

2005-0110C

BEFORE THE STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

**COPY**

PINNACLE PLAZA, LTD.,

Petitioner,

vs.

FLORIDA HOUSING FINANCE  
CORPORATION,

Agency Case No. 2005-0096C

Respondent.

\_\_\_\_\_ /

**PETITION REQUESTING INFORMAL HEARING  
AND GRANT OF THE RELIEF REQUESTED**

Pursuant to Sections 120.569 and 120.57, Florida Statutes ("F.S."), Rule 67-48.005(2), Florida Administrative Code ("FAC") and Rule 28-106.301, FAC, Petitioner, PINNACLE PLAZA, LTD. ("Petitioner") requests an informal hearing concerning the scoring by Florida Housing Finance Corporation ("FHFC") of Petitioner's Application No. 2005-096C, and to then grant the relief requested. In support of this Petition, Petitioner states as follows:

**AGENCY AFFECTED**

1. The name and address of the agency affected is Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329. The Agency's file or identification number with respect to this matter is 2005-096C.

FILED WITH THE CLERK OF THE FLORIDA  
HOUSING FINANCE CORPORATION

Mason /DATE. 6/9/05

## **PETITIONER**

2. The Petitioner is Pinnacle Plaza, Ltd., a Florida limited partnership. The address of the Petitioner is c/o Pinnacle Housing Group, LLC, 9400 S. Dadeland Boulevard, Suite 100, Miami, Florida 33156, telephone number (305) 854-7100. Petitioner's representative is Gary J. Cohen, Esq., whose address is c/o Shutts & Bowen LLP, 201 S. Biscayne Boulevard, Suite 1500, Miami, Florida 33131, telephone number (305) 347-7308.

## **PETITIONER'S SUBSTANTIAL INTERESTS**

3. Petitioner's substantial interests will be affected by the determination of FHFC as follows:

(a) Petitioner has applied for an allocation of competitive 9% low-income housing tax credits under the FHFC Housing Credit ("HC") program. The HC Program is set forth in Section 42 of the Internal Revenue Code of 1986, as amended, and it awards developers and investors a dollar for dollar reduction in income tax liability through the allocation of tax credits in exchange for construction of affordable rental housing units. FHFC is the agency designated by the United States Treasury to administer the allocation of tax credits in the State of Florida.

(b) An HC application is comprised of numerous forms which request information of each applicant. FHFC adopted the forms by reference in Rule 67-48, FAC.

(c) On or about February 16, 2005, Petitioner submitted to FHFC a HC application in the Large County set-aside for the 2005 funding cycle. The application was submitted in an attempt to assist in the financing of the construction of a 132 unit apartment complex in Miami, Florida.

(d) The application was scored by FHFC in accordance with the provisions of Rule 67-48, FAC. By letter dated on or about March 18, 2005, FHFC advised Petitioner that its

preliminary score was 63 points, with 4.5 proximity tie-breaker points, and that the threshold requirement of site control was not met. As a result of Notices of Potential Scoring Errors (“NOPSE’s”) filed against Petitioner, FHFC notified Petitioner on or about April 15, 2005 that its score was reduced to 58 as a result of a determination that its Local Government Contribution (a \$1,000,000 County loan) received 0 of a possible 5 points, that its total proximity tie-breaker points had been reduced from 4.5 to 3.25 proximity tie-breaker points as a result of a determination that the subject application should lose 1.25 proximity tie-breaker points due to the fact that the grocery store indicated in the HC application contained less than the minimum square footage of 4,500 square feet in order to receive tie-breaker proximity points, and that Petitioner failed to meet “threshold” due to a permanent financing shortfall and an excess of uses over financing sources attributable to the \$1,000,000 County loan not being considered “firm”.

(e) On or about April 26, 2005, Petitioner submitted “cure” documentation to FHFC contending that Petitioner (i) should receive an additional 3 points for local government incentives, (ii) should receive 5 points for local government contribution, (iii) should receive an additional 1.25 proximity tie-breaker points for proximity to a grocery store, (iv) should receive an additional 3 proximity tie-breaker points for lack of proximity to other developments on the FHFC development proximity list by virtue of qualifying as an urban in-fill development, and (v) should be found to have satisfactorily met all threshold requirements.

(f) On or about May 25, 2005, FHFC advised Petitioner that its total points increased from 58 to 61, that Petitioner’s total proximity tie-breaker points increased from 3.25 to 6.25, that Petitioner continued to receive 0 of a possible 5 points for local government contribution due to the necessity of obtaining Miami-Dade County Board of County Commission approval to a change in the development’s number of units and unit mix (which such approval

had not been obtained), that Petitioner continued to fail threshold due to a permanent financing shortfall and an excess of uses over financing sources due to the \$1,000,000 Miami-Dade County loan not being considered firm due to the necessity of obtaining Board of County Commission consent to the changes in unit mix and number of units (the same issue as presented above with respect to local government contribution), and that Petitioner (as a result of information submitted in a Notice of Alleged Deficiency (“NOAD”)) continued to receive no points for its grocery store because such grocery store had less than 4,500 square feet of air conditioned space available for use at the time of the Application Deadline.

(g) FHFC’s scoring of Petitioner’s local government contribution (a \$1,000,000 loan from Miami-Dade County) is the subject matter of this Petition; such scoring affects both the 5 points which Petitioner should have received for local government contribution and the permanent financing shortfall/excess of uses over financing sources which FHFC contends constitute threshold failures. FHFC’s scoring of Petitioner’s proximity tie-breaker points pertaining to proximity to a grocery store is also the subject matter of this Petition.

(h) Under the HC program, the HC applications are scored by FHFC. A finite amount of tax credits are allocated to applicants in certain geographic areas (large county, medium county and small county areas as defined by FHFC) and pursuant to certain set-aside classifications. Only those applications receiving the highest scores are awarded tax credits. Petitioner’s ability to finance its proposed project will be jeopardized if tax credits are not obtained; accordingly, Petitioner’s substantial interests are affected by this proceeding.

#### **NOTICE OF AGENCY DECISION**

4. Petitioner received notice of FHFC’s notice of its “cure” documentation by Federal Express delivery on or about May 26, 2005. Attached as Exhibit “A” is a copy of the Universal Scoring Summary setting forth the scoring, which scoring gives rise to this Petition.

### **ULTIMATE FACTS ALLEGED**

5. In Petitioner's initial HC application submitted on or about February 16, 2005, Petitioner indicated (in Part IV. Section A and Exhibit 45 thereto) that the development had received a commitment for a \$1,000,000 loan from Miami-Dade County, thereby entitling Petitioner to receive 5 points for local government contribution. In fact, 5 points were awarded to Petitioner for its local government contribution in the initial scoring received by Petitioner on or about March 18, 2005.

6. In Petitioner's initial HC application submitted on or about February 16, 2005, Petitioner indicated (in Exhibit 25 to its application) that, for purposes of proximity tie-breaker points, it was utilizing the "Mas Unidos Market" located at 832 S.E. 8<sup>th</sup> Street. In fact, 1.25 proximity tie-breaker points were awarded to Petitioner for proximity to a grocery store in the initial scoring received by Petitioner on or about March 18, 2005.

7. On or about March 28, 2005, a Notice of Possible Scoring Error ("NOPSE") was filed against Petitioner's application alleging (in part) that (a) Petitioner's local government contribution should receive 0 of a possible 5 points because the further consent/approval of the Board of County Commissioners of Miami-Dade County was required for such loan, since Petitioner's HC application indicated a fewer number of units and fewer 3-bedroom units than those included in Petitioner's application for funding submitted to Miami-Dade County (the "County"). In addition, the NOPSE further alleged that the "Mas Unidos Market" contained total air conditioned square footage of approximately 3,596.6 square feet and as such did not meet the FHFC definition of a grocery store because it did not consist of 4,500 square feet or more of air conditioned space.

8. On or about April 15, 2005, FHFC issued its scoring summary after analyzing NOPSE's. In such scoring summary, FHFC determined (i) Petitioner's local government

contribution did not qualify because the HC application reflected a smaller number of 3-bedroom units and a smaller number of total units than the application provided to the County, and that such changes require approval from the County's Board of Commissioners which, as of April 4, 2005, had not approved such changes, and (ii) that "Mas Unidos Market" did not meet FHFC's definition of a grocery store because it contained only 3,596.6 square feet of air conditioned space.

9. On or about April 26, 2005, Petitioner submitted "cure" documentation to FHFC. The portion of such "cure" documentation pertaining to the award of 5 points for local government contribution (the County's \$1,000,000 loan to Petitioner) is attached as Exhibit "B". The portion of such "cure" documentation pertaining to the award of proximity tie-breaker points for proximity to a grocery store is attached as Exhibit "C".

10. In the "cure" documentation submitted with respect to the award of 5 points for local government contribution, Petitioner submitted a letter from the County Manager of the County dated April 21, 2005. The letter clearly indicated that (i) the unit mix and number of units proposed in the applications filed with FHFC were different from the unit mix and number of units proposed in the application filed with the County, and (ii) that the County's firm commitment to make a \$1,000,000 loan to Petitioner remained in place and did not require any further Board of County Commission approval. Such letter continued on to state that it superseded and clarified any prior correspondence between the County and FHFC which may be contradictory to this letter; that is, the April 21, 2005 letter superseded any prior correspondence (including e-mails between the County and FHFC) pertaining to the issue. See attached Exhibit "B".

11. In the “cure” documentation submitted with respect to the award of proximity tie-breaker points for proximity to a grocery store, Petitioner submitted an affidavit and survey sketch from Mr. Alfonso Tello, conclusively stating that the total air conditioned space at Mas Unidos Market was approximately 4,840 square feet.

12. In the final scoring summary (attached as Exhibit “A”), FHFC determined that the \$1,000,000 County loan did not meet the definition of a “local government contribution”. In making this determination, FHFC relied (see Item 3C in the final scoring summary) on a letter dated May 3, 2005 from the County Manager submitted as part of a Notice of Alleged Deficiency (“NOAD”) filed against Petitioner. In the final scoring summary, FHFC also determined that the “Mas Unidos Market” did not meet the definition of “grocery store”. In making this determination, FHFC relied upon a NOAD showing that the grocery store did not meet the FHFC definition because it had less than 4,500 square feet of air conditioned space available for use at the time of the Application Deadline (see Item 4C of the scoring summary attached as Exhibit “A”).

**FACTS WHICH WARRANT REVERSAL  
OF AGENCY'S PROPOSED ACTION**

The specific facts which warrant reversal of FHFC’s proposed action are as follows:

FHFC has incorrectly determined that the \$1,000,000 loan from the County to Petitioner does not constitute a valid local government contribution. FHFC reaches this conclusion relying upon the NOAD filed against Petitioner containing a letter dated May 3, 2005 from the County Manager (a copy of which is attached as Exhibit “D”), which letter states in part that “However, if the developer requires a contractual change in the number and mix of units funded, such a request would require approval from the Board of County Commissioners.” See Item 3C on the

scoring summary attached as Exhibit "A" evidencing FHFC's reliance on this letter as grounds for determining that Petitioner's local government contribution was not valid.

FHFC has incorrectly determined that "Mas Unidos Market" is not a qualifying "grocery store" for purposes of receiving 1.25 proximity tie-breaker points. FHFC reaches this conclusion relying exclusively upon a NOAD filed against Petitioner (see Item 4C in the final scoring summary), which NOAD asserted that the grocery store does not meet the FHFC definition because it has less than 4,500 square feet of air conditioned space available for use at the time of the Application Deadline.

### **LOCAL GOVERNMENT CONTRIBUTION**

13. Attached as Exhibit "E" is a letter dated May 23, 2005 from the County to FHFC, clarifying the prior letters from the County dated April 21, 2005 and May 3, 2005 pertaining to the scoring of the local government contribution for Petitioner. The letter is identical to the May 3, 2005 letter contained in the NOAD, except that the penultimate sentence of the May 3, 2005 letter ("However, if the developer requests a contractual change in the number and mix of units funded, such a request would require approval from the Board of County Commissioners") was removed. As the May 23, 2005 letter clarifies the May 3 letter, there can be no doubt that there is no necessity for Board of County Commission approval for the change in unit mix and the number of units proposed, and that the \$1,000,000 County loan is firm and final.

14. Attached as Exhibit "F" is a copy of the County Manager's Memorandum and accompanying Board of County Commission resolution dated February 1, 2005 approving the allocation of funding to applicants for CDBG, HOME, Surtax and other forms of County funding assistance. Petitioner had applied for \$1,000,000 of Surtax loan financing. On page 30 of the County Manager's Memorandum was included a recommendation that "administrative non-substantial amendments" to the plan approved by the Board of County Commission" (that is, the



funding recommendations approved at the February 1, 2005 Board of County Commission meeting) need not require the approval of the Board of County Commissioners, but that “substantial amendments” continue to require Board of County Commission approval. “Substantial amendments” are defined as follows: (i) an activity assumes a new purpose; (ii) the scope of activity is increased by 100% or more; (iii) the change in the cost of an activity is \$100,000 or more; or (iv) an activity’s services are redirected outside of the previously agreed upon target area. Petitioner’s proposed “change” (decreasing the total number of units and the number of 3-bedroom units from that contained in the County application to that contained in the HC application) does not meet any of these criteria for “substantial amendment” and, as such, does not require approval of the Board of County Commissioners.

15. On page 33 of the attached Exhibit “F” (page 2 of the actual Board of County Commission resolution Number R-160-05 adopted on February 1, 2005), the Board of County Commission approves the funding recommendations proposed by the County Manager (including the funding recommendation for Petitioner for \$1,000,000) and states (see circled portion on page 33 of Exhibit “F”) that the County Manager is authorized to make non-substantive modifications to the FY2005 action plan (that is, the funding recommendations). Clearly, Board of County Commission approval was not necessary (in light of the County Manager’s recommendation and the resolution adopted by the Board of County Commissioners) to the “changes” which FHFC refers to in the scoring summary; no further Board of County Commission approval was necessary since the “changes” at issue involve non-substantive amendments.

16. In light of the County Manager’s Memorandum (which was adopted by the Board of County Commission Resolution) and the Board of County Commission Resolution (both of which identify what constitutes a “non-substantive amendment” which does not require further Board of County Commission approval) it is clear that the changes in number of units and unit mix did not require any further approval from the Board of County Commission. The Resolution and County Manager Memorandum are the controlling documents in reaching this determination, and leave no doubt as to the lack of necessity of any further Board of County Commission approval.

17. Page 65 of the Universal Application Instructions provides in relevant part that “Local Government contributions may be verified by Corporation Staff during the scoring and appeals process”. Petitioner reserves the right to provide additional evidence at its informal hearing verifying and confirming that the Local Government contribution described herein (the \$1,000,000 County loan) is firm and does not require further approval of the Board of County Commissioners.

### **GROCERY STORE**

18. FHFC has erred in scoring Petitioner’s proximity tie-breaker points pertaining to the “Mas Unidos Market” as follows: (i) FHFC has incorrectly imposed a requirement that a grocery store contain 4,500 square feet of air conditioned space as of the Application Deadline; and (ii) FHFC has erred in determining that “Mas Unidos Market” did not contain 4,500 square feet of air conditioned space.

19. FHFC (in reliance upon a NOAD filed against Petitioner) adopts a strained and tenuous interpretation of “grocery store” on pages 13 and 14 of the Application Instructions to arrive at its conclusion that a grocery store must contain 4,500 square feet of air conditioned space as of the Application Deadline. On page 13 of the Application Instructions, a grocery store

is defined as consisting of 4,500 square feet or more of air conditioned space. On page 14 of the Application Instructions, it is indicated that the grocery store must be in existence and available for use by the general public as of the Application Deadline. Nowhere in the instructions is it stated that the grocery store must contain 4,500 square feet as of the Application Deadline, only that the grocery store must be in existence and available for use by the general public as of the Application Deadline.

20. In several other places in the 2005 Universal Application, FHFC has clearly expressed its intent as to certain elements of the application which must be in place as of the Application Deadline. See, for example, page 26 of the Application Instructions, attached as Exhibit "G", clearly stating that "Each Verification of Availability of Infrastructure Form or letter confirming infrastructure availability must demonstrate availability on or before the Application Deadline". See also, page 63 of the Application Instructions attached as Exhibit "G", stating that "... the effective date of the Local Government commitment and/or fee waiver (date must be on or before the Application Deadline)..." Had FHFC determined that a grocery store with 4,500 square feet of air conditioned space was required to have been in place as of the Application Deadline, it could have clearly done so; by not having done so, it is clear that the requirements of the 2005 Universal Application are only that (i) the grocery store be in existence as of the Application Deadline; and (ii) as of the deadline for submission of cure documentation (April 26, 2005), such grocery store must contain at least 4,500 square feet of air conditioned space.

