

Date: December 13, 2016

To: The Honorable Mayor and City Council

From: Tanya Wilson-Sejour, A.I.C.P., Planning, Zoning and Development Director

RE: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING AND AMENDING THE CDBG FISCAL YEAR 2016-2017 ACTION PLAN UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) TO ALLOW THE ALLOCATION OF RECAPTURED FUNDS IN THE AMOUNT OF ONE HUNDRED FOURTEEN THOUSAND NINETY DOLLARS AND EIGHTY-TWO CENTS (\$114,090.82) FROM THE MULTI-FAMILY REHABILITATION PROGRAM TO SINGLE-FAMILY REHABILITATION PROGRAM; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

RECOMMENDATION

Staff is recommending that the Mayor and Council adopt the proposed resolution, approving the allocation of One Hundred Fourteen Thousand Ninety and eighty two cents (\$ 114,090.82) recaptured program income funds from the FY 2015-2016 to FY 2016-2017 Community Development Block Grant (CDBG) action plan to support the City's Single Family Rehabilitation Program.

BACKGROUND

The U.S. Department of Housing and Urban Development (U.S. HUD) provides Community Development Block Grant (CDBG) to the City for the execution and implementation of various community and development programs and projects, as amended under the Title 1 of the Cranston-Gonzalez National Affordable Housing Act.

On April 29th, 2009, the Mayor and City Council approved an agreement for loan between Isidore Corporation and the City to assist the owner to rehabilitate its Multi-Family property under the City's Multi-Family Rental Rehabilitation Program in the amount of One Hundred Thousand Dollars (\$100,000.00). The Borrower agreed to rehabilitate the property, maintain the units affordable and set aside 51% of the units to serve low and moderate income households. The Borrower has since defaulted on the loan and has reimbursed the City the entire amount and all accrued interest in the amount of One Hundred Fourteen Thousand Ninety Dollars and eighty two cents (\$ 114,090.82) at the end of the fiscal year 2015-2016.

Given the growing demands for housing rehabilitation of the city's aging housing stock and limited supply of federal funds, the recapture revenue is necessary for the continued success of the Single-Family Housing Rehabilitation Program. As such, staff recommends the recaptured funds be reprogrammed toward the FY 2016-2017 funding to further support the rehabilitation of single-family dwellings to provide decent and sanitary housing to low and moderate income City residents.

The City published notice of the City's intent to amend the Action Plan in the Miami Herald on November 13, 2016. Consistent with HUD requirements, residents were asked to submit written comments between November 13, 2016 to December 13, 2016 by 5:00 pm. No comments were submitted to date.

Attachments

- 1) Proposed Resolution
- 2) Notice of Public Hearing

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING AND AMENDING THE FISCAL YEAR 2016-2017 COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”) ACTION PLAN TO ALLOW THE ALLOCATION OF RECAPTURED FUNDS IN THE AMOUNT OF ONE HUNDRED FOURTEEN THOUSAND NINETY DOLLARS AND EIGHTY-TWO CENTS (\$114,090.82) FROM THE MULTI-FAMILY REHABILITATION PROGRAM TO THE SINGLE-FAMILY REHABILITATION PROGRAM; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

WHEREAS, the City of North Miami (“City”) has entered into an agreement with the United States Department of Housing and Urban Development (“HUD”) for grant funds to be used for the implementation and execution of a Community Development Grant Program (“CDBG”), pursuant to Title I of the Housing and Community Development Act of 1974, as amended; and

WHEREAS, on April 25, 2006, the Mayor and City Council passed Resolution No. 2006-55 adopting the Housing Program Guidelines to use CDBG funds to finance a rental rehabilitation program meeting the requirements of 24 CFR Part 570, as amended; and

WHEREAS, Isidore Corporation (“Borrower”) is the owner of a multi-family residential property located at: Lots 5 and 6, of Coconut Creek, a subdivision according to the plat thereof, as recorded in Plat Book 70, Page 79, of the public records of Miami-Dade County, Florida, a/k/a 1555 NE 125th Terrace, North Miami, FL 33161 (“Subject Property”); and

WHEREAS, on April 29, 2009, Borrower entered into a Multi-family Rental Rehabilitation Loan Program Agreement under the City’s Multi-Family Rental Rehabilitation Program in the amount of One Hundred Thousand Dollars (\$100,000.00), to provide Borrower with funds for the improvement of the Subject Property (“Agreement”); and

WHEREAS, pursuant to the Agreement, Borrower was required to rehabilitate the Subject Property and maintain the units as affordable rental housing and agreed that at least fifty-one (51) percent of the units would serve low and moderate-income households; and

