 2910
Miami, Florida 33128
Attention: Director, Office of Capital Improvements

or to a Department or agency of Miami-Dade County, serving as the County Mayor's Manager's Designated Representative.

SECTION 4. DEFINITIONS

The following is a list of terms and definitions that are used in these administrative rules:

"Acquisition" means the act of obtaining real property and/or capital assets or interests and rights in real property and/or capital assets by various legal means to serve public purposes.

"Applicant" means a Public Agency, not-for-profit organization, Municipality or other entity eligible to participate in the BBC GOB Program, which submits a Funding Application Package to the County during an announced Application Submission Period.

"**Application**" means the process described in these rules to make a formal request for Funding Allocation which remains open until the execution of a Grant Agreement or Interlocal Agreement, as the case may be, or a decision by the County not to provide a Total Funding Allocation.

"**Application Submission Period**" means a the formally announced period of time for the submission of a Funding Application Package in a given Funding Cycle.

"Authorizing Resolutions" mean Resolution Nos. R - 912-09, R - 913-09, R - 914-09, R - 915-09, R - 916-09, R - 917-09, R - 918-09 and R - 919-09, as each may be amended from time to time.

"**Board of County Commissioners**" or "**Board**" means the legislative and the governing body of the County.

"**Community-Based Organization**" or ("**CBO**") shall refer to any not-for-profit 501(c)(3) agency, group, organization, society, association, partnership or individual whose primary purpose is to provide a community service designed to improve or enhance the well-being of the community of Miami-Dade County at large or to improve or enhance the well-being of certain individuals within this community who have special needs.

"**County**" means Miami-Dade County, Florida.

"**County Mayor Manager**" or "**Mayor Manager**" means the head of the administrative branch of the County government or his/her designated representative.

"**Development**" means the act of physically improving an area, facility, resource or site to increase its ability or capacity to serve the public.

"**Designated Projects**" means the specific Projects approved by the Board in the Ordinance and the electors on November 2, 2004 listed in Appendix A to each of the Authorizing Resolutions for inclusion in the BBC GOB Program.

"**Fixtures, Furniture and Equipment**" or ("**FF&E**") means 1) Fixtures - items that are permanently affixed to the building or property, i.e., doors, bathroom stalls, A/C units, etc.; 2) Furniture - indoor furnishings needed to allow proper use of a building, i.e., desks, chairs, tables, workstations, etc.; and 3) Equipment - non-consumable tangible property with a life of at least one year that is directly related to the funded project, such as bleachers for courts, audio/visual equipment for community rooms, computers for computer labs, portable basketball goals for gymnasiums, etc.

"**Fund Projects**" means the specific Projects approved by the Board pursuant to these administrative rules for a Funding Allocation from one of the Funds.

"**Funding Allocation**" means (i) the total amount of Building Better Communities General Obligation Bond funds approved by the Board on July 20, 2004 for use by a Recipient for a specific Project as set forth in the Authorizing Resolutions; or (ii) the total amount approved by the County Board from a Fund for use by a Recipient for a specific Project.

"**Funding Application Form**" means the base application form provided by the County Mayor or

County Mayor's designee Manager to be completed by the Applicant and submitted as part of a the Funding Application Package.

"Funding Application Package" means the complete submittal package required by these administrative rules and submitted by an Applicant for a Project. (See Article II, Section 2).

"Funding Cycle" means the time between the opening of an Application Submission Period and the approval by the Board of the Projects to receive a Funding Cycle Allocation ~~from the next series of general obligation bonds.~~

"Funding Cycle Allocation" means the amount of the Building Better Communities General Obligation Bond funds approved by the Board in a given year for use by a Recipient for implementation of a Project pursuant to these administrative rules.

"Funds" means any and/or all of the following four funds included in the BBC GOB Program to address grant requests for Fund Projects: the Economic Development Fund, the Historical Preservation Fund, the Not-for-Profit Community Organization Capital Fund and the Primary Healthcare Facilities Fund.

"Grant Agreement" means an executed grant agreement between the County and a Recipient (other than a grant to a Municipality or Public Agency, which grant will be evidenced by an executed Interlocal Agreement) setting forth mutual obligations regarding a Funding Cycle Allocation and/or Funding Allocation for a Project.

"Interlocal Agreement" means an executed grant agreement between the County and a Recipient that is a Municipality or Public Agency setting forth mutual obligations regarding a Funding Cycle Allocation and/or Funding Allocation for a Project.

"LEED" refers to Leadership in Energy and Environmental Design and means an ecology oriented building certification under a program sponsored by the U.S. Green Building Council.

"Match" means cash committed by the Recipient, as stipulated in the approved Grant Agreement or the Interlocal Agreement, as the case may be, to complement funding awarded from the BBC GOB Program.

"Municipality" means a political unit, such as a city, town, or village, incorporated for local self-government within the confines of Miami-Dade County.

"Ordinance" means the Building Better Communities General Obligation Bond Ordinance No. 05-47.

"Pre-Agreement Expenses" means eligible expenses identified in Article III, Section 1(B) of these rules incurred by a Recipient for accomplishment of a Project prior to full execution of a Grant Agreement or an Interlocal Agreement, as the case may be.

"Project" means each Designated Project or Fund Project, as the case may be, ~~identified in a Funding Application Package and~~ approved by the County for a Funding Allocation.

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"Public Agency" or **"Public Agencies"** means an agency or agencies or administrative division or divisions of the United States government, the State of Florida, the County, or any ~~municipality~~ Municipality within the County.

"Recipient" means an entity receiving a Funding Allocation.

"REMI Model" means a simultaneous equations econometric model developed by REMI Inc. and suitable for estimating the dynamic economic impacts of real property and other capital investments in Miami-Dade County.

"Soft Costs" means real and verifiable expenditures for administration, project management (not related to construction supervision), indirect costs (accounting/purchasing/personnel, etc.), imposed fees (e.g., permit processing fees) and those costs NOT related to construction material, labor, equipment or construction sub-contractors. Soft Costs for the purpose of this Program are classified by the following three areas:

- Project Administration - administration, project management (not related to construction supervision), indirect costs (accounting/purchasing/personnel, etc.) and imposed fees (e.g., Professional Services Agreement selection/permit processing fees). Project management related to construction supervision is not considered a soft cost; and
- Planning Services - Master Plan development and approval and feasibility studies; and
- Design Services - schematic design, design development, construction documents, bidding or negotiation and as built drawings.

Construction supervision and/or inspection are not considered ~~sSoft eCosts~~. All costs associated with land acquisition such as: appraisals, due diligence, cost of land, project administration related to land purchase, legal fees, etc. are not part of the ~~sSoft eCosts~~.

"Strategic Area" means geographic areas identified as the Opa-locka Executive Airport property and designated adjacent areas, the Civic Center/Medical District area, the Port of Miami, the Kendall-Tamiami Executive Airport and designated adjacent areas, and the Homestead Air Force Reserve Base and designated adjacent areas. The boundaries of these areas are identified in Exhibit L to these Administrative Rules.

"Targeted Urban Areas" or **"TUA"** means the geographical communities which have been designated by the Board of ~~County Commissioners~~ and defined in the County Code of Ordinances Article VI Sec.30A-129(2).

"UMSA" means Unincorporated Municipal Service Area of the County, for which the County provides municipal services. Projects occurring within areas defined as UMSA are subject to the same administrative rules as any other project seeking Building Better Communities General Obligation Bond funding, regardless of the entity involved in the ~~pProject~~.

ARTICLE II – FUNDING PROCEDURES

SECTION 1. FUNDING CYCLES; APPLICATION SUBMISSION PERIODS

~~A Funding Cycle shall~~ An Application Submission Period may be established by ~~the Board~~ on a periodic basis related to the sale of bonds, ~~provided there are Building Better Communities General Obligation Bonds remaining to be sold or a Funding Allocation may be awarded to a Recipient by the Board on a case by case basis.~~ Each Project may be ~~funded~~ awarded a Funding Cycle Allocation during one or more Funding Cycles ~~through a Funding Allocation.~~

Eligible entities must apply for these Funding Cycle Allocations. ~~Eligible entities existing on/or before July 20, 2004, the date the General Obligation Bond Resolutions were approved by the Board, will receive priority consideration for Project approval and Funding Allocation(s).~~ A Grant Agreement or Interlocal Agreement between the County and the Recipient, as the case may be, implements the Funding Cycle Allocations.

If an Application Submission Period is opened, ~~the~~ The Funding Application Package shall be delivered on or before the last day of the announced Application Submission Period. The County may announce an additional Application Submission Period if funds remain or become available after the preceding Application Submission Period is complete. Each Application Submission Period and other pertinent application information shall be publicly announced in newspapers of general circulation in the County at least one (1) month prior to the deadline for submission of the Funding Application Package, unless otherwise waived by the Board.

Funding Application Packages for Projects under the Economic Development Fund program will be evaluated on a case by case basis, and may be submitted for review by the County Mayor or the County Mayor's designee at any time as long as funding under this Fund is available.

Final grant award of Funding Allocations pursuant to an Application Submission Period are subject to approval by the Board.

SECTION 2. FUNDING APPLICATION

An Applicant must submit a complete Funding Application Form in order to be eligible to receive a Funding Allocation award. A complete Funding Application Package means one that meets all the requirements of the Ordinance and these administrative rules and is supported by proper documentation required by these administrative rules. The Funding Application Package shall consist of:

- 1) Completed Funding Application Form.
- 2) Completed line item budget. The line item budget must be submitted with budget justifications for the Construction and Fixtures, Furniture and Equipment line items. The justification should provide detailed descriptions of the project elements. Reimbursement for Fixtures, Furniture & Equipment is contingent upon prior inclusion and approval of these expenses in the Grant Agreement or Interlocal Agreement, as the case may be. (See Article III, Section 1(C)), and for Projects under the Economic Development Fund Program, Article II, Section 3(B)1).

- 3) Letter(s) of commitment for matching funds that complement the Funding Allocation request as may be required by the Application.
- 4) Projected completion date for the Project and if the Project will be constructed in phases, the completion date of each phase.
- 5) Project location map.
- 6) For Development Projects, certification of ownership of a site by the Applicant or evidence of land tenure sufficient to satisfy the County that the Project may be developed on the designated site.
- 7) Written evidence (resolution or other legally required documentation), which at a minimum: (i) authorizes the execution of the Grant Agreement or the Interlocal Agreement, as the case may be; (ii) commits the Applicant to complete the Project; (iii) as applicable, commits the Applicant to provide operating, maintenance and programming funds upon completion of the Project, to the extent allowed by law; and (iv) provides that the Funding Allocation shall not be used in substitution of other capital project funding available to the Applicant.
- 8) Any other documentation that the Board may require from time to time.