21. In prior years' application cycles and in this year's cycle, many applicants did not include Exhibit 25 and accompanying sketches in their initial application, and as such received zero proximity tie-breaker points in the initial FHFC scoring. These applicants were entitled to,

and did in fact in many cases, file Exhibit 25 and accompanying sketches as part of their “cure” documentation. In completing Exhibit 25 as part of their “cure” documentation, these surveyors did not date their Exhibit 25 certification as of the Application Deadline. This is the primary difference from the “Verification of Infrastructure” and “Local Government Contribution” forms, both of which required the local government to certify that as of the Application Deadline those items were in place; Exhibit 25 does not require the surveyor to certify anything as of the Application Deadline. Thus, it is clear that when an applicant submits proximity tie-breaker information as part of its “cure” documentation, there is no requirement that such documentation be effective as of the Application Deadline as was asserted by FHFC in its final Scoring Summary. It is clear that all proximity tie-breaker requirements pertaining to a Grocery Store only impose requirements of such Grocery Store as of the deadline for submission of “cure” documentation.

22. In its cure documentation, Petitioner has clearly demonstrated that (as of the deadline for the submission of cure documentation) “Mas Unidos Market” contained 4,840 square feet of air conditioned space. The NOAD filed against Petitioner did not allege that, as of the cure deadline, this was not true; rather, the NOAD alleged that “Mas Unidos Market” did not contain 4,500 square feet of air conditioned space as of the Application Deadline. Due to the uncontroverted evidence provided by Petitioner that, as of the deadline for submission of cure documentation, “Mas Unidos Market” contained 4,840 square feet of air conditioned space, FHFC erred in determining that “Mas Unidos Market” was not a qualifying grocery store for purposes of awarding 1.25 proximity tie-breaker points.

23. FHFC has accepted at face value the allegation, contained in a NOPSE, that Mas Unidos Market contained only 3,596.6 square feet of air conditioned space. FHFC has (for reasons unclear to Petitioner) determined to accept the position proposed by the surveyor contained in the NOPSE (which position was taken after the Application Deadline) over the position asserted by Petitioner's surveyor contained in its cure documentation (clearly stating that the market in question contained 4,840 square feet of air conditioned space), which measurement was also taken after the Application Deadline. Certainly, the burden of proof is not upon Petitioner to establish that its surveyor certification was correct and that the surveyor certification contained in the NOPSE was incorrect; when two competing surveyor affidavits (both dated after the Application Deadline) contain inconsistent positions as to the amount of air conditioned square footage, Petitioner's surveyor should be entitled to a presumption of correctness and the burden should be upon FHFC to disprove the correctness of Petitioner's surveyor's allegations. FHFC has not carried this burden, as there is no basis for believing the surveyor's certification contained in the NOPSE over Petitioner's surveyor certification in the cure documentation. For the foregoing reason, FHFC erred in failing to award 1.25 proximity tie-breaker points for Mas Unidos Market.

24. It appears from the surveyor's sketch contained in the NOPSE (upon which FHFC apparently relies) that the surveyor excluded "storage, non-public non-air conditioned areas" (see surveyor sketch contained in NOPSE attached as Exhibit "H"). This assertion is incorrect for two reasons. First, as established in the case of Aguaclara, Ltd. v. Florida Housing Finance Corporation (FHFC Case No. 2003-032), in meeting the requirement of 4,500 square feet of air conditioned space, accompanying back room and storage space may be included in such computation (see affidavit of surveyor attached as Exhibit D to Petitioner's petition in Aguaclara

wherein the air conditioned square footage of the grocery store was 4,462.6 square feet, and the remainder of the air conditioned square footage (storage room, back office space and cooling room) contained the remaining 2,221.94 square feet of air conditioned space). The surveyor certificate in the NOPSE filed against Petitioner incorrectly alleges that the “storage” non-public area was not air conditioned; as was contained in the surveyor’s affidavit and sketch contained in Petitioner’s “cure” documentation, such “non-public space” was in fact air conditioned and, as a result, the total air conditioned square footage exceeded 4,500 square feet. As such, FHFC erred in accepting the surveyor information contained in the NOPSE filed against Petitioner.

### **RELEVANT RULES AND STATUTES**

25. Rule 67-48, FAC, specifically incorporates the HC application, and the forms referenced therein. The instructions to Part IV Section A (incorporated by the aforementioned Rule) provide, in relevant part, that 5 points will be awarded for qualifying local government contributions. The instructions to Part III.A. Subsection 10.a. provide, in relevant part, that 1.25 proximity tie-breaker points will be awarded for a qualifying grocery store located less than one mile from a proposed development’s tie-breaker measurement point. Petitioner has complied with the instructions for Part IV, Section A and provided evidence (in its “cure” documentation) and herein that 5 points should be awarded for its local government contribution. Petitioner has complied with the instructions for Part III.A. Subsection 10 and provided evidence that 1.25 additional proximity tie-breaker points should be awarded for proximity to a grocery store. By virtue of the foregoing, Petitioner has complied with and satisfied all threshold requirements of the application.

**RELIEF SOUGHT**

26. The specific action which Petitioner wishes FHFC to take is to reverse its previous decisions and add 5 points to Petitioner's score for local government contribution and 1.25 proximity tie-breaker points to Petitioner's score for proximity to a grocery store, and to determine that (as a result of determining that the \$1,000,000 County loan qualifies as a local government contribution and is firm) Petitioner has met all threshold requirements and does not have either a permanent financing shortfall or an excess of uses over financing sources.

WHEREFORE, Petitioner respectfully requests FHFC:

1. To add 5 points to Petitioner's score, resulting in 66 points.
2. To add 1.25 proximity tie-breaker points to Petitioner's score, resulting in 7.5 total proximity tie-breaker points.
3. Determine that Petitioner has satisfied the threshold requirements set forth in Items 4T and 5T in the scoring summary.

Respectfully submitted,

By: 

GARY J. COHEN, ESQ.  
Florida Bar No. 353302  
Shutts & Bowen LLP  
201 South Biscayne Boulevard  
1500 Miami Center  
Miami, Florida 33131  
(305) 347-7308 telephone  
(305) 347-7808 facsimile

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that an original and one copy of the foregoing have been filed with Stephen P. Auger, Deputy Development Officer, Attn: Corporation Clerk of the Florida Housing Finance Corporation, 227 N. Bronough Street, Suite 5000, Tallahassee, Florida 32301, on this 7<sup>th</sup> day of June, 2005.

  
\_\_\_\_\_  
GARY J. COHEN, ESQ.



**EXHIBIT A**

As of: 05/24/2005

### 2005 MMRB, SAIL & HC Scoring Summary

File # 2005-096C Development Name: Pinnacle Plaza

As Of:	Total Points	Met Threshold?	Proximity Tie-Breaker Points	Corporation Funding per Set-Aside Unit	SAIL Request Amount as Percentage of Development Cost	Is SAIL Request Amount Equal to or Greater than 10% of Total Development Cost?
05 - 24 - 2005	61	N	6.25	\$63,892.33	%	N
Preliminary	63	N	4.5	\$101,416.4	%	N
NOPSE	58	N	3.25	\$101,416.4	%	N
Final	61	N	6.25	\$63,892.33	%	N
Final-Ranking	0	N	0			

**Scores:**

Item #	Part	Section	Subsection	Description	Available Points	Preliminary	NOPSE	Final	Final Ranking
<b>Optional Features &amp; Amenities</b>									
1S	III	B	2.a.	New Construction	9	9	9	9	0
1S	III	B	2.b.	Rehabilitation/Substantial Rehabilitation	9	0	0	0	0
2S	III	B	2.c.	All Developments Except SRO	12	12	12	12	0
2S	III	B	2.d.	SRO Developments	12	0	0	0	0
3S	III	B	2.e.	Energy Conservation Features	9	9	9	9	0
<b>Set-Aside Commitments</b>									
4S	III	E	1.b.	Total Set-Aside Percentage	3	3	3	3	0
5S	III	E	1.c.	Set-Aside Breakdown Chart	5	5	5	5	0
6S	III	E	3	Affordability Period	5	5	5	5	0
<b>Resident Programs</b>									
7S	III	F	1	Programs for Non-Elderly & Non-Homelless	6	6	6	6	0
7S	III	F	2	Programs for Homeless (SRO & Non-SRO)	6	0	0	0	0
7S	III	F	3	Programs for Elderly	6	0	0	0	0
8S	III	F	4	Programs for All Applicants	8	8	8	8	0
<b>Local Government Support</b>									
9S	IV		a.	Contributions	5	5	0	0	0
10S	IV		b.	Incentives	4	1	1	4	0

## 2005 MMRB, SAIL & HC Scoring Summary

As of: 05/24/2005

File # 2005-096C

Development Name: Pinnacle Plaza

**Reason(s) Scores Not Maxed:**

Item #	Reason(s)	Created As Result	Rescinded as Result
9S	The Applicant provided, as evidence of its only Local Government Contribution, a Local Government Verification of Contribution Loan form reflecting a \$1,000,000 loan from Miami-Dade County. However, the Application received by Florida Housing reflects a smaller number of three-bedroom units and a smaller number of total units than the application provided to the County. Such changes require approval from the Board of County Commissioners. As of April 4, 2005, the Board of County Commissioners had not approved such changes. Therefore, the \$1,000,000 loan is not considered a Local Government contribution.	NOPSE	
10S	The Local Government Verification of Affordable Housing Incentives forms: Contributions to Affordable Housing Properties Or Developments form; Modification of Fee Requirements for Affordable Housing Properties Or Developments form; Impact of Policies, Ordinances, Regulations, Or Plan Provisions On Cost Of Affordable Housing Properties Or Developments form, will only be accepted by Florida Housing if they are certified by either: one serving in one of the positions stated at the bottom of the forms, one temporarily serving on an interim or acting basis in one of the positions stated at the bottom of the forms, or one who has been delegated the authority in writing to sign such type certification for a person serving in a permanent, acting or interim role of one of the positions stated at the bottom of the forms and the written delegation of authority is properly executed and presented with the forms in the Application. The person who signed the provided forms does not meet the previously stated criteria and as such, the Application will not be given credit for the forms.	Preliminary	Final

**Threshold(s) Failed:**

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
1T	III	C	2	Site Control	Section 4, of the Addendum to Contract for Sale and Purchase provides for a closing date of September 30, 2005. However, Section 5, of the Second Addendum to Contract for Purchase and Sale deletes Section 4, of the Addendum in its entirety and replaces it with a new provision that does not have a term that does not expire before the last expected closing date of September 30, 2005 and no extension options are included in the Contract for Sale and Purchase or either of the two Addendums.	Preliminary	Final
2T	III	C	2	Site Control	Section 21, of the Addendum to Contract for Sale and Purchase provides that the buyer may assign its interest in the Contract and the Addendum to any entity (the Assignee) in which the buyer or its affiliate owns more than 50% of the interest of the general partner or managing member of such Assignee, without obtaining Seller's consent. No documentation has been provided to show that the buyer, PHG Holdings, Inc., meets this 50% ownership requirement and no Seller's approval has been provided which would allow PHG Holdings, Inc., to assign the Contract and the Addendum to the Applicant, Pinnacle Plaza, Ltd.	Preliminary	Final
3T	III	C	2	Site Control	The Applicant provided an Assignment of Contract, with PHG Holdings, Inc. as the Assignor and Pinnacle Plaza, Ltd. as the Assignee. The Assignment purports to assign a Contract for Purchase and Sale, Modification and Amendment to Contract,	Preliminary	Final

## 2005 MMRB, SAIL & HC Scoring Summary

As of: 05/24/2005

File # 2005-096C

Development Name: Pinnacle Plaza

**Threshold(s) Failed:**

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result of	Rescinded as Result of
4T	V	D		Sources and Uses	The Applicant provided a Local Government Verification of Contribution Loan form reflecting a \$1,000,000 loan from Miami-Dade County. However, the Application received by Florida Housing reflects a smaller number of three-bedroom units and a smaller number of total units than the application provided to the County. Such changes require approval from the Board of County Commissioners. As of April 4, 2005, the Board of County Commissioners had not approved such changes. Therefore, the \$1,000,000 loan is not considered firm or a source of financing.	NOPSE	
5T	V	B		Permanent Financing	The Applicant has a permanent financing shortfall of \$999,999.	NOPSE	

**Proximity Tie-Breaker Points:**

Item #	Part	Section	Subsection	Description	Available	Preliminary	NOPSE	Final	Final Ranking
1P	III	A	10.a.(2)(a)	Grocery Store	1.25	1.25	0	0	0
2P	III	A	10.a.(2)(b)	Public School	1.25	1.25	1.25	1.25	0
3P	III	A	10.a.(2)(c)	Medical Facility	1.25	0	0	0	0
4P	III	A	10.a.(2)(d)	Pharmacy	1.25	0	0	0	0
5P	III	A	10.a.(2)(e)	Public Bus Stop or Metro-Rail Stop	1.25	1.25	1.25	1.25	0
6P	III	A	10.b.	Proximity to Developments on FHFC Development Proximity List	3.75	0.75	0.75	3.75	0

**Reason(s) for Failure to Achieve Selected Proximity Tie-Breaker Points:**

Item #	Reason(s)	Created As Result of	Rescinded as Result of
1P	The Grocery Store listed on the Surveyor Certification Form does not meet Florida Housing's definition of a Grocery Store. As stated on page 13 of the Universal Application Instructions, a Grocery Store must consist of a minimum of 4,500 square feet or more of air conditioned space. The Grocery Store listed on the Certification form consists of only 3,596.6 square feet and is therefore ineligible for tie-breaker points.	NOPSE	
6P	The Applicant did not qualify for automatic points because the Development did not qualify as an Urban In-Fill Development.	Preliminary	Final

## 2005 MMRB, SAIL & HC Scoring Summary

As of: 05/24/2005

File # 2005-096C

Development Name: Pinnacle Plaza

**Additional Application Comments:**

Item #	Part	Section	Subsection	Description	Reason(s)	Created As Result	Rescinded as Result
1C	III	A	1.c.2.	General Development	The Local Government Verification of Qualification as Urban In-Fill Development Form will only be accepted by Florida Housing if it is certified by either: one serving in one of the positions stated at the bottom of the form, one temporarily serving on an interim or acting basis in one of the positions stated at the bottom of the form, or one who has been delegated the authority in writing to sign such type certification for a person serving in a permanent, acting or interim role of one of the positions stated at the bottom of the form and the written delegation of authority is properly executed and presented with the form in the Application. The person who signed the form does not meet the previously stated criteria and as such, the Application will not be given credit for the form.	Preliminary	Final
2C	V	D		Construction Financing	The Applicant listed a \$1,000,000 Miami-Dade County loan as a construction financing source. The loan was not counted as firm, but the Applicant had other financing commitments that were sufficient to meet or exceed uses for construction financing.	NOPSE	
3C	IV	A	ex. 45	Local Government Contribution	Florida Housing received a letter, dated May 3, 2005, from George M. Burgess, Miami-Dade County Manager, through a Notice of Alleged Deficiency. It clarifies his letter submitted by the Applicant during the cure period in reference to a \$1,000,000 million Miami-Dade County loan commitment for the Development. The May 3 letter states, the loan commitment is firm but any change to the Development's number of units or unit mix would require Board of County Commissioners approval. As stated in Threshold Failure Item 41, the number of units and unit mix has changed from what was presented to Miami-Dade County for the loan and as such, the loan commitment is not firm, is not a source of financing and is not a Local Government contribution.	Final	
4C	III	A	10.b.	Grocery Store	The Applicant attempted to Cure Item 1P by providing evidence that the Grocery Store contains a minimum of 4,500 square feet of air conditioned space. However, further evidence provided within a NOAD shows that the Grocery Store does not meet the FHFC definition because it had less than 4,500 square feet of air conditioned space available for use at the time of the Application Deadline.	Final	

## EXHIBIT B

Brief Statement of Explanation regarding  
Application No. 2005 - 096C

Provide a separate brief statement for each Cure or NOAD

FHFC determined (as a result of a NOPSE filed against Applicant) that the \$1,000,000 loan from Miami-Dade County included in its original application was not considered a Local Government contribution, because "the Application received by Florida Housing reflects a smaller number of three-bedroom units and a smaller number of total units than the application provided to the County. Such changes require approval from the Board of County Commissioners. As of April 4, 2005, the Board of County Commissioners had not approved such changes."

