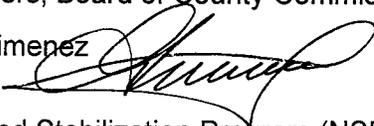


Memorandum



Date: March 5, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Neighborhood Stabilization Program (NSP1) – December 2011 Report

The following monthly progress report on Miami-Dade County's Neighborhood Stabilization Program Round 1 (NSP1) reflects data through the end of December 2011. Monthly reports on the program are required as stipulated in Implementing Order (IO) 2-11.

The County continues to make steady progress on NSP1 funded activities, which encompass six strategies: (1) second mortgages, (2) acquisition of single-family homes and rehabilitation, (3) acquisition of multi-family properties and rehabilitation, (4) demolition, (5) redevelopment activity on the HOPE VI project, and (6) redevelopment in the expanded HOPE VI area. The funds associated with these NSP1 activities must be spent by March 2013.

The County has obligated 100 percent of the \$62.207 million NSP1 grant award, which is highlighted in the NSP Round 1 Funds By Activity chart (Attachment 1). As of December 31, 2011, the County had expended \$36,442,044 or approximately 59 percent of the total grant, an increase of approximately \$2.2 million since November 30, 2011. Below summarizes each strategic category:

Soft-second Mortgage Assistance

The soft-second mortgage activity concluded prior to the end of 2010 and the remaining balance has been expended. Some of the project delivery expenses associated with loan origination, underwriting and loan closings for the homes acquired by the County exceeded the balance and will be addressed with program income or administrative dollars. [Note: The status of this activity has not changed since July 2011.]

Acquisition and Rehabilitation of Single-Family Homes

As of November 30, 2010, the County had acquired 50 single-family homes. The County has sold five homes during the month of December 2011, leaving the total sold to date at 23 homes. A total of 20 have fully executed sales contracts pending closing, and two homes are scheduled for demolition and reconstruction. The remaining five homes are available on a first-come-first-served basis to any eligible buyer.

Acquisition and Rehabilitation of Multi-Family Residential Properties

The November 2010 report indicated that Miami-Dade County completely committed its \$32,886,480 allocation for the acquisition and rehabilitation of multi-family properties among five housing projects. The Multi-family Residential Projects table (Attachment 2), highlights the status of those five developments as of the end of December 2011.

Redevelopment Projects: Scott/Carver HOPE VI Project and HOPE VI Expanded Area

Through the end of December 2011, the Public Improvements construction is 97% completed and it is scheduled to be completed by April 1, 2012. Sector III/IIIA (West) construction is 98% completed with an estimated completion date of January 31, 2012. Carver/Sector IV construction is 77% completed and estimated to be completed by May 12, 2012. The Project will be turned over in several phases beginning in December 2011 and final completion April 2012. The Occupancy schedule has been

revised and will be staged over the months of January and February 2012. All three sectors contractually must be finished by May 2012.

The County is moving forward with the project in the HOPE VI expanded target area (The Anchorage project). Construction permits are expected to be obtained by March 1, 2012. The Developer is submitting an application to the Florida Housing Finance Corporation for 4 percent Bond/Low-Income Housing Tax Credits (LIHTC) this month. Additionally, the Developer is compiling all items required to finalize the NSP loan closing checklist.

Demolition

The table below describes the status of the four demolition projects funded under NSP1:

Project Name	Address	Commission District	Unit Count	Status
Opa-locka	Various	1	19	Completed
Brownsville	Various	3	4	Completed
Lincoln Gardens	4771 NW 24 Court, Miami, FL	3	47	Completed
Westview Terrace	12401-12801 NW 27 Avenue, Miami, FL	2	421	Completed

As the Board is aware, the County was awarded \$20.036 million under NSP Round 3 (NSP3). The County has issued commitment letters on the following three projects:

Project Name	Address	Commission District	Unit Count	Status
Northside Transit Village I	N.W. 31 st . Avenue and NW 79 th . Street, Unincorporated Miami-Dade County, Florida	2	100	\$7,500,000 Pending Closing
Town Center Apartments	551 Fisherman Street, Opa-locka, Florida	1	124	\$7,739,688 Pending Closing
Hampton Village Apartments	2740 NW 43 rd . Terrace Unincorporated Miami-Dade County, Florida	3	100	\$2,592,985 Pending Closing

In addition, draft funding agreements have been prepared for the three NSP3 projects listed above and are under review for a pending financial closing. The closings were anticipated to occur by the end of the year. Since this will not happen the executed commitments will be extended.