An Applicant may request funding for a major Project in phases. Each phase shall constitute a distinct portion of the proposed Project. Each Applicant requesting funding for a Project in phases shall commit to completing the Project as defined in the Grant Agreement or the Interlocal Agreement, as the case may be, unless otherwise modified by approval of the Board in accordance with these rules and the Ordinance.

In the event an applicant intends to submit a request for pre-agreement reimbursement, the applicant shall comply with Article III, Section 1(B)).

SECTION 3. ELIGIBILITY REQUIREMENTS

A) Designated Projects

Eligibility requirements for Applicants:

- Active and duly registered Florida not-for-profit 501(c)(3) corporation. Comply with the County's Administrative Order 3-15.
- Active and duly registered Florida for-profit corporation or recognized business entity.
- Municipality ~~entity~~ or Public Agency ~~agency~~ based in Miami-Dade County.
- Owner or lessee of residential or commercial property located within Miami-Dade County on which the Designated Project shall be situated.
- Financially stable including financial commitments to complete the Designated Project.

B) Fund Projects

1. Funds Objectives

The Economic Development Fund (the "EDF") is a component of the Building Better Communities Bond Program and is available for the purpose of providing infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs. The EDF includes \$75 million that is available countywide and \$15 million that is specifically focused on the County's designated Targeted Urban Areas. Eligible uses of the EDF include but are not limited to: infrastructure funding for road construction, water and sewer lines, fencing, sidewalks, entryways, lighting, and handicap accessibility; acquisition of land or buildings subject to certain limitations and to be evaluated on a case-by-case basis; and new construction or renovation of buildings subject to certain limitations and to be evaluated on a case-by-case basis; renovation of buildings; and construction or acquisition of parking lots and structures subject to certain limitations and to be evaluated on a case-by-case basis. Ineligible uses of the EDF include but are not limited to: working capital; furniture and fixtures; office equipment; and other non-capital related expenses.

The Historical Preservation Fund, the Primary Healthcare Facilities Fund and the Not-for-Profit Community Organization Capital Fund are a component of the Building Better Communities General Obligation Bond initiative for the purpose of funding projects that support the County's historic preservation, primary healthcare, and community agency infrastructure needs. These are capital projects that improve the quality of life for the County's citizens, enhance medical facilities, rehabilitate historic properties, save irreplaceable historic venues, and serve as a catalyst for preserving and protecting Miami-Dade County's future. Medical institutions, historically and culturally significant properties, and Community-Based Organizations needing capital funds for construction, renovation, and expansion of facilities within the community that meet the criteria for the following programs may be eligible for assistance from these funds.

2) Program Descriptions and Criteria

a) Economic Development Fund.

~~This program includes \$75 million that is available for countywide and \$15 million that is specifically focused on the County's designated Target Areas to spur economic development and attract new businesses in order to create jobs.~~

The Economic Development Fund includes \$75 million that is available for "game changing" projects. The primary objectives of this program are to provide infrastructure improvements to spur economic development and attract new businesses to the community in order to create jobs by providing incentives that catalyze private sector investments, accelerate job creation, and attract capital investments with a strong potential to transform the local economy in ways that strengthen the economy's capacity for innovation and commercialization of scientific advancements, expand leadership in local industry clusters such as Aviation and Aerospace, Financial and Professional Services, Homeland Security and Defense, Information Technology, Life Sciences, and International Trade and Global Commerce, and/or produce job opportunities. These industry clusters exist in the Strategic

Areas (see Exhibit L attached to these Administrative Rules). This component of the Economic Development Fund is referred to as Project No. 124. No more than \$15 million or less than \$10 million may be allocated to any single entity or project.

The Economic Development Fund also includes \$15 million that is specifically available for projects in the County's designated Targeted Urban Areas to spur economic development and attract new businesses in order to create jobs. This component of the Economic Development Fund is referred to as Project No. 320. No more than \$3 million from Project 320 may be allocated to any single Targeted Urban Area.

Eligibility Requirements for Applicants:

Notwithstanding eligibility requirements for applicants set forth in any other section of these administrative rules, the eligible applicants for the Economic Development Fund are:

- Active and duly registered Florida not-for-profit 501(c)(3) corporation.
- Active and duly registered Florida for-profit corporation or recognized business entity.
- ~~Municipal entity or agency based on Miami Dade County.~~
- Owner or lessee of residential or commercial property located within Miami-Dade County on which the Economic Development Fund Project will be situated.
- Demonstrated financial capacity and Financially stable including financial commitments using other non-County sources to complete the Economic Development Fund Project Designated Project.
- ~~Those listed in any Request for Proposal's related to this Fund.~~

b) Historic Preservation Fund

This program includes \$10 million and is intended to provide matching funds to private property owners, private nonprofit organizations, and municipal government agencies for the acquisition, relocation and rehabilitation of designated historic properties, or properties eligible for designation as a historic property or as a contributing historic district property, which has applied for such a designation within Miami-Dade County.

Eligibility Requirements for Applicants:

Notwithstanding eligibility requirements for applicants set forth in any other section of these administrative rules, the eligible applicants for the Historic Preservation Fund are:

- Active and duly registered Florida not-for-profit 501(c)(3) corporation.
- Active and duly registered Florida for-profit corporation or recognized business entity.
- Municipality entity or Public Agency agency based in Miami-Dade County.
- Owner of residential or commercial property located within Miami-Dade County.
- Individually listed as municipal, County, State or National Register of historic property located in Miami-Dade County.

- Contributing Property within a designated municipal, County, State or national historic district located in Miami-Dade County.
- Property determined eligible for listing as an individual historic site or as a contributing historic district property, and which has applied for such designation, in a Municipality, County, State or National Register, and located within Miami-Dade County.
- Those listed in any Request For Proposal's related to this Fund.

c) Not-for-Profit Community Organization Capital Fund

The objective of this fund is to build and sustain the capability and capacity of the not-for-profit sector and support entities that enhance the quality of life of Miami-Dade County by delivering needed services. The \$30 million allocated to this fund recognizes the importance and continuing contributions that these organizations make to the future of Miami-Dade County.

Eligibility Requirements for Applicants:

Notwithstanding eligibility requirements for applicants set forth in any other section of these administrative rules, the eligible applicants for the Not-for-Profit Community Organization Capital Fund are:

- Legally incorporated 501(c)(3) not-for-profit organization lacking access to government sources of capital funding.
- Demonstrable financial stability.
- Organization's mission is consistent with goals identified in the Miami-Dade County Strategic Plan.
- Demonstrate ownership of or intent to purchase a facility.
- Letter of Commitment confirming the resources necessary to accomplish the project.
- Architectural/engineering study and/or equipment specifications and professional cost estimate.
- Two (2) year management and budget plan for the facility.
- Those listed in any Request For Proposal's related to this Fund.

d) Primary Healthcare Facilities Fund

The objective of this fund is to build and sustain the capability and capacity of the not-for-profit sector and support entities that enhance the quality of primary healthcare within Miami-Dade County by delivering needed services. The \$25 million allocated to this fund recognizes the importance and continuing contributions that these organizations, and the care that they provide, make to the future of Miami-Dade County.

Eligibility Requirements for Applicants:

Notwithstanding eligibility requirements for applicants set forth in any other section of these administrative rules, the eligible applicants for the Primary Healthcare Facilities Fund are:

- Legally incorporated 501(c)(3) not-for-profit organization lacking access to government sources of capital funding.
- Demonstrable financial stability.
- Organization's mission is consistent with goals identified in the Miami-Dade County Strategic Plan.
- Demonstrate ownership of or intent to purchase a facility.
- Letter of Commitment confirming the resources necessary to accomplish the project.
- Architectural/engineering study and/or equipment specifications and professional cost estimate.
- Two (2) year management and budget plan for the facility.
- Those listed in any Request For Proposal's related to this Fund.

SECTION 4. ELIGIBILITY DETERMINATION AND EVALUATION

~~Following closure of an Application Submission Period, the County Manager will review and evaluate each Funding Application Package for funding eligibility or ineligibility. The County Manager may use these entities such as the following to assist him in the review of and to create Project Review Committees:~~

Economic Development Fund

- ~~• Empowerment Zone Trust Board~~
- ~~• Miami Dade Empowerment Trust~~
- ~~• Office of Community and Economic Development~~
- ~~• Coalition of Chambers of Commerce~~
- ~~• Task Force on Urban Revitalization~~
- ~~• Metro Miami Action Plan Trust~~
- ~~• Beacon Council~~
- ~~• Greater Miami Chamber of Commerce~~
- ~~• Dade League of Cities~~

A) Economic Development Fund – Project 124

The County Mayor or the County Mayor's designee will review and evaluate each Funding Application Package for funding eligibility or ineligibility. The County Mayor or the County Mayor's designee may consult with the following entities to assist in the review of the Funding Application Package:

- Department of Housing and Community Development
- Coalition of Chambers of Commerce
- Task Force on Urban Revitalization
- Miami-Dade Economic Advocacy Trust
- Beacon Council
- Greater Miami Chamber of Commerce
- Dade League of Cities

1. Eligibility Requirements for Projects

- Grant awards under Project 124 must be used for public infrastructure, including parking structures, public facilities and other improvements subject to certain limitations and evaluated on a case by case basis, and support economic development activities and attract new businesses having the potential to create a significant number of permanent jobs in Miami-Dade County; and
- Economic development projects supported with Project 124 funds must demonstrate long-term economic benefits to Miami-Dade County in spurring future economic growth through an analysis of local economic and County fiscal impacts over a 20-year time period using a Miami-Dade County REMI model or an equivalent economic impact model widely available and professionally accepted among economists for economic and fiscal impact analysis.

Development projects that are LEED certified will receive additional consideration in the evaluation process commensurate with the level of LEED certification in order to provide an incentive to build energy efficient facilities and reduce CO₂ emissions.