The loan commitment received by Applicant from Miami-Dade County is firm, and does not require any further approvals from the Board of County Commissioners of Miami-Dade County. Enclosed please find a copy of a letter mailed by the County Manager for Miami-Dade County to FHFC confirming the foregoing. As set forth in such letter, the County's firm commitment to make the \$1,000,000 loan remains in place, and does not require any further approval of the Board of County Commissioners.

For the foregoing reasons, 5 points should be awarded to Applicant for local government contribution with respect to the \$1,000,000 loan from Miami-Dade County.

---

---

---

---

---

Apr 21, 2005 9:35AM  
04/21/2005 09:23

0 041 0/10  
305-679-7554

DIRECTOR'S OFFICE B  
COUNTY MANAGER

No. 5497 P. 2002  
PAGE 02/02



Office of the County Manager  
111 NW 1st Street • Suite 2910  
Miami, Florida 33128-1994  
T 305-375-5311 F 305-375-1262

miamidade.gov

- ADA Coordination
- Agenda Coordination
- Art in Public Places
- Audit and Management Services
- Aviation
- Building Code Compliance
- Building
- Business Development
- Capital Improvements
- Citizen's Independent Transportation Trust
- Communications
- Community Action Agency
- Community & Economic Development
- Community Relations
- Consumer Services
- Corrections & Rehabilitation
- Countywide Healthcare Planning
- Cultural Affairs
- Elections
- Emergency Management
- Employee Relations
- Enterprise Technology Services
- Environmental Resources Management
- Fair Employment Practices
- Finance
- Fire Rescue
- General Services Administration
- Historic Preservation
- Homeless Trust
- Housing Agency
- Housing Finance Authority
- Human Services
- Independent Review Panel
- International Trade Consortium
- Juvenile Assessment Center
- Medical Examiner
- Metropolitan Planning Organization
- Park and Recreation
- Planning and Zoning
- Police
- Procurement
- Property Appraiser
- Public Library System
- Public Works
- Safe Neighborhood Parks
- Seaport
- Solid Waste Management
- Strategic Business Management
- Tourism
- Transit
- Urban Revitalization Task Force
- Vizcaya Museum and Gardens
- Water and Sewer

April 21, 2005

Mr. Steve Auger  
Deputy Development Officer  
Florida Housing Finance Corporation  
227 North Bronough Street  
Suite 5000  
Tallahassee, Florida 32301

Re: Pinnacle Park and Pinnacle Plaza

Dear Mr. Auger:

We understand that there are challenges to the scoring of the "Local Government Contribution" form with respect to two Miami-Dade proposed tax credit rental developments, Pinnacle Park and Pinnacle Plaza. Our understanding of the reason of the challenge is that the unit mix and number of units proposed in the applications filed with the Florida Housing Finance Corporation are different from the unit mix and number of units proposed in applications filed for Miami-Dade County Surtax funding.

The \$1,000,000 Surtax loans for each of these proposals were approved pursuant to Board of County Commission (BCC) Resolution #160-05 dated February 1, 2005. Please be advised that as of this date, Miami-Dade County's firm commitment to make a \$1,000,000 Surtax loan to each of these projects remain in place. The two applications noted above do not require any further BCC approval at this time. This correspondence supercedes and further clarifies the previous correspondence from the Miami-Dade Housing Agency (MDHA) that may appear contradictory to this letter.

If you have any questions regarding this letter call me at 305 644-5112.

Sincerely,

George M. Burgess  
County Manager

*Delivering Excellence Every Day*



4776

**Brief Statement of Explanation regarding  
Application No. 2005 - 096C**

**Provide a separate brief statement for each Cure or NOAD**

Applicant was found to fail the threshold requirement of providing sources of financing in excess of uses, due to the fact that the \$1,000,000 loan from Miami-Dade County was found not to be firm. As set forth more fully in Cure 9S contained in this cure documentation, the loan commitment from Miami-Dade County is firm. As such, there is no excess of uses over sources, and this threshold requirement has been satisfied.

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

Brief Statement of Explanation regarding  
Application No. 2005 - 096C

Provide a separate brief statement for each Cure or NOAD

Applicant was found to fail the threshold requirement of permanent financing, in that it was found to have a permanent financing shortfall of \$999,999, due to FHFC determining that the \$1,000,000 loan from Miami-Dade County to the Applicant was not firm for the reasons set forth in Item 9S of the April 14, 2005 Scoring Summary.

For the reasons set forth in Applicant's cure to Item 9S, the \$1,000,000 loan commitment from Miami-Dade County is firm. As such, there is no permanent financing shortfall and Applicant has satisfied this threshold requirement.

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

**EXHIBIT C**

Brief Statement of Explanation regarding  
Application No. 2005 - 096C

Provide a separate brief statement for each Cure or NOAD

FHFC found that Applicant was not entitled to receive 1.25 proximity tie-breaker points for its grocery store, because FHFC determined that the grocery store contained less than 4,500 square feet of air conditioned space.

Attached hereto is an affidavit and survey sketch from Mr. Alfonso Tello, the surveyor who prepared the sketch in the original application. As is evidenced by Mr. Tello's affidavit and sketch, the Mas Unidos Market contains more than 4,500 square feet of air conditioned space. As such, Applicant should receive 1.25 proximity tie-breaker points for the grocery store.

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

**AFFIDAVIT**

Before me, the undersigned authority, personally appeared ALFONSO C. TELLO, P.E., P.L.S., who being duly sworn, states that he personally knows the following facts and that the same are true and accurate:

1. My name is Alfonso C. Tello, I am licensed by the State of Florida as a Professional Surveyor. My license number is PLS 2978. I am the Secretary/Treasurer of Schwebke-Shiskin & Associates, Inc. I am submitting this Affidavit on behalf of Pinnacle Plaza, Ltd. (the "Applicant"). I am not related to the Applicant or any principals or financial beneficiaries of the Applicant.

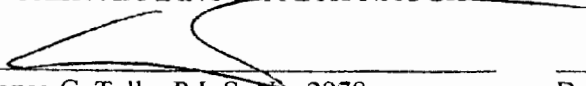
2. My company prepared the Surveyor's Certification and accompanying sketches for the Pinnacle Plaza application (2005-096C) filed with Florida Housing Finance Corporation.

3. In response to a notice of potential scoring error filed against the Applicant, I went to the Mas Unidos Market, located at 832 S.E. 8<sup>th</sup> Street, Hialeah, Florida 33010 on April 21, 2005 to determine the air conditioned square footage of the store. The total air conditioned space of Mas Unidos Market is +- 4,840 square feet.

4. Attached is a sketch of the interior dimensions of the Mas Unidos Market, indicating the total area under air conditioning.

5. I conducted and supervised the field work and research regarding the measurement of the grocery store and prepared the attached sketch which details the measurements.

FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
Alfonso C. Tello, P.L.S. No. 2978  
Secretary/Treasurer

Dated 4/21/05

STATE OF FLORIDA                    )  
  ) ss.  
COUNTY OF BROWARD    )

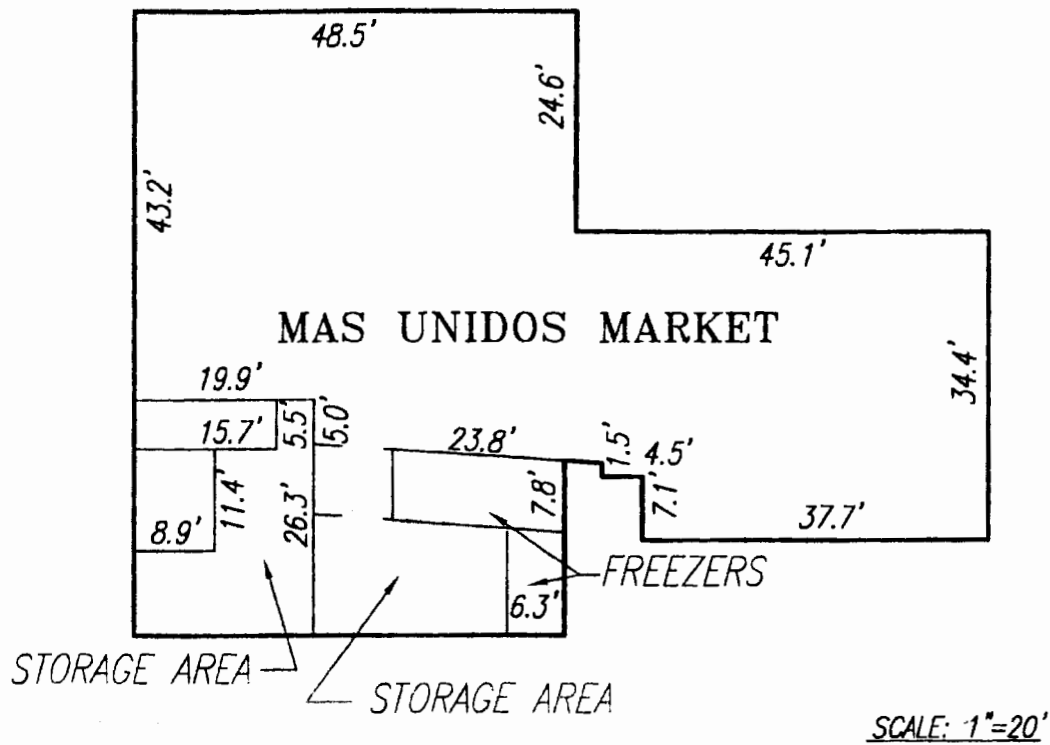
Sworn to and subscribed before me this 21<sup>st</sup> day of April, 2005, by Alfonso C. Tello,  
(who is personally known to me) or has produced \_\_\_\_\_ as identification.

Witness my hand and official seal this 21<sup>st</sup> day of April, 2005.

  
\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires: \_\_\_\_\_

**KATHLEEN E. BAUMGARTNER**  
Notary Public, State of Florida  
My comm. exp. Mar. 11, 2008  
Comm. No. DD 297858



INTERIOR DIMENSIONS

AT "MAS UNIDOS MARKET", 832 S.E. 8th STREET, HIALEAH, FLORIDA 33010  
 TOTAL AREA UNDER AIR-CONDITIONING=4840±SQUARE FEET

REVISED: 04-21-05

REVISED: 04-06-05

File name: K:\205341\MAS UNIDOS MARKET.DWG

Sheet 1 of 1

*Schwelbke-Shiskin & Associates, Inc.*

LAND PLANNERS • ENGINEERS • LAND SURVEYORS (LB#87)

1 CORPORATE WAY MIRAMAR, FLORIDA 33025 TEL. NO.(954)435-7010 FAX NO. (954)438-3288



ORDER NO. 190912

DATE: 03-31-05

THIS IS NOT A "BOUNDARY SURVEY"

PREPARED UNDER MY SUPERVISION

*[Signature]*  
 SEC'Y--TREAS.  
 ALFONSO C. TELLO, P.L.S. #2978 (STATE OF FLORIDA)

**EXHIBIT D**





Office of the County Manager  
 111 NW 1st Street • Suite 2910  
 Miami, Florida 33128-1994  
 T 305-375-5311 F 305-375-1262

miamidade.gov

- ADA Coordinators
- Agency Coordination
- Asst. to Public Works
- Audit and Management Services
- Building Code Compliance
- Building
- Business Development
- Capital Improvements
- Chair's Independent Investigation Team
- Construction
- Community Action Agency
- Community & Economic Development
- Community Relations
- Consumer Services
- Corrections & Rehabilitation
- Countywide Healthcare Planning
- Cultural Affairs
- Debris
- Emergency Management
- Employer Relations
- Enterprise Technology Services
- Environmental Resources Management
- Job Employment Policies
- Finance
- Fire Rescue
- General Services Administration
- Historic Preservation
- Homeless Services
- Housing Agency
- Housing Finance Authority
- Human Services
- Independent Review Panel
- International Trade Commission
- Intergovernmental Coordination
- Medical Examiner
- Metropolitan Planning Organization
- Parks and Recreation
- Planning and Zoning
- Police
- Procurement
- Property Appraiser
- Public Library System
- Public Works
- Safe Neighborhood Policy
- Severely Disabled
- Solid Waste Management
- Strategic Business Management
- Transit
- Urban Revitalization Task Force
- Vocational Training and Centers
- Water and Sewer

May 3, 2006

Mr. Steve Auger  
 Deputy Development Officer  
 Florida Housing Finance Corporation  
 227 North Bronough Street  
 Suite 5000  
 Tallahassee, FL 32301

Re: Pinnacle Park and Pinnacle Plaza

Dear Mr. Auger:

This letter is in response to challenges to the scoring of the "Local Government Contribution" form with respect to two Miami-Dade proposed tax credit rental developments, Pinnacle Park and Pinnacle Plaza. As I understand it, the reason for the challenge is based on the unit mix and the number of units proposed in the application filed with the Florida Housing Finance Corporation, which differs from the unit mix and number funded by Miami-Dade County.

The following unit configurations were approved by the Board of County Commissioners through Resolution # 106-05 dated February 1, 2005:

**Pinnacle Park:**  
 10 units 1 bed / 1 bath  
 70 units 2 bed / 2 baths  
 35 units 3 bed / 2 baths

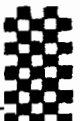
**Pinnacle Plaza:**  
 15 units 1 bed / 1 bath  
 80 units 2 bed / 2 baths  
 45 units 3 bed / 2 baths

At this time, Miami-Dade County's commitment of \$1 million for each project is firm. The two applications do not require any further approval at this time. However, if the developer requests a contractual change in the number and mix of units funded, such a request would require approval from the Board of County Commissioners. It is my hope that this correspondence further clarifies the County's previous correspondence on this matter.

Sincerely,

  
 George M. Burgess  
 County Manager

*Delivering Excellence Every Day*



**EXHIBIT E**



May 23, 2005

Mr. Steve Auger  
Deputy Development Officer  
Florida Housing Finance Corporation  
227 North Bronough Street  
Suite 5000  
Tallahassee, FL 32301

Re: Pinnacle Park and Pinnacle Plaza

Dear Mr. Auger:

In further clarification of our prior letters of April 21 and May 3, this letter is in response to challenges to the scoring of the "Local Government Contribution" form with respect to two Miami-Dade proposed tax credit rental developments, Pinnacle Park and Pinnacle Plaza. As I understand it, the reason for the challenge is based on the unit mix and the number of units proposed in the application filed with the Florida Housing Finance Corporation which differs from the unit mix and number funded by Miami-Dade County.

The following unit configurations were approved by the Board of County Commissioners through Resolution #106-05 dated February 1, 2005:

**Pinnacle Park:**

- 10 units 1 bed / 1 bath
- 70 units 2 bed / 2 baths
- 35 units 3 bed / 2 baths

**Pinnacle Plaza:**

- 15 units 1 bed / 1 bath
- 90 units 2 bed / 2 baths
- 45 units 3 bed / 2 baths

At this time, Miami-Dade County's commitment of \$1 million for each project is firm. The two applications do not require any further approval at this time. It is my hope that this correspondence further clarifies the County's previous correspondences on this matter.

Sincerely,

Pedro G. Hernandez, P.E.  
Deputy County Manager

- ADA Coordination
- Agenda Coordination
- Art in Public Places
- Audit and Management Services
- Aviation
- Building Code Compliance
- Building
- Business Development
- Capital Improvements
- Citizen's Independent Transportation Trust
- Communications
- Community Action Agency
- Community & Economic Development
- Community Relations
- Consumer Services
- Corrections & Rehabilitation
- Countywide Healthcare Planning
- Cultural Affairs
- Elections
- Emergency Management
- Employee Relations
- Enterprise Technology Services
- Environmental Resources Management
- Fair Employment Practices
- Finance
- Fire Rescue
- General Services Administration
- Historic Preservation
- Homeless Trust
- Housing Agency
- Housing Finance Authority
- Human Services
- Independent Review Panel
- International Trade Consortium
- Juvenile Assessment Center
- Medical Examiner
- Metropolitan Planning Organization
- Park and Recreation
- Planning and Zoning
- Police
- Procurement
- Property Appraiser
- Public Library System
- Public Works
- Safe Neighborhood Parks
- Seaport
- Solid Waste Management
- Strategic Business Management
- Team Metro
- Transit
- Urban Revitalization Task Force
- Vizcaya Museum and Gardens
- Water and Sewer

# Memorandum



**Date:** May 20, 2005

**To:** Honorable Carlos Alvarez, Mayor  
Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

**Subject:** Absence From Office

---

I will be out of the office Monday, May 23 and Tuesday, May 24. During my absence, Deputy County Manager Pete Hernandez will be responsible for the day-to-day activities of the office. In addition to Pete, feel free to contact any of my Assistant County Managers. Pete can be reached at (305) 375-1253. If you need to reach me directly, please contact Liliana Maresma at 305-375-1880 who will be able to get messages to me or I will be available via cell phone.

