

MEMORANDUM

Agenda Item No. 8(K)(2)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: April 4, 2023

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution amending Resolution No. R-628-13 to authorize the County Mayor to submit an amendment to the County's demolition and disposition application to the United States Department of Housing and Urban Development (HUD) to allow the County to competitively select a developer to develop the vacant 4.99 acre Modello II site located at 15302 SW 282 Street, Homestead, Florida (Folio No. 30-7904-000-0190) with affordable single-family homeownership units; and authorizing the County Mayor to execute amendments to annual contributions contracts, if required, any agreements, releases from declarations, and any other documents on behalf of the County that may be required by HUD, and exercise amendments, modifications, cancellation, and termination clauses contained therein

The accompanying resolution was prepared by the Public Housing and Community Development Department and placed on the agenda at the request of Prime Sponsor Commissioner Kionne L. McGhee.



Geri Bonzon-Keenan
County Attorney

GBK/uw

MDC001

Date: April 4, 2023

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor 

Subject: Amend Resolution No. R-628-13 to Authorize the County Mayor or County Mayor's Designee to Submit an Amendment to the County's Demolition and Disposition Application to Allow the County to Develop Affordable Single-Family Homeownership Units at the Vacant Modello II Public Housing Site

Executive Summary

On July 16, 2013, the Board of County Commissioners (Board) adopted Resolution No. R-628-13 authorizing the submission of a demolition and disposition application to the US Department of Housing and Urban Development (HUD) for the demolition and disposition of the vacant Modello public housing site for the purpose of developing the site with a housing development to include 100 Section 8 project-based, 20 public housing and 152 other affordable housing units (the "project"). On March 25, 2014, the County, through Miami-Dade Public Housing and Community Development (PHCD), received the attached approval from HUD's Special Applications Center (SAC) Director, which authorized the County to demolish the improvements and to construct the project using a mixed-income strategy (Attachment A). The Board previously awarded Gorman & Company, Inc. ("Gorman") development rights of the project, and a ground lease and master development agreement was executed. Modello Homes, LLC, an affiliate of Gorman, constructed 100 affordable housing units on Site A of the project. However, due to financial issues, Gorman elected not to continue with the development of Modello Phase 2, which consist of a vacant 4.99-acre parcel of land located at 15302 SW 282 Street, Homestead, (Folio No. 30-7904-000-0190) ("vacant project site"). Therefore, on February 12, 2021, PHCD notified Gorman that the County would terminate the master development agreement and any development rights to the vacant project site (Attachment B). Subject to HUD's approval, this item proposes to amend the County's demolition and disposition application to allow the County, through the competitive selection of a developer, to develop the vacant project site with 40-50 single family homeownership units to be sold to qualified homebuyers, the majority of whom will have incomes that do not exceed 80 percent of the area median income (AMI).

Recommendation

It is recommended that the Board:

1. Amend Resolution No. R-628-13 to authorize the County Mayor or County Mayor's designee to submit an amendment to the County's demolition and disposition application to allow the County to competitively select a qualified developer to develop the vacant project site with affordable single-family homeownership units; and
2. Authorize the County Mayor or County Mayor's designee to execute amendments to annual contributions contracts, if required; execute any agreements, releases from declarations, and any other documents on behalf of the County that may be required by HUD, and exercise amendments, modifications, cancellation, and termination clauses contained therein.

Scope

Although the vacant project site is located County Commission District 9 represented by Commissioner Kione McGhee, the proposed project will have countywide effect.

Delegation of Authority

Upon the approval of this item, the County Mayor or County Mayor's designee will be authorized to: (1) submit to an amendment to the County's demolition and disposition application to allow the County to competitively select a qualified developer to develop the vacant project site with affordable single-family homeownership units; and (2) execute amendments to annual contributions contracts, if required, any agreements, releases from declarations, and any other documents on behalf of the County that may be required by HUD, and exercise amendments, modifications, cancellation, and termination clauses contained therein.

Fiscal Impact/Funding Source

There is no fiscal impact related to this item.

Track Record/Monitor

Michael Liu, Director, PHCD, or County Mayor's designee, will monitor all activities associated with this project.

Background

On November 23, 2011, the Board, pursuant to Resolution No. R-1026-11, awarded site control through ground leases to six developers for 28 project sites including, but not limited to, Modello. Gorman was awarded the development rights for Modello. On July 16, 2013, the Board adopted Resolution No. R-628-13 authorizing the submission of a demolition and disposition application to the HUD for the demolition and disposition of the Modello public housing site for the purpose of developing the project. On March 25, 2014, the County through PHCD received the attached approval from the SAC, which such approval is attached to this memorandum (Attachment A). On April 8, 2014, the Board adopted Resolution No. R-330-14, which authorized the County Mayor or County Mayor's designee to execute a master development agreement with Gorman or its assignee for the demolition and construction of the project. Gorman's affiliate successfully constructed phase 1 of the project, which includes a 100-unit income restricted project known as Modello Apartments. Modello Apartments includes 20 public housing units, and 80 unsubsidized tax credit units. Notwithstanding the successful construction of phase 1, Gorman was not able to construct phase 2 on the vacant project site. Therefore, on February 10, 2020, the County terminated the master development agreement related to the vacant project site, as evidenced by the termination notice attached to this memorandum (Attachment B). Since sending this notice, Gorman has released and terminated any development rights to the property as evidenced by the document attached to this memorandum (Attachment C).