Staff will continue to update the BCC on a monthly basis on the progress of NSP.

Attachment

c: Russell Benford, Deputy Mayor
Robert A. Cuevas, Jr., County Attorney
Jennifer Moon, Director, Office of Management and Budget
Gregg Fortner, Director, Public Housing and Community Development
Charles Anderson, Commission Auditor
Christopher Mazzella, Inspector General

Neighborhood Stabilization Program Round 1 Funds By Activity

Attachment 1

APPLICATION GOALS

STATUS OF GOALS (ACTUALS)

Task	UNITS				Amount Obligated	Due Date	UNITS				FUNDS		Comments/Update
	50% or less AMI	51% - 80% AMI	80% or higher AMI	TOTAL			50% or less AMI	51% - 80% AMI	80% or higher AMI	TOTAL UNITS	Amount Expended	Amount Unexpended	
Soft-second mortgage assistance and closings costs (\$80,000) maximum to purchasers of foreclosed-upon homes in areas of greatest need(s). Responsible Department: PHCD	0	3	7	10	\$750,000	11/30/2012	0	2	3	5	\$669,754	\$0	This activity has concluded. The funds have been expended on actual mortgages and project delivery costs for our second mortgage activities that continues through the sale of the County acquired homes. The budgeted amount exceeds the line item but can be addressed using program income received.
Soft-second mortgage assistance and closings costs. \$80,000 maximum to purchasers of foreclosed-upon homes purchased through NSP Acquisition/Rehabilitation Program. Responsible Department: PHCD	0	0	0	0	\$0	11/30/2012	n/a	n/a	n/a	n/a	\$5,146	\$0	This line item is zero based on an opinion by HUD that requires no additional funds be added to homes that are acquired by the County. Instead, the County will reduce the price of the home to make it affordable. The reduction in sales price will be recorded as a second mortgage.
Acquisition and Rehabilitation of foreclosed-upon single family homes (up to \$200,000 per unit). Responsible Department: Internal Services	0	9	34	43	\$8,085,000	11/30/2011	0	18	5	23	\$8,573,183	\$0	Internal Services purchased 50 homes. The County has sold 23 homes to date. This line item has exceeded the budget but is reflective of program income received.
Acquisition and rehabilitation of foreclosed-upon multi-family residential properties to provide affordable rental housing (\$125,000 per unit). Responsible Department: Internal Services	256	366	0	622	\$32,886,480	09/30/2012	0	0	0	0	\$15,185,254	\$21,359,586	The County has committed all funds in this activity. A total of five projects have been slated for acquisition and rehabilitation as shown on Attachment 2.
Minimum 8 hour homebuyer counseling for income-qualified persons provided soft-second mortgage assistance to purchase foreclosed-upon homes (\$500 per participant). Responsible Department: PHCD	0	104	26	130	\$65,000	see above	n/a	n/a	n/a	n/a	\$65,000	\$0	This line item is the funding for the homebuyer education that is required for all homebuyers. Not-for-profit agencies have exhausted these funds.
Demolition of blighted structures to address public health and safety problems in negatively impacted neighborhoods. Responsible Department: PHCD	n/a	n/a	n/a	122	\$600,000	03/31/2013	n/a	n/a	n/a	n/a	\$602,517	\$0	Open-locke demolitions are completed. The County has demolished the 47 units at Lincoln Gardens (public housing). The County has completed the demolition of the Brownsville tornado affected homes. Westview Terrace demolition is complete. The funds are exhausted. This line item has also gone slightly over budget.
Neighborhood redevelopment of affordable multi-family rental housing on vacant property (\$36,411 per unit). This activity will be directed toward the Scott Carver HOPE VI affordable housing project for public infrastructure cost. Responsible Department: PHCD	59	225	70	354	\$8,600,000	09/30/2011	0	0	0	0	\$8,600,000	\$0	Public Housing and Community Development Department (PHCD) through its developer continues the site work. Vertical construction continues on schedule. The NSP funds have been expended.
Neighborhood redevelopment through multi-family rental housing development in the Expanded HOPE VI Area (\$125,000 per unit). Responsible Department: PHCD	20	10	10	40	\$5,000,000	03/31/2013	0	0	0	0	\$7,136	\$4,992,864	The expenditures in this activity reflect the environmental work that has been completed. The funding agreement has been signed. The developer has been given access to the site to begin due diligence. The developer has signed the lease agreement in order to access additional funds.
Administration and Planning Responsible Department: PHCD	n/a	n/a	n/a	n/a	\$6,220,720	03/31/2013	n/a	n/a	n/a	n/a	\$2,534,054	\$3,687,746	This is the entire amount of \$6.22 million approved for administration. All funds would be expended by the end of the grant life; therefore, funds not expended to date are reflected as obligated. These expenditures include staff, consultants, and training for working on the NSP program.

