

Date: August 23rd, 2016

To: Honorable Mayor and City Council Members

From: Tanya Wilson- Séjour, AICP, Planning, Zoning & Development Director

Re: Construction of Elderly Housing
Address: 1046 NE 128th Street
Owner: City of North Miami

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NORTH MIAMI AND OPA-LOCKA COMMUNITY DEVELOPMENT CORPORATION, INC., TO DEVELOP A CITY-OWNED PROPERTY LOCATED AT 1046 NE 128TH STREET, FOR THE CONSTRUCTION OF ELDERLY HOUSING (“PROJECT”), WITH CITY CONTRIBUTIONS TOTALING ONE HUNDRED SIXTY-TWO THOUSAND FORTY-FIVE DOLLARS (\$162,045.00) USING FUNDS RECEIVED FROM THE HOME INVESTMENT PARTNERSHIP PROGRAM AND THE TD CHARITABLE FOUNDATION; AUTHORIZING THE CREATION OF 128TH STREET DEVELOPMENT LLC, BETWEEN THE CITY OF NORTH MIAMI AND OPA-LOCKA COMMUNITY DEVELOPMENT CORPORATION, INC., TO MANAGE THE CONSTRUCTION AND MAINTENANCE OF THE PROJECT; AUTHORIZING THE CITY MANAGER TO DO ALL THINGS NECESSARY AND TO EXECUTE ALL DOCUMENTS TO EFFECTUATE THE DEVELOPMENT OF THE PROJECT; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

STAFF RECOMMENDATION

It is recommended that the Mayor and Council approve the proposed resolution, authorizing the City Manager and the City Attorney to negotiate and execute a Memorandum of Understanding between the City and Opa-Locka Community Development Corporation, Inc. (“OLCDC”) for the Development of a city-owned property located at 1046 NE 128th Street to create an elderly housing project and meet City’s Community Housing Development Organization (“CHDO”) allocation requirement grant.

BACKGROUND INFORMATION

The City's recent 2015 Housing Need Assessment revealed one of the greatest challenge facing North Miami residents is housing affordability. The Florida Housing Data clearinghouse confirmed that approximately 60% of households or 12,119 North Miami residents are cost burdened. In other words, they paid more than 30% of their household income on housing related cost. The data further revealed that the elderly and renters account for the majority of the households considered cost burdened. Based on the report findings, decent affordable rental housing is a priority and important need for North Miami residents. Given the fact that many elderly residents are on a fixed income and in dire need of additional supportive housing and services the City recognizes the importance of providing subsidies, rehab assistance and rental units for this vulnerable group within our community.

PURPOSE

In effort to ameliorate the housing burdens faced by the City's elderly, the city of North Miami's Housing Division has applied for and received a grant through TD Bank under the competitive 2015 Housing For Everyone Grant Program in the amount of One Hundred Thousand Dollars (\$ 100,000.00) to develop a derelict property donated to the City located at 1046 NE 128 Street as endorsed by Resolution 2015-R-132 that was passed and adopted on December 8, 2015. As the recipient of HOME Investment Partnership Program funds from the U.S. Department of Housing and Urban Development, the City is required to set aside a minimum of fifteen (15 %) of its total allocation for investment in housing to be developed, sponsored or owned by CHDOs. As such, OLCDC has been certified as a CHDO and has expressed interest to partner with the City in the development of affordable rental housing for the Elderly. On July 8th, 2014 and July 14th, 2015, the Mayor and Council adopted Resolutions 2014-R-59 and 2015-R-75 approving the FY 2014-2015 and FY 2015-16 HOME Investment Partnership Program Action Plan and allocating 15 % of the total award in the amount of Sixty Two Thousand and Forty Five dollars (\$ 62, 045) to CHDO activity. In an effort to bring about the project, the City desires to partner with OLCDC, creates a limited Liability Company entitled, 128 Street Development LLC, leverage the funds and dedicate approximate One Hundred Sixty Two Thousand and Forty Five dollars (\$162,045 .00) from its TD Bank Grant and CHDO funds toward the development of the subject property. Established in 1980, OLCDC is a certified CHDO as required by HUD and an established developer of affordable housing. OLCDC has built over two thousand five hundred (2,500) dwelling units through partnerships with Miami-Dade County and private developers. OLCDC has shown interest in partnering with the City and is willing to leverage their own funds to help develop the subject property for elderly rental housing at an estimate total project cost of Three Hundred Thirty Thousand Dollars (\$ 330,000).

CONCLUSION

The City's Administration desires to commit the property and the funds towards the development of elderly housing said project and OLCDC will assume the responsibility to finalize the drawings, design and construction and maintenance of the project. In an effort to ensure long term affordability of the unit, there will be a restrictive covenant recorded that runs with the land in perpetuity. The units will also be age and income restricted to those individuals 62 years and older.

Staff believes that Opa-Locka CDC is fully qualified as a CHDO as required by HUD regulations 24 CFR Part 92, possesses the skills, knowledge, qualifications and experience to provide the necessary services. Furthermore, the partnership with OLCDC will satisfy the City's HOME funding obligation and ensures the provision of decent affordable housing to low and moderate income elderly within the city of North Miami.

