

MEMORANDUM

Agenda Item No. 8(K)(1)

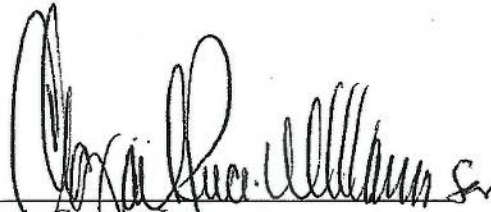
TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: May 21, 2013

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

SUBJECT: Resolution authorizing execution
of ground lease agreements with
RUDG, LLC or their assignee,
for Martin Fine Villas/Haley
Sofge and Claude Pepper Towers
sites
Resolution No. R-399-13

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



R. A. Cuevas, Jr.
County Attorney


RAC/smm

Memorandum



Date: May 21, 2013

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Recommendation for Approval to Execute Ground Leases with RUDG's assignees
for the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the execution of ground leases (Leases) with RUDG, LLC or their assignees (Developer), in order to provide site control for the future development of the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites. The Developer requires the Leases as evidence of site control, which is a prerequisite for their nine percent (9%) Low Income Housing Tax Credits (Housing Tax Credits) application that they intend to submit to the Florida Housing Finance Corporation (Finance Corporation) in the 2013 Universal Cycle for development financing for these sites. It is also recommended that the Board consent to the Developer subleasing the sites for the purposes described herein.

Additionally, it is recommended that the Board authorize the County Mayor or County Mayor's designee to submit disposition applications to the U.S. Department of Housing and Urban Development (Housing and Urban Development) for the Martin Fine Villas/Haley Sofge Towers site and the Claude Pepper Towers site, which were previously approved by the Board as a result of Request for Proposals (RFP) No. 794. It is further recommended that the Board authorize the County Mayor or County Mayor's designee to execute amendments to annual contribution contracts agreements, releases, and other documents on behalf of Miami-Dade County (County) as may be required by Housing and Urban Development.

CONTRACT NO: N/A

CONTRACT TITLE: Ground Lease between Miami-Dade County and Developer
PROPERTY ADDRESSES: for Martin Fine Villas/Haley Sofge Towers site: Folio 01-3135-047-0010 (District 5-Commissioner Bruno A. Barreiro); and the Claude Pepper Towers site: Folio 01-3135-018-0310 (District 3- Commissioner Audrey M. Edmonson)

METHOD OF AWARD: The Developer and award of ground leases for the two sites were selected pursuant to RFP No. 794 and approved by Resolution No. R-1026-11.

DESCRIPTION: The Developer will execute ground leases and any other documents that may be required by Housing and Urban Development or the Finance Corporation.

TERM: Eleven (11) months from the effective date of the Ground Lease, subject to the Developer obtaining nine percent (9%) Housing Tax Credits.

COUNTY FUNDING SOURCE: None

PERFORMANCE DATA: There are no known performance issues with the recommended firms.

COMPLIANCE DATA: There are no known compliance issues with the recommended firms.

CONTRACT MEASURES: N/A

LIVING WAGE: The services provided are not covered under the Living Wage Ordinance.

USER ACCESS PROGRAM: The User Access program does not apply to revenue contracts.

LOCAL PREFERENCES: Not applicable due to public housing and federal funding restrictions.

DELEGATED AUTHORITY: If this item is approved, the County Mayor or the County Mayor's designee will have the authority to exercise, at the discretion of the County Mayor, to make any necessary amendments required by the Finance Corporation or Housing and Urban Development, and to exercise termination, cancellation, and renewal provisions in accordance with the terms and conditions of the ground leases and any amendments.

USING/MANAGING AGENCY: Public Housing and Community Development (Department)

SCOPE:

Pursuant to Resolution No. R-1026-11, the scope of these projects will not be finalized until the Master Development Agreements are executed. Negotiations will commence in the event the Developer is awarded nine percent (9%) Housing Tax Credits from the Finance Corporation. It is anticipated that successful negotiations will result in improvements to the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites and/or revenue sharing agreements between the Developer and the County.

TRACK RECORD/MONITORING:

Jorge Cibran, Director of Facilities and Development Division, Public Housing and Community Development Department

Background:

RFP No. 794 was issued on July 14, 2011, to solicit offers from developers to maximize and expedite the development potential of over 100 existing public housing sites and vacant land sites administered by the Department. The solicitation sought to establish partnerships with qualified entities to rehabilitate/upgrade existing public housing units, remove and replace obsolete public housing units, increase the number of units on underutilized sites, develop vacant land owned by the County, and also incorporate commercial and other special purpose uses, where appropriate, at particular public housing sites or vacant land sites. Additionally, the Department sought to replace its older units with new contemporary designs that resemble market-rate units (regardless of whether these are public housing, affordable or market-rate units) and incorporate creative and sustainable design solutions.

