

MEMORANDUM

Agenda Item No. 8(K)(1)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: September 1, 2022

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution, approving after a public hearing, the filing of a substantial amendment to the Fiscal Year (FY) 2021 action plan and corresponding FY 2020-2024 consolidated plan with the United States Department of Housing and Urban Development to allocate up to \$1,017,500.00 of Home Investment Partnerships Program (Home) program income funds to Centennial Management Corporation, or related entity, for the development of the Princeton Crossings affordable housing project; authorizing the County Mayor to execute a conditional loan commitment and standard shell contracts, standard shell loan documents, amendments and other documents or agreements necessary to accomplish the purposes of this resolution; and authorizing the County Mayor to subordinate or modify the terms of contracts, amendments and loan documents, and to exercise the termination, waiver, acceleration and other provisions 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 Danielle Cohen Higgins.



Geri Bonzon-Keenan
County Attorney


GBK/uw

Memorandum



Date: September 1, 2022

To: Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor 

Subject: Substantial Amendment to the FY 2021 Action Plan and Corresponding FY 2020-2024 Consolidated Plan to Allocate \$1,017,500.00 in Prepaid Home Investment Partnerships (HOME) Program Income Funds to Centennial Management Corporation, or related entity, for the Development of the Princeton Crossings Affordable Housing Project

Executive Summary

This item seeks approval of the Board of County Commissioners (Board) for a substantial amendment to the FY 2021 Action Plan and corresponding FY 2020-2024 Consolidated Plan to loan \$1,017,500.00 in HOME program income funds from pre-paid loans from a prior completed affordable housing project to Centennial Management Corp. for the development of the Princeton Crossings affordable housing project. The project to be funded is a 150-unit development adjacent to the South Dade Transitway and in the mixed-use Princeton Urban Center Zoning District. This item will not have a negative impact on the County’s general fund or HOME program funds.

Recommendation

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

1. Approve a substantial amendment to the FY 2021 Action Plan and corresponding FY 2020-2024 Consolidated Plan to loan \$1,017,500.00 in HOME program income funds from pre-paid loans from a prior completed affordable housing project to Centennial Management Corp., or related entity (developer), for the development of the Princeton Crossings affordable housing project. The HOME loan consists of funds prepaid by Vizcaya Housing, Ltd., a related entity of Centennial Management Corporation, in accordance with section 17-02 of the Code of Miami-Dade County;
2. Authorize the County Mayor or the County Mayor’s designee to execute conditional loan commitments, standard shell contracts, standard shell loan documents, amendments and other agreements and documents necessary to accomplish the purposes of this resolution; and
3. 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, amendments, and loan documents so long as such modifications are approved by the County Attorney’s Office as to form and legal sufficiency and are not substantially inconsistent with this resolution and to exercise the termination, waiver, acceleration, or other provisions set forth therein.

Scope

Princeton Crossings is a planned affordable housing development located adjacent to the South Dade Transitway at 13841 SW 252nd Street, 33032, in unincorporated Miami-Dade County, Florida, in Commission District 8, represented by Commissioner Danielle Cohen Higgins. Princeton Crossings will consist of the new construction of 150 units in an 8-floor high rise building and is in the mixed-use

Princeton Urban Center Zoning District and approximately one-half mile from a BRT Station. The funds recommended for allocation in this item are from pre-paid loans from a prior completed affordable housing project.

Delegation of Authority

This item requests a delegation of authority to the County Mayor or County Mayor’s designee to: (1) execute conditional loan commitments, standard shell contracts, standard shell loan documents, amendments and other agreements; (2) subordinate and/or modify the terms of contracts, amendments, and loan documents; and (3) exercise the termination, waiver, accelerations, or other provisions contained therein.

Fiscal Impact/Funding Source

This item will not have a negative impact on the County’s general fund or HOME program funds. This item is allocating pre-paid HOME funds to Centennial Management Corporation, or a related entity, for the Princeton Crossings affordable housing project. The reallocated HOME funds maintain their character as HOME funds.

