

# Memorandum



**Date:** February 19, 2016

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

**From:** Carlos A. Gimenez  
Mayor

**Subject:** Neighborhood Stabilization Program – January 2016 Report

The following monthly progress report on Miami-Dade County's Neighborhood Stabilization Program Round 1 (NSP1) and Round 3 (NSP3) reflects data through January 31, 2016. 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 were required to be spent by March 2013 and the County fully expended the grant for \$62.207 million. The County is currently using program income to complete and close-out activities.

The County expenditures for NSP1 grant award are highlighted in the NSP Round 1 Activity Chart (Attachment 1). As of January 31, 2016, the County expended \$64,978,691 or approximately 104 percent of the total grant, an increase of \$8,057 since December 31, 2015. The additional dollars spent are attributable to program income. 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. [Note: The status of this activity has not changed since July 2011.]

### **Acquisition and Rehabilitation of Single-Family Homes**

The County has acquired 50 single-family homes. The County has sold a total of 46 homes. One (1) home is under contract with a rescheduled closing date no later than February 2016. The Homeownership unit continues to process the buyers' loan file to purchase this home. Two (2) homes were demolished and will be newly constructed. The building plans were returned by Miami-Dade County Department of Regulatory and Economic Resources with comments and additional requirements. One (1) home is available for immediate sale and purchase. A third Open House will be held in March 2016. Potential buyers will be asked to bring their First Lender's pre-approval letter and an 8-hour Homebuyer Education & Counseling Certificate as a pre-requisite to make an offer on a first-come-first-served basis.

### **Acquisition and Rehabilitation of Multi-Family Residential Properties**

The November 2010 report indicated that Miami-Dade County completely committed its \$32,886,480.00 allocation for the acquisition and rehabilitation of multi-family properties among five (5) housing projects. The four completed projects were Kings Terrace, Southpoint Crossings, Harvard House/Tiffany Square, and Leisure Villas. The remaining project, Opa Lakes Apartments in Opa-locka has been on hold since November 2013 due to developer inactivity and the continued foreclosure process. An additional \$1.8 million was added to this activity from administrative cost savings.

### **Redevelopment Project: Scott/Carver HOPE VI Phase II Project**

This project is completed and occupied by eligible residents.

**Redevelopment Project: HOPE VI Expanded Area Project (Anchorage Apartments)**

This project is completed and occupied by eligible residents.

**Demolition**

The original four (4) demolition projects funded under NSP1 have been completed. However, the County has engaged a contractor for the demolition of nine structures in the City of Opa-Locka, consisting of six (6) single family homes and three (3) non-residential structures. The six (6) single family homes and two (2) non-residential structures were demolished. The demolition of the remaining non-residential structure is on hold by the City of Opa-Locka.

**NSP3 Grant Projects**

The County expenditures for the NSP3 grant award are highlighted in the NSP Round 3 Activity Chart (Attachment 2). The County was awarded \$20.036 million under Round 3 of the NSP (NSP3) and the County has awarded these funds to five projects. The four completed projects are Town Center Apartments, Hampton Village Apartments, Northside Transit Village I, and the demolition of nine (9) unsafe structures in Florida City. The remaining project is noted below:

<b>Project name</b>	Quail Roost Transit Oriented Development
<b>Address</b>	SW 186th Street (Quail Roost Drive) and Homestead Avenue, Unincorporated Miami-Dade County, Florida
<b>District</b>	9
<b>Unit Count</b>	Planning
<b>Status</b>	\$1,599,528.00. The County acquired the deed to the property on March 5, 2014 and this acquisition activity is 100 percent completed. Department began working on a Request For Proposal draft for the selection of the project development team. Department is planning to work with the Florida International University Architectural Department to develop the conceptual development plans

Staff will continue to update the Board of County Commissioners on a monthly basis on the progress of the Neighborhood Stabilization Program.

If additional information is required, please contact PHCD Director Michael Liu at 786-469-4106.

**Attachments**

- c: Abigail Price-Williams, County Attorney
- Russell Benford, Deputy Mayor
- Jennifer Moon, Budget Director, Office of Management and Budget
- Michael Liu, Director, Public Housing and Community Development
- Charles Anderson, Commission Auditor
- Mary T. Cagle, Inspector General

Neighborhood Stabilization Program Round 1 Funds By Activity (Jan. 2016)

APPLICATION GOALS

STATUS OF GOALS (ACTUALS)