PHCD, with the help of a qualified developer selected through a competitive process will develop the vacant project site with 40-50 single family homeownership units to be sold to qualified homebuyers, the majority of whom will have incomes that do not exceed 80 percent of AMI. However, in order to accomplish this, the County must amend its prior demolition and disposition application and obtain further approvals from HUD.

Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

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As required by the federal regulations and the Board's Rules of Procedure, on December 14, 2022, a community meeting was held to discuss the plans for the vacant project site. This meeting was presented by PHCD in coordination with the District 9 Commissioner. Additionally, in a separate item the County administration will seek an amendment to the Public Housing Agency Plan to include the proposed disposition of the vacant project site. As required by the federal regulations, the public will be given a comment period and a public hearing will be held by the Board prior to the approval of the plan.



Morris Copeland
Chief Community Services Officer

Attachments



OFFICE OF PUBLIC HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 886-6413

MAR 25 2014

Mr. Gregg Fortner
Executive Director
Miami Dade Housing Authority
701 NW 1st Court, 16th Floor
Miami, FL 33136-3601

Dear Mr. Fortner:

The Department has reviewed the Miami Dade Public Housing and Community Development's (MDPHCD) application for the **demolition of 1 non-dwelling and 17 dwelling buildings containing 120 units, then the disposition of 9.85 acres of underlying land at Modello Site 320, FL005000843**. The Special Applications Center (SAC) received this application on September 16, 2013 via the Public and Indian Housing Information Center (PIC), Application DDA0005140. Supplemental information was received through January 16, 2014.

Field Office and FHEO Certification

The Environmental Assessment was performed by the Miami Dade County under 24 CFR Part 58 on September 5, 2013, and was signed off on by the Miami HUB on September 20, 2013. This Housing Authority is part of the Miami Dade County government.

The Miami HUB provided a certification stating that the submission accurately describes the current physical condition of the project proposed for demolition, and that the reasons provided by the MDHA to justify the proposed action are correct and factual.

Under 24 CFR § 970.7(a)(1), in order for a demolition or disposition application to be approved after November 24, 2006, the effective date of this regulation, a Public Housing Agency (PHA) must provide "A certification that the PHA has described the demolition or disposition in the PHA Annual Plan and timetable under 24 CFR Part 903, and that the description in the PHA Annual Plan is identical to the application submitted pursuant to this part and otherwise complies with Section 18 of the Act (42 U.S.C. 1437p) and this part." The Miami HUB approved the MDPHCD's agency plan on June 24, 2013, which includes the subject action.

On January 16, 2014, the Region IV Fair Housing and Equal Opportunity Center (FHEO), Program Compliance Branch, recommended the demolition approval. An advance draft of this approval letter was sent to MDPHCD for their comments on January 17, 2014. MDPHCD responded with comments on February 13, 2014. An advance draft was sent to the Miami HUB for their comments on January 17, 2014, and a response with comments was received on the same day.

Description of Development

The MDPHCD proposed the demolition of 1 non-dwelling building, and 17 dwelling buildings containing 120 dwelling units at Modello Site, FL005000843. Details of the proposed demolition are as follows:

Modello Housing, FL005000843 DOFA: 12/31/1977						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	31	20	51	84	46	232*
Proposed Units	0	0	24	60	36	120
Number of Dwelling Buildings Existing						55
Number of Dwelling Buildings Proposed						17
Number of Non-Dwelling Buildings Existing						1
Number of Non-Dwelling Buildings Proposed						1
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments						9406

*Excludes 1 non-dwelling unit

History of the Development

MDPHCD has not received any Inventory Removal approvals from HUD for Modello Housing, FL005000843.

Demolition:

Reasons for Action (Justification)

The MDPHCD proposed the demolition based on 24 CFR, Part 970.15, and has stipulated that the buildings proposed for demolition are obsolete as to physical condition, location, or other factors, making them unsuitable for housing purposes, and no reasonable program of modifications is cost-effective to return them to useful life.

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this demolition application.

TDC per PIH		Year: 2012	
Type of Structure: Walk-up		Area: 9.85 Acres	
Bedroom Size	Number of Unit	TDC/Unit	Total Cost
2-BR	24	176,227	4,229,448
3-BR	60	230,463	13,827,780
4-BR	24	286,187	6,868,488
5-BR	12	322,203	3,866,436
TOTAL			\$ 28,792,152

The MDPHCD provided an estimate for itemized rehabilitation costs, based on the existing conditions of the units, which is included in the table on Exhibit - B at the end of this document. The rehabilitation cost was estimated to be \$16,555,434, which is 57.50 percent of the TDC limit.

