

MEMORANDUM

Agenda Item No. 8(K)(1)

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

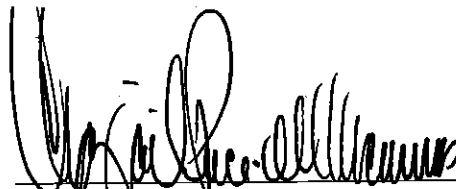
DATE: January 20, 2016

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution authorizing, pursuant to the provisions of section 17-02 of the Code, a loan not to exceed \$2,342,208.88, of Home Investment Partnerships Program ("HOME") program income funds and Documentary Surtax program ("Surtax") program income funds to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for development of the Superior Manor Apartments affordable housing project; authorizing the County Mayor to submit to the United States Department of Housing and Urban Development a Substantial Amendment to the FY 2013-2017 Consolidated Plan and FY 2015 Annual Action Plan to allocate \$241,969.49 of HOME program income; authorizing County Mayor to issue an extension of the Conditional Loan Commitment for the loan of \$4,170,000.00 of FY 2014 Surtax funds

This item was amended from the original version as stated in the County Mayor's memorandum.

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 Audrey M. Edmonson.

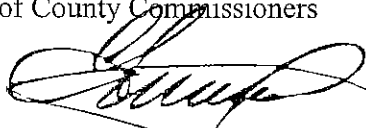

Abigail Price-Williams
County Attorney

APW/cp

Date: January 20, 2016

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

From: Carlos A. Gimenez
Mayor



Subject: Substantial Amendment to the FY 2013-2017 Consolidated Plan and FY 2015 Action Plan to Allocate \$241,969.49 of Home Investment Partnerships program income funds and \$2,100,239.39 of Documentary Stamp Surtax program income funds; Authorize a loan in the amount of \$2,342,208.88 of combined HOME program income and Surtax program income funds to Superior Manor Apartments, Ltd., or related entity, for the Superior Manor Apartments affordable housing project; and authorize an extension of the FY 2014 award of \$4,170,000.00 Surtax Funds Conditional Loan Commitment

This item was amended at the Economic Prosperity Committee meeting on December 10, 2015 to reflect a change in interest rates and payment terms which are set forth in Exhibits 2 and 3. There is also a change in the Mayor's Memo Background section to reflect the changes set forth in Exhibits 2 and 3.

RECOMMENDATION

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

1. Approve, pursuant to the provisions of Section 17-02 of the Code of Miami Dade County, a loan in the amount of \$241,969.49 of Home Investment Partnerships Program (HOME) program income funds to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for development of the Superior Manor Apartments affordable housing project, to be located at 5155 NW 24 Avenue, Miami, Florida, 33142 (Folio No. 30-3122-000-0111).
2. Approve the filing of a substantial amendment to the FY 2013-2017 Consolidated Plan and the FY 2015 Annual Action Plan filed with the United States Department of Housing and Urban Development (U.S. HUD) to allocate \$241,969.49 of HOME program income funds to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for development of the Superior Manor Apartments affordable housing project; and
3. Approve, pursuant to the provisions of Section 17-02 of the Code of Miami Dade County, a loan in the amount of \$2,100,239.39 of local Documentary Stamp Surtax (Surtax) program income funds, to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for development of the Superior Manor Apartments; and
4. Authorize the County Mayor or County Mayor's designee to issue an extension of the FY 2014 award of \$4,170,000.00 Surtax Funds Conditional Loan Commitment for the Superior Manor Apartments project for an additional six-month period.
5. Authorize the County Mayor or the County Mayor's designee to execute all conditional loan commitments, standard contract shells, standard loan document shells, amendments, and other agreements necessary to accomplish the purposes of this resolution. It is further recommended that the Board authorize the County Mayor or County Mayor's designee, upon a determination that such actions are in the best interest of the County, to subordinate and/or modify the terms of contracts, agreements, amendments, and loan documents so long as such modifications are approved by the County Attorney's Office and are not substantially inconsistent with this resolution and to exercise the termination, waiver, acceleration, or other provisions set forth therein.

SCOPE

Superior Manor Apartments is new construction of a 139-unit affordable housing development for seniors with incomes not greater than 33 percent of area median income to be located at 5155 NW 24 Avenue, Miami, Florida, 33142, in Commission District 3, represented by Commissioner Audrey M. Edmonson.