Pursuant to Resolution No. R-1026-11, on November 23, 2011, the Board awarded site control through ground leases to six (6) developers for a total of twenty eight (28) project sites. Resolution No. R-1026-11 approved the Developer for the Martin Fine Villas/Haley Sofge site and the Claude Pepper Towers site and approved the execution of ground leases for those sites. The ground leases were subsequently executed for the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites, and the Developer applied for nine percent (9%) Housing Tax Credits from the Finance Corporation in the 2011 Universal Cycle. However, the Developer was not awarded Housing Tax Credits for these sites in the 2011 Universal Cycle. The leases were for a term of 11 months and were also dependent upon receiving funding and therefore have expired. This process was further enumerated in the November 15, 2012 memorandum to the Economic Development and Social Services Committee (Attachment A).

The Developer now seeks to apply for nine percent (9%) Housing Tax Credits for the 2013 Universal Cycle for the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites. However, Board approval of a ground lease is a prerequisite to apply for Housing Tax Credits as this establishes site control. The Leases include the authorization to enter into sub-ground leases. It is expected that each site will have multiple funding applications, and therefore, is different from previous ground leases. The sub-ground leases are for the purposes of separating and delineating the specific areas to be developed with this specific funding application, and will be determined at a later date. The Leases are contingent on obtaining funding award from the Finance Corporation.

For the last several months, the Finance Corporation has been evaluating its rule-making process to determine the requirements for 2013 applications for Housing Tax Credits. The Finance Corporation

has changed its approach and will issue several Requests for Proposals (Finance Corporation Solicitation). The initial Finance Corporation Solicitation is open to applicants proposing developments of affordable rental Permanent Supportive Housing for Persons with Special Needs, with a goal to fund one application for Veterans with Special Needs. The Developer will submit two (2) applications in this new cycle, one for the Martin Fine Villas/Haley Sofge site for Special Needs housing, and the other for the Claude Pepper Towers site (with additional units at this existing site) for Veterans with Special Needs housing. The Finance Corporation Solicitation was issued on April 15, 2013 and the due date is May 24, 2013 (a seven (7) week application period). In light of the very short application period and the pending deadline, the attached ground leases are being presented to the Board for approval. Additionally, it is also recommended that the County Mayor waive his veto authority to allow the Developer to meet the Finance Corporation deadline subsequent to Board approval.

In order to proceed with the development of these sites, the County, as a public housing authority, must seek prior approval from Housing and Urban Development. This requires a disposition application to Housing and Urban Development for each respective development site. However, the County cannot submit its applications to Housing and Urban Development without first obtaining approval from the Board. The County will only submit the disposition application if the Developer is awarded Housing Tax Credits. Therefore, it is recommended that the Board approve the attached resolution authorizing the County Mayor or County Mayor's designee to submit disposition applications to Housing and Urban Development for the subject sites.

Attachments



Russell Benford, Deputy Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: May 21, 2013

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

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

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's _____, 3/5's _____, unanimous _____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved  Mayor
Veto _____
Override _____

Agenda Item No. 8(K)(1)
5-21-13

RESOLUTION NO. R-399-13

RESOLUTION AUTHORIZING EXECUTION OF GROUND LEASE AGREEMENTS WITH RUDG LLC OR THEIR ASSIGNEE, FOR MARTIN FINE VILLAS/HALEY SOFGE AND CLAUDE PEPPER TOWERS SITES; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE GROUND LEASE AGREEMENTS FOR AND ON BEHALF OF MIAMI-DADE COUNTY, AND TO MAKE ANY NECESSARY AMENDMENTS AND TO EXERCISE ANY TERMINATION, CANCELLATION AND RENEWAL PROVISIONS; CONSENTING TO SUBLEASING OF THE SITES BY RUDG LLC; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBMIT DISPOSITION APPLICATIONS TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE SITES APPROVING THE DISPOSITION OF THESE SITES, SUBJECT TO APPROVAL BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE AMENDMENTS TO ANNUAL CONTRIBUTION CONTRACTS, AGREEMENTS, RELEASES, AND ANY OTHER DOCUMENTS THAT MAY BE REQUIRED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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. The Board authorizes the execution of ground lease agreements with RUDG, LLC or their assignee for the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites, in substantially the form attached hereto and made a part hereof. The Board further authorizes the County Mayor or the County Mayor's designee to make any additional

amendments to said ground leases, as may be required to meet the requirements of the Florida Housing Finance Corporation and/or the United States Department of Housing and Urban Development; and further authorizes the County Mayor or County Mayor's designee to execute same for and on behalf of Miami Dade County and to exercise any cancellation and renewal provisions and any other rights contained therein.