2. Special Conditions Regarding Reimbursements

- The grant may reimburse up to 100 percent of public infrastructure costs per project, but subject to a maximum cap of \$15 million and a minimum amount of \$10 million.
- Actual grant funds would be disbursed on a reimbursement basis only after verified completion of the public infrastructure project upon receipt of an audited financial accounting of infrastructure development costs and subject to funding availability and compliance with federal tax laws.
- Grants in excess of \$5 million would be disbursed over no more than a 5 year period from the date the public infrastructure improvements are completed when taxable bonds are issued to fund such public infrastructure improvements. If tax-exempt bonds are issued for the public infrastructure improvements reimbursements for such public infrastructure improvements will be disbursed over no more than a three year period from the date of the expenditure but in no case later than 18 months from the date the public infrastructure project is placed in service.
- Annual benchmarks for required non-infrastructure capital investments in a Project will be established and specified in the Grant Agreement, and disbursement of grant funds would be subject to attainment of said benchmarks in accordance with IRS rules and regulations governing the issuance of tax exempt bonds. A clawback provision in the event that established benchmarks are not met subsequent to disbursement of grant funds shall be included in the Grant Agreement. The Grant Agreement shall require that the grant recipient provide collateral securing the clawback provision. The collateral may include, but shall not be limited to, any instrument such as a personal guarantee, performance bond, restrictive covenant, or any other collateral as appropriate. A prorated grant disbursement may be allowed when actual project investment falls short of benchmarks.
- As a condition of the grant award for public infrastructure improvements, the grant recipient agrees as a matter of contract to the application of Section 2-11.16 of the Code on the portion of the project that is specifically tied to EDF-funded public infrastructure improvements.

3. Determination and Evaluation

The County Mayor or the County Mayor's designee will review and evaluate each Funding Application Package and may recommend to the Board an award of a Funding Allocation, by submitting a resolution seeking award of grant funds, and approval of the terms of a Grant Agreement or Interlocal Agreement, as the case may be.

B) Economic Development in Targeted Urban Areas Fund – Project 320

1. Eligibility Requirements for Projects

- Grant awards under Project 320 must be used for public infrastructure, including parking structures, public facilities and other improvements subject to certain limitations and evaluated on a case by case basis, within the boundaries of the County's Targeted Urban Areas.
- The infrastructure improvements must support economic development and attract new businesses in order to create jobs in the Targeted Urban Areas.
- The project must include private sector investment and leverage public bond monies with other funding sources.
- The project must create a significant number of jobs that are available to residents of a Targeted Urban Area.

2. Special Conditions Regarding Reimbursements

- No more than \$3 million of reimbursements can be allocated within any one Targeted Urban Area.
- The grant may reimburse up to 100 percent of public infrastructure costs per project, but subject to a cap of the lesser of \$3 million or the total amount of grant funding available within such Targeted Urban Area.
- Actual grant funds would be disbursed on a reimbursement basis only after verified completion of the public infrastructure project upon receipt of an audited financial accounting of infrastructure development costs and subject to funding availability and compliance with federal tax laws.
- Grants would be disbursed over no more than a 5 year period from the date the public infrastructure improvements are completed when taxable bonds are issued to fund such public infrastructure improvements. If tax-exempt bonds are issued for the public infrastructure improvements reimbursements for such public infrastructure improvements will be disbursed over no more than a three year period from the date of the expenditure but in no case later than 18 months from the date the public infrastructure project is placed in service.
- Benchmarks for required non-infrastructure capital investments in a Project will be established and specified in the Grant Agreement, and disbursement of grant funds would be subject to attainment of said benchmarks. A clawback provision in the event that established benchmarks are not met subsequent to disbursement of grant funds shall be included in the Grant Agreement. The Grant Agreement shall require that the grant recipient provide collateral securing the clawback provision. The collateral may include, but shall not be limited to, any instrument such as a personal guarantee, performance bond, restrictive covenant, or any other collateral as

appropriate. A prorated grant disbursement may be allowed when actual project investment falls short of benchmarks.

- As a condition of the grant award for public infrastructure improvements, the grant recipient agrees as a matter of contract to the application of Section 2-11.16 of the Code on the portion of the project that is specifically tied to EDF-funded public infrastructure improvements.

3. Determination and Evaluation

The County Mayor or the County Mayor's designee will review and evaluate each Funding Application Package and may recommend to the Board an award of a Funding Allocation by submitting a resolution seeking award of grant funds and approval of the terms of a Grant Agreement or Interlocal Agreement, as the case may be. The County Mayor or the County Mayor's designee may convene a committee of members of the Task Force on Urban Economic Revitalization, community leaders and/or economic development experts to assist in the review of Project 320 grant applications. Any such entity shall adhere to protocols specified under Administrative Order No. 3-31 and Florida law.

C) Determination and Evaluation of Applications for Other Funds

If an Application Submission Period is established, then following closure of the an Application Submission Period, the County Mayor or the County Mayor's designee Manager will review and evaluate each Funding Application Package for funding eligibility or ineligibility. The County Mayor or the County Mayor's designee Manager may use entities such as the following to assist him in the review and may to create Project Review Committees.

Historic Preservation Fund

- Dade Heritage Trust
- Historic Preservation Board

Not-for-Profit Community Organization Capital Fund

- Alliance for Human Services
- Dade Community Foundation

Primary Healthcare Facilities Fund

- Office of Countywide Health Care Planning

Any such entity shall adhere to ~~public record~~ protocols specified under Administrative Order No. 3-31 and Florida law. Funding Allocations for eligible projects may be recommended to the County Mayor or the County Mayor's designee Manager by the Project Review Committee. The County Mayor or the County Mayor's designee Manager and the Project Review Committee may determine that a Funding Application Package be classified as:

- Ineligible.** Declaration that the Project identified in a Funding Application Package is ineligible.
- Conditionally Eligible.** Declaration that a Project is eligible for funding upon satisfaction of specified conditions. ~~In the event that conditional approval is given, Board staff shall verify that the conditions have been satisfied prior to executing a Grant Agreement or an Interlocal~~

~~Agreement, as the case may be.~~

- c) **Eligible.** Declaration that a Project identified in a Funding Application Package is fully eligible.

Funding Application Packages determined to be Eligible or Conditionally Eligible shall be reviewed and competitively evaluated to recommend ~~and~~ ~~Funding~~ ~~Allocations~~. A listing of all Funding Application Packages shall be presented to the Board by the County Mayor or the County Mayor's designee ~~Manager~~ in the form of a Resolution stating the eligibility determination, presenting the ~~County Manager's~~ County Mayor or the County Mayor's designee funding recommendations of the County Mayor or the County Mayor's designee based on the competitive evaluation and seeking approval for the award of a Funding Allocation and the disbursement of funds. In the event that an award of a Funding Allocation to a Conditionally Eligible Recipient is approved by the Board, staff shall verify that all conditions precedent have been satisfied prior to executing a Grant Agreement or an Interlocal Agreement, as the case may be.

ARTICLE III – GRANT ADMINISTRATION

SECTION 1. FUNDING ALLOCATION ADMINISTRATION & REIMBURSEMENT POLICY

A) Grant Agreement or Interlocal Agreement

- 1) As a condition of award of a Funding Cycle Allocation, the ~~BBC GOB Program~~ County and the Recipient shall enter into a Grant Agreement or an Interlocal Agreement, as the case may be, which sets forth the responsibilities and duties of each regarding administration of the approved Project and approved Funding Cycle Allocation.
- 2) The Grant Agreement or the Interlocal Agreement, as the case may be, shall specify the following and shall incorporate such other terms and conditions as may be required by particular circumstances:
 - a) A Project Narrative/Description of Project, including location of Project, and beginning and end dates;
 - b) An overall budget for the final Project, identifying additional sources of revenue;
 - c) A Funding Cycle Allocation and Funding Allocation line item budget (proposed use of BBC GOB funds);
 - d) If the Recipient is a Community-Based Organization or other entity (not a Municipality or Public Agency), a letter of commitment of matching funds validly executed committing the organization to raise any additional capital funds necessary to complete the Project, and committing to provide operating, maintenance and programming funds upon completion of the Project, all as authorized and approved by the Recipient's Board of Directors or governing entity;
 - e) If the Recipient is a Municipality or Public Agency, a letter of commitment of matching funds validly executed committing the organization to appropriate capital funds necessary to complete the Project and to provide operating, maintenance and programming funds upon completion of the Project, all as authorized and approved by the governing board of such Municipality or Public Agency;
 - f) Certification of ownership, or evidence of lease or other use agreement for a minimum un-expired term of 25 years;
 - g) Business plan and/or operating pro-forma, defining and identifying strategies to address the impact the Project will have on the organization's operational structure; and

h) A list of consultants that will be involved in the development of the Project (e.g., Owner's project manager(s), Architecture and Engineering team, Specialty Consultants, Developers, General Contractor or Construction Manager, etc.) as they become available.

B) **Pre-Agreement Expenses.** The incurring of Pre-Agreement Expenses by a Recipient creates no obligation on the County to execute a Grant Agreement or Interlocal Agreement, as the case may be, or otherwise satisfy those expenses. However, prior to the effective date of the Grant Agreement or Interlocal Agreement, as the case may be, a Recipient may incur eligible Pre-Agreement Expenses ~~as defined in Article I—Section 4~~, and then after the effective date of the Grant Agreement or Interlocal Agreement, as the case may be, be reimbursed for those costs, provided that:

- 1) The costs and activities are funded as part of the Funding Allocation award and are in compliance with the requirements of the Ordinance and these rules.
- 2) For those Projects funded by bond proceeds from bond sales subsequent to the sale of the Series 2005 Bonds, reimbursement of Pre-Agreement Expenses is limited to those Pre-Agreement Expenses incurred one (1) year prior to the first day of the Application Submission Period, unless previously approved by the Board. Pre-Agreement Expenses in the case of Economic Development Fund projects are limited to those Pre-Agreement Expenses incurred one (1) year prior to the application for an Economic Development Fund award.
- 3) The Recipient has notified the County Mayor or the County Mayor's designee Manager in writing of the intent to submit eligible Pre-Agreement expenses for reimbursement within 30-days of a Grant Agreement or Interlocal Agreement being executed. Recipients shall send a letter addressed to the County Mayor or the County Mayor's designee Manager for his review and approval of eligible expenses.

C) **Payment.** Recipients are paid allocated funds subject to the following conditions:

- 1) **BBC GOB Program Administration Cost of Issuance of Bonds.** Not more than one percent (1%) of the value of each Funding Allocation award may be earmarked for all costs incidental to the ~~preparation, issuance and administration~~ of the BBC GOB Program.
- 2) **Timing.** With the exception of eligible Pre-Agreement Expenses, Project costs eligible for reimbursement shall be incurred between the effective date of, and the Project completion date identified in, the Grant Agreement or the Interlocal Agreement, as the case may be, ~~with the exception of Pre-Agreement Expenses.~~
- 3) **Soft Cost Limits.** Project Soft Costs for Planning Services, Design Services and Project Administration, as defined in Article 1 Section 4, "Soft Costs", are eligible for funding provided that bond proceeds utilized to pay for such costs do not exceed seventeen percent (17%) of the total bond proceeds allocated to a given Project. This limitation may be waived by the Board. Where a major Project is funded in phases, this cost limit may not necessarily apply to each individual Project phase, but must apply to the Funding Allocation for the Project.