FISCAL IMPACT/FUNDING SOURCE

This item allocates HOME program income and Surtax program income funds and will not have a negative fiscal impact on the County's General Fund. The details of the pre-paid loans and pre-payment commitment are listed in Table One.

TRACK RECORD/MONITORING

The project will be monitored by Michael Liu, Director, Public Housing and Community Development.

BACKGROUND

In May 2015, Central City Apartments, Ltd. pre-paid a HOME loan in the amount of \$241,969.49 and a Surtax loan in the amount of \$521,093.08, both of which had been used for the development of the Central City Apartments affordable housing project. The Village Miami Phase I, Ltd., received a County loan of Surtax funds in the amount of \$1,579,146.31 for the development of The Villages Apartments and has agreed to pre-pay its County loan in full, including any accrued interest prior to closing on the County loan to Superior Manor Apartments, Ltd., or related entity, for the Superior Manor Apartments affordable housing project. Both Central City Apartments, Ltd. and Village Miami Phase I, Ltd. are entities related to The Urban League of Greater Miami, Inc. The details of the pre-paid loans and pre-payment commitment are listed in Table One.

These pre-paid loan funds, which upon pre-payment of \$1,579,146.31 from The Village Miami Phase I, Ltd. will total \$2,342,208.88, consist of a HOME loan in the amount of \$241,969.49 and a Surtax loan in the amount of \$2,100,239.39, which will be re-loaned to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for the development of the Superior Manor Apartments affordable housing project. The pre-payment and re-loan transaction is permitted by Section 17-02 of the Miami-Dade County Code of Ordinances, which provides that any developer which repays its County loan in full before the date on which the loan is due in full may, upon approval of the Board, have the repaid funds loaned to it, or a related entity, for additional eligible affordable housing projects, without the need to compete again for those funds.

Should the Board approve this item, the County Mayor or County Mayor's designee will execute Conditional Loan Commitments in substantially the form attached hereto as Exhibit 2 and Exhibit 3. The loans for Superior Manor Apartments will be subject to a full credit underwriting analysis, including subsidy layering review, a favorable recommendation from the underwriter, and written financing commitments for the total development costs, all of which shall be completed prior to the financial closing of the loan approved herein or the release of loaned funds. The loan shall be subject to those loan terms prescribed in the Surtax and HOME FY 2015 Request for Applications except as to interest rates and payments, which are set forth in Exhibits 2 and 3, and is subject to change at the discretion of the County Mayor or County Mayor's designee based upon the credit underwriting analysis.

Table One

Superior Manor – Loans Pre-Paid in Full							
Loan #	Project Name	Funding Source	Original Loan Amount	Loan Balance at time of Pre-Payment	Maturity Date	Amount Pre-Paid	Pay-Off Date
7609	Central City Apts.	HOME	\$263,000.00	\$241,969.49	12/31/16	\$241,969.49	5/28/15
15955	Central City Apts.	Surtax	\$997,500.00	\$521,093.08	12/31/27	\$521,093.08	5/28/15
Total			\$1,260,500.00	\$763,062.57		\$763,062.57	
Superior Manor -- Loan Pre-Payment Committed							
Loan #	Project Name	Funding Source	Original Loan Amount	Loan Balance at time of Pre-Payment	Maturity Date	Amount Committed for Pre-Payment	Proj. Pay-Off Date
336229	The Villages Apts.	Surtax	\$1,579,146.31	\$1,579,146.31	12/03/49	\$1,579,146.31	1/15/16
Total Pre-Paid and Committed Pre-Payment Funds				\$2,342,208.88			

Superior Manor Apartments, LLC was awarded \$4,170,000.00 of FY 2014 Surtax funds for the Superior Manor Apartments project. Superior Manor Apartments LLC was merged into Superior Manor Apartments, Ltd., which will be the borrowing entity for \$4,170,000.00 existing loan and the new loan approved in this resolution. In accordance with the provisions of Resolutions No R-165-13 and/or R-232-14, the Department seeks Board approval for a third extension of the Conditional Loan Commitment for \$4,170,000.00 of FY 2014 Surtax funds for six (6) additional months to allow finalization of the underwriting process and closing on the Superior Manor Apartments project with the use of pre-paid loan funds. The developer has already received two Conditional Loan Commitment extensions for the project.

