

RESOLUTION NO. R-11-2006-27

A RESOLUTION OF THE CHAIRMAN AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY APPROVING THE PRE-DEVELOPMENT LOAN BUDGET FOR THE PIONEER GARDENS AFFORDABLE HOUSING PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ANY AND ALL ACTIONS RELATIVE TO THE PRE-DEVELOPMENT LOAN IN ACCORDANCE WITH THE DEVELOPMENT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the North Miami Community Redevelopment Agency (the "CRA") and North Miami Housing, Ltd. ("NMH") previously entered into that certain Development Agreement dated October 17, 2006 (the "Agreement") for the development of an affordable housing project known as Pioneer Gardens at North Miami (the "Project") in accordance with the CRA community redevelopment plan and other redevelopment activities; and

WHEREAS, pursuant to Section 4.5 of the Agreement, NMH is required to use its good faith efforts to obtain a loan (the "Pre-Development Loan") to fund certain pre-development expenses on terms consistent with the Pre-Development Plan and Pre-Development Budget (as defined in the Agreement); and

WHEREAS, the CRA has previously approved the Pre-Development Plan and Pre-Development Budget; and

WHEREAS, NMH is currently in the process of obtaining the Pre-Development Loan and has submitted to the CRA a budget request for the Pre-Development Loan as attached hereto as Exhibit "A" and by this reference made a part hereof (the "Pre-Development Loan Budget"); and

WHEREAS, the CRA Board desires to approve the Pre-Development Loan Budget in accordance with Section 4.5 of the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CHAIRMAN AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY:

Section 1. The recitals in the whereas clauses are true and correct, and incorporated into this Resolution.

Section 2. The Pre-Development Loan Budget as attached hereto as Exhibit "A" is hereby approved.

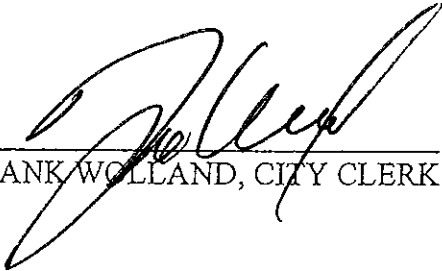
Section 3. The CRA Executive Director is authorized to take any and all actions relative to the Pre-Development Loan; provided, however, any loan documents to be executed by the CRA will require separate CRA Board approval.


Section 4. This resolution shall take effect immediately upon approval.

PASSED AND ADOPTED by a 4-1 vote of the Board of the North Miami Community Redevelopment Agency, this 28 day of November, 2006.

ATTEST:

NORTH MIAMI COMMUNITY
REDEVELOPMENT AGENCY


FRANK WOLLAND, CITY CLERK


KEVIN A. BURNS, CHAIR

APPROVED AS TO FORM:


GRAY ROBINSON, P.A.
CRA ATTORNEY

SPONSORED BY: ADMINISTRATION

Moved by: Scott Galvin

Seconded by: Jacques Despinosse

Vote:

Chair Kevin A. Burns	<u>X</u>	(Yes)	<u> </u>	(No)
Boardmember Michael R. Blynn	<u> </u>	(Yes)	<u>X</u>	(No)
Boardmember Jacques A. Despinosse	<u>X</u>	(Yes)	<u> </u>	(No)
Boardmember Scott Galvin	<u>X</u>	(Yes)	<u> </u>	(No)
Boardmember Marie Erlande Steril	<u>X</u>	(Yes)	<u> </u>	(No)

ATTACHMENT REGARDING PRE-DEVELOPMENT LOAN BUDGET

Pioneer Gardens Affordable Housing Development Proposed Pre-Development Budget for A&D Loan Request

	Preliminary DRAFT Budget from NMH	Proposed Revised DRAFT per CRA review on 11/1/06	Comments as of 11/1/06	Revised DRAFT Budget from NMH on 11/9/06
Sources of Funds				
CRA Advance	200,000	200,000	CRA Advance to be used for demolition and repaid from Construction Loan	
A&D Loan	3,600,000	2,432,500		3,400,000
TOTAL SOURCES	\$3,800,000	\$2,632,500		\$3,400,000
Uses of Funds				
Hard Costs:				
Construction	1,659,500	1,659,500 (?)	CRA needs to review bids	1,411,125
Total Hard Costs	\$1,659,500	\$1,659,500		
Soft Costs:				
Architect & Engineering	597,500	?	Should only include portion of current costs for Rucks II	459,800
Taxes - Real Estate & Other	7,200	7,200 (?)	Intangible tax on amount of A&D Loan	
Insurance	290,000	290,000 (?)	Need to see detail	250,000
Advertisement (RFPs)				12,000
Marketing & Promotion	385,000	-0-	To be funded from CRA LOC and repaid from construction loan	
Management Company Fee	4,500	4,500		18,700
Legal and Professional	110,000	110,000 (?)	Some funded in CRA budget to be repaid from construction loan	66,000
Permits & Impact Fee	289,000	289,000 (?)	Need to see detail	732,000
Finance Costs	126,300	126,300 (?)	Need to see detail	131,500
Soft Cost Contingency	185,000	-0-	Need to reduce or eliminate	103,535
Term Loan Interest Reserve	50,000	50,000 (?)	Need to see detail relative to finance costs	59,340
Other	96,000	96,000 (?)	Need to see detail	156,000
Total Soft Costs	\$2,140,500	\$973,000		\$1,988,875
TOTAL COST	\$3,800,000	\$2,632,500		\$3,400,000