In order for GOB project to effectively comply with the Sustainable Building Ordinance (Ordinance 07-65), the amount eligible for reimbursement for project soft costs will be increased from 17% to 20% to accommodate both the costs of green building design, commissioning and pre-certification services in accordance with the Sustainable Buildings Ordinance and Implementing Order 8-8. For those projects where it is not practical to attain certification, design services can be employed to implement design interventions that on the average will result in an estimated payback of up to 10 years. Typical categories of payback include, but are not limited to, energy efficiency, water efficiency, productivity and operations, and maintenance.

- 4) Recipients will implement their own procurement process; however, they shall comply with all applicable Federal, State and local laws and regulations, including the County ordinances and regulations.
- 5) Recipients are responsible for managing the day-to-day operations of Funding Cycle Allocation supported activities, and maintaining communications with the County Mayor or the County Mayor's designee Manager regarding the Project. Recipients must monitor Funding Cycle Allocation supported activities to assure compliance with the Ordinance, these rules, the Grant Agreement or Interlocal Agreement, as the case may be, and all applicable Federal, State and local requirements.
- 6) Payments to the Recipient may be withheld at any time that the Recipient fails to comply with the terms of the Grant Agreement or the Interlocal Agreement, as the case may be. Funds withheld for failure to comply with the terms of the Grant Agreement or the Interlocal Agreement, as the case may be, but without suspension of the Funding Cycle Allocation shall be released to the Recipient upon subsequent compliance. Recipients will not be required to reimburse the County for payments already received by the County from the Recipient unless the Recipient fails to acquire, purchase, construct, develop and/or operate the Project for the purpose described in the Funding Application Package or is otherwise in default under the Grant Agreement or Interlocal Agreement.
- 7) Recipient's must complete the authorized signature form (Exhibit A).
- 8) a. In general, payment shall be made on a reimbursement basis. A Funding Cycle Allocation Recipient may submit a Request for Advance Payment form (Exhibit B) for review and approval by the County Mayor or the County Mayor's designee Manager. Approved Recipients recipients may receive an advance payment no more that 180 days in advance of the allocation schedule approved by the Board, for up to 25% of the value of the Funding Allocation for the subject Project.

b. However, in accordance with the guidelines reflected below, the County Mayor or the County Mayor's designee Manager may, on a case-by-case basis and at his sole discretion, consider advance payment of up to 90% of a Municipality's Funding Allocation ~~municipality's funding allocation~~ for a specific project. Upon the County Manager's decision by the County Mayor or the County Mayor's designee that a request for advance payment of up to 90% of a Municipality's Funding Allocation ~~municipality's funding allocation~~ for a specific Project ~~project~~ will be considered, the guidelines below will be applied consistently and in their entirety.

Conditions under which a Municipality municipality may receive up to 90% of their ~~BBC~~ Funding Allocation for a subject Project project:

- A Municipality municipality must not owe money to the County and the County must not have any outstanding claims against the Municipality municipality;
- Project activity to date is proceeding on-schedule;
- Construction schedules are being updated on a monthly basis and all required documentation has been submitted to Miami-Dade's Office of Capital Improvements (OCI);
- The Municipality municipality must have contract(s) in place to complete the Project project and no outstanding claims or disputes can exist between the Municipality municipality and their contractors on the Project project; and
- Municipality payments to contractors, subcontractors and suppliers are being made timely;

Field Evaluations will be conducted on a case-by-case basis by Miami-Dade's Office of Capital Improvements (OCI) and will include items such as:

- Field audit determination that the Project project is on-schedule including physical construction; and
- Follow-up field audit inspections will be performed by OCI to ensure Project project completion:

OCI will submit a written recommendation to the County Mayor or County Mayor's designee Manager to approve any disbursement under these provisions. The Municipalities municipalities will be required to execute a supplemental agreement acknowledging these terms.

Safeguards/Corrective Actions to be implemented by the County in case of non-compliance by a Municipality municipality with the BBC-GOB Program Administrative Rules or if satisfactory progress is not being maintained will include:

- Funding for municipal or other GOB-funded Project projects to be performed by the subject Municipality municipality will be withheld;
- The County will ask to be reimbursed the amount given to the Municipality municipality as part of the Grant Agreement grant agreement and/or withheld funds due to the Municipality municipality from other County funding sources such as PTP; and
- If the Municipality municipality refuses to reimburse the County the amount of due under the Grant Agreement grant agreement, the County may employ all available means to recover the subject funds up to and including litigation.

The aforementioned safeguards will be implemented by the County in Cases of non-compliance. All conditions shall be a part of all Interlocal Agreements grant agreements with a Municipality municipality. All existing Interlocal Agreements grant agreements will be amended to include the provisions referenced above and all new Interlocal Agreements

~~grant agreements~~ will likewise include these provisions.

Any disbursement of funds under these provisions will be reported to the Board.

c. All advance payments received by a Recipient shall be maintained in a separate interest bearing account and may not be commingled with other funds. All advances and interest earned must be fully accounted for. The Recipient shall submit evidence of interest earned to the County with any subsequent reimbursement request. The amount of interest earned shall be deducted from such subsequent payment to the Recipient. If at any time the amount of interest earned is greater than the reimbursement request the Recipient shall submit payment to the county an amount equal to the interest earned less the reimbursement request. Upon the County's receipt of the payment and any required supporting documentation from the Recipient, the reimbursement request may be paid. Checks must be made payable to Miami-Dade County Board of County Commissioners and forwarded to the County Executive Office.

- 9) Recipients must submit reimbursement/payment requests no later than quarterly. If a Recipient is unable to submit a reimbursement/payment request by the quarterly deadline, a written justification indicating the reason for the delay and expected submission date is required to be submitted by the deadline. Failure to comply with this requirement shall render the Recipient in non-compliance with the Administrative Rules and may result in reduction or forfeiture of payment, at the discretion of the County Mayor or the County Mayor's designee Manager. Failure to submit two consecutive requests shall be deemed a forfeiture of all rights unless specifically waived by the County Mayor or the County Mayor's designee Manager. The Recipient must submit a written explanation for such delays in order to be considered for a waiver of this requirement and all such waivers shall be made at the sole discretion of the County Mayor or the County Mayor's designee Manager.
- 10) Recipients shall complete, sign, and submit to the County the appropriate Reimbursement Request forms as necessary (Exhibits D through H) accompanied by supporting documentation (i.e., copies of invoices, receipts and check payments).
- 11) Reimbursement requests for Fixtures, Furniture & Equipment items must be included and approved in the Grant Agreement or the Interlocal Agreement, as the case may be, prior to acquisition. Written requests for Fixtures, Furniture & Equipment approval must be accompanied by Exhibit H.
- 12) In accordance with State law, five percent (5%) of the value of the BBC GOB Program Building Better Communities General Obligation Bond funding for a given Project shall be retained by the County for all projects in excess of \$100,000, unless otherwise recommended in writing by staff and approved by the Board. Upon completion of a Project, a signed project completion certificate (Exhibit I) must be submitted with the final reimbursement request forms in order for the remaining retainage to be released.
- 13) The County Mayor or the County Mayor's designee Manager may require that reimbursement requests for any Funding Allocations requiring a cash match must be accompanied by documentation of the expenditure of committed match funds (i.e., copies of invoices, canceled checks, etc.).

- 14) Each Recipient will ensure that all contractors and consultants perform in accordance with the terms, conditions, drawings and specifications of their contracts or purchase orders and that all Federal, State and local contracting rules apply.
- 15) Each Recipient shall maintain an accounting system, which meets generally accepted accounting principles, and shall maintain all required financial records to properly account for all Building Better Communities General Obligation Bond funds and any supplemental funds used for the Project. The Recipient shall at all times maintain a separate accounting of all Building Better Communities General Obligation Bond funds.
- 16) Each Recipient shall be responsible for reporting, on a continuous, on-going basis, any contractual relationship established to perform work on the project, start dates, progress payments, completion dates, etc. in the system provided by the County.
- 17) The Recipient shall be responsible for completing the Project. If the total cost of the Project exceeds the value of the Funding Allocation, then the Recipient must provide any supplemental funds required. In the event that supplemental funds are necessary for completion of a Project, as of the point in time that it is known that supplemental funds are needed, the Recipient must demonstrate that such supplemental funds have been committed to the Project prior to and as a condition of disbursement or further disbursement of Funding Cycle Allocations. The requirement for a Recipient to provide supplemental funds may be modified, in part or whole, by the Board, to the extent that it approves in writing any reduction or change to the Project scope of work in accordance with the Ordinance. Approval of any reduction or change in scope of work is at the sole discretion of the Board.

D) **Acquisition Projects.** Guidelines and requirements for administering Acquisition Project Funding Allocations are as follows:

- 1 Appraisal Required. Prior to acquisition of a Project site, a Recipient must obtain an appraisal or appraisals supporting the fair market value of the land to be acquired. Pursuant to State law, if the property is \$500,000 or less in appraised value, one appraisal is required. If the property exceeds \$500,000 in appraised value, two appraisals are required.
- 2 Amount Authorized for Payment. The amount of Funding Cycle Allocation authorized for payment for land acquisition shall in no case exceed the Funding Allocation available for the Project. In the event that the negotiated acquisition price exceeds by ten percent or greater the appraised value of the land, the disbursement of Funding Allocation shall be conditioned upon a written justification for the purchase price and other conditions attendant to the proposed purchase, which justification is declared satisfactory by the Board in writing. Appraisal costs are eligible Funding Allocation costs as long as the appraised property is being realistically and seriously considered for Acquisition, regardless of the outcome.
- 3 Environmental Survey. The Recipient may not acquire land for a BBC GOB Program funded Project until a Phase I environmental survey is completed, which demonstrates that the property is suitable for its intended general use and for the specific Project. GOB funds may be used for the necessary clean-up a Phase II environmental survey may require provided the scope of the Project project is not impacted. Changes to the scope of the Project project require BCC approval.