Section 3. The Board consents to RUDG LLC, entering into sub-ground leases, as may be required to meet the requirements of the Florida Housing Finance Corporation and/or the United States Department of Housing and Urban Development; and further authorizes the County Mayor or County Mayor's designee to execute same for and on behalf of Miami Dade County and to exercise any cancellation and renewal provisions and any other rights contained therein.

Section 4. The Board authorizes the County Mayor or the County Mayor's designee to submit disposition applications for the Martin Fine Villas/Haley Sofge and Claude Pepper Towers sites to the United States Department of Housing and Urban Development in the event RUDG LLC or their assignee is awarded Low Income Housing Tax Credits for the sites. The Board further approves such dispositions of these sites, subject to approval by the United States Department of Housing and Urban Development.

Section 5. The Board authorizes the County Mayor or the County Mayor's designee to execute amendments to annual contributions contracts, if required; to execute any agreements, releases from declarations, and any other documents on behalf of the County that may be required by the United States Department of Housing and Urban Development, and to exercise amendments, modifications, cancellation, and termination clauses contained therein.

Section 6. The County Mayor or the County Mayor's designee, pursuant to Resolution No. R-974-09, shall record in the public record all deeds, covenants, reverters and mortgages creating or reserving a real property interest in favor of the County and shall provide a

copy of such recorded instruments to the Clerk of the Board within thirty (30) days of execution and final acceptance. The Board directs the Clerk of the Board, pursuant to Resolution No. R-974-09, to attach and permanently store a recorded copy of any instrument provided in accordance herewith together with this resolution.

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

	Rebeca Sosa, Chairwoman	aye	
	Lynda Bell, Vice Chair	aye	
Bruno A. Barreiro	aye	Esteban L. Bovo, Jr.	aye
Jose "Pepe" Diaz	absent	Audrey M. Edmonson	aye
Sally A. Heyman	aye	Barbara J. Jordan	aye
Jean Monestime	aye	Dennis C. Moss	aye
Sen. Javier D. Souto	aye	Xavier L. Suarez	aye
Juan C. Zapata	absent		

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of May, 2013. This resolution shall become effective upon the earlier of (1) ten (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: Christopher Agrippa
Deputy Clerk



Approved by County Attorney as
to form and legal sufficiency.

Terrence A. Smith

Memorandum



EDSS
Agenda Item No. 7(A)

Date: November 15, 2012

To: Honorable Rebeca Sosa
County Commissioner, District

From: Alina T. Hudak
Deputy Mayor/Community Manager

Subject: Status Reports Regarding Ground Leases Awarded Pursuant to Request For Proposal No. 794 and Request for Qualifications No. 794-A

Pursuant to Resolution No. 152-12, a special meeting of the Economic Development and Social Services Committee was convened on March 14, 2012 to review Request for Proposal (RFP) No. 794. During this meeting, the Committee directed Public Housing and Community Development to provide alternatives for development of public housing sites and the status report on ground leases awarded pursuant to Resolution No. R-1026-11.

Attached are the status reports for the above referenced directive.

Attachments

Russell Benford, Deputy Mayor

Memorandum



Date:

To: Russell Benford
Deputy Mayor

From: Gregg Fortner *Gregg Fortner*
Director, Public Housing & Community Development

Subject: Status Report on Ground Leases Awarded Pursuant to Resolution R-1026-11 including those awarded Low Income Housing Tax Credits

The following report is pursuant to Resolution No. R-152-12, which directed the Chair of the Economic Development and Social Services Committee, Rebecca Sosa to convene a special meeting on March 14, 2012 to review Request for Proposal (RFP) No. 794 and to provide recommendations to the Board of County Commissioners for consideration. During this meeting, Commissioner Sosa requested that Public Housing and Community Development (PHCD) provide the committee with a status report on ground leases awarded pursuant to Resolution No. R-1026-11, including those approved for the Low Income Housing Tax Credits.