Track Record/Monitoring

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

Background

HOME funds in the amount of \$2,035,000.00 were awarded to Vizcaya Housing, Ltd., a related entity of the Centennial Management Corporation, through Resolution Nos. R-234-95 and R-1002-05, respectively, for the development of Vizcaya Villas Apartments, a 174-unit affordable housing project located at 8005 NW 8th Street Miami, Florida 33126. The maturity date of the loan was July 1, 2049, however, the borrower paid off the loan in full on December 24, 2020, as summarized in Table 1, below.

Table 1.

Loan #	Project Name	Funding Source	Loan Amount	Maturity Date	Pay-Off Amount	Pay-Off Date
8882	Vizcaya Villas Apartments	HOME	\$2,035,000.00	7/01/2049	\$2,035,000.00	12/24/2020

On September 11, 2021, PHCD received a request from Vizcaya Housing, Ltd. to redeploy \$2,035,000.00 of HOME funds that were prepaid from Vizcaya Villas Apartments to the Princeton Crossings and Stadium Towers projects (Attachment 1). Pursuant to that request this item recommends that the Board approve of the allocation of \$1,017,500.00 of prepaid HOME program income funds to support the development of the Princeton Crossings affordable housing project. The remaining \$1,017,500.00 will be addressed in a separate item.

The pre-paid loan program is designed to expedite the development of affordable housing projects by making those funds available again for new projects faster.

Upon approval of this item, a conditional loan commitment in substantially the form attached as Exhibit A to the resolution will be issued to Centennial Management Corp., or related entity, for the development of the Princeton Crossings affordable housing development in the amount of \$1,017,500.00.

The Princeton Crossings affordable housing project will be subject to a full credit underwriting analysis, including subsidy layering review. The project must receive a favorable recommendation from the underwriter and show written financing commitments for the total development costs, all prior to the financial closing of the loan approved herein for the release of loaned funds. The loan shall be subject to those terms for loans issued in accordance with Section 17-02 of the Miami-Dade County Code of Ordinances and as set forth in the FY 2021 HOME Request for Applications (RFA), subject to change at the discretion of the County Mayor or County Mayor's designee based upon the credit underwriting analysis.

Attachment

A handwritten signature in blue ink, appearing to read "Morris Copeland", is written over a horizontal line.

Morris Copeland, Chief Community Services Officer

VIZCAYA HOUSING, LTD.

c/o Centennial Management Corp, 7735 NW 146th Street, Ste. 306, Miami Lakes, FL 33016
(305) 821-0330

September 11, 2021

Michael Liu, Director
Public Housing and Community Development Miami-Dade County
701 NW 1st Court, 16th Floor
Miami, Florida 33136

Re: Vizcaya Housing, Ltd.

Dear Mr. Liu:

This is to follow up on and clarify our June 3, 2021 letter:

Vizcaya Housing, Ltd., a Florida limited partnership (the "Partnership"), received a HOME Loan from Metropolitan Dade County (n/k/a Miami-Dade County) (the "County") in the original principal amount of \$2,035,000.00 (the "County Loan") which is secured by, among other things, that certain Mortgage and Security Agreement dated September 19, 1996. The County Loan is subordinate to the first mortgage loan on the property made by First Housing Development Corporation of Florida (the "First Mortgage Loan"). The Partnership is in the process of refinancing the First Mortgage Loan with a loan from Greystone Funding Company LLC, or its affiliate, which loan will be insured by the Secretary of Housing and Urban Development ("HUD") through the 223(f) program pursuant to Section 223(a)(7) (the "New Loan"). The purpose of this letter is to request the County's consent to several items with respect to the refinancing.

The County Loan will be paid off with the New Loan.