4 Signage. For six months following an Acquisition, the County shall post a sign, in the general design provided by the County, containing the Building Better Communities General Obligation Bond logo, identifying the source of Project funding. The cost of such a sign is eligible for payment from the Funding Allocation.

5) Ownership. Title to land acquired with BBC GOB Program funds or facilities constructed/developed with Building Better Communities General Obligation Bond funds shall vest with a Public Agency, ~~or~~ a legally incorporated 501(c)(3) not-for-profit Community-Based Organization, or an active and duly registered Florida for-profit corporation or other recognized business entity.

E) **Development Projects.** Guidelines and requirements for administering Development Project Funding Allocations are as follows:

1) Licensed Contractors; Contractor Bonds. Duly licensed contractors shall perform all construction. Construction contracts for work in excess of the threshold amounts established in Section 255.20 of the Florida Statutes shall require payment and performance bonds, which comply with the requirements of Section 255.05, Florida Statutes, to the extent applicable.

2) Cost Elements.

a) Construction Equipment. Recipients are required to use their own equipment, if available. If a Recipient's equipment is used, the maximum Funding Allocation payment shall cover operating and routine maintenance costs of such equipment; the Funding Allocation excludes any depreciation or replacement cost from payment. If a Recipient's equipment is used, a report or source document must describe the work performed, indicate the hours used and be related to the Project. If a Recipient does not have needed construction equipment available, then the Recipient may rent such equipment.

b) Construction Supplies and Materials. Supplies and materials may be purchased for a specific Project or may be drawn from a central stock, providing they are claimed at a cost no higher than that which the Recipient paid. When supplies and/or materials are purchased with the intention of constructing a piece of equipment, structure or part of a structure, the costs that are charged as supplies and materials may be capitalized according to the Recipient's normal practice or policy. If capitalized, only the cost reasonably attributable to the Project may be claimed under the Project.

c) Personnel or Employee Services. Services of the Recipient's employees who perform work directly related to the accomplishment of the Project are eligible costs payable from the Funding Allocation. These costs must be computed according to the Recipient's prevailing wage or salary scales and may include fringe benefit costs, such as vacations, sick leave, FICA, MICA, health and life insurance, and workers compensation at the Recipient's established fringe benefit rate. Costs charged to the Project must be computed on the basis of actual time spent on the Project, and supported by time and attendance records describing the work performed on the Project. Overtime costs may be allowed under the Recipient's established policy, provided that the regular work time

was devoted to the same Project. Salaries and wages claimed for employees working on allocation-funded Projects must not exceed the Recipient's established rates for similar positions or rates per industry standards. Alternative methodologies for established wage rates must be pre-approved by the Board.

- d) **Consultant Services.** The costs of consultant services necessary for the Project are eligible for payment from the Funding Allocation. The Recipient must pay consultants according to the Recipient's customary or established method and rate. No consultant fee may be paid to the Recipient's own employees.

3) Cost Activities.

- a) **Construction activities.** The cost of all necessary construction activities, from site preparation (including demolition, survey, excavation and other site work) to the completion of a structure is eligible for payment from the Funding Allocation.
- b) **Fixtures, Furniture and Equipment.** Except for Projects funded by the Economic Development Fund, the cost of Fixtures, Furniture and Equipment necessary to operate the facility are eligible for payment from the Funding Allocation if approved in the Grant Agreement or the Interlocal Agreement, as the case may be, and a detailed list of eligible items is submitted in writing and approved by the County Mayor or the County Mayor's designee ~~Manager~~ prior to its purchase (See Article III, Section 1 (c)). Costs for consumable goods shall not be considered eligible for payment from the Funding Allocation. Also, refer to Article I, Section 4 for a detailed definition of Fixtures, Furniture and Equipment.
- c) **Interpretive Signs and Aids.** The cost of signs, display boards or other interpretive aids relating to the Project are eligible for payment from the Funding Allocation.
- d) **Signage.** During the time period of Development, the County shall post a sign in a prominent location at the Project site in the general design provided by the County depicting the Building Better Communities General Obligation Bond logo and identifying the source of funding for the Project. The cost of such a sign is eligible for payment from the Funding Allocation.

Recipients are encouraged to use value-engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

- 4) The following is a nonexclusive list of costs ineligible for payment from the Funding Allocation:

- a) Funding Application costs.
- b) Ceremonial expenses.
- c) Expenses for publicity.
- d) Bonus payments unless specifically authorized by the Board.

- e) Charges in excess of the lowest responsive and responsible bid or proposal in accordance with the governing rules and procedures of the Recipient, when the law requires the Recipient to utilize competitive selection. In the event a selection process is used, other than a low bid process any cost in excess of the cost of the highest ranked firm shall be considered ineligible.
- f) Charges for deficits or overdrafts.
- g) Charges incurred contrary to the policies and practices of the Recipient.
- h) Interest expense (May be reimbursed at the discretion of the Board if incurred during the construction period and is attributable only to the construction period).
- i) Litigation expenses or judgments.
- j) The cost of services, material or equipment obtained under any other program.
- k) Costs of discounts not taken.
- l) The cost of purchasing a non-refundable option when acquiring land.

F) Budget Changes.

- 1) Recipients shall adjust their Project budgets to reflect actual costs and updated cost estimates and shall submit adjusted Project budgets to the County Mayor or the County Mayor's designee Manager as soon as the recipient is aware of a material budget change.
- 2) Budget adjustments may not exceed the 17% Soft Cost limitation for design, planning, and program administration, with the exception of those projects meeting the Sustainable Building Ordinance, nor exceed the Project Funding Allocation without approval of the Board.
- 3) Recipients shall obtain the prior written approval of the Board whenever budget adjustments are anticipated as outlined in a, b, and c below. The request must be in the same budget format the Recipient used in the Grant Agreement or Interlocal Agreement, as the case may be, and shall be accompanied by a narrative justification for the proposed revision. Such request for adjustment shall, if approved, amend the Grant Agreement or Interlocal Agreement, as the case may be. Requests for budget changes shall be considered whenever any of the following adjustments are required:
 - a) For any Project involving both Acquisition and Development activities, any proposed budget transfers from Development to Acquisition.
 - b) Any proposed reduction or revision of the scope or objectives of the Project (regardless of whether there is an associated budget adjustment) that substantially changes the original intent of a project.
 - c) Any change that would increase Soft Costs for planning, design, and project

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administration which exceeds the limit specified in Article III, Section 3 (c)(1).

In the event that a Recipient has completed the approved scope of work for a Project and has unexpended funds, the Recipient may submit a request to the County Executive Office to expend these funds in an existing or new budget line item for the Project. The County Mayor or the County Mayor's designee Manager is authorized to approve such budget changes and expenses not to exceed 15% of the total budget.

G) Cost Overruns. The Recipient shall fund all cost overruns. During the execution of work on a Project, the Recipient may find that actual Project costs exceed the approved budget. For cost overruns that will require additional funding for the Project, or otherwise require a budget adjustment for which prior Board approval is required pursuant to paragraph E above, the Recipient shall:

- 1) Provide a justification for the additional costs;
- 2) Identify available funds for the completion of the Project; and, if necessary
- 3) Request from the Board a change or revision in the Project scope consistent with the terms of the Ordinance and the Authorizing Resolutions.

The Board, at its discretion, may authorize in writing a change or revision in the scope of the Project: (i) where change or revision of the scope is consistent with the Ordinance; and (ii) where the change or revision is justified by the Recipient; and (iii) where the Recipient does not have sufficient funds to complete the Project with the available funds. Under those circumstances; the Board, in its sole discretion, may identify other funds available under the Ordinance for the Project.

SECTION 2. COMPLIANCE RESPONSIBILITIES

The following constitute general requirements for program compliance:

A) An annual independent audit of the Building Better Communities General Obligation Bond funds must be submitted by all Recipients to the County Executive Office no later than six months after the close of the Recipient's fiscal year for which a Funding Allocation was received and each year thereafter until Project completion. The audit report must include the Fund Summary Status Report, Exhibit J. The audit must be performed by certified independent auditors and include the following:

- 1) Test for compliance with the Grant Agreement or Interlocal Agreement, as the case may be, Miami-Dade County Ordinance No. 05-47, applicable resolutions and the Building Better Communities General Obligation Bond Administrative Rules.
- 2) Test to verify compliance with advance requirements.
- 3) Sufficient tests, as determined by the independent auditor to verify true and accurate reflection of Project expenditures.
- 4) Tests to verify expenditure of required match dollars.

5) Verification of the Fund Summary Status Report.

- B) Land and facilities acquired, developed, improved or rehabilitated by Funding Allocation shall be dedicated and maintained in perpetuity for the use and benefit of the general public except where leases are in effect. Any land, facilities, or equipment acquired with Building Better Communities General Obligation Bond funds may not be sold or transferred without the written consent of the County and may require an equitable reimbursement of bond funding based on residual value. All projects shall be open to the public at reasonable times and shall be managed in a safe and attractive manner appropriate for public use.
- C) Funding Allocation for the purposes of development, improvement, rehabilitation or restoration shall be expended for these purposes only on lands owned by a Recipient or on lands for which the Recipient holds a lease or other use agreement. Such lease or other use agreement must be for an unexpired minimum term of 25 years. The Funding Allocation Recipient may demonstrate the eligibility of the Project to the reasonable satisfaction of the Board, through a joint ownership, use, franchise or other agreement, evidencing that the lands and/or the Project will be utilized for the public benefit, consistent with the terms of ~~this~~ the Ordinance, for a term of at least 25 years in duration. The lease must not be revocable at will.
- D) Recipient shall maintain all financial and programmatic records, supporting documents and other records pertinent to the Funding Allocation for a period of three years from the starting date defined below. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the three year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three year period, whichever is later. When Funding Allocation support is continued or renewed at annual or other intervals, the retention period for the records of each funding period starts on the day the Recipient submits to the County its single or last expenditure report for that period. In all other cases, the retention period starts on the day the Recipient submits its final expenditure report.
- E) The Board and the County, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers or other records of the Recipient in order to make audits, examinations, excerpts and transcripts.

Office of the Miami-Dade County Inspector General (IG) (MDC Code Section 2-1076) shall have the authority and power to review past, present and proposed County programs, accounts, records, contracts and transactions. The IG shall have the power to subpoena witnesses, administer oaths and require the production of records. Upon ten (10) days written notice to the Recipient from IG, the Recipient shall make all requested records and documents available to the IG for inspection and copying. The IG shall have the power to report and/or recommend to the Board whether a particular project, program, contract or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Monitoring of an existing project or program may include reporting whether the project is on time, within budget and in conformity with plans, specifications, and applicable law. The IG shall have the power to analyze the need for, and reasonableness of, proposed change orders.