Following approval of this item, the County Mayor or County Mayor's designee will file with U.S. HUD a substantial amendment to the FY 2013-17 Consolidated Plan and FY 2015 Annual Action Plan to authorize the allocation of HOME program income funds.



Russell Benford, Deputy Mayor



MEMORANDUM

(Revised)

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

DATE: January 20, 2016

FROM: Abigail Price-Williams
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
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☒ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(K)(1)

1-20-16

RESOLUTION NO. _____

RESOLUTION AUTHORIZING, PURSUANT TO THE PROVISIONS OF SECTION 17-02 OF THE CODE OF MIAMI-DADE COUNTY, A LOAN NOT TO EXCEED \$2,342,208.88, OF HOME INVESTMENT PARTNERSHIPS PROGRAM ("HOME") PROGRAM INCOME FUNDS AND DOCUMENTARY SURTAX PROGRAM ("SURTAX") PROGRAM INCOME FUNDS TO SUPERIOR MANOR APARTMENTS, LTD., OR OTHER RELATED ENTITY OF THE URBAN LEAGUE OF GREATER MIAMI, INC., FOR DEVELOPMENT OF THE SUPERIOR MANOR APARTMENTS AFFORDABLE HOUSING PROJECT; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT A SUBSTANTIAL AMENDMENT TO THE FY 2013-2017 CONSOLIDATED PLAN AND FY 2015 ANNUAL ACTION PLAN TO ALLOCATE \$241,969.49 OF HOME PROGRAM INCOME; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ISSUE AN EXTENSION OF THE CONDITIONAL LOAN COMMITMENT FOR THE LOAN OF \$4,170,000.00 OF FY 2014 SURTAX FUNDS; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE CONDITIONAL LOAN COMMITMENTS, STANDARD SHELL CONTRACTS, STANDARD SHELL LOAN DOCUMENTS, AMENDMENTS AND OTHER DOCUMENTS OR AGREEMENTS NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS RESOLUTION; AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO SUBORDINATE THE COUNTY'S INTEREST, AND TO EXERCISE THE TERMINATION, WAIVER, ACCELERATION, CANCELLATION AND OTHER PROVISIONS 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:

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Section 1. The Board ratifies and adopts the matters set forth in the accompanying justification memorandum as if fully set forth herein.

Section 2. The Board approves, pursuant to the provisions of Section 17-02 of the Code of Miami Dade County, a loan to Superior Manor Apartments, Ltd. or other related entity of The Urban League of Greater Miami, Inc., in an amount not to exceed \$2,342,208.88 of pre-paid loan funds for development of the Superior Manor Apartments affordable senior housing project, a 139-unit senior affordable housing development located at 5155 NW 24 Avenue, Miami, Florida, 33142. The loan consists of \$241,969.49 of Home Investment Partnerships Program ("HOME") program income funds with the conditions set forth in the Conditional Loan Commitment, attached hereto as Exhibit 2 (the "HOME Loan"); and \$2,100,239.39 Documentary Surtax program income funds, with the conditions set forth in the Conditional Loan Commitment, attached hereto as Exhibit 3 (the "Surtax Loan"). The Surtax Loan is conditioned upon the pre-payment in full, including any accrued interest, by The Village Miami, Ltd., or related entity, of its Surtax loan in the amount of \$1,579,146.31 in addition to satisfaction of the conditions set forth in the Conditional Loan Commitment, attached hereto as Exhibit 3.

Section 3. The Board authorizes the County Mayor or County Mayor's designee to file with the United States Department of Housing and Urban Development, a Substantial Amendment to the FY 2013-2017 Consolidated Plan and FY 2015 Annual Action Plan to authorize the loan of \$241,969.49 of HOME program income funds to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for the development of the Superior Manor Apartments affordable senior housing project.

Section 4. The Board authorizes the County Mayor or the County Mayor's designee to issue an extension of the Conditional Loan Commitment to Superior Manor Apartments, Ltd., or other related entity of The Urban League of Greater Miami, Inc., for the loan of \$4,170,000.00 of FY 2014 Surtax funds for an additional six months in accordance with Resolution No. R-165-13 and/or R-232-14, to allow finalization of the underwriting process and closing on the project with the use of pre-paid loan funds.