The \$2,035,000.00 shall be reserved for use as gap funding for the following two affordable housing developments:

- 1 Princeton Crossings (150 units)
13841 SW 252 Street, Princeton, FL 33032
New Construction
High-rise, 8 stories
Income averaging: 24 units @ 30%AMI, 58 units @ 60% AMI, 68 units at 70%AMI
HOME Funds \$1,017,500.00
- 2 Stadium Towers (149 units)
NW Corner of NW 23 Street and 8 Ave, Miami, FL 33127
New construction
High-rise, 7 stories
Income averaging: 24 units @ 30%AMI, 8 units @ 40%AMI, 42 units @ 60% AMI, 75 units at 70%AMI
HOME Funds: \$1,017,500.00

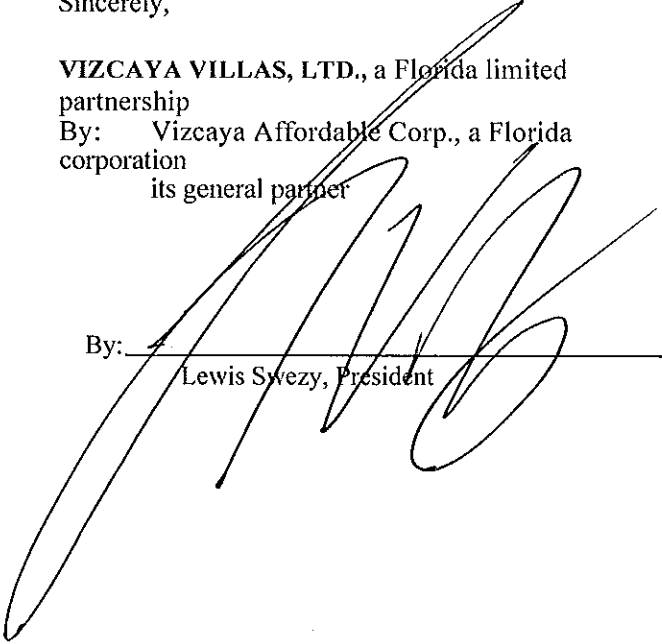
In connection with the New Loan, HUD will require the subordination of the restrictive

covenants on the property, including the Department of Special Housing Programs Rental Regulatory Agreement in a form similar to the previous subordination attached hereto as Exhibit A, HUD will also require the modification of the Department of Special Housing Programs Rental Regulatory Agreement to incorporate certain HUD required provisions. The Partnership requests the consent of the County to the modification and subordination of these documents, and any other documents executed in connection with the County Loan as necessary to facilitate the refinancing. To the extent that additional items are requested by HUD, the Partnership requests that the County consent to same such that the refinancing can occur in a timely manner.

Thank you for your consideration.

Sincerely,

VIZCAYA VILLAS, LTD., a Florida limited partnership
By: Vizcaya Affordable Corp., a Florida corporation
its general partner



By: _____
Lewis Swezy, President

cc: Randal M. Alligood, Esq.

4814-7986-SS06v.2



MEMORANDUM
(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: September 1, 2022

FROM: 
Gen Bonzon-Keenan
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 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)(1)
9-1-22

RESOLUTION NO. _____

RESOLUTION APPROVING, AFTER A PUBLIC HEARING, THE FILING OF A SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR (FY) 2021 ACTION PLAN AND CORRESPONDING FY 2020-2024 CONSOLIDATED PLAN WITH THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO ALLOCATE UP TO \$1,017,500.00 OF HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) PROGRAM INCOME FUNDS TO CENTENNIAL MANAGEMENT CORPORATION, OR RELATED ENTITY, FOR THE DEVELOPMENT OF THE PRINCETON CROSSINGS AFFORDABLE HOUSING PROJECT; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE A CONDITIONAL LOAN COMMITMENT AND STANDARD SHELL CONTRACTS, STANDARD SHELL LOAN DOCUMENTS, AMENDMENTS AND OTHER DOCUMENTS OR AGREEMENTS NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS RESOLUTION; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBORDINATE OR MODIFY THE TERMS OF CONTRACTS, AMENDMENTS AND LOAN DOCUMENTS, AND TO EXERCISE THE TERMINATION, WAIVER, ACCELERATION AND OTHER PROVISIONS 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 ratifies and adopts the matters set forth in the accompanying justification memorandum as if fully set forth herein.