The IG may, on a random basis, perform audits on all County contracts throughout the duration of said contract (hereinafter "random audits"). This random audit is separate and distinct from

any other audit by the County. To pay for the functions of the Office of the Inspector General, any and all payments to be made to the Recipient under the Grant Agreement will be assessed one quarter of one percent of the total amount of the payment, to be deducted from each progress payment as the same becomes due unless, as stated in the Code or the Grant Agreement, the Project is federally or state funded and federal or state law or regulations preclude such a charge. The Recipient shall in stating its agreed prices be mindful of this assessment.

The IG shall have the power to retain and coordinate the services of an independent private sector inspector general (IPSIG) who may be engaged to perform said random audits, as well as audit, investigate, monitor, oversee, inspect, and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, County staff and elected officials in order to ensure compliance with contract specifications and detect corruption and fraud.

- F) If a Recipient materially fails to comply with any term of an award, the Board or the County Mayor or the County Mayor's designee Manager may take one or more of the following actions, as appropriate in the circumstances:
- 1) Temporarily withhold cash payments pending correction of the deficiency by the Recipient;
 - 2) Disallow all or part of the cost of the activity or action not in compliance;
 - 3) Wholly or partly suspend or terminate the current award for the Recipient's Project;
 - 4) Withhold further Funding Allocation awards from the Recipient; or
 - 5) Take other remedies that may be legally available.
- G) Any of the enforcement actions listed in paragraph F above, taken by the County Mayor or the County Mayor's designee Manager, which are contested and unresolved between the Recipient and the County within thirty days of such action, will result in the Board providing the Recipient with an opportunity to be heard on the issue. Said hearing will occur within sixty days of the Board receiving the Recipient's written request. Staff will recommend appropriate action to the Board.
- H) Costs to Recipient resulting from obligations incurred by the Recipient during a suspension or after termination of an award are not eligible for reimbursement unless the County Manager expressly authorizes them in the notice of suspension or termination or subsequently authorizes reimbursement in writing. Other costs incurred by the Recipient during suspension or after termination which are necessary and not reasonably avoidable are eligible for reimbursement if:
- 1) The costs result from obligations which were properly incurred by the Recipient before the effective date of suspension or termination, were not in anticipation of it, and in the case of a termination, are non-cancelable; and
 - 2) The costs would be eligible for reimbursement if the award was not suspended or if the award expired normally at the end of the funding period in which the termination takes

effect.

- D) Inspections. Staff of the Board or the County, or both, shall periodically inspect each Project to ensure compliance with these rules, the Ordinance, and the Grant Agreement or Interlocal Agreement, as the case may be. Staff shall perform an inspection of the Project site to ensure compliance prior to release of the final Funding Allocation payment.

SECTION 3. REPORTS

Recipients are required to submit the Project Status Report no later than monthly (Exhibit E), in the format stipulated by the County Mayor or the County Mayor's designee Manager. Additional reports that shall be due upon request of the County Mayor or the County Mayor's designee Manager may include, but are not limited to:

- A) Actual accomplishments of each Funding Cycle Allocation;
- B) Problems encountered in implementation of each Funding Cycle Allocation; and
- C) Anticipated start and/or completion dates of each Funding Cycle Allocation.

Recipient may be required to meet with the Board to discuss the Project.

SECTION 4. PROJECT CLOSE-OUT

- A) A Recipient has up to forty-five (45) days after the expiration or termination of the Funding Allocation to submit all final documentation including final reimbursement requests and Project project completion certificates.
- B) The close-out of a Funding Allocation does not affect:
 - 1) The County's right to disallow costs and recover funds on the basis of a later audit or review;
 - 2) The Recipient's obligation to return any funds due as a result of later refunds, corrections or other transactions;
 - 3) Records retention responsibilities set forth above;
 - 4) Continuing responsibilities set forth in the Ordinance, the Grant Agreement or Interlocal Agreement, as the case may be, and these rules; and
 - 5) Audit rights set forth in these rules.
- C) Any amounts paid to Recipient in excess of the amount to which the Recipient is finally determined to be entitled under the terms of the Grant Agreement or Interlocal Agreement, as the case may be, constitute a debt to the County. If not paid within a reasonable period after demand, the County may reduce the debt by:
 - 1) Making an administrative offset against other requests for reimbursement;
 - 2) Withholding payments otherwise due to the Recipient; or
 - 3) Taking other action provided by law.

Any overdue debt of the Recipient shall accrue interest at the maximum rate allowed by law.

SECTION 5. INTERPRETATION; ADMINISTRATION

These administrative rules have been promulgated under the Ordinance. In the event of a conflict between these rules and the provisions of the Ordinance, the Ordinance shall prevail.

The County Mayor or the County Mayor's designee ~~Manager~~ shall be authorized to interpret the provisions of these administrative rules and their interpretation of any matters governed hereby shall be final and may only be overturned by a majority vote of the Board. The County Mayor or the County Mayor's designee ~~Manager~~ shall submit recommendations amending these administrative rules to the Board, which may approve or reject such recommendations by majority vote.

The County Mayor or the County Mayor's designee ~~Manager~~ shall be authorized and required to administer the Building Better Communities General Obligation Bond Program consistent with the Ordinance and these administrative rules.

OFFICE OF CAPITAL IMPROVEMENTS
AUTHORIZED SIGNATURE FORM

Date:				
Grantor:				
Contact Name:				
Contact Phone & E-mail:				

This form certifies the names, titles and signatures of individuals authorized by the Grantee to sign contracts, and requests for, scope changes, budget revisions, advances, reimbursements, and any other requests that may be required by the Board of County Commissioners for the disbursement of funds. These signature authorizations are retained by the Office of Capital Improvements for auditing purposes. Entities are required to submit updates to this list as they become necessary.

* I authorize the individuals named below to represent the organization to complete the respective tasks listed herein.

<u>Name (please type or print)</u>	<u>Title (please type or print)</u>	<u>Signature</u>
<u>Contracts & Subcontracts</u>		
<u>Requests for Scope Changes</u>		
<u>Requests for Budget Revisions</u>		
<u>Requests for Advances & Reimbursements</u>		

Please submit this form with or before your first request for an advance or reimbursement.

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Office of Capital Improvements
Request for Advance Payment

Date

Grantee

Grantee Vendor Number

(Federal ID Number)

Bond Series / Other

GOB Project Name & GOB Project Number

GOB Project Amount

Amount of Advance Requested

Reason For Requested Amount

Certification

I hereby certify that this request is in compliance with the Office of Capital Improvements Building Better Communities Bond Program Administrative Rules, Article III Section 1C(8) governing the request for advance payments. I also certify that this advance shall be maintained in a separate interest bearing account, that these funds will not be co-mingled with other funds and that all interest earned will be repaid to the County. I further agree to account for this advance within one (1) year of the approval date, indicated below, and before any subsequent reimbursement requests are submitted.

AUTHORIZED SIGNATURE

DATE

Administrative Use Only

Amount Approved

Authorized Signature

Date

**Office of Capital Improvements
Report of Interest Earned on Advances**

*This form **must** be submitted with copies of bank statements or certified financial reports from the Grantee that verify the account number, date and amount of deposit, interest rates and total interest earned as of the date of this report.*

Grantee

Bond Series & Other

GOB Project Name & GOB Project Number

Date of Deposit

Amount of Deposit

Expenditure to Date

Interest Rate

**Interest Earned as of
Date**

Current Balance

AUTHORIZED SIGNATURE & TITLE

DATE

PLEASE SUBMIT THIS FORM ON MUNICIPALITIES LETTERHEAD

GOB Reimbursement Request

Date:

Office of Capital Improvements
Attn: Jose Galan, Chief Program Legislation
111 NW 1st Street, Suite 2130
Miami, Florida 33128

Attached please find the required reimbursement forms requesting payment in the amount of _____
minus retaijnage for the following:

<u>GOB Project Name & GOB Project Number</u>	<u>Amount</u>

I certify that all the attached documents have not been previously reimbursed or submitted for payment and that all of the expenditures comply with the terms and conditions of the contractual agreement, Miami-Dade County Ordinance 05-47 and the Building Better Communities Bond Program Administrative Rules and have attached our monthly report (Exhibit E) providing the latest project update.

Sincerely,

Authorized Signature/Title

Date

Office of Capital Improvements Grantee Direct Labor Costs Report	Grantee:	
	GOB Project Name & GOB Project Number:	
	Bond Series / Other:	
	Request Number:	
	Billing Period:	

Budget Line Item	Employee Name	Job Classification	# of Hours	Hourly Rate	Total Labor Cost
Planning					
Total Planning Request					
Design					
Total Design Request					
Administration					
Total Administration Request					
Construction/Other					
Total Construction / Other Request					
Grand Totals					
AUTHORIZED SIGNATURE _____			DATE _____		

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EXHIBIT K

**Office of Capital Improvements
Bank Account Disclosure Form**

Bond Series A

Grantee: _____

GOB Project Name: _____

GOB Project Number: _____

**Name Of Bank In Which Grant Funds
Will Be Deposited:** _____

Account Number: _____

Person(s) Authorized To Withdraw Funds Or To Write Checks:

Name: _____ **Title:** _____

Name: _____ **Title:** _____

Name: _____ **Title:** _____

AUTHORIZED SIGNATURE & TITLE

Print Name

DATE

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ECONOMIC DEVELOPMENT FUND: OPA-LOCKA AIRPORT STRATEGIC AREA MIAMI-DADE COUNTY, FLORIDA



