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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 8(K)(1)

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

DATE: January 17, 2024

FROM: Geri Bonzon-Keenan County Attorney

SUBJECT: Resolution authorizing the County Mayor to award up to $3,700,000.00 in Documentary Stamp Surtax funds to Neighbors and Neighbors Association, Inc., or related entity for purposes of developing NANA City Homes Project, an affordable homeownership project; authorizing the County Mayor to execute all conditional loan commitments, standard shell contracts, agreements, loan documents, and amendments to accomplish the purposes set forth herein, 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; and authorizing the County Mayor to subordinate and/or modify the terms of the contracts, agreements, amendments and loan documents, and to exercise termination, waiver, acceleration and other provisions contained therein

Resolution No. R-32-24

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 Keon Hardemon.

For

Geri Bonzon-Keenan
County Attorney

GBK/jp

Memorandum

MIAMI-DADE COUNTY

Date: January 17, 2024

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

From: Daniella Levine Cava
Mayor

Daniella Levine Cava

Subject: FY 2022 Documentary Stamp Surtax 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 for proposed funding in an amount up to $3,700,000.00 of Documentary Stamp Surtax (Surtax) program funds for Homeownership activities. Proposed funded projects include the new construction of 34 homeownership units (23 newly constructed affordable single-family homes and 11 townhomes).

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

1. Approve the proposed funding recommendations in an amount up to $3,700,000.00 to Neighbors and Neighbors Association Inc. (NANA) or related entity, for the NANA City Homes Project, a FY 2022 Documentary Stamp Surtax (Surtax) Homeownership application submittal; and

2. Authorize the County Mayor or County Mayor's designee to award funds to NANA and to execute all conditional loan commitments, 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; 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, agreements, amendments and loan documents so long as such modifications are approved by the County's 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 23 newly constructed affordable single-family homes and 11 townhomes in Commission District 3, in Miami-Dade County (MDC), as indicated in Table 1.

Delegation of Authority

This item requests a delegation of authority to authorize the County Mayor or the County Mayor's designee to: (1) 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's 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. (2) execute all conditional loan commitments, standard shell contracts, agreements, loan documents, subordinations, modifications and amendments pursuant to the proposed Surtax funding recommendations and to accomplish the purposes set forth in this legislation; (3) to shift funds and funding sources awarded to a project to any new affiliated entities created for the purpose of carrying out a project, and (4) exercise the termination, waiver, acceleration, or other provisions set forth therein.

Fiscal Impact/Funding Source

The award of Surtax funds will not have a negative fiscal impact on the County's General Fund. Table 1 summarizes the proposed use of constructing 34 Homeownership units on 27 lots throughout neighborhoods in Commission District 3. Attachment 1 includes the features and amenities for each of the housing units.

Table 1- PROPOSED FY 2022 SURTAX FUNDING ALLOCATIONS FOR HOMEOWNERSHIP ACTIVITIES

Entity Name: Neighbors and Neighbors Association, Inc		**Total Amount Recommended:** $3,700,000.00	
Development Name: NANA City Homes Project		**Commissioner District:** 3	
Total number of units: 34 units (23 Single Family Homes and 11 Townhomes)			
Single Family Lots: 23 - Folio Numbers (23 units)			
30-3111-035-1250	30-3111-038-0210	30-3115-010-0180	30-3115-005-2110
30-3115-005-5250	30-3115-005-3800	30-3115-005-3780	30-3115-005-5590
30-3121-033-0760	30-3115-005-2411	30-3122-000-0071	30-3121-000-0050
30-3111-023-0260	30-3115-005-2970	30-3115-005-2920	01-3113-042-1250
01-3114-018-1180	01-3122-035-0871	01-3113-051-0100	01-3114-018-0090
01-3122-014-1180	01-3122-047-0060	01-3113-065-1170	
Townhome Lots: 4 - Folio Numbers (11 units)			
01-3113-060-0270	01-3113-051-0020	30-3115-018-0640	30-3121-000-0400

Track Record/Monitor

Alex R. Ballina, Director, Public Housing and Community Development Department (Department) will monitor all Surtax activities. The Department will monitor all projects to ensure compliance with Federal, State and County guidelines and policies.

Background

On November 1, 2016, through Resolution R-958-16, the Board approved the County's conveyance of 35 lots to Neighbors and Neighbors Association Inc. in a joint venture with CRC Leadership, Inc. for the development of homeownership units in District 3. Ordinance

19-121, amending Section 29-7 of the Code, creating an open and rolling application process for County land developments was adopted December 3, 2019. It effectuated the process of allowing the County Mayor or the County's Mayor designee to make recommendations to fund County land developments directly to the full Board for approval, bypassing the Committee process.