Thank you.

cc: Honorable Harvey Ruvin, Clerk, Circuit and County Courts  
Honorable Joseph P. Farina, Chief Judge, Eleventh Judicial Circuit  
Honorable Katherine Fernandez-Rundle, State Attorney  
Honorable Bennett Brummer, Public Defender  
Robert A. Ginsburg, County Attorney  
Assistant County Managers  
Department Directors  
Marvin O'Quinn, President, Public Health Trust  
Robert Meyers, Executive Director, Commission on Ethics and Public Trust  
Christopher Mazzella, Inspector General  
Charles Anderson, Commission Auditor

**EXHIBIT F**

# Memorandum

MIAMI DADE  
COUNTY

Date: February 1, 2005

To: Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

Amended  
Substitute  
Agenda Item No. 7K1A

From: George M. Burgess  
County Manager



Subject: FY 2005 Action Plan and Funding Recommendations for the CDBG, HOME, ADDI,  
ESG, SHIP, and Surtax Programs R#160-05

## RECOMMENDATION

This substitute memo provides an extensive explanation and analysis of the proposed FY 2005 funding recommendations and presents a funding strategy to address financial issues relative to the County's Section 108 loan to Parrot Jungle and Gardens at Watson Island. In addition to this memo, a substitute Exhibit I is provided that has been revised to reflect the County Manager's funding recommendations that the Board is being requested to consider for approval. Both this memorandum and the accompanying Exhibit I have been prepared and finalized in follow-up to the public hearing that was held on January 25, 2005 before the Community Empowerment and Economic Revitalization Committee. Please note Attachment 2 to this memo which indicates changes in the proposed FY 2005 allocations that are recommended by OCED in follow-up to the recent public hearing and which are reflected in Exhibit 1.

Subsequent to the public hearing before the CEER Committee on January 25, 2005, OCED in consideration of the public comments and ongoing review of district priorities is recommending that the County Manager make modifications in the amount of \$1,224.473 to fund high priority unmet needs. The source of these dollars will come from OCED cash flowing multi-year projects and its operations. Whereas the aggregate changes pursuant to the public hearing amount is \$724.473, the total amount of cash flowed activities amounts to \$1,224,473 recommended for FY 2005.

Additionally, two Surtax funded activities, GHG Pearl Limited Partnership and Pinnacle Place Ltd, each recommended for \$1.0 million, have rescinded their application, declining not to participate in the FY2005 RFA funding process.

Please note that the Board's consideration of the County Manager's FY 2005 funding recommendations is not a public hearing.

It is recommended that the Board approve funding recommendations for the following funding sources and amounts as indicated in Exhibit 1:

Funding	Source	Amount
Community Development Block Grant (CDBG)	Federal	\$22,410,025
CDBG Program Income	Federal	\$400,000
Emergency Shelter Grant (ESG)	Federal	\$865,955
Home Investment Partnership (HOME)	Federal	\$7,476,742
HOME Program Income	Federal	\$600,000
Additional FY 2003 HOME Program Income	Federal	\$300,000
American Dream Downpayment Initiative	Federal	\$186,254
State Housing Initiative Program (SHIP)	State	\$3,100,000
Surtax Program	County	\$24,194,800

Total All Sources	\$59,533,776
-------------------	--------------

It is also recommended that the Board authorize my office to submit the FY 2005 Action Plan to the United States Department of Housing and Urban Development (US HUD) and to execute all contracts, agreements, and amendments necessary to implement the FY 2005 Action Plan and the SHIP and Surtax programs, with an effective date of January 1, 2005.

The attached Exhibit 1 indicates the requested amount by each agency, in addition to the respective proposed funding recommendations of the Office of Community and Economic Development's (OCED) staff, Affordable Housing Advisory Board (AHAB), Task Force on Urban Economic Revitalization (UERTF), Community Advisory Committees, and Board of County Commissioners District funds, and the County Manager.

In addition to Exhibit 1, please note that an additional schedule, Attachment 1, is included which summarizes the recommended funding for housing development projects from 2005 HOME, SHIP and Surtax revenue sources.

**BACKGROUND**

**CONSOLIDATED PLANNING PROCESS**

On December 17, 2002, the Board of County Commissioners approved the FY 2003-2007 Consolidated Plan, as prepared by the Office of Community and Economic Development (OCED), through the adoption of Resolution No. 1482-02. The Plan was amended and updated on December 4, 2003. The Consolidated Plan requires that an annual Action Plan update be prepared for the funding available in each year through FY 2007.

The Consolidated Plan combines the planning and application aspects of the CDBG, HOME, and ESG Programs. The FY 2005 Action Plan was developed with extensive consultation and participation with residents and public and private sectors. This plan reflects the input gathered from neighborhood meetings, commission district-wide meetings, community-based organizations (CBOs), community development corporations (CDCs), municipalities, and county departments. Funding for the activities proposed in the FY 2005 Action Plan will come from the CDBG, HOME, and ESG entitlement programs. Funding recommendations are consistent with the Consolidated Planning Process Policies for the FY 2005 Request For Applications (RFA) as adopted by the Board through Resolution No. 805-04, pursuant to a public hearing held on May 19, 2004, and approval by BCC on June 22, 2004. Consistent with the past several years, for FY 2005 the Board has approved a Consolidated Planning Process that continues to include the SHIP and Surtax affordable housing programs (in addition to the CDBG, HOME, and ESG Programs) and provides for a RFA process for all of the related programs: CDBG, HOME, ESG, SHIP and Surtax. Close coordination of these programs and resources continues to be essential to prevent duplication of funding or funding in excess of the needs of an activity.

#### CITIZEN PARTICIPATION

U.S. HUD regulations require that:

- The County holds a minimum of two (2) public hearings at different stages of the FY 2005 Planning Process. The first public hearing requires input from citizens on housing and community development needs. On June 22, 2004, the first required public hearing was held before the Board of County Commissioners to obtain public input on the FY 2005 Consolidated Planning Policies that formed the basis for the Action Plan recommendations. The second public hearing was intended to obtain public comments on the FY 2005 Action Plan. That public hearing was held before the Community Empowerment and Economic Revitalization Committee on January 25, 2005 in the BCC Chambers at the Stephen P. Clark Center
- The County makes the FY 2005 Action Plan available to the public for comments for a period of 30 days prior to funding recommendations' approval by the BCC. On December 29 and 30, 2004, the County issued a public notice that informed the public of the availability of the FY 2005 Action Plan at specifically designated locations. That notice also served to inform the general public that written comments on the plan would be accepted until January 25, 2005
- In the December 30, 2004, Miami Herald and the December 29, 2004, Miami Times, the public and RFA applicants were notified that a public hearing was tentatively scheduled for January 12, 2005, before the Economic Development and Human Services Committee to discuss the FY 2005 Action Plan and SHIP and Surtax funding recommendations. Due to restructuring of the BCC committees and a new committee



schedule, a second notice was advertised in the January 14, 2005, Miami Herald and the January 19, 2005, Miami Times notifying that the public hearing was rescheduled before the Community Empowerment and Economic Revitalization Committee for January 25, 2005. The Committee met on January 11, 2005 to authorize the change in the public hearing date.

From January, 2004, through October, 2004, OCED and Community Action Agency (CAA) held approximately 90 public meetings to monitor the performance of ongoing activities and identify priorities in commission districts, Neighborhood Revitalization Strategy Areas (NRSA), and eligible block groups.

### REQUESTS FOR APPLICATIONS (RFA) AND EVALUATIONS

Applications for funding were solicited through a consolidated Request for Applications (RFA) process. Funding requests totaled \$169,282,289 including \$95,278,674 for the CDBG program, \$19,309,760 for the HOME program, \$926,000 for the HOME-Community Housing Development Organization (CHDO) program, \$750,000 for the ESG program, \$10,730,481 for the SHIP program, and \$42,287,374 for the Surtax program.

The FY 2005 RFA application process opened on July 2, 2004, and ended on July 30, 2004. The public was advised of the application process through several notices in The Miami Herald and The Miami Times. During the month-long RFA application process, OCED in coordination with the Miami-Dade Housing Agency and the Miami-Dade Homeless Trust, convened two (2) technical assistance and information workshops for agencies and the public to provide ongoing technical assistance throughout the application period. Exhibit 1 – FY 2005 Funding Recommendations contains all requests and recommendations sorted by agency.

### FY 2005 STAFF RECOMMENDATIONS

#### **CDBG Evaluation Process**

Neighborhood activities recommended for funding by county departments were reviewed and have been selected on the basis of priority needs and the County's Consolidated and Strategic Plans. Countywide activities recommended for funding by departments were selected on the basis of department priority and allocations determined through the County's FY 2004-2005 budget preparation process and in consultation with the Office of Strategic Business Management. Applications submitted by non-county organizations were reviewed and evaluated by OCED staff, in consultation with the Miami-Dade Homeless Trust (MDHT) and Miami-Dade Housing Agency (MDHA) as necessary. It should also be noted that the County's Department of Human Services (DHS) as well as the Alliance for Human Services (AHS) participated in the meetings of the FY 2005 RFA Working Group and provided information relative to the Social Service Master Plan goals, priorities, and funding allocations.

In preparing funding recommendations, careful attention was given to allocating the available funding to effectively meet the wide variety of diverse needs in the broad geographic districts of the County. Additionally, consideration was given to supporting activities that were consistent with the goals, objectives, policies, and priorities set forth in the FY 2005 Consolidated Planning Process Policies adopted by the Board.

Staff's recommendations were developed through a tri-party process that included community input, staff evaluation of applications, and commission district input. Staff did not necessarily rely on previous funding levels to determine the recommended allocations. The reductions or increases recommended for FY 2005 are due to the tri-party process and the level of funds available.

### **Consultation Process with CDBG Applicants**

The applications submitted through the annual RFA process were evaluated by staff for completeness and accuracy and scored on numerous criteria. Agencies were advised in a letter dated September 10, 2004, that evaluations related to their applications could be obtained and discussed with staff during a formal review process, which started on September 28, 2004, and ended on October 1, 2004. During those consultations with agencies, every effort was made to ensure that any questions regarding the evaluation of applications would be addressed prior to the Board's consideration of the final funding recommendations. While staff made a concerted effort to address agency inquiries as fairly and thoroughly as possible, any agency still could avail itself of the opportunity to address the Board during the required public hearing preceding the adoption of the FY 2005 Action Plan. Staff made funding recommendations based on considerations including the strength of the application and its responsiveness to NRSA's high priority needs, as detailed in the 2003-2007 Consolidated Plan. Additionally, staff's recommendations were developed to ensure that they adhere to the Board approved Consolidated Plan Policies. Staff considered the following variables to determine the activity funding levels:

- Priority be given to existing projects, particularly those that involve capital improvements and housing activities;
- Pending monitoring findings which include the agency's ability to perform existing projects as scheduled and the agency's compliance with its current contractual stipulations with OCED;
- Length of time that the agency has been operating and its achievements to date; and
- The amount of outside funding secured by the agency for the activity.

### **New Initiatives**

While going through the citizen participation, application, evaluation, consultation and recommendation processes, OCED identified high priority needs from residents, community based organizations, participating municipalities and not-for-profit developers. Many residents and agencies expressed a need for more intensive technical assistance and

capacity building for capital improvement and housing projects. In order to meet this need, OCED is recommending the reorganization of the Urban Development Division into a Community Builders Division. The purpose of the Community Builders Division will be to provide planning, design, architectural, engineering, and project management support to small neighborhood based projects. We anticipate that the unit will play a major role in assisting community based entities qualify for future general obligation bond funding.

### **HOME, SHIP, and Surtax Evaluation Process**

Funding recommendations for the programs were made within the following parameters:

- A \$2 million set-aside is available for homeless housing projects.
- Maximum funding for small rental projects (30 units or less) is \$250,000 or 40% of total project cost, whichever is less.
- No single applicant is awarded for more than 10% of the combined allocation of HOME, SHIP, and SURTAX funding.
- At the discretion of the County, up to 20% of rental units (per project) may be designated for Section 8 subsidy; either project-based or tenant-based.
- Approximately \$6 million in SHIP funds is utilized as end loans for homebuyers countywide. Another \$3 million are recommended as project specific funding in this RFA cycle.

The Miami-Dade Housing Agency, OCED and the Miami-Dade Homeless Trust reviewed applications for HOME, SHIP, and Surtax Program funds. Evaluation criteria included factors such as commitment of financing from other sources, unit affordability, costs of construction, leveraging, economic feasibility, experience, capacity of the development team, and ability to proceed. The review of those applications was coordinated with OCED in an effort to avoid program duplication, increase the County's decision-making efficiencies, and enhance cross-departmental communications. The Affordable Housing Advisory Board (AHAB) made HOME, SHIP, and SURTAX funding recommendations on September 22, 2004. The recommendations are reflected in Attachment 1.

### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

The FY 2005 CDBG allocation is \$22,810,025 that includes an entitlement grant of \$22,410,025 and \$400,000 in program income. The official notification of the County's final entitlement from U.S. HUD is expected early in 2005.

Funding recommendations for activities, programs, and projects for NRSAs and eligible block groups have been prepared based on the needs identified by residents at meetings held at the neighborhood and commission district levels. The two new NRSA designated areas will commence their implementation planning process in FY 2005.

Funding recommendations were prepared for CDBG housing project management costs in support of HOME, SHIP, and Surtax projects based on the analysis of each agency's funding history and performance results or progress.

A number of factors have combined to limit the availability of recommended allocations by OCED staff. Specifically, discretionary allocations are limited by the 6% reduction from the FY 2004 level to the county's FY 2005 entitlement, the creation of two new NRSAs (requiring an allocation of \$94,000 pursuant to BCC policy), and the limited availability of re-programmable carry forward funds. In FY2004 funding for OCED administration and other county programs were deferred until re-programmable funding was identified later in the year. Because of the drawdown levels that have been achieved the amount of deferred funding has been reduced to approximately \$1.2 million. The aggregate reduction in available funding totals approximately \$3.5M. Also, federal regulations cap the funding allocation for Administration in each Action Plan year at 20% of the total entitlement plus program income. For several years, \$200,000 has been allocated to each County Commission District as a District Fund. This year, following meetings with OCED staff, each Commissioner is considering allocating \$35,000 of their \$200,000 District Fund for the Enterprise Community Center, leaving an unallocated balance of \$165,000 for each District.

Miami-Dade County's FY 2004-05 Adopted Budget is consistent with the BCC's policy limiting the allocation of CDBG funds to 30 percent (\$6,925,000) for activities provided by County departments and 20 percent (\$4,696,000 ) for administration. That level of funding reflected an estimated three percent reduction in federal CDBG funding levels. The recommended funding for departments focused on providing services based on the priorities established in the County's Strategic Plan and emphasizes our philosophy of a results-oriented government. Examples of the County departmental projects funded through the CDBG process include: the Community Action Agency's Elderly Residential Energy Conservation Program which assists in rehabilitation of homes of elderly low- to moderate-income single family homeowners; the Department of Human Service's Emergency Shelter Program which provides homeless assistance services; the Miami-Dade Housing Agency's Hope VI Relocation Program for 420 low income persons formerly residing at Scott Homes and other public housing projects; and the Housing Finance Authority's American Dream Down Payment Assistance Program which assists first time low- to moderate-income homebuyers afford a home. Due to the reduction in OCED's annual entitlement, a decrease in funding of \$91,000 (from \$200,000 to \$109,000) for the CAA Elderly Residential Energy Conservation Program is being recommended because in December 2004, CAA received \$200,000 of reprogrammable HOME funds which are still available for new Energy Conservation projects in the current fiscal year.

