MEMORANDUM

Agenda Item No. 11(A)(3)

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

DATE: June 2, 2021

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution directing the County Mayor to prepare a report on the status of all residential properties where the County has a subordinate mortgage and there is a delinquency on the senior mortgage; and requiring such report to contain information on all loans that are past due 90 or more days, recommendations on a plan to prevent foreclosures of these loans and identify eligible funding sources to carry out the plan

Resolution No. R-570-21

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Jean Monestime.

Geri Bonzon-Keenan
County Attorney

GBK/smm

MEMORANDUM

(Revised)

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

DATE: June 2, 2021

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County Attorney

SUBJECT: Agenda Item No. 11(A)(3)

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. 11(A)(3)
6-2-21

RESOLUTION NO. R-570-21

RESOLUTION DIRECTING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO PREPARE A REPORT ON THE STATUS OF ALL RESIDENTIAL PROPERTIES WHERE THE COUNTY HAS A SUBORDINATE MORTGAGE AND THERE IS A DELINQUENCY ON THE SENIOR MORTGAGE; AND REQUIRING SUCH REPORT TO CONTAIN INFORMATION ON ALL LOANS THAT ARE PAST DUE 90 OR MORE DAYS, RECOMMENDATIONS ON A PLAN TO PREVENT FORECLOSURES OF THESE LOANS AND IDENTIFY ELIGIBLE FUNDING SOURCES TO CARRY OUT THE PLAN

WHEREAS, as a result of the coronavirus disease 2019 (COVID-19) pandemic, many homeowners in Miami-Dade County who have lost their income due to layoffs or furloughs, face the possibility that their inability to timely pay their mortgage and any late fees could result in economic hardship for such homeowners including possible foreclosure; and

WHEREAS, overall, this pandemic has resulted in the worst economic downturn since the Great Depression; and

WHEREAS, about 65 million Americans have filed for unemployment since mid-March 2020; and

WHEREAS, data from the United States Bureau of Labor Statistics reveals that several cities in Florida, including the Cities of Hialeah, Miami, Orlando, and Port St. Lucie, are among those in the United States that have seen the biggest spikes in unemployment due to the COVID-19 pandemic; and

WHEREAS, this Board is concerned about the economic impact the COVID-19 emergency is having on the ability of Florida property owners to timely pay their mortgages; and

WHEREAS, as a result, many of Florida's residents and families are struggling to make ends meet, and are unable to pay for basic necessities such as rent and food; and

WHEREAS, notwithstanding the extraordinary steps the federal, state and local governments have taken to protect homeowners from foreclosure during the declarations of emergency, including foreclosure moratoriums, many homeowners are at high risk of foreclosure once those moratoriums end; and

WHEREAS, even prior to the COVID-19 pandemic many homeowners in Miami-Dade County were at risk of foreclosure because of the high cost of housing in the County; and

WHEREAS, Miami-Dade County has tried to address the ongoing housing affordability crisis by offering financial assistance to low- and moderate-income families in the form of home mortgages; and

WHEREAS, in most cases the County's mortgages are in subordinate positions to institutional lenders; and

WHEREAS, when cost-burdened homeowners become delinquent on their mortgage payments, most often to the institutional lender in the senior loan position, they risk foreclosure; and

WHEREAS, in most instances the foreclosure may be averted by the County allocating funds to either cure the loan default or purchase the institutional loan; and

WHEREAS, in order to determine whether it is feasible for the County to take steps to prevent such foreclosures where the County has a subordinate loan, it is necessary to have an idea of the scope of the problem and the resources that may be available to address the problem,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The matters contained in the foregoing recitals are incorporated in this resolution by reference.

Section 2. This Board directs the County Mayor or the County Mayor's designee to prepare a report on the status of all residential properties where the County has a subordinate mortgage and the senior institutional mortgage is delinquent. The report shall at a minimum include: (1) the number of properties that have mortgages that are past due 90 or more days, and foreclosure actions have been filed; (2) the total balance and past due balance on each individual loan and on each category of delinquent loans; (3) the total amount necessary to cure the defaults on all of the loans identified in the report; and (4) the total amount of funding needed to purchase all of the loans.

Section 3. In addition to providing the information requested in section 2, the report shall identify eligible sources of funding that may be used to cure the defaults or purchase the defaulted loans and shall provide recommendations on the best methodology to prevent foreclosures of these properties.

Section 4. This Board further directs the County Mayor or the County Mayor's designee to provide the report required by sections 2 and 3 of this resolution to this Board within 60 days of the effective date of this resolution, and also directs the County Mayor or the County Mayor's designee to place the completed report on an agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Jean Monestime. It was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Sally A. Heyman** and upon being put to a vote, the vote was as follows:

Jose “Pepe” Diaz, Chairman **aye**
Oliver G. Gilbert, III, Vice-Chairman **aye**

Sen. René García	**aye**	Keon Hardemon	**aye**
Sally A. Heyman	**aye**	Danielle Cohen Higgins	**aye**
Eileen Higgins	**aye**	Joe A. Martinez	**aye**
Kionne L. McGhee	**aye**	Jean Monestime	**aye**
Raquel A. Regalado	**aye**	Rebeca Sosa	**aye**
Sen. Javier D. Souto	**aye**		

The Chairperson thereupon declared this resolution duly passed and adopted this 2nd day of June, 2021. 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: **Melissa Adames**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Shannon D. Summerset-Williams