Section 5. The Board authorizes the County Mayor or County Mayor's designee to execute conditional loan commitments, in substantially the form attached hereto as Exhibit 2 and Exhibit 3, and to execute all standard shell contracts, standard shell loan documents, amendments and other agreements necessary to fulfill the purposes of this resolution. The Board further authorizes the County Mayor or County Mayor's designee, upon a determination that such actions are in the best interest of the County, to execute any documents or agreements necessary to accomplish the purposes set forth in this resolution and to subordinate and/or modify the terms of contracts, agreements, amendments and loan documents so long as such modifications are approved by the County Attorney's Office and are not substantially inconsistent with this resolution, and to exercise the termination, waiver, acceleration, or other provisions set forth therein.

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

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

The Chairperson thereupon declared the resolution duly passed and adopted this 20th day of January, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

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

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Brenda Kuhns Neuman



October 13, 2015

Ms. Selena P. Williams
Director
Resident Services Division
Public Housing and Community Development
701 NW 1st Court, 16th Floor
Miami, FL 33136

Re: Superior Manor Apartments

Dear Ms. Williams:

The following is our formal request to allocate the \$763,062.57 in repaid funds from the Central City Apartments development and the \$1,579,146.31 in proposed repaid funds (the proposed repayment date is January 15, 2016) from The Villages Apartments development to the Superior Manor Apartments development, as allowed under Ordinance No. 13-12. We are also requesting an extension of the Superior Manor \$4,170,000 Surtax Funds Conditional Loan Commitment until the underwriting report is completed. Once the underwriting report is completed, we will immediately commence to a closing.

We thank you in advance for your approval of this request and continued support of this most worthy development in the Brownsville neighborhood. If you have any questions or require any additional information, please contact me at 305-696-4450.

Sincerely,

A handwritten signature in black ink, appearing to read "Elon Metoyer", is positioned above the typed name.

Elon Metoyer
Vice President

Cc: Clarence Brown, PHCD
Oliver L. Gross, NUD
Delores Holley, PHCD
Leyani Sosa, PHCD

Miami-Dade County
Conditional Loan Commitment

Date:

To:

Re:

Dear Developer:

We are pleased to advise you that on _____, the Board of County Commissioners ("BCC") approved a Conditional Loan Commitment for development activity at the above-listed property (the "Property"). The loan is conditionally committed for the payment of hard construction costs as a portion of the development costs to construct the affordable housing units on the Property. This Conditional Loan Commitment is made based upon the application submitted by Borrower in response to the Miami-Dade County Request for Applications for FY 2014 Funding, and is subject to the following terms and conditions:

Borrower:

Project:

Loan Amount: The loan amount of HOME funds not-to-exceed \$_____ is the amount approved by the BCC in Resolution No. _____ and includes all terms and conditions of such BCC approval, including project scope, activity type and, for federal funds, national objective to be achieved (the "Loan"). The loan amount may be decreased as determined by the Mayor or the Mayor's designee, based on the information and documentation provided by Developer.

Conditions: The Loan is conditioned upon the terms, conditions and requirements set forth below (the "Conditions"). The County shall not issue a final unconditional loan commitment, enter into a funding contract, close on the Loan or disburse the Loan funds until all the Conditions are met.

Collateral: Upon satisfaction of the Conditions, Miami-Dade County (County) and Borrower will enter into a funding contract and loan agreement. The Loan shall be evidenced by a promissory note and secured by a construction/permanent mortgage with assignment of leases and rents, a collateral assignment of leases and rents, a collateral assignment of construction documents, a rental regulatory agreement (where applicable), and any other security or collateral as deemed appropriate by the Mayor or Mayor's designee, in his or her sole discretion, with approval of the County Attorney's Office. Borrower shall additionally be required to provide the County with an environmental indemnification agreement, a UCC-1, title affidavit, partnership affidavit (if applicable), corporate resolution approving the loan documents, opinion of counsel, certification of borrower to borrower's counsel, and title policy making the County an insured. The Collateral shall be determined based upon financial feasibility and subsidy layering underwriting to be performed by County staff in an internal process and by an independent underwriter and paid for by Borrower ("Underwriting") following review of a current title search. Additional forms of security may be required if liens, encumbrances, restrictions or covenants exist on the Property which the Mayor or

Mayor's designee determines, in his or her sole discretion, threaten the County's Collateral. The Mayor or Mayor's designee shall determine, in his or her sole discretion and in consultation with the County Attorney's Office, whether the Collateral provided by Borrower is sufficient to close and disburse the Loan.