Task	UNITS				Amount Obligated	Due Date	UNITS				FUNDS		Comments/Update
	50% or less AML	51% - 80% AML	80% or higher AML	TOTAL			50% or less AML	51% - 80% AML	80% or higher AML	TOTAL UNITS	Amount Expended	Amount Unexpended	
Self-second mortgage assistance and closings costs (\$80,000) maximum to purchasers of foreclosed-upon homes in areas of greatest need(s).	0	3	7	10	\$750,000	11/30/2012	0	2	3	5	\$744,854	\$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 has been reconciled.
Responsible Department: PHCD													
Self-second mortgage assistance and closings costs: \$80,000 maximum to purchasers of foreclosed-upon homes purchased through NSP	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.
Responsible Department: PHCD													
Acquisition and Rehabilitation of foreclosed-upon single family homes (up to \$200,000 per unit).	0	9	34	43	\$8,065,000	03/07/2013	0	31	10	41	\$10,537,443	\$0	Internal Services purchased 50 homes. The County has sold 46 homes to date. This line item has exceeded the budget but is reflective of program income received.
Responsible Department: PHCD													
Acquisition and rehabilitation of foreclosed-upon multi-family residential properties to provide affordable rental housing (\$125,000 per unit).	256	300	0	556	\$34,686,480	03/07/2013	169	319	0	508	\$34,592,544	\$93,936	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.
Responsible Department: PHCD													
Minimum 8 hour homebuyer counseling for income-qualified persons provided soft second mortgage assistance to purchase foreclosed-upon homes (\$500 per participant).	0	104	26	130	\$65,000	03/07/2013	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.
Responsible Department: PHCD													
Demolition of blighted structures to address public health and safety problems in negatively impacted neighborhoods.	n/a	n/a	n/a	122	\$600,000	03/07/2013	n/a	n/a	n/a	n/a	\$628,547	\$0	Opera-locka 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.
Responsible Department: PHCD													
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.	59	225	70	354	\$8,600,000	03/07/2013	167	118	69	354	\$8,600,000	\$0	Public improvements construction is 100 percent complete. Sector III/IIIA (West) construction is 100 percent complete. All 134 apartment units are occupied (67 PHA, 41 Tax Credit and 26 Market rate). Carver/Sector IV construction is 100 percent complete. All 220 apartment units are occupied (67 Tax Credit, 110 PHA and 43 Market rate).
Responsible Department: PHCD													
Neighborhood redevelopment through multi-family rental housing development in the Expanded HOPE VI Area (\$125,000 per unit).	22	8	0	30	\$5,000,000	03/07/2013	11	11	0	22	\$5,000,000	\$0	Construction is 100 percent complete with a Certificate of Occupancy. All twenty two (22) units are occupied (including nine units by former foster-care youth).
Responsible Department: PHCD													
Administration and Planning Responsible Department: PHCD	n/a	n/a	n/a	n/a	\$4,420,720	03/07/2013	n/a	n/a	n/a	n/a	\$4,805,157	\$0	The original amount of \$6.22 million approved for administration was reduced to \$4,420,720. 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.
Responsible Department: PHCD													
<b>TOTAL NSP ROUND 1</b>					<b>\$62,207,200</b>		<b>367</b>	<b>481</b>	<b>82</b>	<b>930</b>	<b>\$64,978,691</b>	<b>\$93,936</b>	

Neighborhood Stabilization Program Round 3 Funds By Activity (Jan. 2016)

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	Amount Expended	Amount Unexpended	
Demolition of blighted structures to address public health and safety problems in negatively impacted neighborhoods. Responsible Department: PHCD	n/a	n/a	n/a	n/a	\$41,107	03/08/2014	n/a	n/a	n/a	n/a	\$41,107	\$0	Nine unsafe structures were demolished in the City of Florida City.
Acquisition and redevelopment of the Hampton Village Apartments Responsible Department: PHCD	31	69	0	100	\$2,592,985	03/08/2014	62	38	0	100	\$2,592,985	\$0	Construction is 100 percent complete with a Certificate of Occupancy. All one hundred (100) units are occupied.
Redevelopment of affordable multi-family rental housing on vacant or demolished property (Northside Transit Village I and Town Center Apartments) Responsible Department: PHCD	149	78	0	227	\$16,839,216	03/08/2014	149	78	0	227	\$16,839,216	\$0	The County has committed all funds in this activity. A total of two projects have been slated for redevelopment, Northside Transit Village I and Town Center Apartments. Northside Transit Village I construction is 100 percent complete with a Certificate of Occupancy. All one hundred (100) units are occupied. Town Center Apartments construction is 100 percent complete with a Certificate of Occupancy. All one hundred and twenty seven (127) units are occupied. Acquisition of the Quail Roost Transit Oriented Development was completed on March 5, 2014.
Administration and Planning Responsible Department: PHCD	n/a	n/a	n/a	n/a	\$562,995	03/08/2014	n/a	n/a	n/a	n/a	\$562,995	\$0	The original amount of \$2,003,630 approved for administration was reduced to \$562,995. These expenditures include staff, consultants, and training for working on the NSP3 program.
<b>TOTAL NSP ROUND 3</b>					<b>\$20,036,303</b>		<b>211</b>	<b>116</b>	<b>0</b>	<b>327</b>	<b>\$20,036,303</b>	<b>\$0</b>	