Background

Request for Proposals (RFP) No. 794 (Proposal) was issued on July 17, 2011 to solicit proposals for Developer Services to maximize and expedite the development potential of over 100 existing public housing sites and vacant land sites. The County received 216 proposals in response to RFP No. 794. On November 23, 2011, the Board of County Commissioners (Board), pursuant to Resolution R-1026-11, approved six developers for 28 development sites. Additionally, on February 7, 2012 the Board approved Resolution R-137-12 to allow awarded developers to apply for nine percent Low Income Housing Tax Credits from the Florida Housing Finance Corporation.

In addition to the 28 development sites initially awarded by the Board, there was one additional developer and four additional development sites awarded by the Board on February 7, 2012 pursuant to Resolution R-152-12. The awarded developers proposed four percent tax credits for the four additional sites. A summary of the seven developers and 32 sites approved by the Board is attached as Exhibit A.

Applications for the nine percent Low Income Housing Tax Credits were submitted from developers throughout the State of Florida to the Florida Housing Finance Corporation (Finance Corporation). Of the projects that were awarded nine percent tax credits by the Florida Housing Finance Corporation, six of the projects were Public Housing and Community Development (PHCD) public housing sites. The six awarded project sites, the developers and the Finance Corporation's award amounts are summarized below:

<u>Project/Site -- Developer</u>	<u>Finance Corporation Award</u>
• Dante Fascell -- RUDG	\$15,904,007
• Joe Moretti (Brickell Site) -- RUDG	\$24,883,018
• Stirrup Plaza -- RUDG	\$11,445,721
• South Miami Plaza -- RUDG	\$11,348,916
• Green Turnkey -- Carlisle	\$ 3,248,740
• Jack Orr Plaza -- RUDG	\$20,573,550

Status

A summary of the 32 (28 - nine percent and 4 - four percent) project sites awarded by the Board as indicated in Exhibit A are as follows:

Subsequent to the Board's approval of the 28 sites initially awarded, Public Housing and Community Development and the County Attorney's Office worked closely with the awarded developers to provide information and assist with documentation that was required for the Finance Corporation applications:

- Negotiated Ground Leases
- Negotiated Ground Lease amendments and Assignment and Acceptance Agreements
- Coordinated with U.S. Housing and Urban Development (HUD) to obtain confirmation of HUD Program letters.
- Provided Public Housing and Community Development Declaration of Trust letters and provision of other miscellaneous information requested by developers.
- Scheduled and attended initial resident meetings, along with the developer to advise residents of the potential for redevelopment at their sites, obtained their input and responded to questions.
- Coordinated with other County Departments to assist with required forms for the Florida Housing Finance Corporation applications.

Additional steps completed or underway by PHCD for the 28 sites initially awarded by the Board include:

- On June 19, 2012 the Board approved Resolution No. R-512-12 granting approval of the Demolition and/or Disposition applications for the nine public housing sites most likely to be awarded nine percent Low Income Housing Tax Credits from the Florida Housing Finance Corporation.
- Subsequently, out of the 28 sites initially awarded by Board, six development sites received nine percent Low Income Housing Tax Credit awards from the Finance Corporation as indicated above and in Exhibit A. The actions taken for the 6 awarded sites include the following:
 - Completed negotiations with developers including a Master Development Agreement, which will be forwarded to the Board and HUD for approval.
 - Prepared and submitted required Environmental Review documents for HUD's review and approval. Demolition and/or Disposition applications will be submitted to HUD once environmental documents are approved by HUD.
 - Scheduled and attended resident meetings to provide detailed information on all aspects of the planned redevelopment and received resident input.
 - Conducted project coordination meetings and continued working closely with developers as necessary on all aspects of the development process.
 - For the sixth site, Green Turnkey, negotiations with Carlisle Development are on-going and are expected to be concluded within the next several weeks.

- For the 22 development sites which were approved for nine percent Low Income Housing Tax Credits by the Board, but were not awarded nine percent Low Income Housing Tax Credits from the Finance Corporation as indicated in Exhibit A, PHCD will continue to negotiate with those developers for awarded development sites. For those development projects determined to be in the County's best interest, the County will execute new ground lease agreements, with approval from the Board and HUD, to provide developers the site control required to submit funding applications. This initial agreement will be contingent upon developers obtaining funding. Once funding is obtained, the County will execute additional agreements including a Master Development Agreement with appropriate approvals from the Board and HUD, to develop the project sites.