Interest Rate: Loan terms~~[[including the interest rate,]]~~¹ are those set forth in the FY 2015 Request for Application (RFA) Book for the same funding source for similar projects, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting~~[[.]]~~^{>>}, except as to interest rates and payments. Interest shall be~~<<~~ 0% during construction, years 1-2~~>>~~^{<<} and .50% interest~~>>~~^{<<} only payments in years 3-30 subject to project cash flow. There is a transaction fee of \$100,000.00 ~~>>~~^{<<} to be paid with non-federal funds~~<<~~ with half paid at ~~>>~~^{<<} Loan~~<<~~ closing and half paid at time of ~~[[C.O.]]~~^{>>} Certificate of Occupancy~~<<~~.

Repayable: There will be no penalty for prepayment of the Loan (payment of Loan balance before the end of the repayment term). Repayment terms are those set forth in the FY 2015 RFA, or as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The prepayment of any Loan shall not affect the term of affordability set forth in the Rental Regulatory Agreement or in any of the other Loan Documents.

Term: The Loan will be for the period of time set forth for similar loans in the FY 2015 RFA, or as may be established prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Conditions:

1. Underwriting, as explained above, shall include financial feasibility review, subsidy layering review, and credit review. Underwriting is performed to protect the County's scarce affordable housing funds and is performed to ensure that the Project has sufficient financing to be completed timely and that the Project is not over-subsidized, meaning the Loan is not needed or the Loan Amount is too high. The County reserves the right to reduce the Loan Amount subject to Underwriting. The County further reserves the right to refuse to issue a final, unconditional loan commitment to Borrower or to enter into a contract for the Loan or to close on the Loan in the event that Underwriting determines that the project is financially unfeasible or otherwise is unfeasible. The costs of Underwriting are to be paid by Borrower.
2. Borrower must prove control of the Property through purchase or lease, as evidenced by a deed or lease and recorded memorandum of lease in Borrower's name. Absence of any threat of foreclosure, taking by eminent domain, or pending bankruptcy are additionally required.
3. Borrower must provide the County with written financing commitments showing committed financing for the entire Development Cost of the Project, including any gaps between the Loan and the overall costs to develop the Project. The Development Cost of the Project means the total cost of completing the entire Project, from acquisition to the issuance of Certificate of Occupancy, including but not limited to the costs for acquisition, design and planning, zoning and variances, financing costs, legal costs, construction, and permitting. In the event of a dispute as to what amount constitutes the actual Development Cost, Borrower and County will use the amount determined by Underwriting to be the Development Cost.
4. Conformance of the Project with the County legislation approving the Loan.

¹ Words stricken through and/or ~~[[double bracketed]]~~ are deleted, words underlined and/or ~~>>~~^{<<}double arrowed~~<<~~ are added.

5. Complete plans and specifications of the Project.
6. Payment and performance bond in the amount of the entire construction budget or otherwise in conformance with applicable law. Where a payment and performance bond is not required by law, the Mayor or Mayor's designee may alternatively accept – at the Mayor or Mayor's designee's sole discretion – a letter of credit in an amount acceptable to the Mayor or Mayor's designee.
7. Appraisal of the Property showing that the value of the Project and Property, when completed, exceeds the total amount of debt from all sources to be secured by the Project, unless waived by the Mayor or Mayor's designee.
8. A Phase I environmental report requiring no further action.
9. Such other conditions which are customary and reasonable for a loan of this nature, such as adhering to all Federal, State and local regulations, ordinances, codes and standards.
10. Meeting all requirements of the HOME program, as applicable.
11. Compliance with Resolution No. R-346-15, establishing a maximum total development cost per unit; and Resolution No. R-343-15, establishing a maximum amount of total development costs that may be paid with Documentary Surtax funds.