The estimated amount to renovate the dilapidated structures would cover the repair of extensive damage to all unit interiors resulting from vandalism and efforts to remove virtually every piece of equipment and cabinetry. A significant portion of interior partitions (in excess of 30% of drywall areas) were destroyed by attempts to break through to other units and most have been removed. Metal wall framing is distorted as a result of efforts to rip open the wallboard and is significantly rusted as a result of continued exposure of the elements. There is significant mold and mildew damage throughout the interior wall surfaces and ceilings. Affected areas must have wallboard and any insulation removed and replaced. All copper wiring and piping has been stripped from units. Electrical panels within the units have been stripped of their bus bars and other interior elements. This has rendered plumbing and electrical systems inoperable and in need of total reconstruction. Kitchen cabinetry has been removed or destroyed in place. All unit interiors are overtaken by debris from damage or litter. Central HVAC units have been stolen, and remaining connections and piping require replacement. Wall openings from the prior through-wall HVAC units remain open and must be closed in and finished to match adjacent finishes. Flooring throughout the units is beyond restoration and requires replacement. Water intrusion into unit interiors is extensive. In units visited, water damage was observed that caused the release of vinyl tile flooring which is now loose. Entry doors show significant damage from attempted entry and in some cases are missing altogether. Hardware is unserviceable due to a combination of damage as well as age of materials. Broken glass to windows shows damage to frames from attempted break-ins. Windows and security screens are unserviceable and require replacement. There is spalling of concrete surfaces at various areas of the buildings with exposed reinforcing steel in many cases. Visible evidence of wall cracks and damage to exterior finishes due to aging and weathering conditions typical of a building of this age is found throughout the buildings. Roofs are beyond their serviceable life and several units exhibit evidence of ongoing roof leaks. All this has incurred costs at the vacant Modello site necessary to address citations requiring repairs to the perimeter fence and boarding up of units, in order to secure the premises.

The issues indicated in the citations will continue to be problematic while the buildings remain vacant. Additionally, the site has been vandalized and occupied by squatters at various times. This situation is a potential liability for the county, and MDPHCD has consulted with the corresponding county officials to make the determination that it is in the county's best interest to demolish this site as soon as funding can be secured.

We concur with MDPHCD's determination that the development is obsolete due to extensive damage as described above; and no reasonable program of modifications is cost-effective to return the public housing project to useful life.

Future Use of Property

MDPHCD has indicated that, after demolition, it intends to use the property on which this development was located for the redevelopment of 272 units that will include 100 project-based Section 8 units, 20 ACC units and up to 152 other affordable housing units, using mixed-finance strategy.

Demolition Cost

The application states that it will cost approximately \$617,000 to demolish the subject buildings at Modello Site, FL005000843. MDPHCD plans to use net proceeds from ground lease payments of other development projects or CDBG funds to cover the cost of demolition.

Disposition:

Reason for Action (Justification)

MDA proposed the disposition based on 24 CFR § 970.17, which requires the PHA to certify that the disposition of the property is in the best interests of the residents and the PHA, and that the PHA has determined the disposition to be appropriate for reasons that are consistent with the goals of the PHA and the PHA Plan and that are otherwise consistent with the Housing Act.

MDPHCD intends to dispose of the property of Modello Site through a 75-year long-term ground lease, subject to further negotiations. The developer will covenant and agree to pay to County as pre-paid rent under Ground Lease \$617,000, payable in 3 equal installments upon the construction completion of each Building Phase, as well as up to 50% of net cash flow from all units. The management of the development will be negotiated at a later date between MDPHCD and the developer. The re-development plan will consist of 272 units that will include 20 ACC and up to 252 affordable non-ACC dwelling units using mixed finance strategy with Low Income Housing Tax Credits (LIHTC). The 272 affordable units will be available and reserved for income-eligible families.

We concur with MDPHCD's determination that the disposition is in the best interest of the residents and the PHA because it allows for the development of affordable low-income housing that will improve the quality of life for residents.

Appraisal

MDPHCD submitted an estimate of the Fair Market Value (FMV) with the application. The FMV of \$7,059,202 was estimated by Miami-Dade Property Appraiser's Office. As required by 24 CFR § 970.19(d), we have determined that this method of valuation is acceptable to establish an estimate of the FMV for the subject properties.

Method of Sale

MDPHCD proposed the disposition of Modello Homes via 75-year long-term Ground Lease to Modello Homes, LLC below FMV. The developer will covenant and agree to pay to the County as pre-paid rent under the Ground Lease \$617,000, payable in 3 equal installments upon the construction completion of each Building Phase, and a nominal annual lease payment of \$1 per year thereafter.

Commensurate Public Benefits

MDPHCD will redevelop 272 new units, including public housing and project-based Section 8 units, and up to 152 other affordable housing units utilizing LIHTC. The newly constructed units will employ high energy efficiency standards and promote the health of the future residents. The project will provide investments in the neighborhood which will bring stability and improve the social and economic conditions, as well as create quality low-income housing. Therefore, although the lease price is less than FMV, because of the benefits arising from the lease, it is in the best interest of the public housing residents and the PHA, and will result in a commensurate public benefit, as required in 24 CFR § 970.19.