- - - - PROPOSED BOUNDARY OPA-LOCKA AIRPORT
 - - - - STRATEGIC AREA
 - - - - PROPERTY LAYER

Surveyed & Plotted Every Day




 DEPARTMENT OF PLANNING & ZONING
 PLANNING RESEARCH SECTION



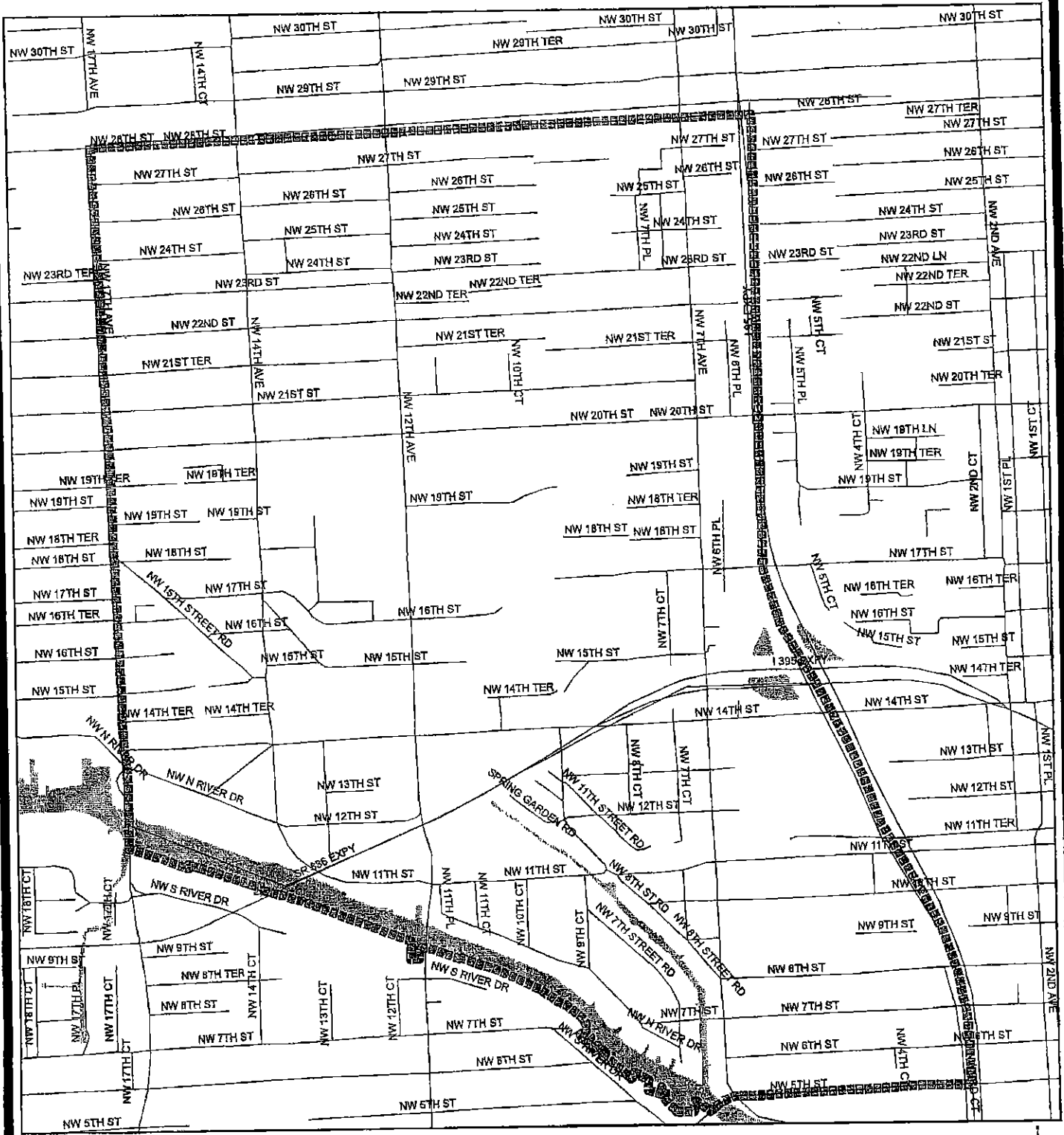
FEBRUARY 2011

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Economic Development Fund: Civic Center/Medical District Strategic Area

MIAMI-DADE COUNTY, FLORIDA



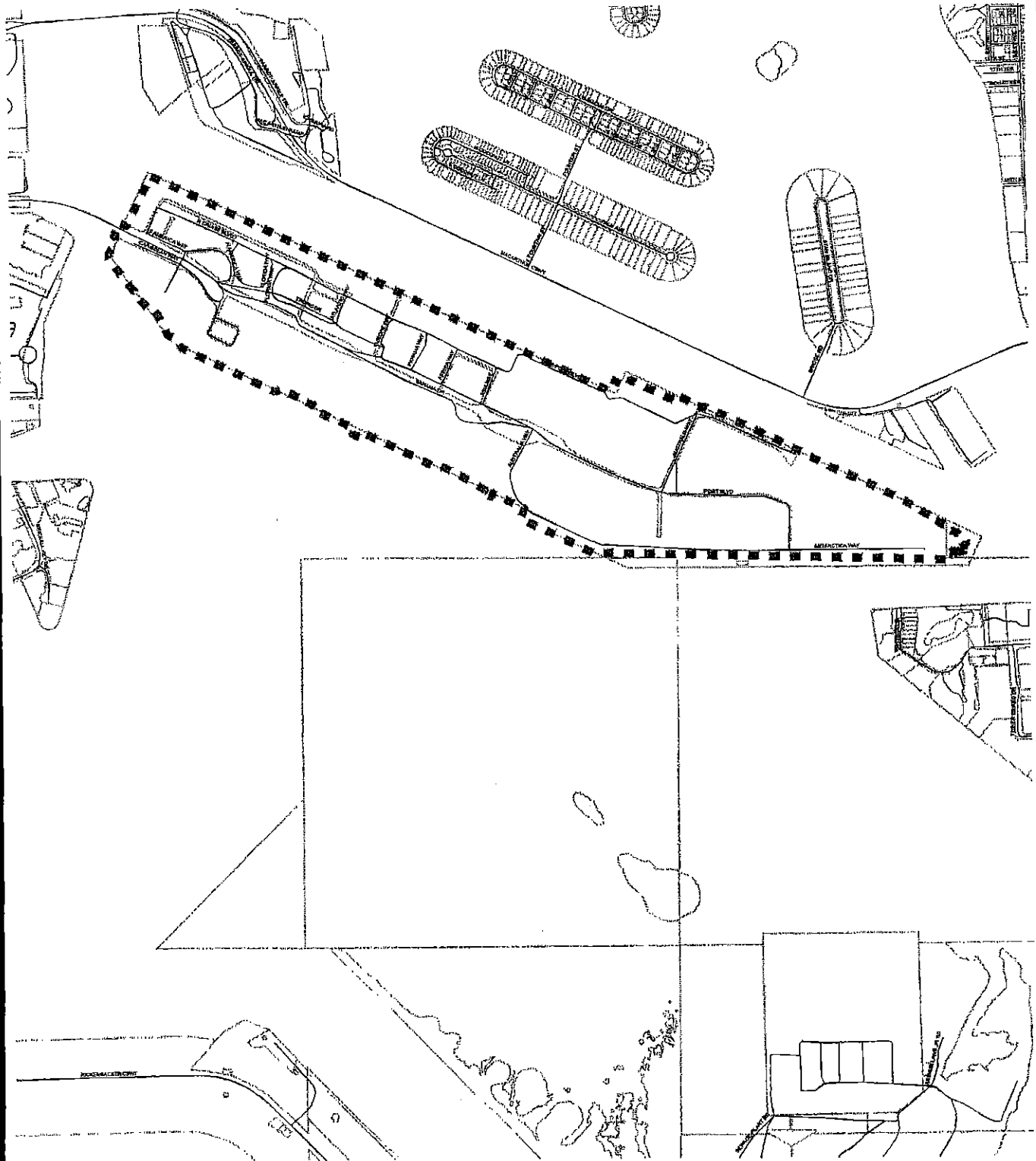
DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

November 17, 2009

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**ECONOMIC DEVELOPMENT FUND:
PORT OF MIAMI STRATEGIC AREA**
MIAMI-DADE COUNTY, FLORIDA



PORT OF MIAMI BOUNDARY
 PROPERTY LAYER

Engineering & Planning Group

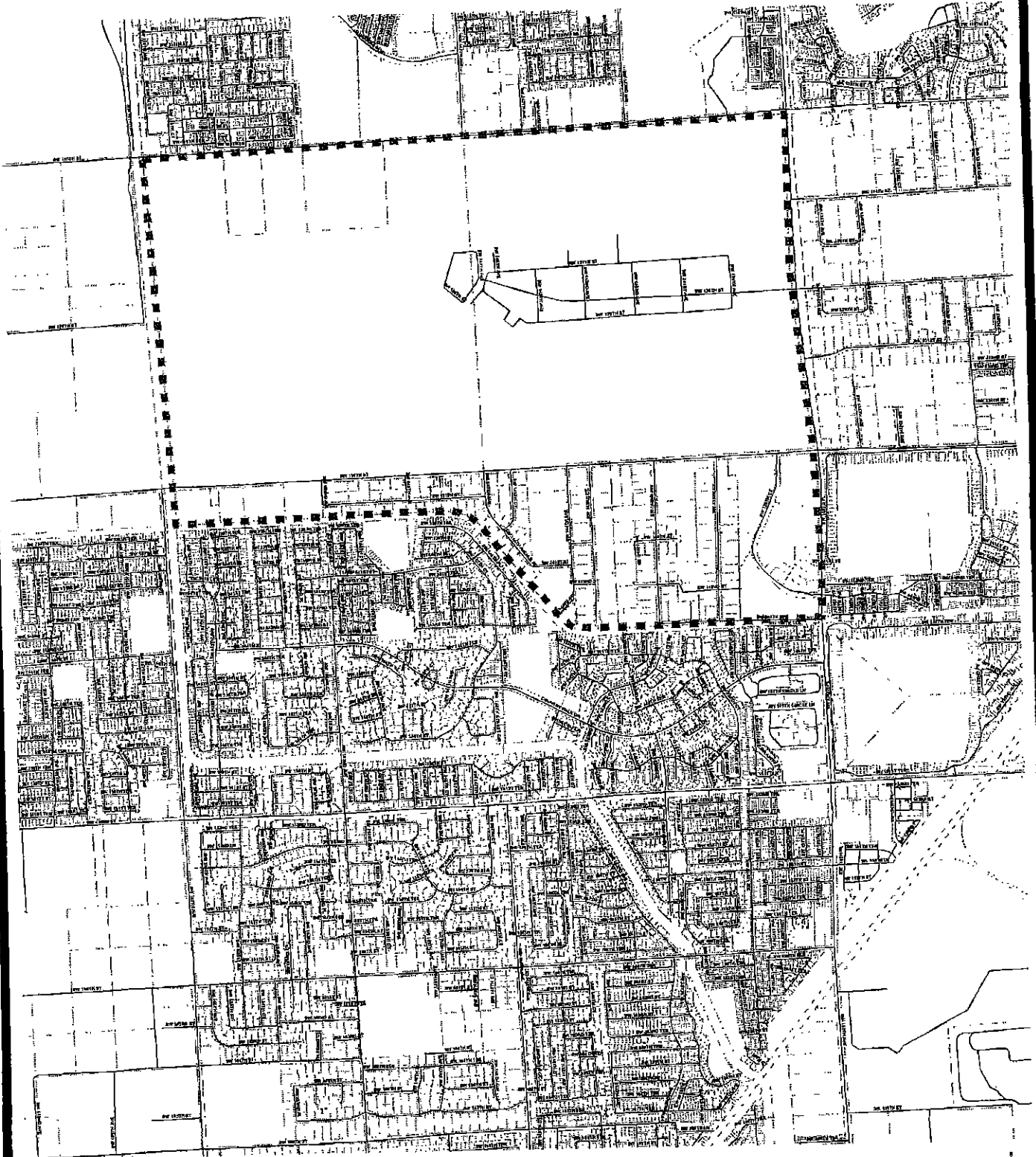
MIAMI-DADE COUNTY
 DEPARTMENT OF PLANNING & ZONING
 PLANNING RESEARCH SECTION

APRIL 2011

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ECONOMIC DEVELOPMENT FUND: TAMIAMI AIRPORT STRATEGIC AREA MIAMI-DADE COUNTY, FLORIDA