Section 2. This Board authorizes, pursuant to the provisions of section 17-02 of the Code of Miami-Dade County, a loan in the amount of \$1,017,500.00 of HOME Investment Partnerships Program (HOME) program income funds to Centennial Management Corporation, or related entity, as referenced in Attachment 1 to the Mayor's memorandum; for the development of Princeton Crossings, a planned new construction, 150-unit, 8-floor high-rise affordable housing development, located at 13841 SW 252 Street, in unincorporated Miami-Dade County, Florida, 33032, in Commission District 8.

Section 3. This Board authorizes the County Mayor or County Mayor's designee to execute conditional loan commitments in substantially the form attached hereto as Exhibit A, standard shell contracts, standard shell loan documents, amendments and other agreements and documents necessary to fulfill the purposes of this resolution.

Section 4. This 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 subordinate and/or modify the terms of contracts, 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:

Jose "Pepe" Diaz, Chairman
Oliver G. Gilbert, III, Vice-Chairman
Sen. René García
Sally A. Heyman
Eileen Higgins
Kionne L. McGhee
Raquel A. Regalado
Sen. Javier D. Souto
Keon Hardemon
Danielle Cohen Higgins
Joe A. Martinez
Jean Monestime
Rebeca Sosa

The Chairperson thereupon declared this resolution duly passed and adopted this 1st day of September, 2022. 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.



Terrence A. Smith

Miami-Dade County Conditional Loan Commitment

Date

To: Centennial Management Corp., or related entity

Re: Princeton Crossings
13841 SW 252 Street, in unincorporated Miami-Dade County, Florida (“the Property”)

Dear Borrower:

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 properties (the “Properties”). The loan is conditionally committed for the payment of hard construction cost 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 letter submitted by the Borrower for repaid loan funds, and is subject to the following terms and conditions:

- Borrower:** Centennial Management Corp., or related entity

- Project(s):** Princeton Crossings is a new construction, 150-unit, 8-floor high-rise affordable housing community, located at 13841 SW 252 Street, in unincorporated Miami-Dade County, Florida, in Commission District 8. The development will serve 24 units at or below 30% of Area Median Income (AMI), 58 units at or below 60% AMI, and 68 units at or below 70% AMI.

- Loan Amount:** The loan shall be in an amount of not-to-exceed **\$1,017,500.00** as approved by the BCC in Resolution _____ for the Princeton Crossings affordable housing project, 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 upon Underwriting (defined below) and information and documentation provided by Borrower.

- 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, are those set forth in the FY 2021 Surtax Request for Applications (RFA) for Multi-family rental projects. Those terms are 0% interest during construction - years 1 and 2-and 1% interest-only payments for years 3–30 from development cash flow, 1% interest accruing and due at maturity. Full principal is due at maturity; and as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

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 2021 RFA for repaid loan funds in accordance with Section 17-02 of the Code. All terms may be 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 30 years, 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.
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 State Housing Initiatives Partnership ("SHIP"), Documentary Surtax or Home Investment Partnerships Program ("HOME") program, as applicable, and County resolutions and ordinances governing affordable housing development.
11. Compliance with Resolution No. R-346-15, establishing a maximum total development cost per unit; and, where applicable, Resolution No. R-343-15, establishing a maximum amount of total development costs that may be paid with Documentary Surtax funds.
12. The Loan, if SHIP or Surtax funds, may only be used for the development of affordable housing for residents with household incomes not greater than 140% of AMI. The Loan, if HOME or CDBG funds, may only be used for the development of affordable housing for residents with household incomes not greater than 80% of AMI.
13. This loan is conditioned upon the repayment of the Vizcaya Villas LTD, loan in the amount of \$2,035,000.00.
14. Pursuant to the Miami-Dade Board of County Commissioners' Resolution No. R-34-15, Developers, its agents and/or representatives, shall provide written notice to the County related to the availability of rental opportunities, including, but not limited to, the number of available units, bedroom size, and rental prices of such rental units at the start of any leasing activity; requiring the developer advertise the information described in newspapers of general circulation.

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 Resolution No. 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

Daniella Levine Cava, Mayor

Date: _____

c: Morris Copeland,
Chief Community Services Officer

Approved as to Form and Legal Sufficiency

Assistant County Attorney

Date _____