APPLICATION GOALS

STATUS OF GOALS (ACTUALS)

Task	UNITS			TOTAL UNITS	FUNDS		Comments/Update
	50% or less AMI	51% - 80% AMI	80% or higher AMI		Amount Expended	Amount Unexpended	
TOTAL NSP ROUND 1	0	20	8	28	\$36,442,044	\$30,040,196	

Task	UNITS			TOTAL	Amount Obligated	Due Date
	50% or less AMI	51% - 80% AMI	80% or higher AMI			
TOTAL NSP ROUND 1	0	20	8	28	\$62,207,200	

Multi-Family Residential Projects

Project Name	Address	Commission District	Unit Count	Construction Status
Kings Terrace	12401-12801 NW 27 Avenue, Miami	District 2	300	Kings Terrace (new construction) - \$17,000,000: The bridge work is 98 percent completed. Phase II construction is 16 percent completed and scheduled to be 100 percent completed by March 9, 2013.
South Point Crossings	815 W Lucy Street, Florida City	District 9	122	South Point Crossings (renovation) - \$7,444,489: Phase II construction is 40 percent completed with a scheduled completion date of July 2012. Construction of Stage 2 (of four stages), consisting of major renovation of Buildings A & H, is 15 percent completed and it is scheduled to be completed by February 14, 2012 for Building A and on February 21, 2012 for Building H. The pool has been removed and the site has been prepared for the construction of the new community building. There were several thefts at the site during the month of December 2011 (people breaking into units under construction and pulling out copper and other building materials) totaling over \$10,000 in material requiring adding at least another week to the schedule. Patrol security from Florida City Police was increased to daily coverage from 12:00 am to 6:00 am.
Harvard House/Tiffany Square	2020 NE 169 Street, North Miami Beach	District 4	56	Harvard House/Tiffany Square (renovation) - \$2,239,082: Construction plans were completed and submitted for permit approval on December 8, 2011. The General Contractor selection was completed and the construction is expected to start by the end of February 2012 and be completed by March 2013. Due to the level of renovations, current tenants will need to be temporarily relocated offsite. A second Relocation meeting was conducted on December 7, 2011.

Project Name	Address	Commission District	Unit Count	Construction Status
Opa Lakes	2491 NW 135 Street, Opa-locka	District 1	48	<p>Opa Lakes Apartments (renovation) -\$2,520,667: Construction plans and the engineering reports were approved by the City of Opa-Locka Building Department and a permit was obtained by the developer. Additionally, the Developer has paid the outstanding liens and as soon as the satisfaction of liens appears in the public records, a title policy will be provided to Miami-Dade County. The developer submitted to PHCD a revised project budget showing an increase in the construction cost from \$384,222 to \$1,425,041.10. The developer must to provide backup documentation for the increase in the construction cost and bank funding commitment for the additional \$1.4 million needed. The lead paint report and the windows installation certification report is pending submission. The plans need to be revised to include the Uniform Federal Accessibility Standards (UFAS) requirements. Developer has failed to provide required documentation to complete the Underwriting Report.</p>
Leisure Villas	28701 SW 153 Avenue, Miami	District 9	30	<p>Leisure Villas (renovation) - \$3,592,200: Construction plans were reviewed and approved by PHCD and will be submitted for permit approval soon. Construction is scheduled to start by June 2012 and be completed by February 2013. Due to the level of renovations, all current tenants will have to be temporarily relocated offsite at the same time. General Information Notices have already been delivered to the tenants. Relocation services will be managed by Riverstone Management, who is currently managing the South Point Crossing process.</p>