The availability of funds is summarized in the following table:

### Summary of CDBG Funds Available for Allocation

Allocation	Amount
County Operated Programs	\$6,723,000
Administration	\$4,560,790
Commission District Fund	\$2,145,000
NRSA CAC Fund	\$940,000
Available for RFA Requests, including \$455,000 for the ECC	\$8,441,235
<b>Total all sources</b>	<b>\$22,810,025</b>

### Multi-year Funding Commitments

The BCC approved multi-year funding for housing, capital improvement and economic development activities in the FY 2004 Consolidated Plan Policies that were adopted in 2003. In this agenda item, staff is recommending continuation of multi-year funding for the following Economic Development and Capital Initiatives:

- Partners for Self Progress Matched Savings Program (\$70,000) which has targeted 46 low-income individuals to participate in a savings program the proceeds of which can be utilized to purchase or start a business, or acquire a home; and
- Peninsula Edison Plaza Development LLC (\$150,000) that has identified a commercial real estate project in the 62<sup>nd</sup> Street and 7<sup>th</sup> Avenue commercial corridor. The allocation is the final installment of CDBG funding. This project has the majority of its funding in place and upon completion of certain pre-development activities, commencement is anticipated for 2005.

It is also recommended that priority reprogramming during FY 2005 be provided to the following:

- Metro-Miami Action Plan Foundation, Inc. for commercial development;
- CAA's Head Start program (\$1,157,000) for new facilities;
- OCED Economic Development Division (approximately \$1.2 million) to replace funding being deferred to increase the recommended allocations to CBOs; and
- Other priorities as established by the Board of County Commissioners.

### Section 108 Loan Program

The Section 108 Loan Program is a complex financial program that allows funds to be borrowed from the federal government. The borrowed funds capitalize projects for specific purposes as allowed by federal legislation. The loans are guaranteed by Miami-Dade County. While different funding streams may serve as the anticipated source to repay the

loans, the federal government requires a pledge of current and future Community Development Block Grant Program funds to ultimately guarantee that payments are made. The County has three Section 108 Loan Program activities:

A. Targeted Urban Area Revolving Loan Fund - \$40 million

For this revolving loan fund, the County received approval from US HUD of its application for a \$40 million Section 108 loan and also received from US HUD an Economic Development Incentive (EDI) grant of \$2,000,000. Over the last several years, the County's Section 108 program marketed largely through the Urban Economic Revitalization Task Force has proceeded effectively. Through joint ventures with the Miami-Dade Empowerment Trust, Inc. (MDET) and joint financings with a number of banks, the Task Force has disbursed approximately \$15.3M of its \$40M Section 108 credit capacity.

The County has allocated loans to twenty (20) for profit businesses. As of December 28, 2004, the loan program is proceeding as planned. Of the twenty (20) borrowers, 95% have met their payment obligations on a timely basis with no defaults. All these facilities have gone through an extensive review process; all are asset based (backed by collateral); and all are closely monitored by the staffs of the Office of Community and Economic Development (OCED) and the Miami-Dade Empowerment Trust, Inc. The Section 108 Program is operating in a manner consistent with its charge. The OCED/MDET Management Team lead underwriters (both former bank vice-presidents and credit trained by Union Bank and Bank of America) will increase their scrutiny of risk and assure that all future approvals continue to represent transactions of A and B quality ratings. Unlike previously funded revolving loan initiatives, the management of assets in this program is immediately linked to the Miami-Dade Empowerment Trust, Inc.'s loan management policy, which is supported by an external collection agency as a safeguard to assure the efficient collection of our investment. This linkage is an extremely important feature in that Miami-Dade County must repay these loans with interest to the federal government. To date, the program has created or retained 243 jobs. Within a two-year period we expect an additional 233 jobs to be created by these investments.

The County's annual debt service payment to the federal government is based on our outstanding loan balance. Based on today's exposure, the annual debt service obligation is \$1,483,000. The projected source(s) of revenue to fund the debt service requirement is \$1,233,252; with the difference of \$250,084 being covered by the EDI grant which is used as a debt service reserve. This debt service payment will not require any allocation of FY 2005 CDBG funds. Based on the actual and projected cash flows, it is anticipated that the County will receive the necessary debt service payments from the borrowers necessary to meet our obligations to the federal government on a timely basis, supplemented by a portion of the EDI grant.

B. Brownfields Revolving Loan Fund- \$5 million

For this revolving loan fund, the County received approval from US HUD of its application for a \$5 million Section 108 loan and also received from US HUD an Economic Development Incentive (EDI) grant of \$1,750,000. Miami-Dade County drew down \$2.5 million of the \$5 million dollar Brownfield Economic Development Initiative (BEDI) loan funds in 2001. One loan in the amount of \$166,000 has been funded (five (5) jobs created) with another \$500,000 loan in process. The unspent balance in the BEDI account as of December 31, 2004, was \$1,776,000. The initial funding to capitalize this loan fund was drawdown in FY 2001 based on a business plan and projected loan demand from the marketing and promotion of an economic development initiative emphasizing Brownfields redevelopment. This fund had its first loan disbursement more than 12 months after the initial drawdown of funds. The business plan for the operation of this fund must ensure that OCED implements a more aggressive and ongoing marketing and promotion of the availability of financial assistance through this fund. This is necessary to generate sufficient revenue to fund future debt service payments to US HUD.

In the FY 2004-05, the amount of debt service due to US HUD for this loan is \$275,000 and the source(s) of revenue to fund the debt service requirement will be generated from loan repayments (\$22,000) with the balance coming from the EDI grant. This debt service requirement will not require any allocation of FY 2005 CDBG funds.

Please note that OCED staff is in the process of establishing a debt service reserve pool from all of OCED's loan repayment program income as a further guarantee to protect the County's exposure in this matter. It must also be noted that repayment performance is subject to market conditions, which fluctuate from time-to-time.

Several months ago, at the direction of the my Office, OCED was instructed to prepare a business plan for both the TUA Revolving Loan Fund and the Brownfields Revolving Loan Fund to ensure that the loans extended through each fund are made at interest rates above the interest rate on the funds drawn down from US HUD. Included in the direction is the development of a plan to market and promote the availability of the revolving loan funds more aggressively to assist in economic development and revitalization efforts. Through this effort and better coordination of projected loan demand with future draw downs of funds, the business operation of the revolving loan funds should result in improved financial performance, and the revenue required to meet annual debt service should be covered by the loan payments from the loans made under the revolving loan fund programs along with proceeds from the debt service reserve grant.

C. Parrot Jungle and Gardens at Watson Island - \$25 million closed and disbursed on January 9, 2001.

### Background

In the fall of 1997, Miami-Dade County was approached by the owner of Parrot Jungle for the purpose of seeking financial assistance through the United States Department of Housing and Urban Development (USHUD) Section 108 Loan Program. The assistance was being requested to facilitate the relocation of the Parrot Jungle & Gardens attraction from its long-time home in South Dade to a new location on Watson Island in the City of Miami. Parrot Jungle had approached the City of Miami for Section 108 loan assistance and was told that, due to the City's then financial crisis, the City was unable to provide such assistance. In approaching Miami-Dade County for Section 108 loan assistance, Parrot Jungle was supported by the Mayor, City Commissioners and the City Manager of the City of Miami. Representatives of the City appeared before the County Commission on June 16, 1998 during a public hearing to consider the final approval of an application to USHUD for a Section 108 loan in the amount of \$25 million to be used to assist Parrot Jungle.

The County Commission considered and initially approved a loan application in the amount of \$21 million, with subsequent modifications that increased the loan application amount to \$25 million during public hearings that were held on February 3, 1998 and on June 16, 1998. USHUD notified the County of the approval of the loan application in April, 1999. Subsequently a development agreement with Parrot Jungle was signed in April, 2000 and the County loan to Parrot Jungle was closed with an initial disbursement of funds in January, 2001.

Miami-Dade County obtained a \$25 million loan through the United States Department of Housing and Urban Development (USHUD) Section 108 Loan Program for the purpose of providing a \$25 million loan to relocate Parrot Jungle & Gardens from its previous location in South Miami-Dade County to Watson Island in the City of Miami to facilitate the attraction's relocation and expansion. In addition to its collateral for the loan to Parrot Jungle the County has, as required by USHUD, pledged its current and future Community Development Block Grant (CDBG) funds as the ultimate source of repayment for this obligation. The source of revenue to the County for the required payments to USHUD is the loan payments from Parrot Jungle to the County.

### Current Status

The new construction and relocation of this attraction to Watson Island in the City of Miami has been completed. Parrot Jungle has created 638 jobs of which 451 are full-time and 187 are part-time. This number includes direct jobs of 551 working for Parrot Jungle and 87 outsourced to others, with the overwhelming number of the permanent positions going to low-to-moderate-income persons as defined by US HUD Guidelines [of the fulltime jobs 60% or 270 jobs are held by low-to-moderate-income persons]. These jobs have been confirmed via by a site visit by OCED staff in September, 2004. Miami-Dade County is the principal obligator to US HUD on the Parrot Jungle \$25,000,000 loan. However, as a condition of making the loan, the County required the City of Miami to enter into a Joint Participation Agreement with the County to substitute itself as a guarantor for 80%, or \$20 million, of the



loan to Parrot Jungle. The instruments required to implement the loan guarantee substitution are a US HUD Amended Pledge Agreement and an Inter-creditor Agreement. Those instruments could not be implemented until certain pre-conditions in the joint participation agreement were satisfied, and the City and County were ready to request US HUD to implement the loan guarantee substitution. The joint City and County request to proceed with the loan guarantee substitution was transmitted to US HUD in a letter dated November 24, 2003. On January 30, 2004, my Office convened a conference call involving County, City, and US HUD staff to discuss the structure, process, procedures, required documentation and timetable for completing the requested loan guarantee substitution.

As a result of that conference call, US HUD agreed to assume the lead responsibility to draft an Amended Pledge Agreement and the County assumed the lead responsibility to develop an Inter-creditor Agreement. While the Inter-creditor Agreement prepared by the County was drafted in April, 2004, the US HUD drafted participation agreement was delayed despite follow-up emails and phone calls by OCED, and it was not received until December 23, 2004 along with final review comments on the inter-creditor agreement. The documents have been prepared in final draft form and were delivered to the City on January 21, 2005. The City staff has expressed some concerns with the loan guarantee substitution. Staff met with senior staff of the City of Miami on January 18, 2005 who noted that until the delinquent status of Parrot Jungle is cured, the City has no contractual obligation to proceed with the substitution. Through recommendations in this agenda item a funding strategy is proposed to provide a mechanism for funding the debt service payments due to US HUD through August, 2005 and to cure Parrot Jungle's non-payment status. When fully implemented, the County and City guarantees will be ultimately backed by the respective County and City CDBG entitlement grants on a 20%/80% basis.

As of today's date, Parrot Jungle has not remitted its July, 2004, payment. In order to prevent the County's default on our financial obligation to US HUD, the County advanced that payment from pooled cash and booked a CDBG receivable as the source of repayment to US HUD. In addition to monthly invoices, on January 7, 2005 the County sent a letter to Parrot Jungle for the payment that is overdue from July, 2004, and for the payment that was due on January 15, 2005 for January, 2005.

In the event that Parrot Jungle does not remit the payments now due or the next payment that will be due in July, 2005, this item presents the Board with several options to redirect CDBG resources to liquidate the receivable in the amount of \$1,296,277 for the US HUD July, 2004 payment and to provide for \$2,367,528, for the debt service payment of \$933,764 that is due to US HUD by February 1, 2005, and the debt service payment of \$1,433,764 that is due to US HUD by August 1, 2005. The total amount is approximately \$3.66 million.

#### Parrot Jungle Debt Service Funding Options

To date, Parrot Jungle has continued to make payments to its bank lender and its lease payments to the City, but has not made its payments to the County. However, because the County and not Parrot Jungle is the obligator on the \$25,000,000 US HUD loan, it is

necessary that the County continue to pay the debt service to US HUD on a timely basis in accordance with the terms of the loan note. Nevertheless, the County should not have to use its resources to subsidize the Parrot Jungle while the loan guarantee substitution by City of Miami is pending.

During the public hearing that was held on January 25, 2005 before the Board's Community Empowerment and Economic Revitalization Committee several speakers and members of the CEER Committee commented on the need to explore alternative options for funding the County's Parrot Jungle debt service obligations. I want the Board to know that just as a pledge of current and future CDBG funds was given by the County as a last resort for the ultimate repayment of this Section 108 debt obligation, I view the use of CDBG funds to address this current debt service issue also as a last resort to be avoided if at all possible. The County has traditionally provided for an open and community-friendly process in its allocation of CDBG funds to respond to a wide variety of community service needs and improvement priorities. In fact previous analyses have demonstrated that, in comparison to the City of Miami and the other three entitlement cities in the county, Miami-Dade County allocates a far higher percentage of its CDBG dollars to non-County/City agencies and organizations than the other entitlements. The County's current allocation policy relating to CDBG funds provides for the allocation of 20% for administration, not more than 30% for the eligible programs, services and activities implemented by County departments, and not less than 50% to non-County agencies and organizations. The importance of having CDBG funds available to provide funding support for County departments and non-profit agencies, community-based organizations, and community development corporations that do such good and valuable work in this community cannot be underestimated.

The CEER Committee has requested staff to explore other options to the use of CDBG funds for the Parrot Jungle debt service obligation, including the use on non-CDBG funds and, if CDBG funds are to be used, focus any reduction of CDBG funding on the proposed allocations to County departments. As regards County departments, a review of the proposed FY 2005 CDBG allocations to County departments indicates that the activities that are being recommended for funding and implementation by County departments have been closely reviewed for funding need and eligibility through the County's FY 2004-05 Resource Allocation Budget Process and have also been determined to represent high priority services and programs that benefit low-and moderate-income persons and neighborhoods. Examples of the County departmental projects, programs and services funded through the CDBG process include: CAA's Elderly Residential Energy Conservation Program which assists in the rehabilitation of the homes of elderly low-to-moderate-income single family homeowners; the DHS Emergency Shelter Program which provides homeless assistance services; MDHA's Hope VI Relocation Program which assists low-income persons formerly residing at Scott homes and other public housing projects; and a comprehensive set of economic development programs and services implemented by OCED which include business revolving loan funds, micro-loans, commercial revitalization grants, State Enterprise Zone program, and technical assistance. These programs and activities are an integral part of the Consolidated Plan's strategies for improving the quality of life for low-and-moderate-income

residents and for stimulating the revitalization of underserved and underdeveloped communities and neighborhoods.

In considering the option to use non-CDBG funds for the Parrot Jungle debt service obligation, the Board is advised that our ongoing effort to establish a more adequate level of financial reserves for a government of our size and scope is a high-priority, multi-year process. While progress has been made, we have not yet established the more adequate level of reserves that is our goal. Moreover, the Board is advised that it would not be prudent to establish a precedent of using County general funds to provide financial assistance to a for-profit business enterprise. The Board may recall the extreme difficulties that were created some years ago when County funds were used to make a "bridge" loan of \$5 million to a for-profit aviation enterprise. The risks associated in using general revenues for such a purpose are terribly high and should be avoided.

As an alternative to the identification of up to \$3.664 million for this debt service issue at this time, an option is available to continue to carry the current pooled cash receivables on the County's books until the end of the present fiscal year on September 30, 2005. However, beyond that time period the County will have to identify an appropriation for the receivables which total \$2,230,041. This action is predicated on all parties, the City and County working together to resolve the guarantee issue in a manner of mutual cooperation and benefit. In specific terms, the following actions are planned:

1. The County will declare a monetary default against Parrot Jungle for payments due in July, 2004 and January, 2005.
2. The County will work with Parrot Jungle and the City of Miami to develop a payment plan to catch-up on the missed payments for July, 2004 and January, 2005 by repaying funds advanced by the County.
3. The County will request payment from the City of Miami per paragraph 2 of the County/City Joint Participation Agreement for the required payment by the City to the County based on Parrot Jungle's monetary default on the loan with the County.
4. The City and County legal staff will coordinate efforts to finalize the documents required for the City's Loan Guarantee Substitution for execution. Those documents were formally transmitted to the City on January 21, 2005. The County will pursue funding that the City of Miami is obligated to provide toward the Parrot Jungle debt service pursuant to the County/City Joint Participation Agreement. A provision of the agreement provides that "until such time as the Guarantee Replacement occurs, in the event of a monetary default by Parrot Jungle under the terms of the County loan, the City's financial obligation in reducing the amount of said default shall be to pay to the County a proportionate amount of the amount owed by Parrot Jungle, based upon the amount of the lease payments paid to the City by Parrot Jungle...exclusive of the City's payments to the State of Florida..." In accordance with this provision and the estimated payment by Parrot Jungle of approximately \$1 million in lease payments to the City, it is estimated that the County from the City may receive as much as approximately \$800,000. The

agreement further provides that the City payment to the County shall be made from the City's CDBG funds.