**Plowse Gardens at North Miami
North Miami Housing LTD.
Sources & Uses of Funds**

11/09/2006 Submittal

	Uses		Sources		Notes
	Per Budget	CRA	A&D Loan		
Hard Costs:					
Construction Costs (incl. contingency)	1,411,125	-	1,411,125		Sitework includes \$175 K for building & site demolition, \$61k for construction manager, \$75k to FP&L for service and \$1,100k for earthwork, underground utilities and street base rock.
Total Hard Costs	1,411,125	-	1,411,125		
Soft Costs:					
Architect & Engineering	459,800	-	459,800		Costs of consultants to prepare site and building plans for approval to various governmental agencies. Environmental & geotechnical inspections.
Insurance	250,000	-	250,000		Initial deposits for builders risk & general liability premiums.
Advertisement (RFP's)	12,000	-	12,000		Advertisement for contractors bids and qualifications (RFP) and compliance w/ (BLSLEP) Biscayne Landing Small & Local Business Enterprise Program
Management Company Fee	18,700	-	18,700		Plan Printing and Preparation of Condo Association Budget
Legal & Professional	66,000	-	66,000		Developer legal for review of contracts and loan agreements
Permits & Impact Fees	732,000	-	732,000		Includes miscellaneous & site permits along with payment of sewer & water impact fees.
Finance Costs	131,500	-	131,500		Loan fee, legal, appraisal, title to close A&D loan.
Soft Cost Contingency	103,535	-	103,535		Contingency for Pre-Development Loan budget.
Term Loan Interest	59,340	-	59,340		A&D Loan interest reserve
Other	156,000	-	156,000		Project supervision \$38k, Small Business requirement \$102k and survey -as built \$16k.
Total Soft Costs	1,988,875	-	1,988,875		
TOTAL COST	\$ 3,400,000	\$ -	\$ 3,400,000	100.0%	0.0%

PRELIMINARY DRAFT

	Uses		Sources		Notes
	Per Budget		CRA	A&D Loan	
Acquisition Costs:					
Leasehold	\$ -	\$ -	-	-	
Total Acquisition Costs					
Hard Costs:					
Construction Costs (incl. contingency)	1,659,500		200,000	1,459,500	CRA to fund \$200k toward demolition
Total Hard Costs	1,659,500		200,000	1,459,500	Sitework includes \$365 K for building & site demolition, \$75k to FP&L for service and \$1,322k for earthwork, underground utilities and street base rock.
Soft Costs:					
Architect & Engineering	597,500		-	597,500	Costs of consultants to prepare site and building plans for approval to various governmental agencies. Obtain permits to close construction loan.
Taxes Real Estate & Other	7,200		-	7,200	Intangible tax on A&D mortgage
Insurance	290,000		-	290,000	Initial deposits for builders' risk premiums.
Marketing & Promotion	385,000		-	385,000	CRA costs for selling & advertising project; generate buyer contracts.
Management Company Fee	4,500		-	4,500	Management Comp. cost to assist in preparing condo association budget
Legal & Professional	110,000		-	110,000	Condominium document legal, survey & printing costs. responsibility of CRA.
Permits & Impact Fees	289,000		-	289,000	Includes miscellaneous & site permits along with payment of sewer & water impact fees.
Finance Costs	126,300		-	126,300	loan fee, legal, appraisal, title to close A&D loan.
Soft Cost Contingency	185,000		-	185,000	contingency 7% of total budget.
Sales Commissions (contract)	-		-	-	CRA does not plan to use brokers for selling units.
Term Loan Interest	50,000		-	50,000	A&D Loan interest reserve
Other	96,000		-	96,000	Includes liability insurance, construction consultant, lender inspector and progress photos.
Total Soft Costs	2,140,500		-	2,140,500	
TOTAL COST	\$ 3,800,000		\$ 200,000	\$ 3,600,000	
			\$34	\$174	