MEMORANDUM

Agenda Item No. 14(A)(3)

TO: Honorable Interim Chairman Oliver G. Gilbert, III and Members, Board of County Commissioners

DATE: December 6, 2022

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution authorizing the County Mayor to award up to $8,007,603.00 in Documentary Stamp Surtax and State Housing Initiatives Partnership funds to certain applicants, for purposes of developing affordable homeownership housing projects; and authorizing the County Mayor to execute amendments, shell contracts, loan documents and other transactional documents necessary to accomplish the purposes set forth herein, to shift funds and funding sources awarded to a project to any new entities created for the purpose of carrying out a project necessary to fulfill the objectives of the above programs, to subordinate and/or modify the terms of the contracts, agreements, amendments and loan documents, and to exercise termination, waiver, acceleration and other provisions

Resolution No. R-1177-22

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

Geri Bonzon-Keenan
County Attorney

GBK/gh

Memorandum

MIAMI-DADE COUNTY

Date: December 6, 2022

To: Honorable Interim Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

Daniella Levine Cava

Subject: FY 2021 Documentary Stamp Surtax and State Housing Initiatives Partnership Program Award Recommendations for Homeownership Developments

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Executive Summary

The purpose of this item is to seek the Board of County Commissioners' (Board) approval to allocate up to $8,007,603.00 of Documentary Stamp Surtax and/or State Housing Initiatives Partnership (Surtax/SHIP) program funds to three organizations for homeownership activities recommended for funding from the Fiscal Year (FY) 2021 Request for Applications (RFA). Proposed funded projects include the new construction of 76 homeownership units. This item will not have a negative impact on the County's general fund.

Recommendation

It is recommended that the Board:

1. Approve the proposed funding recommendations for the FY 2021 Request for Applications in an amount up to $8,007,603.00 of Documentary Stamp Surtax and/or State Housing Initiatives Partnership (Surtax/SHIP) program funds for Homeownership Request for Application submittal as identified in Exhibit A, attached to the resolution.

2. Authorize the County Mayor or County Mayor's designee to award funds to the applicants identified in Exhibit A and to execute all conditional loan commitments (attached as Exhibits B and C to the resolution), standard shell contracts, agreements, loan documents, and amendments to accomplish the purposes set forth in this legislation, and to shift funds and funding sources awarded to a project to any new affiliated entities created for the purpose of carrying out a project.

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, agreements, amendments and loan documents so long as such modifications are approved by the County Attorney's Office as to legal form and sufficiency and are not substantially inconsistent with this resolution, and to exercise termination, waiver, acceleration and other provisions in said agreements and documents.

Scope
This item recommends funding for new construction of affordable single-family homes in Commission Districts 2, 3, 5 and 6. Table 1 contains the score and proposed funding recommendations.

Delegation of Authority
This item requests a delegation of authority to authorize the County Mayor or the County Mayor's designee to: (1) execute all conditional loan commitments, standard shell contracts, agreements, loan documents, subordinations, modifications and amendments pursuant to the proposed Surtax/SHIP funding recommendations and to accomplish the purposes set forth in this legislation; (2) shift funds and funding sources awarded to a project to any new affiliated entities created for the purpose of carrying out a project; and (3) exercise the termination, waiver, acceleration, or other provisions set forth therein.

Fiscal Impact/Funding Source
The award of Surtax SHIP funds will not have a negative fiscal impact on the County's General Fund. Table 1 summarizes the proposed use of FY 2021 Surtax/SHIP Homeownership funding for three applications that met minimum threshold requirements and were forwarded for scoring by the Evaluation/Selection Committee.

Track Record/Monitor
Michael Liu, Director, Public Housing and Community Development Department (Department) will monitor all Surtax/SHIP activities. The Department will monitor all projects to ensure compliance with Federal, State and County guidelines and policies.

Background
A third round of Surtax funding for FY 2021 Homeownership activities was made available on November 5, 2021, with a due date of December 6, 2021. The public was advised of the application process through notice postings via the Department's website and through the Department's developers email distribution list. Prior to the issuance of the RFA, the Department solicited comments on a draft version of the RFA from the public.

A total of 3 applications were received in response to the RFA, for a total combined request of $8,007,603.00. Each of the 3 applications were evaluated, both by the department and a Selection Committee appointed by Director Liu. All three applications met minimum threshold requirements and were scored by the selection committee on July 21, 2022. Each of the three applications are being recommended for funding (see table 1).

Funding recommendations for affordable homeownership developments are still conditioned on receiving a full credit underwriting analysis and subsidy layering review, with a favorable recommendation, prior to contract negotiations and execution. Upon approval of this item, the Department will issue a conditional loan commitment in substantially the form included as Exhibits B and C.