5. With respect to FY2004 CDBG funded activities, OCED will freeze and review the balances of all contracts that have expired to determine if their funds may be recaptured and reprogrammed to reimburse the County for Parrot Jungle's debt service payments. Expenditure trend analyses conducted indicate that throughout the last three years, the total unspent balances of the annual CDBG allocations at the end of each fiscal year have gradually decreased from 20.2% to 14.7% of total funding. These figures coincide with the efforts to meet the funding ratio mandated by USHUD. The available funds, which consist of the County's yearly allocation and the combined balances that remain from the funding of previous years, must not exceed 1.5 times the amount of the current allocation. OCED's current funding ratio is 0.98. Staff projects that at the conclusion of the fiscal closeout of final expenditures, the County may be able to recapture \$800,000 from FY2004 activities that were either completed or discontinued by December 31, 2004.

In reviewing these options in the effort to identify up to \$3.664 million for the Parrot Jungle debt service obligation it should be noted that the specific amount needed may be adjusted by the receipt by the County of up to approximately \$800,000 from the City of Miami pursuant to the Joint Participation Agreement as discussed below, and by the implementation of the City of Miami's loan guarantee substitution as soon as possible prior to July, 2005. Once the substitution is in place the City and County will be responsible for the payment of any future missed payments by Parrot Jungle on an 80%/20% basis respectively.

#### OCED Status Report on the Parrot Jungle Project

This report represents an update to Parrot Jungle and Gardens of Watson Island's (Parrot Jungle) financial statement as of October 31, 2004.

Status of August 1, 2004 loan payment to US HUD:

On July 23, 2004 the County's remitted the semi-annual payment of principal and interest in the amount of \$1,296,276.75 to USHUD on the \$25,000,000 Section 108 loan. To date the County has not received Parrot Jungle's payment of \$1,327,276.75 due on July 15, 2004 (including a County annual administrative fee of \$30,000) nor the payment of \$964,326.75 due on January 15, 2005. However, Parrot Jungle remains current on all first lien holder debt (\$15,000,000), entailing monthly debt service payments of approximately \$120,000 per month.

Project Status:

While Parrot Jungle's ability to maintain to its debt service obligation to Miami-Dade County has been inconsistent, the project as envisioned has been completed. Parrot Jungle has created 638 jobs with the overwhelming number of the permanent positions going to low-to-moderate income persons as defined by USHUD Guidelines. Parrot Jungle has experienced costs overruns, which were funded by the ownership's investment of \$12,000,000, which was

50% over the mandated equity contribution of \$8,000,000. Delays in construction, the event of September 11, 2001 recent Hurricane conditions and the optimistic original revenue projection have combined to negatively impact Parrot Jungle's cash-flow position.

**Hurricane Impact:**

Parrot Jungle's operations have been negatively impacted by the Hurricanes' that have affected the State during the latter part of 2004. Admissions are off from last year about 30%-50%. They were \$200,000 short of their revenue projections for September 2004 which will affect their 2005 projected figures. The company is working with their insurance carrier to make a claim under their business interruption insurance due to being closed for three (3) days. However, it does not appear likely that their claim would be approved since they did not experience any property damage. They are also planning to seek assistance from FEMA through the SBA Disaster Program.

**Compliance with Development Agreement:**

Pursuant to the Development Agreement dated April 20, 2000, Parrot Jungle must create a total of 603 full-time equivalent jobs by the end of its 10th year of operations and 240 full time jobs during its first full year operation. To date, after one full year of operations, Parrot Jungle has created a total of 638 jobs of which 451 are full-time and 187 are part-time. The 187 jobs have been created by outside companies that are outsourced to do work at Parrot Jungle. The workforce is a reflection of South Florida's cosmopolitan population and with a 73% minority workforce. OCED's annual site visit for Parrot Jungle occurred during the month of September 2004.

**Payments to Metro Zoo:**

Pursuant to the Development Agreement, Parrot Jungle is to make payments of \$150,000 per year beginning in the 5th year of the loan through the 20th year for a total of \$2.5 million to the Metro Zoo. Although Parrot Jungle has budgeted for this item to begin in 2005, it anticipates an operating loss of approximately \$810,000. As a result, the availability of the cash required to meet this obligation is questionable.

**Updated Financial Analysis based on 9-year projections:**

Parrot Jungle's operating results in its initial year of operations, are far behind management projections submitted to OCED in May 2004. When compared to management's projections through the year 2012, which were the basis for extending the \$25 million loan, these operating results suggest that in the short term, new projections from Parrot Jungle must be submitted.

The company's revenues through its first 10 months of operations were \$4.5 million. Annualized over a 12-month operating period, revenues should approximate \$5.4 million, compared to management's projected \$14.1 million - a 61.7 percent shortfall. Even if these operating results are adjusted for the negative impact of Florida's unusually high number of hurricanes in 2004, overcoming the shortfall remains a major challenge for the organization.

Additionally, while Parrot Jungle is not a mature company and by extension is currently not enjoying its full revenue potential, the company is not new - it has simply changed its location to newer more state of the art facilities with added attractions and different lines of business which have added revenue generating potential, but is accompanied by significantly increased operating expenses and debt service. Accordingly, these current operating results should not be discounted without extensive review.

The following comparison of Parrot Jungle's operating results in the initial year, with management's projections demonstrates the challenge that the company faces if it is to meet its debt service obligations.

OCED has already requested updated projections from Parrot Jungle now that the Park has just completed its first full year of operation, based on their fiscal year of January through December. OCED feels that these projections will more realistically reflect future performance.

	INCOME STATEMENT	
	(\$000's)	
	Actual-04 Jan-Oct	PARROT JUNGLE PROJECTIONS 2004
Total Revenues	4,483	14,137
Cost of Sales	1,938	2,309
Gross Profit	2,545	11,828
Operating Expense	3,833	8,331
Depreciation & Amortization	803	2,026
City & County Expenses	----	857
Operating Income	(2,091)	614
Non-Operating income/ (exp.)	90	-----
Net Income/ (Loss) before taxes	(2,001)	614
Income taxes	-----	-----
Net Income/ (Loss) after taxes	(2,001)	614
Cash Flow from operations	(1,198)	2,640
Debt Service:		
Interest Expense - 108	(1,975)	(1,975)
Principle Payment-108	( 550)	( 550)
Interest Expense-Bank	( 782)	( 782)
Principle Payment-Bank	( 662)	( 662)
City/County Principle/Interest	( 40)	( 40)
Total Debt Service	(4,009)	(4,009)
Net Cash Flow	(5,207)	(1,369)

Projected Cash flows - 000's Omitted

	Actual	Projected	Projected	Projected
	2004	2004	2005	2006
Cash flow Operation	(1,198)	2,640	3,975	4,493
Debt Service	(4,009)	(4,009)	(4,228)	(4,407)
Net Cash flow	(5,207)	(1,369)	(253)	86

Summary of CDBG Funding by Category

CDBG funding recommendations were made based on high priority needs identified by residents at over 90 neighborhood meetings from January to October. The following table summarizes CDBG funding by category.

FY 05 CDBG Funding by Category		
Category	Total	Percent
Administration	4,560,790	20
Capital Improvement	1,358,349	6
Economic Development	4,808,482	21
Historic Preservation	145,620	1
Housing	2,982,759	13
Public Service	6,621,025	29
Commission District Funds	2,145,000	9
New NRSA Reserve Fund*	188,000	1
Total	\$ 22,810,025	100

\*This funding is part of the total \$940,000 for NRSA's to be allocated to eligible activities. The remainder of NRSA is distributed among capital improvement, housing and economic development categories.

a) Administration

The proposed allocation of administrative support funding totaling \$4,560,790 or 20% of the total entitlement and \$400,000 in program income includes the following activities: OCED's program administration including: management, finance, community planning, contract development, and monitoring, (ie. or grantee performance reporting and compliance); the Office of Historic Preservation; C.A.A.'s Citizen Participation Program, Planning and Zoning Department's Strategic Area Planning and Environmental Review and Assessment Assistance Programs, Department of Human Services Fair Housing; and HOPE, Inc. for the continuation of its Fair Housing Education and Outreach Program.

b) Capital Improvements

Total funding requests in this category amounted to \$18,601,816. A total of \$1,358,349 is recommended for capital improvement projects in the FY 2005 Action Plan. This represents 6% of the total CDBG allocation compared to 8% in FY 2004. Funding strategies and funding recommendations in this category will assist participating municipalities and non-profits to "finish what has been started." Ten of the projects recommended for funding in this category are active projects in the County's FY 2004-05 Budget. There are five new projects recommended for funding. For those projects that are not fully funded or are not ready to start construction, OCED recommends that capital improvement funding be made in phases. The first phase includes planning, design, and permitting and environmental review. The construction phase will be allocated funds depending on the feasibility of the project and the agency's ability to reach milestones and expend funds in a timely manner. Funding for construction of CAA Head Start Centers has been identified as a high priority need in the community. It is recommended that OCED will identify \$1,157 million in the first plan amendment for the centers.

c) Economic Development

FY 2005 funding recommendations for economic development activities total \$4,808,482 compared to \$4,477,000 for FY 2004. The amount reflects staff recommendations and the recommendations approved by the OCED/CAA Community Advisory Committees. This amount represents 21% of the total CDBG allocation, compared to 18.5% in FY 2004. Total funding requests in this category amounted to \$13,173,251. These programs are designed to meet the needs of small and minority business owners for long-term working capital and fixed asset financing to support the rehabilitation of commercial corridors and the growth and expansion of micro-businesses. These programs, as reflected in the funding recommendations are consistent with the high priority needs for economic development in CDBG NRSAs and eligible block groups as identified in the FY 2003-2007 Consolidated Plan, the FY 2004-2005 County Budget, and for the revitalization of Targeted Urban Areas (TUAs) consistent with the Task Force's Urban Economic Revitalization Plan.

As required by Ordinance No. 97-33, which created the Task Force on Urban Economic Revitalization (UERTF), the FY 2005 CDBG Economic Development funding recommendations were presented to the Task Force for review. In the event of any difference between my final funding recommendations and those of the Urban Economic Revitalization Task Force, a 2/3 vote of the members of the Board of County Commissioners is required to approve my recommendations.



The following table summarizes the Economic Development recommendations. Because the CACs have funding allocated to them for allocation, the Total County Staff Recommendation column in the table reflects the sum of the staff recommendation and the CAC allocation. The UERTF funding recommendations totaling \$2,281,000, are included in the table.

Economic Development Recommendations

AGENCY/DEPART	ACTIVITY	TUA	URTF RECOMM	CAC RECOMM	MGR RECOMM	TOTAL AMOUNT
79th Street Corridor Neighborhood Initiative, Inc	79th Street Corridor	MULTIPLE TUA	\$100,000	\$0	\$0	\$0
Black Economic Development Coalition, Inc.	Economic Development Technical Assistance	MULTIPLE TUA	\$300,000	\$0	\$188,000	\$188,000
CRP/Rudy's Stereo Tape Center	Renovations to the facility located at 923 NW 62 Street. - Model City	Model City	\$0	\$48,000	\$0	\$48,000
Camacol Loan Fund, Inc.	Revolving Loan Fund For Business Development	N/A	\$0	\$0	\$70,000	\$70,000
City of Miami Gardens	Facade Restoration Program	NW 27 AVE CORR	\$300,000	\$0	\$100,000	\$100,000
City of Miami Gardens	Public Facilities - Predevelopment Economic Development	NW 27 AVE CORR	\$0	\$0	\$50,000	\$50,000
Contractors Resource Center, Inc	ED Technical Assistance	MULTIPLE TUA SELECTED	\$105,000	\$0	\$65,000	\$65,000
Dynamic Community Development Corp.	Economic Development Technical Assistance	MULTIPLE TUA SELECTED	\$0	\$0	\$47,000	\$47,000
Fanm Ayisyen Nan Miyami, Inc.	Community Economic Development Technical Assistance	N/A	\$0	\$0	\$37,000	\$37,000
Haitian Organization of Women, Inc.	Micro Enterprise Loan Program	MULTIPLE TUA	\$100,000	\$0	\$0	\$0
Haitian American Center For Economic & Public Affairs, Inc.	Technical Assistance to Businesses	Little Haiti	\$130,000	\$0	\$37,000	\$37,000
City of Hialeah-Dade Development, Inc	Hialeah-Dade Development, Inc.	N/A	\$0	\$0	\$75,000	\$75,000
J L Brown Development Corporation	112 Avenue Shops	NONE SELECTED	\$0	\$94,000	\$200,000	\$200,000
Little Haiti Housing Association, Inc.	62nd Street Development (Shoppes of Sans Souci)	Little Haiti	\$163,000	\$0	\$47,000	\$47,000

Honorable Chairman Joe A Martinez  
and Members, Board of County Commissioners

Page 22

AGENCY/DEPART	ACTIVITY	TUA	URTE RECOMM	GAC RECOMM	MGR RECOMM	TOTAL AMOUNT
Little Haiti Edison Federal Credit Union	Small Businesses Technical Assistance	Little Haiti	\$150,000	\$0	\$0	\$0
M Gill Associates	Small/ Minority Business Development	MULTIPLE TUA	\$163,000	\$0	\$0	\$0
Martin Luther King Economic Development Corporation	Soul on 7th Ave	Liberty City	\$75,000	\$0	\$0	\$0
Martin Luther King Economic Development Corporation	Business Incubator and Technical Assistance	Liberty City	\$20,000	\$23,000	\$70,000	\$70,000
Miami Urban Ministries of the United Methodist Church, Inc.	ASSETS Miami - Self- employment training and support	MULTIPLE TUA	\$50,000	\$0	\$23,000	\$23,000
Miami-Dade Empowerment Trust, Inc.	Enterprise Community Center	MULTIPLE TUA SELECTED	\$0	\$0	\$416,000	\$416,000
Miami-Dade Empowerment Trust, Inc.	Melrose NRSA Economic Development Initiative	N/A	\$0	\$47,000	\$47,000	\$47,000
Miami-Dade Office of Community and Economic Development / ED Division	Florida State/ Miami-Dade County Enterprise Zone Program	MULTIPLE TUA	\$0	\$0	\$203,000	\$203,000
Miami-Dade Office of Community and Economic Development / ED Division	Commercial Revitalization Program/ Non TUA	N/A	\$0	\$0	\$205,000	\$205,000
Miami-Dade Office of Community and Economic Development / ED Division	Commercial Revitalization Program/ TUA	MULTIPLE TUA	\$0	\$0	\$120,000	\$120,000
Miami-Dade Office of Community and Economic Development / ED Division	Micro- Enterprise Assistance & Peer Lending Program/ TUA	MULTIPLE TUA	\$0	\$0	\$94,000	\$94,000

22

Honorable Chairman Joe A Martinez  
 and Members, Board of County Commissioners  
 Page 23

AGENCY/DEPART	ACTIVITY	TUA	URTF RECOMM	CAC RECOMM	MGR RECOMM	TOTAL AMOUNT
Miami-Dade Office of Community and Economic Development / ED Division	MicroEnterprise Assistance & Peer Lending Program/Countywide	MULTIPLE TUA	\$0	\$0	\$200,000	\$200,000
Miami-Dade Office of Community and Economic Development / ED Division	Revolving Loan Fund Program CDBG	MULTIPLE TUA	\$0	\$0	\$545,025	\$545,025
Miami-Dade Office of Community and Economic Development / ED Division	CDBG Revolving Loan Fund Program / TUA	MULTIPLE TUA	\$0	\$0	\$300,000	\$300,000
Miami-Dade Office of Community and Economic Development / ED Division	Parrot Jungle Annual Debt Service	N/A	\$0	\$0	\$150,000	\$150,000
Miami-Dade Office of Community and Economic Development / UD Division	Support Services for CD- Acquired Parcels	MULTIPLE TUA	\$0	\$0	\$100,000	\$100,000
Miami-Dade Office of Community and Economic Development / UD Division	Melrose Commercial Sewer Improvements	N/A	\$0	\$47,000	\$47,000	\$47,000
Miami-Dade Office of Community and Economic Development / UD Division	South Miami Strip Mall Pre-Development - Phase II	N/A	\$0	\$94,000	\$94,000	\$94,000
Neighbors and Neighbors Association, Inc.	Economic Development Technical Assistance	MULTIPLE TUA	\$350,000	\$0	\$188,000	\$188,000
North Dade Community Development Federal Credit Union	North Dade Community Marketing/Awareness (CMA) Job Retention	MULTIPLE TUA	\$125,000	\$0	\$100,000	\$100,000
Partners for Self-Employment, Inc./dba Micro-Business, USA	Matched Savings Fund	N/A	\$0	\$0	\$70,000	\$70,000
Peninsula Developers	Edison Plaza	N/A	\$0	\$0	\$150,000	\$150,000

23

AGENCY/DEPART	ACTIVITY	TUA	URTF RECOMM	CAC RECOMM	MGR RECOMM	TOTAL AMOUNT
Rafael Hernandez Housing And Economic Development Corp.	Wynwood Business Development Program	N/A	\$0	\$0	\$37,000	\$37,000
South Florida CDC	Technical Assistance	MULTIPLE TUA	\$0	\$0	\$23,000	\$23,000
South Florida Puerto Rican Chamber of Commerce, Inc.	Micro Lending Pilot Program	N/A	\$0	\$0	\$47,000	\$47,000
Technological Research & Development Authority, Carrie P. Meek Center for Business	Carrie P. Meek Center of Business Technical Assistance	Florida City	\$0	\$28,000	\$28,000	\$28,000
Technological Research & Development Authority, Carrie P. Meek Center for Business	SET For Success	N/A	\$150,000	\$19,000	\$19,000	\$19,000
<b>Total</b>			<b>\$2,131,000</b>	<b>\$381,000</b>	<b>\$4,192,025</b>	<b>\$4,240,025</b>

\*Agencies located in the City of Miami

(d) Historic Preservation

Requests for funding in this category total \$325,000. The funding recommendations for Historic Preservation activities amount to \$145,620 of the total CDBG allocation, compared to \$120,000 in FY 2004. Additional funding related to Historic Preservation is allocated in the Administration category in the amount of \$170,000 to support the County's Office of Historic Preservation.