--- PROPOSED BOUNDARY TAMAMI AIRPORT
STRATEGIC AREA
- - - PROPERTY LAYER

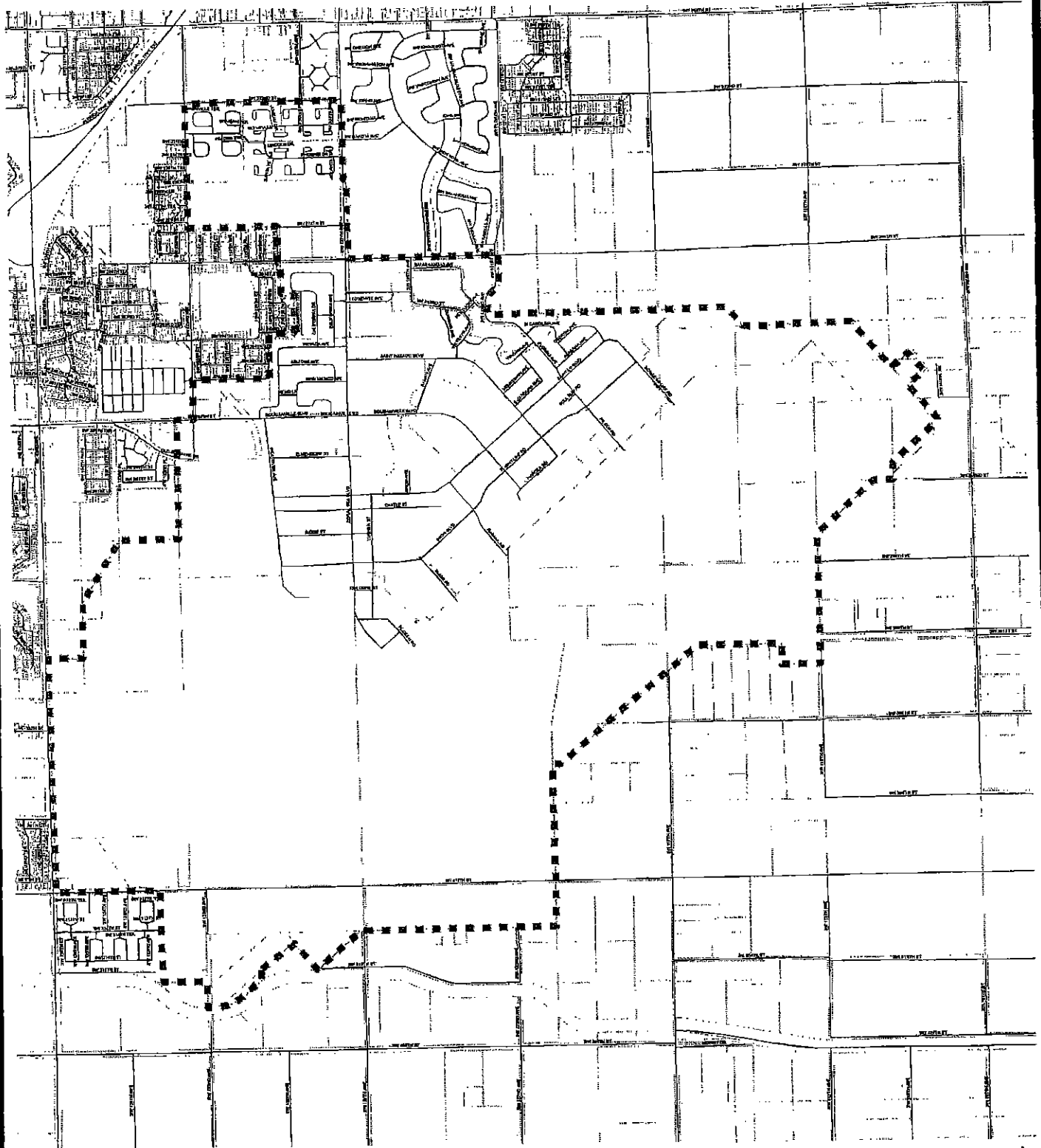
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MIAMI-DADE COUNTY
DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

FEBRUARY 2011

51 155

ECONOMIC DEVELOPMENT FUND: HOMESTEAD AIR RESERVE BASE STRATEGIC AREA MIAMI-DADE COUNTY, FLORIDA



PROPOSED HOMESTEAD AIR RESERVE BASE STRATEGIC AREA
 PROPERTY LAYER



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Discussions of Restructuring RP

HUD and PHCD held many discussions and email exchanges over the last six months. A variety of scenarios were proposed for the use of the remaining HOPE VI grant funds and the redevelopment of the remaining original historically designated Scott Home 4-unit building. HUD has communicated that the balance of the HOPE VI grant funds need to support the development of public housing unit in compliance with the executed grant agreement and the requirements of the HOPE VI program.

Revised RP Amendment #2

PHCD has now presented a plan, which will result in the completion of 168 new units. Phase III will consist of the rehabilitation of the Scott Homes historical building resulting in four family public housing units. Phase IV will include the new construction of 82 family public housing units and 82 family affordable units, totaling 164 units. Phase IV will be constructed on the vacant Lincoln Gardens public housing site, 2.1 miles from the Scott-Caver HOPE VI. The Lincoln Gardens site is part of the Liberty Square Rising project and is two miles from the Liberty Square redevelopment, another public housing project under going signification revitalization. In February 2015, the Miami Dade County announced the Liberty Square Rising as an initiative for significant neighborhood improvements within the Liberty City neighborhood defined by the zip codes 33142 and 33147. The initiative includes public and private investment to improve living conditions and economic activity. The new construction of Phase IV is part of the County's overall reinvestment commitment. The requested RP revision is described below:

	Revised RP Amendment #2					Total
	Phase I	Phase II	Phase III	Phase IV		
Homeownership	57					57
Public Housing Family Rental		177	4	82		263
Tax Credit Family Rental		107		82		189
Market Rate Rental		70				70
Total Units	57	354	4	164		579

Although this RP amendment will produce 85 fewer units than approved in the last RP amendment, the HOPE VI funds used in Phases III and IV will still be within HUD's Total Development Cost limits. The HOPE VI funds used for Phases I and II also met this test.

PHCD submitted to HUD a copy of the Miami-Dade County Commissioners Board Resolution No. R-636-16 approving the selection of Related Urban as the Master Developer for the Lincoln Gardens public housing site. The selection of Related Urban was made in response to a Request for Applications Number 2015-01 issued by PHCD.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 WASHINGTON, D.C. 20410-5000

Mr. Michael Liu
 Director, Miami-Dade County,
 Public Housing and Community Development
 701 NW 1st Court, 16th Floor
 Miami, FL 33136

AUG 10 2017

SUBJECT: Amendment #2 to the Revitalization Plan for Scott-Carver
 HOPEVI Grant Number: FL14URD005I199

Dear Mr. Liu,

Thank you for your letter of May 26, 2017, in which Miami-Dade County Public Housing and Community Development (PHCD) requests a revision to the Revitalization Plan (RP) for the Scott Carver HOPE VI project. The Department of Housing and Urban Development (HUD) has completed its review and hereby approves your request.

Overview of the Original Revitalization Plan

PHCD received a HOPE VI Revitalization Grant in FY 1999 in the amount of \$35,000,000 to revitalize the Scott-Carver public housing development. HUD approved an amendment to the original RP on June 5, 2009. This amendment called for the construction of four phases with a total of 664 units. The table illustrates the RP as currently approved:

Current RP-summary, Approved June 5, 2009

	Phase I	Phase II	Phase III	Phase IV	Total
Homeownership	57			8	65
Public Housing Family Rental		177	11	61	249
Public Housing Elderly Rental				80	80
Tax Credit Family Rental		107	5	38	150
Tax Credit Elderly Rental				20	20
Market Rate Rental		70	6	24	100
TOTAL UNITS	57	354	22	231	664

Scott-Carver Phases I and II were completed, and to date there remains \$5,163,472.64 in the HOPE VI grant. Phases III and IV were to be completed on land designated as Sector II. These phases remain uncompleted as a result of extreme site contamination, the inability to obtain tax credit financing, and a substantial financing gap of roughly \$12,000,000. The project has been stalled for many years.

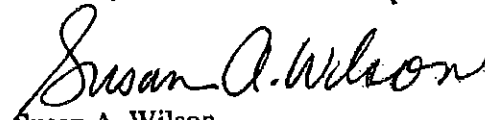
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Approval

HUD has reviewed PHCD's request and finds it to be acceptable. As such, PHDC's request to revise the Scott-Carver HOPE VI RP is hereby approved. Please coordinate with Thomas and Herbert to update the project phasing in HUD's HOPE VI Grants Management System (GMS). Further guidance governing the terms of the grant may be found within the grant agreement. PHCD should submit Development Proposals pursuant to 24 CFR 905.600. HUD is prepared to approve reasonable requests for predevelopment funds for these phases.

If you have any questions regarding this approval please contact Belinda Bly, Acting Office Director, Office of Urban Revitalization, at (202) 402-4104.

Sincerely,



Susan A. Wilson
Acting Deputy Assistant Secretary
Office of Public Housing Investments

cc: Uche A. Oluku, PIH Director, Miami Field Office