Table 1: FY 2021 PROPOSED SURTAX/SHIP FUNDING ALLOCATIONS FOR HOMEOWNERSHIP ACTIVITIES					
Agency/Entity Name	**Development Name**	**Location**	**Commission District**	**Units**	**Total Amount Recommended**
BHP Community Land Trust dba South Florida Community Land Trust	Lofts at Broadway	6200 NW 17 Avenue, Miami, FL 33147/ 01-3115-005-3291	3	32	$6,549,782.00
Neighborhood Housing Foundation, Inc.	Liberty City Homes	9601 NW 22nd Avenue, Miami, FL 33147; 30-3103-027-0030	2	38	$600,000.00
City of Mami Department of Housing and Community Development	City of Miami Infill Scattered Sites	130 SW 51 Place, Miami, FL 33134 (A and B); 2293 SW 17th Terrace, Miami, FL 33145 (A and B); 12 SW 47 Avenue, Miami, FL 33134; 2601 SW 13 Street, Miami, FL Miami, FL 33145; 01-4106-014-0200, 01-4110-022-0210, 01-4106-074-0030, 01-4110-055-0500	5,6	6	$857,821.00
			Totals	**76**	**$8,007,603.00**

A due diligence review was conducted to assess past performance in utilizing County funds and legal capacity pursuant to Resolution No. R-630-13 to make efficient and transparent use of funds for much needed housing for County residents. There are no findings to report for the entities that are recommended for funding.

Morris Copeland
Chief Community Services Officer

MEMORANDUM

(Revised)

TO: Honorable Interim Chairman Oliver G. Gilbert, III and Members, Board of County Commissioners

DATE: December 6, 2022

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 14(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. 14(A)(3)
12-6-22

RESOLUTION NO. R-1177-22

RESOLUTION AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO AWARD UP TO $8,007,603.00 IN DOCUMENTARY STAMP SURTAX AND STATE HOUSING INITIATIVES PARTNERSHIP FUNDS TO CERTAIN APPLICANTS, FOR PURPOSES OF DEVELOPING AFFORDABLE HOMEOWNERSHIP HOUSING PROJECTS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE AMENDMENTS, SHELL CONTRACTS, LOAN DOCUMENTS AND OTHER TRANSACTIONAL DOCUMENTS NECESSARY TO ACCOMPLISH THE PURPOSES SET FORTH HEREIN, TO SHIFT FUNDS AND FUNDING SOURCES AWARDED TO A PROJECT TO ANY NEW ENTITIES CREATED FOR THE PURPOSE OF CARRYING OUT A PROJECT NECESSARY TO FULFILL THE OBJECTIVES OF THE ABOVE PROGRAMS, TO SUBORDINATE AND/OR MODIFY THE TERMS OF THE CONTRACTS, AGREEMENTS, AMENDMENTS AND LOAN DOCUMENTS, AND TO EXERCISE TERMINATION, WAIVER, ACCELERATION AND OTHER PROVISIONS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum,

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 fully set forth herein.

Section 2. This Board authorizes the County Mayor or County Mayor's designee to award up to $8,007,603.00 in Documentary Stamp Surtax funds and State Housing Initiatives Partnership funds as identified in Exhibit A.

Section 3. The County Mayor or County Mayor's designee is authorized to execute all standard shell contracts, amendments, standard shell documents, conditional loan commitments in substantially the form as attached in Exhibits B and C and other agreements necessary to accomplish the purposes of this resolution and to exercise the cancellation and other provisions contained therein, and to shift funds and funding sources awarded to a project to any new entities created for the purpose of carrying out a project necessary to fulfill the objectives of the above programs. 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 subordinate and/or modify the terms of contracts, agreements, amendments and documents so long as such modifications are approved by the County Attorney's Office as to legal form and sufficiency 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 **Eileen Higgins**, who moved its adoption. The motion was seconded by Commissioner **Danielle Cohen Higgins** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Interim Chairman **aye**
Raquel A. Regalado, Interim Vice Chairwoman **aye**

Marleine Bastien	**aye**	Juan Carlos Bermudez	**aye**
Kevin Marino Cabrera	**aye**	Sen. René García	**aye**
Roberto J. Gonzalez	**aye**	Keon Hardemon	**aye**
Danielle Cohen Higgins	**aye**	Eileen Higgins	**aye**
Kionne L. McGhee	**aye**	Anthony Rodríguez	**aye**
Micky Steinberg	**aye**		

The Chairperson thereupon declared this resolution duly passed and adopted this 6th day of December, 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

Basia Pruna
By:________________________
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Shannon D. Summerset-Williams