(e) Housing

Of the total proposed FY 2005 allocation, \$2,982,759 or 13% is recommended for housing activities. In FY 2004, \$2,956,000 (12.3%) was allocated to housing activities. Funding strategies in this category include completing projects that have been funded in previous years and recommending projects that are fully funded with the combination of CDBG funding and other funding sources.

OCED recommends the funding of a capacity building training program for approximately 10 CDCs by the South Florida LISC Community Development Training Institute in collaboration with Florida International University. This training will consist of building competency in community development organizations by increasing their program management and real estate expertise.

(f) Public Services

Requests for public service funding through the FY 2005 RFA process totaled approximately \$35,312,608. The FY 2005 Public Service County Staff's recommendations amount to \$6,621,025. In accordance to US HUD regulations, the amount of CDBG funds used for public services shall not exceed 15 percent of each grant. However, public services carried out pursuant to a Neighborhood Revitalization Strategy by a Community-Based Development Organization (CBDO) are exempt from the public service cap. Approximately \$2,622,000 is allocated to CBDOs that provide public services to NRSAs.

Funding strategies for this category are based on recommending activities that are identified as a high priority in the FY2004-07 Consolidated Plan. High priority public service activities include childcare, handicapped services, youth programs, employment training and senior services. Recommendations for public service activities were made in consultation with the Alliance for Human Services for consistency with the Social Services Master Plan. Those activities with leveraging and low cost per client within their cluster were also given priority.

(g) Funding for Activities in Entitlement Cities based on Metropolitan Significance Criteria

Activities with metropolitan significance that are located in the entitlement cities of Miami Beach, North Miami, and Hialeah are recommended for a total of \$363,005 of the FY 2005 total CDBG allocation. In addition, \$3.1 million of funding is recommended to be used to offset debt service costs associated with the Parrot Jungle. If the City of Miami accepts its responsibility in regarding the Parrot Jungle or if the Parrot Jungle makes it payments, those funds would be available to fund the affected CBOs (See Attachment 2).

In recommending funding for activities in entitlement cities, staff was especially mindful of U.S. HUD's Final Rule issued in November 1995, which stated that CDBG funds may assist an activity outside the jurisdiction of the Grantee only if the Grantee determines that such activity is necessary to further the purposes of the Housing and

Community Development Act and the recipient's community development objectives, and that reasonable benefit from the activity will accrue to the residents of the jurisdiction of the Grantee. This new language, to some extent, restricts the number of activities that can be recommended for funding. Additionally, consideration was given to the consistency of the activity with the high priority needs identified in the particular jurisdiction's Consolidated Plan.

25

In accordance with the approved FY 2005 Consolidated Planning Process Policies, funding for activities in entitlement jurisdictions participating in the State of Florida Small Cities CDBG Program is limited to those activities which demonstrate Metropolitan Significance and are consistent with the high priority needs identified in that jurisdiction's Consolidated Plan. Further, in order to be eligible for CDBG funding from Miami-Dade County, an activity in, either a Small Cities Program area (such as the cities of Homestead and Florida City) or an entitlement jurisdiction, will have to pass an eligibility determination test that demonstrates that the majority of its program benefits, or has benefited the County's unincorporated or entitlement area in the past.

**FUNDING FOR ENTITLEMENT CITIES**

Entitlement/ Small Cities* Area	2000 Population	2000 Low/Mod Population	FY 2003 Entitlement Amount	FY 2004 Entitlement Amount	FY 2005 Entitlement Amount (Estimated)	FY 2005 County Staff Recommend
Hialeah	188,008	91,436	5,514,000	5,624,280	5,100,000	103,000
Miami	358,548	215,293	12,856,000	13,113,120	9,903,000	3,112,000***
Miami Beach	92,639	54,144	2,777,000	2,832,540	2,111,000	60,000
North Miami	50,001	22,656	1,107,000	1,129,140	1,420,737	106,000
Subtotal	689,196	383,529	22,254,000	22,699,080	18,534,737	3,463,005
Miami-Dade	1,215,226	417,813	24,113,000	23,677,000	22,810,025	19,427,020
Total**						22,810,025

- \* The cities of Florida City and Homestead no longer participate in the County's program, they participate in the Small Cities CDBG program administered by the State of Florida.
- \*\* This total includes the CDBG program income of \$400,000
- \*\*\* This amount is the total that could be allocated to CBOs based in the City of Miami, if the City or Parrot Jungle reimburses the County for debt service payments to US HUD.

(h) BCC District Fund Recommendations

Per Resolution R-361-04, the FY 2005 RFA Policy Paper approved a CDBG-BCC District Fund allocation of \$200,000 for each Commission District for a total of \$2,600,000. The Enterprise Community Center (ECC) was the centerpiece of the County's strategic plan for the Federal Enterprise Community designation it received in lieu of a Federal Empowerment Zone designation for which the County had applied. Prior to the County's designation as a Federal Empowerment Zone, the federal funding of approximately \$3 million that the County received was fully allocated to the start-up and operation of the ECC under the auspices of OCED. Approximately two years ago, all of the Federal funding allocated for this program was expended by OCED, and the management and operation of the ECC was transitioned to the Miami-Dade Empowerment Zone Trust pursuant to an MOU between the County and the

26

Trust. The MOU includes a provision for the Empowerment Zone Trust to be responsible for the implementation of the County's designations as both a Federal Enterprise Community as well as a Federal Empowerment Zone.

The ECC was not funded during the FY 2004-05 budget process. The Empowerment Zone benefits from no County administrative funding and its current allocation from federal government was cut by 40%. Therefore, the Empowerment Zone Trust has indicated that funds to support this initiative are not available. OCED staff asked each Commission District to support the ECC program because of its cross County success, the need for business technical assistance, and its ability to support the Mom & Pop program. Based on the response from each office, \$35,000 from each Commission District Fund is allocated to the ECC, leaving a balance of \$165,000 in each Commission District Fund.

We expect the District allocations to be in place shortly before or during the CDBG final hearing.

#### HOME INVESTMENT PARTNERSHIP PROGRAM AND CHDO RECOMMENDATIONS

It is anticipated that the available funds for the HOME Program will total \$8,562,996 in FY 2005, including an allocation of \$600,000 of program income, \$300,000 in additional FY 2003 HOME Program income, and \$186,254 of American Dream Down payment Initiative funds. The HOME Program provides funds for permanent and construction loans, as well as first and second mortgage financing to assist very-low and low-income to moderate-income families to purchase or rent affordable housing units. It is noted that reserves exist in the CHDO categories. The use of CHDO funding is limited to HOME funded activities and can accommodate project administration and pre-development costs to certified CHDOs. At this time, staff is recommending that the reserves remain in place until the first (1<sup>st</sup>) quarter of FY 2005 to support an anticipated HOME reprogramming effort. While OCED is now in compliance with CDBG spending guidelines, its HOME program requires immediate corrective action to expedite future disbursements.

The corrective action will consist of utilizing the Urban Development Division, with its existing skill set to function as a Community Builder's Technical Assistance Support Group. This function will be supplemented by public/private partnerships designed to link management and capacity support when gaps in these areas are identified. During FY 2004, we successfully experimented with this new service delivery format which resulted in the completion of the Sandy Pines Initiative, in coordination with the Miami-Dade Empowerment Trust Inc.; the resolution of the Preserve Housing Initiative, in coordination with USHUD; and the commencement of the Model Housing Initiative in conjunction with the City of Miami's Housing Department.



All of these transactions were projects that commenced in the 1990's but were never completed. These projects are now stabilized and are proceeding with portions already complete.

Additional strategies to expedite the HOME funding consist of a new format for the scope of services (SOS) for the HOME funded activities and revised monitoring procedures. Finally OCED in conjunction with MDHA, will review all approved but stalled HOME funded projects with the intent of reallocating these funds to eligible projects ready to commence.

The American Dream Downpayment Initiative (ADDI) was signed into law on December 6, 2003. It aims to increase the homeownership rate among lower income and minority households. It is recommended that \$186,254 of ADDI funds and this year's HOME funding be allocated to the Miami-Dade Housing Finance Authority to be administered along with its currently funded deep subsidy program.

#### FY 2005 HOME RECOMMENDATIONS

Program Administration	\$783,789
Rental Housing	\$2,100,000
Homeownership	\$3,622,000
Homeless Housing	\$1,000,000
CHDO Operating Support	\$225,000
CHDO Set aside	\$107,105
American Dream (ADDI)	\$186,254
HOME Reserve	\$538,848
<b>Total</b>	<b>\$8,562,996</b>

#### EMERGENCY SHELTER GRANT (ESG) RECOMMENDATIONS

The County expects \$868,955 in ESG funds in FY 2005. It is recommended that these funds be contracted to Camillus House to continue to operate the County's Beckham Hall facility. Single males comprise approximately 62% of the homeless population in Miami-Dade County. Beckham Hall will provide temporary shelter and services for some 1,200 homeless males over the next year.

The match will be based upon funds that Miami-Dade County provides for the annual operation of the homeless programs and facilities in Miami-Dade County. A match of 100% is required.

**STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM**

The SHIP program allows flexible funding for housing development to meet local needs. SHIP funding expected to be available in FY 2005 is \$3,100,000. The AHAB made SHIP recommendations on September 22, 2004. The recommended funding distribution is as follows:

Homeownership	\$2,000,000
Rental	\$500,000
Homebuyer Counseling	\$600,000
<b>Total</b>	<b>\$3,100,000</b>

SHIP funding recommendations are included in Exhibit 1.

**DOCUMENTARY STAMP SURTAX PROGRAM**

The Surtax program provides funds that primarily promote the development and preservation of affordable housing units. An allocation of \$19,464,000 is being recommended for rehabilitation or construction of new rental units, and \$4,730,800 for new homeownership units. Funding recommendations are based on the total amount of available affordable housing funding from all sources, and the review and evaluation of projects that applied for funds in the various categories. Surtax funding recommendations are included in Exhibit 1.

**COMMUNITY ADVISORY COMMITTEE (CAC) RECOMMENDATIONS**

In an effort to directly meet the needs of low and moderate-income communities, \$94,000 is being allocated to each of the ten CACs to address high priority needs in their neighborhoods. This allocation represents a 6% reduction from the FY 2004 funding level. That reduction is consistent with the federal reduction of CDBG funding. CACs are being empowered to make non-public service recommendations to meet high priorities as identified in their Neighborhood Revitalization Strategies.

Two new Neighborhood Revitalization Strategy Areas; W. Kendall and Sweetwater are being allocated a total of \$188,000 to develop Strategic Plans as required by US HUD. US HUD requires these Neighborhood Revitalization Strategies as described in its Consolidated Plan regulations. The Strategies will be developed in consultation with neighborhood residents, businesses, non-profit organizations, and community groups. Once the Strategies have been completed, they will be presented to the BCC for final approval before submission to US HUD in 2005. For each area, the Strategies will include, but not be limited to, an analysis of the boundaries and demographics, an assessment of the economic conditions, an economic empowerment strategy, and the development of performance measurements and benchmarks to quantify results of investments.

We expect the CAC recommendations to be completed in the first quarter 2005.

AUTHORIZATION TO MAKE NON-SUBSTANTIAL CHANGES

It is recommended that the Office of Community and Economic Development continue to be authorized to make administrative non-substantial amendments to the plan approved by the BCC. As previously approved by the BCC the criteria for substantial amendments to the consolidated plan are stated below:

1. An activity assumes a new purpose;
2. The scope of activity is increased by 100% or more;
3. The change in the cost of an activity is \$100,000 or more, or;
4. An activity's services are redirected outside of the previously agreed upon target (NRSA) area.

---

Tony E. Crapp, Sr., Assistant County Manager

*On February 1, 2005, the BCC took final action on the FY 05 Action Plan and amendment to the FY 2003-2007 Consolidated Plan. A motion was made by Commissioner Jordan to prohibit the use of any CDBG funds for any repayments of the Section 108 Loan to Parrot Jungle and Gardens, Inc.. The motion was seconded by Commissioner Sosa and approved unanimously.*

*Commissioner Barreiro reallocated \$100,000 of Surtax funds from Rivers Development Group, Inc. to Volunteers of America.*

*Commissioner Jordan requested a report showing all newly funded agencies and those agencies that received a greater than 6 per cent reduction in funding.*

*Commissioner Sorenson requested a report on what issues led to a non-recommendation from staff on funding to the Haitian Organization of Women.*

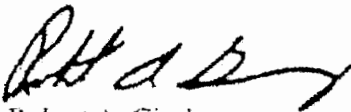


# MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

DATE: February 1, 2005

FROM:   
Robert A. Ginsburg  
County Attorney

Amended  
Substitute  
SUBJECT: Agenda Item No. 7(K)(1)(A)

Please note any items checked.

- "4-Day Rule" ("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
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Amended  
Substitute  
Agenda Item No. 7(K)(1)(A)  
2-1-05

**OFFICIAL FILE COPY  
CLERK OF THE BOARD  
OF COUNTY COMMISSIONERS  
DADE COUNTY, FLORIDA**

RESOLUTION NO. R-160-05

RESOLUTION APPROVING THE FY 2005 FUNDING RECOMMENDATIONS FOR THE STATE HOUSING INITIATIVE PARTNERSHIP, HODAG, RENTAL REHABILITATION AND SURTAX PROGRAMS; AUTHORIZING THE FILING WITH U.S. HUD OF MIAMI-DADE COUNTY'S FY 2005 ACTION PLAN WITH PROJECTED USES OF FUNDS FOR FY 2005 COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP AND EMERGENCY SHELTER GRANT PROGRAMS; DIRECTING THE COUNTY MANAGER TO SUBMIT TO U.S. HUD THE OPA-LOCKA, WEST LITTLE RIVER, MODEL CITY, MELROSE, SOUTH MIAMI, PERRINE, LEISURE CITY, GOULDS, W. KENDALL AND SWEETWATER AREAS AND THE FEDERAL ENTERPRISE COMMUNITY/EMPOWERMENT ZONE FOR DESIGNATION AS NEIGHBORHOOD REVITALIZATION STRATEGY AREAS; AUTHORIZING THE COUNTY MANAGER TO MAKE NON-SUBSTANTIVE MODIFICATIONS TO THE FY2005 ACTION PLAN; AUTHORIZING THE COUNTY MANAGER TO GIVE PRIORITY CONSIDERATION TO FULFILL FY 2004-2005 BUDGETED MANDATES; AND EXECUTE ALL CONTRACTS, AGREEMENTS, AMENDMENTS, AND TO SHIFT FUNDS AWARDED FOR A PROJECT TO AN ENTITY CREATED FOR THE PURPOSE OF CARRYING OUT THAT PROJECT NECESSARY TO CARRY OUT THE ABOVE PROGRAMS; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE THE CANCELLATION PROVISIONS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outline 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 this Board approves the

funding recommendations for the State Housing Initiative Partnership (SHIP), HODAG, Rental Rehabilitation and Surtax Programs; authorizes the filing with U.S. HUD of the Miami-Dade County FY 2005 Action Plan with projected uses of funds for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Shelter Grant (ESG) Programs; authorizes the County Manager to give priority consideration to fulfill FY 2004-2005 budgeted mandates, and to shift funds for each program among activities of the same agency without exceeding the total amount allocated to that agency; authorizes the County Manager to shift funding between agencies without exceeding the total award amount to that activity or changing the scope of that activity; directs the County Manager to submit to U.S. HUD the Opa-locka, West Little River, Model City, Melrose, South Miami, Perrine, Leisure City/Naranja, Goulds, W. Kendall and Sweetwater Areas and the Federal Enterprise Community/Empowerment Zone areas for designation as Neighborhood Revitalization Strategy Areas; authorizes the County Manager to make non-substantive modifications to the FY 2005 Action Plan; authorizes the County Manager to execute pre-approved contracts pursuant to US HUD's guidelines; authorizes the County Manager to execute such contracts, agreements and amendments necessary to carry out the above programs after approval by the County Attorney Office; and authorizes the County Manager to exercise the cancellation provisions contained therein.