This Conditional Loan Commitment will expire in six (6) months if not extended by Miami-Dade County. An extension of this Conditional Loan Commitment may be granted at the sole and absolute discretion of Miami-Dade County. Any extension granted will be contingent upon compliance with and in accordance with Resolutions No. R-165-13 and/or R-232-14, as applicable and must be signed by the Mayor or Mayor's Designee to be valid. If the loan does not close prior to the expiration or extension of this Conditional Loan Commitment, the funds will be subject to recapture and allocated to other projects. This Conditional Loan Commitment is not assignable. This Conditional Loan Commitment is the sole and complete agreement between the parties as to the terms of the Loan described herein. The terms of this Conditional Loan Commitment may only be changed in writing in a document signed by the Mayor or the Mayor's designee. No representations, written or verbal, of Miami-Dade County employees, or others purporting to act on behalf of Miami-Dade County, may change the terms of this Commitment.

Miami-Dade County wishes to thank you for your proposal and the opportunity to provide financing for this development, and we look forward to closing this transaction.

Sincerely,

Miami-Dade County

Carlos A. Gimenez, Mayor

Date: _____

c: Russell Benford, Deputy Mayor

Approved as to Form and Legal Sufficiency

Assistant County Attorney

Date _____

Miami-Dade County
Conditional Loan Commitment

Date:

To:

Re:

Dear Developer:

We are pleased to advise you that on _____, the Board of County Commissioners ("BCC") approved a Conditional Loan Commitment for development activity at the above-listed property (the "Property"). The loan is conditionally committed for the payment of hard construction costs as a portion of the development costs to construct the affordable housing units on the Property. This Conditional Loan Commitment is made based upon the application submitted by Borrower in response to the Miami-Dade County Request for Applications for FY 2014 Funding, and is subject to the following terms and conditions:

Borrower:

Project:

Loan Amount: The loan amount of Surtax funds not-to-exceed \$_____ is the amount approved by the BCC in Resolution No. _____ and includes all terms and conditions of such BCC approval, including project scope, activity type and, for federal funds, national objective to be achieved (the "Loan"). The loan amount may be decreased as determined by the Mayor or the Mayor's designee, based on the information and documentation provided by Developer.

Conditions: The Loan is conditioned upon the terms, conditions and requirements set forth below (the "Conditions"). The County shall not issue a final unconditional loan commitment, enter into a funding contract, close on the Loan or disburse the Loan funds until all the Conditions are met.

Collateral: Upon satisfaction of the Conditions, Miami-Dade County (County) and Borrower will enter into a funding contract and loan agreement. The Loan shall be evidenced by a promissory note and secured by a construction/permanent mortgage with assignment of leases and rents, a collateral assignment of leases and rents, a collateral assignment of construction documents, a rental regulatory agreement (where applicable), and any other security or collateral as deemed appropriate by the Mayor or Mayor's designee, in his or her sole discretion, with approval of the County Attorney's Office. Borrower shall additionally be required to provide the County with an environmental indemnification agreement, a UCC-1, title affidavit, partnership affidavit (if applicable), corporate resolution approving the loan documents, opinion of counsel, certification of borrower to borrower's counsel, and title policy making the County an insured. The Collateral shall be determined based upon financial feasibility and subsidy layering underwriting to be performed by County staff in an internal process and by an independent underwriter and paid for by Borrower ("Underwriting") following review of a current title search. Additional forms of security may be required if liens, encumbrances, restrictions or covenants exist on the Property which the Mayor or

Mayor's designee determines, in his or her sole discretion, threaten the County's Collateral. The Mayor or Mayor's designee shall determine, in his or her sole discretion and in consultation with the County Attorney's Office, whether the Collateral provided by Borrower is sufficient to close and disburse the Loan.

Interest Rate: Loan terms~~[[, including the interest rate,]]~~¹ are those set forth in the FY 2015 Request for Application (RFA) Book for the same funding source for similar projects, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting~~[[;]]>>~~, except as to interest rates and payments. Interest shall be<< 0% during construction, years 1-2>>, << and .50% interest>> << only payments in years 3-30 subject to project cash flow. There is a transaction fee of \$100,000.00 >> to be paid with non-federal funds<< with half paid at >>Loan<< closing and half paid at time of [[C.O]]>>Certificate of Occupancy<<.

Repayable: There will be no penalty for prepayment of the Loan (payment of Loan balance before the end of the repayment term). Repayment terms are those set forth in the FY 2015 RFA, or as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The prepayment of any Loan shall not affect the term of affordability set forth in the Rental Regulatory Agreement or in any of the other Loan Documents.