Use of Proceeds

According to the Office of the Chief Financial Officer, there is no debt on Modello Homes development, FL005000843. MDPHCD will realize \$617,000 of proceeds from the disposition, as well as potential cash flow from the units developed. MDPHCD proposes to use the net proceeds for the construction, demolition, or rehabilitation of public housing units or housing exclusively used with assistance under the Housing Choice Voucher program.

Relocation

When the application was developed and transmitted to the Department, all units proposed for demolition were vacant. According to MDPHCD, 7 years ago it undertook renovations to install new AC systems inside the units. During the process of work, the contractor was terminated for non-performance, which also included safety issues. Future bids to finish the AC installations never succeeded and all the units were without air conditioning causing all the residents to be relocated. MDPHCD has submitted a certification regarding relocation as required by 24 CFR § 970.21(e) (f). The application states that all residents were relocated with methods consistent with MDPHCD's relocation guidelines. The housing resources offered were other public housing units and Housing Choice Vouchers.

Resident Consultation

1. Project(s) Specific Resident Organization(s): None
2. PHA-wide Resident Organization: None
3. Resident Advisory Board (RAB) in accordance with 24 CFR § 903.13: MDPHCD RAB

24 CFR § 970.9(a) requires that an application for demolition be developed in consultation with the tenants of the project involved, any tenant organization at the project involved and any PHA-wide organizations that will be affected by the activity. The units have been vacant for several years, but MDPHCD in their annual meeting of December 4, 2012 informed the residents of other MDPHCD residences and the RAB of the demolition of Modello Homes development and the circumstances involved. The attending residents and the RAB members did not object to the demolition action and they were all in support of it.

Mayor/Local Government Consultation

As required by 24 CFR § 970.7(a) (14), the application package includes a letter of support from the Honorable Carlos A. Gimenez, Mayor of the Miami-Dade County, dated July 16, 2013.

Board Resolution

As required by 24 CFR § 970.7(a) (13), Miami-Dade County's Board of County Commissioners, which is MDPHCD's Board, approved the submission of the application for demolition of the proposed property on July 16, 2013, via Resolution Number R-628-13. The last resident consultation was on December 4, 2012. The consultation with the local government took place on July 16, 2013.

Other Requirements

The Department reminds the MDHA that pursuant to 24 CFR § 970.21(c)(2), if any of the following types of federal financial assistance is used in connection with the demolition of public housing, the project is subject to section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. 5304(d) (as amended), including the relocation payment provisions and the anti-displacement provisions, which require that comparable replacement dwellings be provided within the community for the same number of occupants as could have been housed in the occupied and vacant, occupiable low- and moderate-income units:

- Community Development Block Grant (CDBG) program, 42 U.S.C. 5301 et seq. (including loan guarantees under section 108 of the Housing and Community Development Act of 1974, 42 U.S.C. 5308 et seq.);
- HOME program, 42 U.S.C. 12701 et seq.

Please contact the HUD Miami HUB for additional guidance, if applicable.

Approval - Demolition

We have reviewed the application and find it to be consistent with Section 18 of the Act, and the implementing regulations, 24 CFR Part 970, including requirements related to resident consultation and relocation. Based upon our review, and finding that the requirements of 24 CFR Part 970 and Section 18 of the Act have been met, the proposed demolition of 1 non-dwelling building, and 17 dwelling buildings with 120 units at Modello Homes, FL005000483, as described in the application and identified previously, is hereby approved.

Approval – Disposition

We have reviewed the application and find it to be consistent with Section 18 of the Act, and the implementing regulations, 24 CFR Part 970, including requirements related to resident consultation and relocation. Based upon our review, and finding that the requirements of 24 CFR Part 970 and Section 18 of the Act have been met, the proposed disposition, as described in the application and identified below, is hereby approved.

Modello Homes, FL005000483			
Approved for Disposition: Acres: 9.85			
Total Units to be Redeveloped 272 Units,	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	20	252	0
Acquiring Entity (Rental Units)	Modello Homes, LLC		
Method of Sale	Ground Lease for 75 Years		
Lease Price	Ground Lease payment of \$617,000 then \$1 per year thereafter		
Purpose	Development of new public housing, and/or project based Section 8 and affordable housing units, utilizing LIHTC		

The use of proceeds from this disposition for the construction, demolition, or rehabilitation of housing exclusively used with assistance under Section 8 or Section 9 of the U.S. Housing Act of 1937 is approved. Pursuant to 24 CFR § 970.35, the MDPHCD must submit reports (in the form and number required by HUD) to the HUD Miami Office of Public Housing on the amount of proceeds, from lease payments, and from cash flow, if any, generated by the units to be developed, it has both received and expended, along with any additional information that the HUD Miami Field Office may require to monitor this disposition. Until directed otherwise by HUD, the MDPHCD must submit such reports on an annual basis for the life of the use agreements. Such reports must indicate:

- Whether any proceeds were realized in that year, and if so, the exact dollar amounts;
- Evidence that the OHA maintains separate accounting for the proceeds; and
- A detailed use of any proceeds in that calendar year.