WHEREAS, in the event of default, the Borrower agreed, as a term and condition of the Agreement that it would pay the entire outstanding principal balance of the loan with all accrued and unpaid interest to the City; and

WHEREAS, Borrower has since defaulted on the loan and has reimbursed the City the entire amount of principal with accrued interest in the amount of One Hundred Fourteen Thousand Ninety Dollars and Eighty-Two Cents (\$114,090.82), referred to herein as “Recaptured Funds”; and

WHEREAS, City administration desires to redistribute Recaptured Funds from the Multi-Family Rental Rehabilitation Program to the Single-Family Rehabilitation Program to assist with the rehabilitation of single-family dwellings to provide decent and sanitary housing to low and moderate-income City residents; and

WHEREAS, the Mayor and City Council find the aforementioned reallocation of Recaptured Funds will facilitate housing to low and moderate-income City residents and serves the best interest of the City.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. Amendment to Fiscal Year 2016-2017 Community Development Block Grant (“CDBG”) Action Plan. The Mayor and City Council of the City of North Miami, Florida, hereby approve and amend the Fiscal Year 2016-2017 Community Development Block Grant (“CDBG”) Action Plan to allow the allocation of recaptured funds in the amount of One Hundred Fourteen Thousand Ninety Dollars and Eighty-Two Cents (\$114,090.82) from the Multi-Family Rehabilitation Program to the Single-Family Rehabilitation Program.

Section 2. Effective Date. This Resolution shall become effective upon adoption.

PASSED AND ADOPTED by a _____ vote of the Mayor and City Council of the City of North Miami, Florida, this ____ day of _____, 2016.

DR. SMITH JOSEPH
MAYOR

ATTEST:

MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

JEFF P. H. CAZEAU, ESQ.
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Mayor Smith Joseph, D.O., Pharm. D.
Vice Mayor Alix Desulme
Councilman Scott Galvin
Councilwoman Carol Keys, Esq.
Councilman Philippe Bien-Aime

_____ (Yes) _____ (No)
_____ (Yes) _____ (No)
_____ (Yes) _____ (No)
_____ (Yes) _____ (No)
_____ (Yes) _____ (No)



**CITY OF NORTH MIAMI
NOTICE OF PUBLIC HEARING**

TO AMEND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FISCAL YEAR 2016-2017 ACTION PLAN

The City of North Miami, in accordance with 24 CFR Part 570 Amendments, proposes to amend its Federal Community Development Block Grant (CDBG) FISCAL YEAR 2016-2017 Action Plan as follows:

AMENDMENT TO FY 2016-2017 ACTION PLAN

Source of Reprogrammed Funds		Recommended Redistribution of Funds	
Activity	Amount	Activity	Amount
CDBG Multi Family Recaptured Funds Loan Program From Repayment	\$114,090.82	City of North Miami CDBG Single Family Rehabilitation Program	
			\$114,090.82
		TOTAL	\$114,090.82

Citizens are hereby invited to comment on the proposed amendment. All comments must be submitted in writing from November 11, 2016 to December 12, 2016 by 5:00 p.m. and addressed to the City of North Miami, Community Planning & Development Department, 12400 N.E. 8th Avenue, North Miami, Florida 33161, ATTN: Housing Manager. Further information may be obtained by calling (305) 893-6511, Ext. 12246.

The North Miami City Council will hold a public hearing to allow citizens an additional opportunity to comment on this proposed amendment to the Community Development Block Grant (CDBG) Fiscal Year 2016 Action Plan on **Tuesday, December 13, 2016**. The meeting will be held at 7:00 p.m. in the North Miami Council Chambers, City Hall, Second Floor, 776 N.E. 125th Street, North Miami, Florida 33161.

THIS MEETING IS OPEN TO THE PUBLIC IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, ALL PERSONS WHO ARE DISABLED AND WHO NEED SPECIAL ACCOMMODATIONS TO PARTICIPATE IN THIS MEETING BECAUSE OF THAT DISABILITY SHOULD CONTACT THE OFFICE OF THE CITY CLERK, (305) 893-6511, Ext. 12142, NO LATER THAN FOUR DAYS PRIOR TO SUCH PROCEEDING. HEARING IMPAIRED MAY CONTACT THE TDD LINE AT (305) 893-7936.

IN ACCORDANCE WITH THE PROVISIONS OF SECTION 286.0105, FLORIDA STATUS, ANYONE WISHNG TO APPEAL ANY DECISION MADE BY THE CITY OF NORTH MIAMI CITY COUNCIL, WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING, WILL NEED A RECORD OF THE PROCEEDINGS AND, FOR SUCH PURPOSE, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, INCLUDING THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.



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