TWS/mjp

Attachments:

1. Proposed Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NORTH MIAMI AND OPA-LOCKA COMMUNITY DEVELOPMENT CORPORATION, INC., TO DEVELOP A CITY-OWNED PROPERTY LOCATED AT 1046 NE 128TH STREET FOR THE CONSTRUCTION OF ELDERLY HOUSING (“PROJECT”), WITH CITY CONTRIBUTIONS TOTALING ONE HUNDRED SIXTY-TWO THOUSAND FORTY-FIVE DOLLARS (\$162,045.00) USING FUNDS RECEIVED FROM THE HOME INVESTMENT PARTNERSHIP PROGRAM AND THE TD CHARITABLE FOUNDATION; AUTHORIZING THE CREATION OF 128TH STREET DEVELOPMENT LLC, BETWEEN THE CITY OF NORTH MIAMI AND OPA-LOCKA COMMUNITY DEVELOPMENT CORPORATION, INC., TO MANAGE THE CONSTRUCTION AND MAINTENANCE OF THE PROJECT; AUTHORIZING THE CITY MANAGER TO DO ALL THINGS NECESSARY AND TO EXECUTE ALL DOCUMENTS TO EFFECTUATE THE DEVELOPMENT OF THE PROJECT; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

WHEREAS, the Opa-Locka Community Development Corporation, Inc., a Florida Not-for-profit entity established since 1980 (“Opa-Locka CDC”), was evaluated and certified by the Department of Housing and Urban Development as a Community Housing Development Organization (“CHDO”); and

WHEREAS, the Opa-Locka CDC has built over Two Thousand Five Hundred (2,500) dwelling units through partnerships with Miami-Dade County and private developers and is therefore well situated to undertake an affordable elderly housing Project with the City of North Miami (“City”) through fruition; and

WHEREAS, the City Community Planning and Development Department applied for and subsequently received a grant through TD Bank under the *2015 Housing For Everyone Grant Program* in the amount of One Hundred Thousand Dollars (\$100,000.00) (“TD Bank Grant”), to develop a property donated to the City located at 1046 NE 128th Street (“Subject Property”), as endorsed by Resolution 2015-R-132, passed and adopted on December 8, 2015; and

WHEREAS, the City Community Planning and Development Department has set aside for Fiscal Year 2014-2015 and Fiscal Year 2015-2016 of HOME Investment Partnership Program funds, approximately Sixty-Two Thousand Forty-Five Dollars (\$62,045.00); and

WHEREAS, the City desires to combine the funds and dedicate approximately One Hundred Sixty-Two Thousand Forty-Five Dollars (\$162,045.00) from its TD Bank Grant and CHDO funds, towards the development of the Subject Property; and

WHEREAS, the Opa-Locka CDC has shown strong interest in partnering with the City and is willing to leverage their own funds to help develop the Subject Property with the construction of elderly housing, at an estimated total project cost of Three Hundred Thirty Thousand Dollars (\$330,000.00) (“Project”); and

WHEREAS, the Opa-Locka CDC is also willing to partner with the City in the creation of a Limited Liability Company entitled *128th Street Development LLC*, to assume the responsibility for the construction, maintenance and management of the Project; and

WHEREAS, City administration desires to commit the Subject Property for the development of the Project, and Opa-Locka CDC desires to finalize the drawings, design and construction of the Project, in accordance with the terms and conditions of the Memorandum of Understanding; and

WHEREAS, the Mayor and City Council find that entering into a Memorandum of Understanding for the development and realization of the Project, is in 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, AS FOLLOWS:

Section 1. Authority of City Manager and City Attorney. The Mayor and Council of the City of North Miami, Florida, hereby authorize the City Manager and City Attorney to execute a Memorandum of Understanding, between the City of North Miami and Opa-Locka Community Development Corporation, Inc., to develop a City-owned property located at 1046 NE 128th Street, for the construction of elderly housing (“Project”), with City contributions totaling One Hundred Sixty-Two Thousand Forty-Five Dollars (\$162,045.00) using funds received from the HOME Investment Partnership Program and the TD Charitable Foundation.

Section 2. Approving Creation of a Limited Liability Company. The Mayor and Council of the City of North Miami, Florida, hereby authorize the creation of *128th Street*

Development LLC, between the City of North Miami and Opa-Locka Community Development Corporation, Inc., to manage the construction and maintenance of the Project, by authorizing the City Manager and City Attorney to execute an Operating Agreement.

Section 3. Authority of the City Manager. The Mayor and Council of the City of North Miami, Florida, hereby authorize the City Manager to do all things necessary and to execute all documents to effectuate the development of the Project.

Section 4. Effective Date. This Resolution shall become effective immediately 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.	_____ (Yes)	_____ (No)
Vice Mayor Alix Desulme	_____ (Yes)	_____ (No)
Councilman Scott Galvin	_____ (Yes)	_____ (No)
Councilwoman Carol Keys, Esq.	_____ (Yes)	_____ (No)
Councilman Philippe Bien-Aime	_____ (Yes)	_____ (No)