Notwithstanding this approval, the MDPHCD shall not enter into any long-term ground lease for this disposition without the Department's prior written approval of the evidentiary submission for a mixed-finance transaction as set forth in 24 CFR 905, Subpart F. All of the evidentiary documents required to be submitted to HUD pursuant to 24 CFR 905, Subpart F must be reviewed and approved by HUD prior to any formal disposition action (ground lease execution). The MDPHCD should work with the Department's Office of Public Housing Investments (OPHI) and the HUD Miami Field Office to facilitate the completion of this process.

MDPHCD must enter into any and all forms of mixed finance documents (e.g., Declaration of Restrictive Covenants, Mixed Finance ACC Amendment) required to ensure that the property will be used as 20 ACC public housing units for a period of not less than 40 years in accordance with 24 CFR 905, as specified in the Declaration of Restrictive Covenants.

In addition, MDPHCD shall ensure that 100 project-based Section 8 units and up to 152 units of other housing are developed and operated as affordable and reserved for families at or below 80% of AMI for a period of 30 years.

The use restrictions requiring that Modello Homes, LLC develop and operate the property as 20 public housing units for 40 years, and as 100 project-based Section 8 units and up to 152 other affordable units for low-income families, for 30 years, must be enforced by use agreements, or other legal mechanisms as determined by the HUD Field Office and OPHI. Such use restriction documents must be recorded in a first priority position against the property (e.g., prior to any financing documents or other encumbrances) and remain in effect even in the event of default or foreclosure on the property.

- The Modello Homes, LLC shall maintain ownership and operation of the property during the use restriction period. Modello Homes, LLC shall not convey, sublease or transfer the property without prior approval from the MDPHCD and the Department at any point during the period of use restriction;
- The MDPHCD is responsible for monitoring and enforcing the use restriction during the period it is in effect.

Operating Subsidy

Please be aware that in accordance with 24 CFR § 990.114, the demolition of these units will affect MDHA's operating subsidy eligibility significantly. Please contact your financial analyst at the HUD Miami HUB for additional guidance about this.

PIC and Monitoring

In accordance with 24 CFR § 970.35 of the regulation, your agency is required to inform the HUD Miami HUB of the status of the project. After the demolition and after the disposition have taken place, please submit a report to the HUD Miami HUB confirming the action and certifying compliance with all applicable requirements. Files must be maintained which are sufficient for audit purposes and must be made available upon request.

The MDHA must enter the “actual” dates of demolition and disposition directly into the Inventory Removals sub-module in PIC, for the HUD Miami HUB approval, so that the status of the units and land in IMS/PIC is changed to “removed from inventory.”

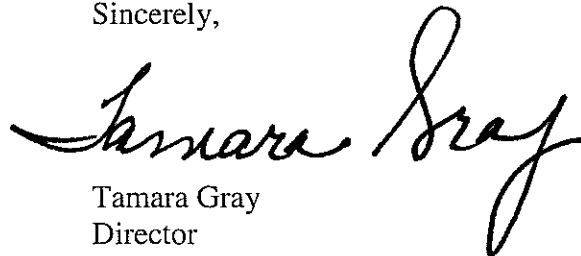
It is the Miami HUB’s responsibility to monitor this activity based on its latest risk assessment. The Miami HUB must verify that the actual data is being entered by the MDHA as the actions occur to ensure the Department is not over paying in operating subsidy, and the Capital Fund formula data is correct.

Capital Fund Financing Program

As of January 17, 2014, the (MDHA) did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal.

As the MDPHCD starts the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials. If you have to modify your plans, the HUD Miami HUB stands ready to assist you. The HUD Miami HUB has been informed of this approval. Its staff is available to provide any technical assistance necessary for your agency to proceed with the demolition.

Sincerely,

A handwritten signature in black ink that reads "Tamara Gray". The signature is written in a cursive, flowing style.

Tamara Gray
Director

Cc: Miami HUB
Enclosure

Exhibit B – on the next 4 Pages

**Total Development Cost
(TDC) Addendum**

**U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing**

OHS Approval No. 2577-0075
(exp. 10/31/2010)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required to as a supplement to the HUD-52560 for all inventory removal actions that involve a demolition action or a disposition action.

1. Inventory Removal Application Number DDA 0005151

Development Name & Number Modello FL 005000843 Site 320

2. Total Development cost calculation

Based on HUD Notice 2012 For Locality Miami, Florida

If Justification is based upon obsolescence of the units/buildings, complete the applicable calculation below for the unit proposed for demolition for each project