Exhibit A

Agency/Entity/ Organization Name	Legal Name	Developer Name/Address	Development Name	Project Location	Comm Dist.	No. of Units	Development Type/ Construction Type/ No. of Units	Score	Surtax/SHIP Funding Requested
FY 2021 HOMEOWNERSHIP APPLICATIONS - DEC 2021									
BHP Community Land Trust dba South Florida Community Land Trust	BHP Community Land Trust dba South Florida Community Land Trust	718 NE 2nd Avenue, Ft Lauderdale, FL 33304-1107	Lofts at Broadway	6200 NW 17 Avenue, Miami, FL 33147/ 01-3115-005-3291	3	32	New Construction/ High Rise Condominium	89	$6,549,782
Neighborhood Housing Foundation. Inc.	Neighborhood Housing Foundation. Inc.	910 Michigan Ave, Miami Beach, FL 33139	Liberty City Homes	9601 NW 22nd Avenue, Miami, FL 33147; 30-3103-027-0030	2	38	New Construction/ High Rise Condominium	73.3	$600,000
City of Mami Dept. of Housing and Community Development	City of Mami Dept. of Housing and Community Development	City of Miami Dept of Housing and Community Development 14 NE 1st Ave, 2nd Floor, Miami, FL 33132	City of Miami Infill Scattered Sites	130 SW 51 Place, Miami, FL 33134 (A and B); 2293 SW 17th Terrace, Miami, FL 33145 (A and B); 12 SW 47 Avenue, Miami, FL 33134; 2601 SW 13 Street, Miami, FL Miami, FL 33145; 01-4106-014-0200, 01-4110-022-0210, 01-4106-074-0030, 01-4110-055-0500	5,6	6	New Construction/ Single Family Homes	85.3	$857,821
							Total Funding Requested for SURTAX		**$8,007,603**

Exhibit B

Miami-Dade County
Conditional Loan Commitment

Date

To: BHP Community Land Trust dba South Florida Community Land Trust, (the "Borrower')

Re: Lofts at Broadway, an affordable homeownership project

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 property (the "Property"). 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 FY 2021 Surtax/SHIP Request for Applications requesting Documentary Stamp Surtax (Surtax)/ State Housing Initiatives Partnership (SHIP). Resolution No. _____________conditionally allocated up to **$6,549,782.00 of Surtax/SHIP** program funds and is subject to the following terms and conditions

Borrower: _____________

Project: _____________ affordable homeownership project will be a new construction project consisting of 32 units, at 6200 NW 17th Avenue, Miami, FL 33147, in Commission District 3. The homes will be permanently affordable to families with incomes ranging from 60% to 80% of Area Median Income (AMI).

See the conditions below regarding applicable AMI for residents based upon the source of funds for the Loan.

Loan Amount: The loan shall be in an amount of not-to-exceed **$6,549,782.00** approved by the BCC in Resolution ____ for $6,549,782.00 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/SHIP Homeownership Request for Applications (RFA) for homeownership projects. Those terms are 0% interest during construction for up to 2 years and 1% interest in years 3 through 30; 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).
Subject to restrictive covenant and/or operating agreement among Miami-Dade County, the Community Land Trust (CLT) and the homeowner for 30 years from the date of homeowner closing. Subject to equity terms and conditions regarding resale of the home to an eligible buyer, between the CLT and the homeowner.

Term: 30 years

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 Stamp

Surtax ("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-346-15, establishing a maximum amount of total development costs that may be paid with Documentary Stamp 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. 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 homeownership and 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 <u>will expire in six (6) months</u> 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,

____
Daniella Levine Cava, Mayor
Miami-Dade County

Date: ____________________

c: Morris Copeland,
Chief Community Services Officer

Approved as to Form and Legal Sufficiency

____
Shannon Summerset-Williams
Assistant County Attorney

Date: ______________

Miami-Dade County
Conditional Loan Commitment

Date

To: _____________________________, (the "Borrower')

Re: ____________________________, an affordable

homeownership project

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 property (the "Property"). 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 FY 2021 Surtax/SHIP Homeownership Request for Applications requesting Documentary Stamp Surtax (Surtax)/ State Housing Initiatives Partnership (SHIP). Resolution No. _____________conditionally allocated up to **$_____________ of Surtax/SHIP** program funds and is subject to the following terms and conditions:

Borrower: _____________, or Related Entity

Project: The _____________ affordable homeownership project will be a new construction project consisting of _____________ units, located at _____________, in Commission District _____________. _____________ offers a unit mix of _____________, at _____________% area median income ("AMI").

See the conditions below regarding applicable AMI for residents based upon the source of funds for the Loan.

Loan Amount: The loan shall be in an amount of not-to-exceed $_____________approved by the BCC in Resolution ____ for $_____________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/SHIP Homeownership Request for Applications (RFA) for homeownership projects. Those terms are 0.5% interest only during construction, up to 2 years. Full principal is due at point of sale but no later than one year from issuance of certificate of occupancy; 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).

Term: One year for construction and 1 year carryover for sale, 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 Stamp Surtax ("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-346-15, establishing a maximum amount of total development costs that may be paid with Documentary Stamp 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. 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 homeownership and 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,

____
Daniella Levine Cava, Mayor
Miami-Dade County

Date: ____________________

c: Morris Copeland,
Chief Community Services Officer

Approved as to Form and Legal Sufficiency

____
Shannon Summerset-Williams
Assistant County Attorney

Date: _____________