The public was advised of funding availability and the application process through notices posted on the Department's website and through the Department's developer email distribution list. NANA submitted an application for homeownership funding on November 15, 2022. The application was evaluated for minimum threshold requirements and scored by department staff. Both threshold requirements and scoring criteria were met. The applicant received a score of 76.

Funding recommendations for affordable homeownership developments are still conditioned on receiving a favorable recommendation from full credit underwriting analysis, prior to contract negotiations and execution. Upon approval of this item, the Department will issue a Conditional Loan Commitment in substantially the form shown in Exhibit A to the resolution.

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 NANA.

Morris Copeland
Chief Community Services Officer

Attachment

Features and Amenities

a. Concrete Block and Steel (CBS) Construction
b. Slope-Style 4-12 pitch Roofs
c. Asphalt Roof Shingles
d. Hurricane Impact Windows
e. Hurricane Impact Doors
f. Stucco Exterior Walls
g. Exterior Stain Paint
h. Tile Floors
i. Granite Countertops
j. Tankless Water Heater
k. High Efficient Central Air System
l. High Efficient Stainless Steel Refrigerator
m. Stainless Steel Range (36-inches)
n. Dishwasher (24-inches)
o. Closet Shelving
p. Two-Car Driveway
q. Landscape (Sob, Shrubs, and Trees)

MEMORANDUM
(Revised)

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

DATE: January 17, 2024

FROM: Geri 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)
1-17-24

RESOLUTION NO. R-32-24

RESOLUTION AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO AWARD UP TO $3,700,000.00 IN DOCUMENTARY STAMP SURTAX FUNDS TO NEIGHBORS AND NEIGHBORS ASSOCIATION, INC., OR RELATED ENTITY FOR PURPOSES OF DEVELOPING NANA CITY HOMES PROJECT, AN AFFORDABLE HOMEOWNERSHIP PROJECT; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE ALL CONDITIONAL LOAN COMMITMENTS, STANDARD SHELL CONTRACTS, AGREEMENTS, LOAN DOCUMENTS, AND AMENDMENTS TO ACCOMPLISH THE PURPOSES SET FORTH HEREIN, 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; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO SUBORDINATE AND/OR MODIFY THE TERMS OF THE CONTRACTS, AGREEMENTS, AMENDMENTS AND LOAN DOCUMENTS, AND TO EXERCISE TERMINATION, WAIVER, ACCELERATION AND OTHER PROVISIONS CONTAINED THEREIN

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 if fully set forth herein.

Section 2. This Board authorizes the County Mayor or County Mayor's designee to award up to $3,700,000.00 in Documentary Stamp Surtax funds to Neighbors and Neighbors Association Inc. (NANA) or related entity, for the NANA City Homes Project, that includes both single family homes and townhomes.

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 shown in Exhibit A, attached hereto and incorporated herein by reference, 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 NANA for the NANA City Homes Project, an affordable homeownership project.

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, 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 **Danielle Cohen Higgins**, who moved its adoption. The motion was seconded by Commissioner **Juan Carlos Bermudez** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman **aye**
Anthony Rodríguez, Vice Chairman **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**	Raquel A. Regalado	**aye**
Micky Steinberg	**aye**		

The Chairperson thereupon declared this resolution duly passed and adopted this 17th day of January, 2024. 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

JUAN FERNANDEZ-BARQUIN, CLERK

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Shannon D. Summerset-Williams

Exhibit A

Miami-Dade County
Conditional Loan Commitment

Date

To: Neighbors and Neighbors Association, Inc. or Related Entity, (the "Borrower')

Re: Neighbors and Neighbors Association, Inc., NANA City Homes Project in Miami Dade County ("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 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 the application submitted by Borrower and is subject to the following terms and conditions:

Borrower: Neighbors and Neighbors Association, Inc., or Related Entity

Project: The NANA City Homes Project will be a new construction project consisting of 23 single family homes and 11 townhomes on 27 lots throughout neighborhoods in Commission District 3, in Miami-Dade County, (see Attachment). NANA City Homes will offer 17 3-bedroom single family homes and 6 4-bedroom homes. Additionally, they will offer 14 4-bedroom townhomes for buyers at 60% - 140% 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 **$3,700,000.00** approved by the BCC in Resolution ____ for **$3,700,000.00** 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 2022 Surtax/SHIP Homeownership Request for Applications (RFA) for homeownership projects. Those terms are **0.5%** interest during construction - years 1 and 2. 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. The borrower must comply with Resolution No. R-34-15, providing 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, and after issuance of certificate of occupancy.
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: ______________