Size - Type	Number of units	Times	TDC Per Unit	= TDC
0 - Bdr Detached and Semi detached		X		-
0 - Bdr Row Dwelling		X		-
0 - Bdr Walk-Up		X		-
0 - Bdr Elevator		X		-
1 - Bdr Detached and Semi detached		X		-
1 - Bdr Row Dwelling		X		-
1 - Bdr Walk-Up		X		-
1 - Bdr Elevator		X		-
2 - Bdr Detached and Semi detached		X		-
2 - Bdr Row Dwelling		X		-
2 - Bdr Walk-Up	24	X	176,227	4,229,448.00
2 - Bdr Elevator		X		-
3 - Bdr Detached and Semi detached		X		-
3 - Bdr Row Dwelling		X		-
3 - Bdr Walk-Up	60	X	230,463	13,827,780.00
3 - Bdr Elevator		X		-
4 - Bdr Detached and Semi detached		X		-
4 - Bdr Row Dwelling		X		-
4 - Bdr Walk-Up	24	X	286,187	6,868,488.00
4 - Bdr Elevator		X		-
5 - Bdr Detached and Semi detached		X		-
5 - Bdr Row Dwelling		X		-
5 - Bdr Walk-Up	12	X	322,203	3,866,436.00
5 - Bdr Elevator		X		-
6 - Bdr Detached and Semi detached		X		-
6 - Bdr Row Dwelling		X		-
6 - Bdr Walk-Up		X		-
6 - Bdr Elevator		X		-
TOTAL				\$ 28,792,152.00

3. Estimated Cost of Rehabilitation

\$ 16,555,434.00

Provide an attachment showing cost breakdown and reference it as Addendum to 52560-B - Rehabilitation Cost Breakdown

4. Rehabilitation Cost % (estimated cost of Rehabilitation/Total TDC) x 100 =

57.50%

Provide attachments as needed.
All attachments must reference the
Section and line number to which
they apply. Previous versions obsolete.

Form HUD-52560-B (10/2007)

MODEL HOUSING - TOTAL COST OF REPAIR & RETURN TO SERVICE

Revised 9-9-13

Item No.	Description	Unit	Cal	5 Bedroom Unit		4 Bedroom Unit		3 Bedroom Unit		2 Bedroom Unit		2 Bed Accessible	
				QTY	Total	QTY	Total	QTY	Total	QTY	Total	QTY	Total
1.01	General Maintenance	EA	\$ 800.00	1	\$ 800.00	1	\$ 800.00	1	\$ 800.00	1	\$ 800.00	1	\$ 800.00
2.01	Painting exterior	SQ	\$ 100.00	1	\$ 100.00	1	\$ 100.00	1	\$ 100.00	1	\$ 100.00	1	\$ 100.00
2.02	Painting interior	SQ	\$ 400.00	1	\$ 400.00	1	\$ 400.00	1	\$ 400.00	1	\$ 400.00	1	\$ 400.00
3.01	Concrete	EA	\$ 2,500.00	1	\$ 2,500.00	1	\$ 2,500.00	1	\$ 2,500.00	1	\$ 2,500.00	1	\$ 2,500.00
3.02	Formwork	EA	\$ 1,000.00	1	\$ 1,000.00	1	\$ 1,000.00	1	\$ 1,000.00	1	\$ 1,000.00	1	\$ 1,000.00
3.03	Rebar	EA	\$ 1,500.00	0	\$ 0.00	0	\$ 0.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
4.01	Roofing	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00
4.02	Roofing	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00
5.01	Windows	EA	\$ 8,500.00	1	\$ 8,500.00	1	\$ 8,500.00	1	\$ 8,500.00	1	\$ 8,500.00	1	\$ 8,500.00
6.01	Doors	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
7.01	Plumbing	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00
7.02	Plumbing	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00
7.03	Plumbing	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00
8.01	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.02	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.03	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.04	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.05	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.06	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.07	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.08	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.09	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.10	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.11	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00
8.12	Electrical	EA	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00	1	\$ 1,500.00