Term: The Loan will be for the period of time set forth for similar loans in the FY 2015 RFA, or as may be established prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Conditions:

1. Underwriting, as explained above, shall include financial feasibility review, subsidy layering review, and credit review. Underwriting is performed to protect the County's scarce affordable housing funds and is performed to ensure that the Project has sufficient financing to be completed timely and that the Project is not over-subsidized, meaning the Loan is not needed or the Loan Amount is too high. The County reserves the right to reduce the Loan Amount subject to Underwriting. The County further reserves the right to refuse to issue a final, unconditional loan commitment to Borrower or to enter into a contract for the Loan or to close on the Loan in the event that Underwriting determines that the project is financially unfeasible or otherwise is unfeasible. The costs of Underwriting are to be paid by Borrower.
2. Borrower must prove control of the Property through purchase or lease, as evidenced by a deed or lease and recorded memorandum of lease in Borrower's name. Absence of any threat of foreclosure, taking by eminent domain, or pending bankruptcy are additionally required.
3. Borrower must provide the County with written financing commitments showing committed financing for the entire Development Cost of the Project, including any gaps between the Loan and the overall costs to develop the Project. The Development Cost of the Project means the total cost of completing the entire Project, from acquisition to the issuance of Certificate of Occupancy, including but not limited to the costs for acquisition, design and planning, zoning and variances, financing costs, legal costs, construction, and permitting. In the event of a dispute as to what amount constitutes the actual Development Cost, Borrower and County will use the amount determined by Underwriting to be the Development Cost.
4. Conformance of the Project with the County legislation approving the Loan.

¹ Words stricken through and/or ~~[[double bracketed]]~~ are deleted, words underlined and/or >>double arrowed<< are added.

5. Complete plans and specifications of the Project.
6. Payment and performance bond in the amount of the entire construction budget or otherwise in conformance with applicable law. Where a payment and performance bond is not required by law, the Mayor or Mayor's designee may alternatively accept – at the Mayor or Mayor's designee's sole discretion – a letter of credit in an amount acceptable to the Mayor or Mayor's designee.
7. Appraisal of the Property showing that the value of the Project and Property, when completed, exceeds the total amount of debt from all sources to be secured by the Project, unless waived by the Mayor or Mayor's designee.
8. A Phase I environmental report requiring no further action.
9. Such other conditions which are customary and reasonable for a loan of this nature, such as adhering to all Federal, State and local regulations, ordinances, codes and standards.
10. Meeting all requirements of the Documentary Surtax program, as applicable.
11. Compliance with Resolution No. R-346-15, establishing a maximum total development cost per unit; and Resolution No. R-343-15, establishing a maximum amount of total development costs that may be paid with Documentary Surtax funds.
12. Pre-payment by January 15, 2016 in full of the loan of \$1,579,146.31 and any accrued interest for The Villages Apartments project (Loan #: 336229).

This Conditional Loan Commitment will expire in six (6) months if not extended by Miami-Dade County. An extension of this Conditional Loan Commitment may be granted at the sole and absolute discretion of Miami-Dade County. Any extension granted will be contingent upon compliance with and in accordance with Resolutions No. R-165-13 and/or R-232-14, as applicable and must be signed by the Mayor or Mayor's Designee to be valid. If the loan does not close prior to the expiration or extension of this Conditional Loan Commitment, the funds will be subject to recapture and allocated to other projects. This Conditional Loan Commitment is not assignable. This Conditional Loan Commitment is the sole and complete agreement between the parties as to the terms of the Loan described herein. The terms of this Conditional Loan Commitment may only be changed in writing in a document signed by the Mayor or the Mayor's designee. No representations, written or verbal, of Miami-Dade County employees, or others purporting to act on behalf of Miami-Dade County, may change the terms of this Commitment.

Miami-Dade County wishes to thank you for your proposal and the opportunity to provide financing for this development, and we look forward to closing this transaction.

Sincerely,

Miami-Dade County

Carlos A. Gimenez, Mayor

Date: _____

c: Russell Benford, Deputy Mayor

Approved as to Form and Legal Sufficiency

Assistant County Attorney

Date _____