The next steps for the four (4) additional sites (Lincoln Gardens, Victory Homes, Harry Cain and Wald Towers) awarded by the Board include:

- Negotiations on all four project sites are underway. For those projects determined to be in the County's best interest, the County will execute ground lease agreements to provide developers the site control required to submit funding applications. This initial agreement will be contingent upon developers obtaining funding. Once funding is obtained, the County will execute additional agreements including a Master Development Agreement, with appropriate approvals from the Board and HUD, to develop the project sites.
- With respect to the Lincoln Gardens site, a ground lease agreement has been negotiated with the developer and will be forwarded to the Board for approval with an explanation, regarding the projects special circumstance and deadline that the other three projects do not have.
- Request approval from the Board to apply for Demolition and/or Disposition applications to HUD. Subsequent to approval, prepare and submit Environmental Review Documents and once approved by HUD, submit Demolition and/or Disposition applications to HUD for approval.
- Conduct meetings with residents to provide information about proposed redevelopment and obtain their input.
- Conduct project coordination meetings and continue working closely with developers as necessary on all aspects of the development process.

In summary, PHCD will continue to work with the developers to ensure that each step is consistent with the Board's directives and the federal guidelines.

EXHIBIT A

Summary of 7 developers and 32 sites approved by Board

20 - 0% LIHTC Awarded Projects

	Project Name/FLA Number or Folio Number	Developer	Commission District	Awarded 0% LIHTC
1	Annie Coleman (FLA 5-15)	Carlisle	3	No
2	Helen Sawyer (FLA 5-57)	Carlisle	5	No
3	South Miami (FLA 5-50)	Carlisle	7	No
4	Midway (FLA 5-18-B)	Carlisle	5	No
5	Annie Coleman (FLA 5-10)	Carlisle	2	No
6	Owen Cherry (FLA 5-27) Site 9	Carlisle	3	No
7	Owen Cherry (FLA 5-27) Site 11	Carlisle	3	No
8	Parkeide (FLA 5-28)	Carlisle	6	No
9	Green Turnkey (FLA 5-28)	Carlisle	3	Yes
10	Haley Sofgo (FLA 5-28)	RUDCO	5	No
*11	Dante Pascoli (FLA 5-34)	RUDCO	3	Yes
12	Martin Fine (FLA 5-48)	RUDCO	5	No
13	Robert King High (FLA 5-18)	RUDCO	6	No
14	Smallers Plaza (FLA 5-18)	RUDCO	7	No
*15	Joe Morelli (FLA 5-12)	RUDCO	5	Yes
*16	Stratton Plaza (FLA 5-50)	RUDCO	7	Yes
*17	South Miami Plaza (FLA 5-48)	RUDCO	7	Yes
18	Three Round Tower (FLA 5-52)	RUDCO	3	No
*19	Jack Ort Plaza (FLA 5-41)	RUDCO	4	Yes
20	Claudia Pepper (FLA 5-25)	RUDCO	3	No
21	Vacant land site - Folio #01-3136-000-0182 (3185 NW 11 th St)	Michaels	5	No
22	Colmer Gardens (FLA 5-76)	Michaels	5	No
23	Colmer Place (FLA 5-48)	Michaels	3	No
24	Modello Homes (FLA 5-38)	Gorman	9	No
25	Vacant land site - Folio #01-3137-091-0200 (581 NW 11 th St)	Biscayne Housing	3	No
26	New Haven (FLA 5-27) Site 6	Biscayne Housing	3	No
27	Rainbow Village (FLA 5-32)	Biscayne Housing	3	No
28	Vacant land site - Folio #01-4124-000-0010 (3100 SW 37 th Ave)	Gatehouse	7	No

Note: These 20 sites were approved by the Board on November 23, 2011, as per Resolution R-126-11.

Summary:

- 0% LIHTC sites awarded by Board = 20
- Six LIHTC sites award by Board which subsequently received 0% LIHTC from Florida Housing Finance Corporation (FHFC)
- 0% LIHTC sites awarded by Board which did not receive 0% LIHTC from FHFC = 22

4 - 4% LIHTC Awarded Projects

	Project Name/FLA Number or Folio Number	Developer	Commission District
1	Lincoln Gardens (FLA 5-18)	Carlisle	3
2	Victory Homes (FLA 5-57)	Carlisle	3
3	Harry Cain (FLA 5-89)	RUDCO	5
4	Ward Towers (FLA 5-14)	Renaissance	3

Note: These four sites were approved by the Board on February 7, 2012, as per Resolution R-152-12.