The foregoing was offered by Commissioner **Dr. Barbara Carey-Shuler** 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:


Joe A. Martinez, Chairman	<b>absent</b>	Dr. Barbara Carey-Shuler	<b>aye</b>
Dennis C. Moss, Vice-Chairman	<b>absent</b>	Carlos A. Gimenez	<b>aye</b>
Bruno A. Barreiro	<b>aye</b>	Barbara J. Jordan	<b>aye</b>
Jose "Pepe" Diaz	<b>aye</b>	Natacha Seijas	<b>absent</b>
Sally A. Heyman	<b>aye</b>	Rebeca Sosa	<b>aye</b>
Dorrin D. Rolle	<b>aye</b>		
Katy Sorenson	<b>aye</b>		
Sen. Javier D. Souto	<b>absent</b>		

The Chairperson thereupon declared the resolution duly passed and adopted this 1<sup>st</sup> day of February, 2005. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



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

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency. 

Shannon D. Summerset

By: ~~KAY SULLIVAN~~  
Deputy Clerk

**FY 2005 Funding -  
Comparison Between Staff and Manager's Recommendation**

Agency Name	Activity Name	FY05 Total Amount as of Public Hearing 1/25/05	County Manager's Recommendation	Difference	Commission District
Bayview Center for Mental Health, Inc.	Employment Training and Placement Food Service	\$23,000	\$35,500	\$12,500	4
Bayview Center for Mental Health, Inc.	Employment Training and Placement Word Processing and Data	\$23,000	\$35,500	\$12,500	4
Citizens Crime Watch	Neighborhood watch/Homeland Security Educational Program	\$47,000	\$75,000	\$28,000	CW
City of Miami Gardens	Code Enforcement	\$94,000	\$144,000	\$50,000	1
City of Miami Gardens	Façade Restoration Program	\$94,000	\$100,000	\$6,000	1
City of Miami Gardens	Public facilities-Predevelopment Economic Development	\$47,000	\$50,000	\$3,000	1
City of South Miami	Reconstruction of Church Street Phase III	\$0	\$100,000	\$100,000	7
City of Sweetwater	General Public Services	\$0	\$50,000	\$50,000	12
Community Health Concerns	HIV/AIDS Health Prevention	\$0	\$25,000	\$25,000	9
Haitian American Citizenship and Voter Education Center, Inc.	Reaching for the American dream	\$47,000	\$50,000	\$3,000	3
J L Brown Development Corporation	112 Ave Shops	\$164,000	\$200,000	\$36,000	9

37



**FY 2005 Funding -  
Comparison Between Staff and Manager's Recommendation**

Agency Name	Activity Name	FY 05 Total Amount as of Public Hearing 1/25/05	County Manager Recommendation	Difference	Commission District
JESCA	Case Management Services "young Girls to Young Ladies"	\$65,000	\$115,000	\$50,000	2
JESCA	Model City Youth Streetworker Program	\$80,000	\$130,000	\$50,000	2
Jewish Community Services of South Florida, Inc	Senior Crime Prevention	\$23,000	\$48,000	\$25,000	4
MD OCED	CD Disposition	\$539,765	\$459,860	-\$79,905	CW
MD OCED	MicroEnterprise	\$300,000	\$200,000	-\$100,000	CW
MD OCED	CRP	\$504,568	\$205,000	-\$299,568	CW
MD ET	Phicol Williams	\$100,000	\$75,000	-\$25,000	9
Miami Beach Community Development Corp	Acquisition/Disposition Scattered Sites Home Buyer Program	\$0	\$38,375	\$38,375	5
Mujeres Unidas Justicia Education Y Reforma, Inc.	Network services for Battered and abused spouses	\$55,000	\$80,000	\$25,000	8
North Dade Community Development Credit Union	North Dade Community Marketing/Awareness Job Retention	\$94,000	\$100,000	\$6,000	1
Partners for Self Employment	Matched Savings Fund	\$140,000	\$70,000	-\$70,000	

**FY 2005 Funding -  
Comparison Between Staff and Manager's Recommendation**

Agency Name	Activity Name	FY 05 Total Amount as of Public Hearing 1/25/05	County Manager's Recommendation	Difference	Commission District
Peninsula Developers	Edison Plaza	\$300,000	\$150,000	-\$150,000	3
Richmond Perrine Optimist Club, Inc.	Perrine Crime Prevention Program	\$0	\$117,500	\$117,500	9
SBC Community Development Corporation	SBC Family Life Center	\$0	\$50,000	\$50,000	9
Southwest Social Services	Tamiami Senior Center	\$94,000	\$100,000	\$6,000	11
St. Thomas University	Knowledge is Power	\$28,000	\$50,000	\$22,000	1
St. Thomas University	Neighborhood Integration Program	\$28,000	\$50,000	\$22,000	1
Theodore Roosevelt Gibson Memorial Fund, Inc.	HIV/AIDS Substance Abuse & Help-C health prevention	\$0	\$30,000	\$30,000	7
World Literacy Crusade of Florida, Inc.	Girl Power	\$28,000	\$35,000	\$7,000	3
<b>Total</b>		<b>\$2,918,333</b>	<b>\$2,968,735</b>	<b>\$50,402</b>	

# Exhibit 1 - FY 2005 Funding Recommendations by Applicant



ACTIVITY TITLE: Pinnacle Place  
 AREA: PHG  
 CITY/MUNIC: PHG  
 EB6: PHG  
 DISTRICT: PHG  
 CATE: PHG  
 EMP: PHG  
 ZONE: PHG  
 TUA: PHG  
 FY 2004 RESO AMOUNT: \$0  
 FY 2004 FUNDED AMOUNT: \$0  
 FUNDING SOURCE: \$0  
 FY 2005 REQUEST AMOUNT: \$1,000,000  
 FY 2005 AHAB/URTF Recom.: \$0  
 FY 2005 CAC Recom.: \$0  
 BCC Distr Funds Recom.: \$0  
 FY 2005 Staff Recom.: \$1,000,000  
 FY 2005 Mgr. Recom.: \$0  
 FY 2005 BCC ALLOCATION: \$0  
 FY 2005 TOTAL AMOUNT: \$0

## APPLICANT NAME: Pinnacle Place, Ltd.

APPLICANT NAME	PHG	NON-NRSA	03	Housing	N/A	SUR TAX	\$1,000,000	AHAB	\$1,000,000	URTF	\$0	FY 2005 CAC Recom.	\$0	BCC Distr Funds Recom.	\$0	FY 2005 Staff Recom.	\$1,000,000	FY 2005 Mgr. Recom.	\$0	FY 2005 BCC ALLOCATION	\$0	FY 2005 TOTAL AMOUNT	\$0
Pinnacle Place	PHG	NON-NRSA	03	Housing	N/A	SUR TAX	\$1,000,000	AHAB	\$1,000,000	URTF	\$0	FY 2005 CAC Recom.	\$0	BCC Distr Funds Recom.	\$0	FY 2005 Staff Recom.	\$1,000,000	FY 2005 Mgr. Recom.	\$0	FY 2005 BCC ALLOCATION	\$0	FY 2005 TOTAL AMOUNT	\$0
New construction of multi-family 128 units located at 5600 NE 4 Ave & 388 NE 37 St for low/mod income families		None																					
FY 2005 Activity ID	20051117																						
FY 2004 Activity ID																							

### TOTALS FOR APPLICANT

FY 2005 Activity ID	20051117						\$1,000,000		\$0		\$0		\$0				\$1,000,000		\$0			\$0
---------------------	----------	--	--	--	--	--	-------------	--	-----	--	-----	--	-----	--	--	--	-------------	--	-----	--	--	-----





**EXHIBIT G**

7

- b. Provide a Deed or Certificate of Title – The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in the county in which the property is located and show the Applicant as the sole Grantee.

OR

- c. Provide a Lease - The lease must have an unexpired term of at least 50 years from the Application Deadline and the lessee must be the Applicant. The lease may be contingent only upon receipt of MMRB, SAIL, HOME and/or HC funding.

3. Evidence of Infrastructure Availability (Threshold)

Verification of the availability of each type of infrastructure on or before the Application Deadline must be provided. Infrastructure is considered available if there are no impediments to obtaining service other than the conditions expressed in the Verification of Availability of Infrastructure forms as provided in this Application Package. Should any variance or local hearing be required, or if there is a moratorium pertaining to any of the utilities or roads for this Development, the infrastructure is not available.

Applicant may submit the properly completed and executed Verification of Availability of Infrastructure Forms included within the Application Package or submit a letter from the entity providing the service (electricity, water, and wastewater) or Local Government (roads) verifying availability of the infrastructure for the proposed Development. Each Verification of Availability of Infrastructure Form or letter confirming infrastructure availability must demonstrate availability on or before the Application Deadline. Letters must be Development-specific and dated within 12 months of the Application Deadline. The verifications may not be signed by the Applicant, by any related parties of the Applicant, or by any Principals or Financial Beneficiaries of the Applicant.

Evidence of availability of electricity must be provided behind a tab labeled “**Exhibit 28**”. Evidence of availability of water must be provided behind a tab labeled “**Exhibit 29**”. Evidence of availability of sewer, package treatment or septic tank must be provided behind a tab labeled “**Exhibit 30**”. Evidence of availability of roads must be provided behind a tab labeled “**Exhibit 31**”.

4. Evidence of Appropriate Zoning (Threshold)

To demonstrate that, on or before the date that signifies the end of the cure period outlined in Rules 67-21.003 and 67-48.004, F.A.C., the proposed Development site is appropriately zoned and consistent with local land use regulations regarding density and intended use or that the proposed Development site is legally non-conforming, the Applicant must provide the appropriate verification

Local Government Verification of Contribution Form(s). To qualify for points, each Local Government Verification of Contribution Form must reflect the following dates:

- the effective date of the Local Government commitment and/or fee waiver (date must be on or before the Application Deadline); and
  - the term of the commitment and/or fee waiver (the commitment and/or fee waiver must be effective at least through December 31, 2005)
- (1) Provide the Local Government Verification of Contribution – Grant Form behind a tab labeled “**Exhibit 43**”;
  - (2) Provide the Local Government Verification of Contribution – Fee Waiver Form behind a tab labeled “**Exhibit 44**”;
  - (3) Provide the Local Government Verification of Contribution – Loan Form behind a tab labeled “**Exhibit 45**”; and/or
  - (4) Provide the Local Government Verification of Contribution – Fee Deferral Form behind a tab labeled “**Exhibit 46**”.

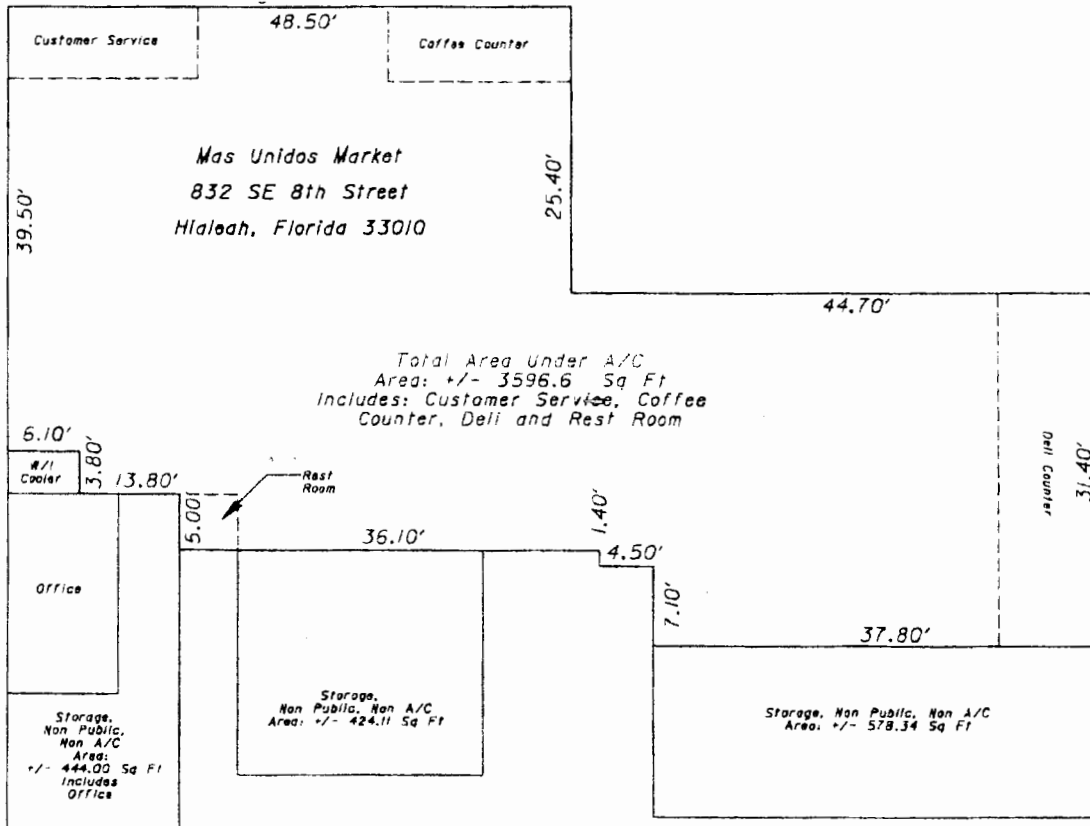
The payment stream for all present value calculations (if contribution consists of a loan or deferred fee) should be provided behind the applicable exhibit tab.

In order to be eligible for points for a Local Government contribution, the contribution must provide a tangible economic benefit that results in a quantifiable cost reduction and must be given specifically because the Development will provide affordable housing. Local Government contributions that are not specifically made for the benefit of affordable housing but are instead of general benefit to the area in which the Development is located will NOT qualify as a contribution to the Development. Further, the fact that no impact fees or other such fees are levied by a local jurisdiction for ANY type of development DOES NOT constitute a "Local Government Contribution" to the proposed Development. Similarly, if such fees ARE levied by the local jurisdiction but the nature of the proposed Development exempts it (e.g., typically, a Rehabilitation Development is not subject to impact fees), for purposes of this form, no "Local Government Contribution" exists and no points will be awarded. State, federal, or Local Government funds initially obtained by or derived from a Local Government qualify as a Local Governmental contribution even though the funds are directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization, provided that they otherwise meet the requirements set forth in this Application, including those relating to the executed verification form. Local Government contributions that have not received final approval will not qualify as a Local Government contribution for purposes of this Application. HOPE VI funds may be used as a Local Government contribution.



## EXHIBIT H

Exhibit A



832 SE 8th Street  
Hialeah, Florida 33010

Floor Plan  
Sketch  
MAS UNIDOS MARKET

Revisions:


**SEA**  
Surveying and Engineering Applications

J3 Executive Centre  
1200 NW 17th Avenue, Suite 3  
Delray Beach, Florida 33445

Date:	03/25/2005	Sheet:
Drawn by:	K.C.J.	1 of 1
Checked by:	K.C.J.	
Scale:	NOT TO SCALE	CADD ID: 05-664BASE.DGN