LINE	DESCRIPTION	UNIT	QTY	PRICE	AMOUNT	TAX	TOTAL	DISCOUNT	NET TOTAL
101	Standard Light	EA	120	1.20	144.00		144.00		144.00
102	Standard Light	EA	442	1.05	464.10		464.10		464.10
103	Standard Light	EA	15	1.02	15.30		15.30		15.30
104	Standard Light	EA	30	1.02	30.60		30.60		30.60
105	Standard Light	EA	2	1.02	2.04		2.04		2.04
106	Standard Light	EA	105	1.02	107.10		107.10		107.10
107	Standard Light	EA	105	1.02	107.10		107.10		107.10
108	Standard Light	EA	105	1.02	107.10		107.10		107.10
109	Standard Light	EA	105	1.02	107.10		107.10		107.10
110	Standard Light	EA	105	1.02	107.10		107.10		107.10
111	Standard Light	EA	105	1.02	107.10		107.10		107.10
112	Standard Light	EA	105	1.02	107.10		107.10		107.10
113	Standard Light	EA	105	1.02	107.10		107.10		107.10
114	Standard Light	EA	105	1.02	107.10		107.10		107.10
115	Standard Light	EA	105	1.02	107.10		107.10		107.10
116	Standard Light	EA	105	1.02	107.10		107.10		107.10
117	Standard Light	EA	105	1.02	107.10		107.10		107.10
118	Standard Light	EA	105	1.02	107.10		107.10		107.10
119	Standard Light	EA	105	1.02	107.10		107.10		107.10
120	Standard Light	EA	105	1.02	107.10		107.10		107.10
121	Standard Light	EA	105	1.02	107.10		107.10		107.10
122	Standard Light	EA	105	1.02	107.10		107.10		107.10
123	Standard Light	EA	105	1.02	107.10		107.10		107.10
124	Standard Light	EA	105	1.02	107.10		107.10		107.10
125	Standard Light	EA	105	1.02	107.10		107.10		107.10
126	Standard Light	EA	105	1.02	107.10		107.10		107.10
127	Standard Light	EA	105	1.02	107.10		107.10		107.10
128	Standard Light	EA	105	1.02	107.10		107.10		107.10
129	Standard Light	EA	105	1.02	107.10		107.10		107.10
130	Standard Light	EA	105	1.02	107.10		107.10		107.10
131	Standard Light	EA	105	1.02	107.10		107.10		107.10
132	Standard Light	EA	105	1.02	107.10		107.10		107.10
133	Standard Light	EA	105	1.02	107.10		107.10		107.10
134	Standard Light	EA	105	1.02	107.10		107.10		107.10
135	Standard Light	EA	105	1.02	107.10		107.10		107.10
136	Standard Light	EA	105	1.02	107.10		107.10		107.10
137	Standard Light	EA	105	1.02	107.10		107.10		107.10
138	Standard Light	EA	105	1.02	107.10		107.10		107.10
139	Standard Light	EA	105	1.02	107.10		107.10		107.10
140	Standard Light	EA	105	1.02	107.10		107.10		107.10
141	Standard Light	EA	105	1.02	107.10		107.10		107.10
142	Standard Light	EA	105	1.02	107.10		107.10		107.10
143	Standard Light	EA	105	1.02	107.10		107.10		107.10
144	Standard Light	EA	105	1.02	107.10		107.10		107.10
145	Standard Light	EA	105	1.02	107.10		107.10		107.10
146	Standard Light	EA	105	1.02	107.10		107.10		107.10
147	Standard Light	EA	105	1.02	107.10		107.10		107.10
148	Standard Light	EA	105	1.02	107.10		107.10		107.10
149	Standard Light	EA	105	1.02	107.10		107.10		107.10
150	Standard Light	EA	105	1.02	107.10		107.10		107.10



Daniella Levine Cava
Mayor

Public Housing and Community Development

701 NW 1st Court, 16th Floor
Miami, FL 33136-3914
T 786-469-4100 • F 786-469-4199

miamidade.gov

February 12, 2021

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Brian Swanton, President Gorman & Company, LLC
Developer Modello Homes LLC
c/o Gorman & Company, Inc.
200 N. Main Street
Oregon, WI 53575

Re: Partial Termination of Master Development Agreement between Miami-Dade County
and Modello Homes, LLC

Dear Mr. Swanton:

This letter is to provide official notification that the Master Development Agreement ("MDA") between Modello Homes, LLC ("Modello Homes") and Miami-Dade County ("County"), as amended by that certain First Amendment, is hereby partially terminated effective February 10, 2020. As specified in Section 8(g)2, the MDA shall automatically terminate at no cost to the County if Modello Homes is unable to secure funding and financing consistent with an approved redevelopment plan acceptable to the County for the second building phase within 48 months of execution. Since Modello Homes has failed to secure the appropriate funding and financing to develop the second building phase, the County has determined that it is in the County's best interest to terminate the MDA as it relates to the second building phase and all subsequent phases. Accordingly, Modello Homes shall have no further development rights to the undeveloped portion(s) of the site(s) under the MDA, the ground lease agreement, or any other agreements. In accordance with the MDA, my staff will reach out to you to coordinate and execute appropriate agreements, contracts or other applicable documents to return the undeveloped portions of the site to the County. Notwithstanding the partial termination of the MDA, it is not the County's intent to relieve Modello Homes of its obligations under the MDA, ground lease and other agreements related to the first building phase.

We thank you for your efforts on this project and for the successful completion of the first development phase.

We look forward to the opportunity to work with you again in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Liu".

Michael Liu
Director

C: Morris Copeland, Chief Community Services Officer, Miami-Dade County
Darrell Davis, Division Director, Development Division, PHCD
Terrence A. Smith, Esq., Assistant County Attorney
Tom Capp, Chief Operating Officer, Gorman & Company, Inc.
Bill Cummings, Esq., Reinhart Boerner VanDeuren s.c
Joseph D. Shumow, Esq., Reinhart Boerner VanDeuren s.c



Public Housing and Community Development

701 NW 1st Court, 16th Floor
Miami, FL 33136-3914
T 786-469-4100 • F 786-469-4199

miamidade.gov

August 27, 2021

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Modello Homes LLC
c/o Gorman Holdings, Inc.
Attn: Gary J. Gorman, President
200 N. Main Street
Oregon, WI 53575

Re: Folio No. 30-7904-000-0190

Dear Mr. Gorman:

On February 12, 2021, Miami-Dade County ("County") sent the enclosed notice to Modello Homes LLC (Modello Homes") advising of the partial termination of the Master Development Agreement, dated, February 10, 2016, related solely to an undeveloped County-owned parcel (Folio No. 30-7904-000-0190) ("property). Since sending the notice, the County and Modello Homes have mutually agreed to formalize their understanding related to the property. Specifically, the County and Modello Homes have agreed that any development rights that Modello Homes has or ever had in the property, including, but not limited to, any leasehold interest in the property, is hereby deemed released and terminated. Further the County acknowledges that neither Modello Homes nor any other affiliated entity, including without limitation Gorman Holdings, Inc. or Gorman & Company, LLC, has any further rights or obligations with respect to the property as a result of the Master Development Agreement. It is further understood and agreed that all other rights and obligations under the Master Development Agreement related to the adjacent property leased by Modello Homes, that certain Ground Lease, dated August 19, 2016, and other documents and agreements related to the Modello Apartments that was constructed by Modello Homes on the adjacent property, remain in full force and effect.

By signing this letter, you acknowledge and accept the statements contained herein. Upon signing, please return one original of this letter in the enclosed envelope. Should you have any questions, you may call Dickson "Benji" Power at (786) 469-4127.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Liu", written over a horizontal line.

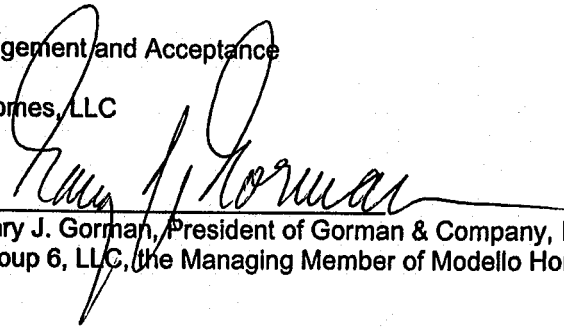
Michael Liu, Director
Miami-Dade Public Housing & Community Development

C: Morris Copeland, Chief Community Services Officer, Miami-Dade County
John Benton, Division Director, Development Division, PHCD
Terrence A. Smith, Esq., Assistant County Attorney
Brian Swanton, President of Gorman & Company, LLC
Bill Cummings, Esq., Reinhart Boerner Van Deuren s.c
Joseph D. Shumow, Esq., Reinhart Boerner Van Deuren s.c

Acknowledgement and Acceptance

Modello Homes, LLC

By:


Gary J. Gorman, President of Gorman & Company, Inc., the Manager of Gorman Employee Group 6, LLC, the Managing Member of Modello Homes, LLC



MEMORANDUM
(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: April 4, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(K)(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
- 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 present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) 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)(2)
4-4-23

RESOLUTION NO. _____

RESOLUTION AMENDING RESOLUTION NO. R-628-13 TO AUTHORIZE THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBMIT AN AMENDMENT TO THE COUNTY'S DEMOLITION AND DISPOSITION APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO ALLOW THE COUNTY TO COMPETITIVELY SELECT A DEVELOPER TO DEVELOP THE VACANT 4.99 ACRE MODELLO II SITE LOCATED AT 15302 SW 282 STREET, HOMESTEAD, FLORIDA (FOLIO NO. 30-7904-000-0190) WITH AFFORDABLE SINGLE-FAMILY HOMEOWNERSHIP UNITS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE AMENDMENTS TO ANNUAL CONTRIBUTIONS CONTRACTS, IF REQUIRED, ANY AGREEMENTS, RELEASES FROM DECLARATIONS, AND ANY OTHER DOCUMENTS ON BEHALF OF THE COUNTY THAT MAY BE REQUIRED BY HUD, AND EXERCISE AMENDMENTS, MODIFICATIONS, CANCELLATION, AND TERMINATION CLAUSES CONTAINED THEREIN

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

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

Section 1. This Board incorporates and approves the foregoing recital and accompanying memorandum as if fully set forth herein.

Section 2. This Board amends Resolution No. R-628-13 to authorize the County Mayor or County Mayor's designee to submit an amendment to the County's demolition and disposition application to the United States Department of Housing and Urban Development

(HUD) to allow the County to competitively select a developer to develop the vacant 4.99 acre Modello II site located at 15302 SW 282 Street, Homestead, Florida (Folio No. 30-7904-000-0190) with affordable single-family homeownership units.

Section 3. This Board authorizes the County Mayor or County Mayor's designee to execute amendments to annual contributions contracts, if required any agreements, releases from declarations, and any other documents on behalf of the County that may be required by HUD, and exercise amendments, modifications, cancellation, and termination clauses contained therein that are consistent with this resolution and on terms that are no less favorable to the County.

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:

Oliver G. Gilbert, III, Chairman	
Anthony Rodríguez, Vice Chairman	
Marleine Bastien	Juan Carlos Bermudez
Kevin Marino Cabrera	Sen. René García
Roberto J. Gonzalez	Keon Hardemon
Danielle Cohen Higgins	Eileen Higgins
Kionne L. McGhee	Raquel A. Regalado
Micky Steinberg	

The Chairperson thereupon declared this resolution duly passed and adopted this 4th day of April, 2023. 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

LUIS G. MONTALDO, CLERK AD INTERIM

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Terrence A. Smith