

RESOLUTION NO. R-11-2006-26

A RESOLUTION OF THE CHAIRMAN AND BOARD MEMBERS OF THE NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY APPROVING THE PRE-DEVELOPMENT PLAN AND PRE-DEVELOPMENT BUDGET FOR THE PIONEER GARDENS AFFORDABLE HOUSING PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ANY AND ALL ACTIONS NECESSARY TO FACILITATE THE IMPLEMENTATION OF THE PRE-DEVELOPMENT PLAN AND PRE-DEVELOPMENT BUDGET 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 3.1 of the Agreement, NMH is required to prepare and submit to the CRA for approval a pre-development plan and pre-development budget for the Project including a detailed construction cost estimate for the Project prepared by the architect; and

WHEREAS, NMH has submitted a pre-development plan and pre-development budget including a detailed construction cost estimate prepared by the architect all as attached hereto as Exhibit "A" and by this reference made a part hereof (collectively the "Pre-Development Plan and Pre-Development Budget"); and

WHEREAS, the CRA Board desires to approve the Pre-Development Plan and Pre-Development Budget in accordance with Section 3.1 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 Plan and Pre-Development Budget as attached hereto as Exhibit "A" are hereby approved.

Section 3. The CRA Executive Director is authorized to take any and all actions necessary to facilitate the implementation of the Pre-Development Plan and Pre-Development Budget in accordance with the Agreement.

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

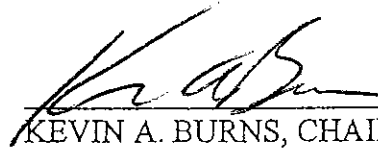
PASSED AND ADOPTED by a 4-1 vote of the Board of the North Miami Community Redevelopment Agency, this 28 day of November, 2006.

ATTEST:

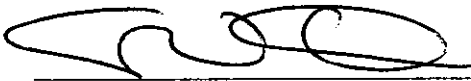
NORTH MIAMI COMMUNITY
REDEVELOPMENT AGENCY

Deputy for


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)

Architectural Development Estimated Budget
North Miami CRA - Pioneer Gardens Condominiums -
Prepared by North Miami Housing

Town home over Town home

Average 1,287 square feet
 3 Bedrooms 2 Baths
 Total Unit Count 136

Description	Cost/Unit	Total Cost	Project Notes
Hard Costs			
Land Development			
Site Work - utilities, paving etc	12,993	1,767,000	Based on estimate received by Construction Manager from preliminary site plans
Allowance - amenities (pool & pavilion ETC.)	1,287	175,000	Swimming pool, related washroom facility, pavilion & furniture - CRA to determine scope
Allowance - landscape & irrigation	1,900	258,400	Plans near completion- based on \$1900 per unit
Sub Total Land Development	16,179	2,200,400	
Building Costs			
Building costs	134,029	18,228,000	Cost based on proposals received by Construction Manager using plans submitted for permit dated September 21, 2006
General Contractor general conditions	9,081	1,235,000	Estimate from Construction Manager Di Tocco Konstruction Inc.
General Contractor overhead and profit	10,081	1,371,000	Estimate from Construction Manager Di Tocco Konstruction Inc.
Bond 1.5% of building cost	2,316	315,000	Bond price calculated at 1.5% of building cost including fee & general conditions.
Sub Total Building Costs	155,507	21,149,000	
Site conditions & maintenance	2,600	353,600	Includes - security, theft, vandalism, site maint., aerial photos, construction trailer rent & utilities
Sub-Total Hard Cost	174,287	23,703,000	
Contingency - approximately 4.9%	8,529	1,160,000	
Total Hard Cost	182,816	24,863,000	
Soft Costs			
Architectural & engineering fees	2,603	354,000	Cost for architectural & engineering design, permitting & inspection of project
Site testing	802	109,100	Includes environmental and geotechnical inspections plus monitoring during design and construction of the project.
Construction testing	1,757	239,000	Includes threshold, concrete, window, water proofing, roof & balcony inspections during construction.
Developer survey requirements	324	44,000	Survey for financing and as-built drawings.
Construction management & personnel	3,158	429,500	Predevelopment services and personnel to supervise project construction
Allowance - FP&L service	551	75,000	Estimate of cost to be charged by FP&L to design and provide service to the project.
Insurance - builders risk & general liability	7,353	1,000,000	Estimate for builders risk \$650k and general liability \$350k which includes completed operations
Real estate taxes	0	0	Property owned by CRA- assume real estate taxes not assessed until units are completed.
Permits & impact fees	7,456	1,014,000	Includes all permits, impact fees for schools, roads, fire, meters, sewer & water
Developer legal services	632	86,000	Costs for developer legal expense to review , general contractor agreements plus Pre-Development & Construction loan agreements.
Miscellaneous project costs	584	79,400	Plans printing, advertising for Request For Proposals (RFP) & misc
Construction lender's cost & interest reserve	12,279	1,670,000	Loan fees, lender & CRA legal costs, stamps, title policy, recording and interest
Sub-Total Soft Cost	37,500	5,100,000	
Contingency - approximately 5%	1,875	255,000	
Total Soft Cost	39,375	5,355,000	
Project Cost	222,191	30,218,000	
Development and Mgmt Fees (15%)		4,130,100	Fee calculated on project costs less finance costs, permits & impact fees

**Architectural Development Estimated Budget
North Miami CRA - Pioneer Gardens Condominiums -
Prepared by North Miami Housing**

Town home over Town home

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APPENDIX A

Pioneer Gardens Extraordinary Project Site Requirements & Costs

Description	Cost/Unit	Total Cost	Project Notes
Hard Costs			
Land Development			
Site Work - utilities, paving etc	9,191	1,250,000	Based on Construction Manager estimate from preliminary site plan including environmental & soils conditions
Demolition	1,287	175,000	Asbestos removal & demolition of buildings & Phase 1 underground pipe. Balance of piping demolition in Site Work
Allowance - Perimeter Fencing	1,103	150,000	Vinyl fence 6 ft height 3000 linear feet @ \$45 per linear foot + \$15,000 for entry feature or gates. CRA to determine final scope
Allowance - relocate 12" force main	2,941	400,000	Force main is under design, costs shown are an estimate made without plans
Allowance - T Plat -NE 4th Ave extension	4,412	600,000	Design, Permit and Construct NE 4th Ave extension to 137th Street, costs shown are an estimate without plans.
Sub Total Land Development	18,934	2,575,000	
Building Costs			
Piles & Grade Beams	12,831	1,745,000	Installation cost of piles & grade beams - normal project foundation would be spread footer.
Allowance -General Contractor General Conditions	3,000	408,000	Estimate for Small Business reporting requirement (BLSBEP) for the life of the project 2 years.
General Contractor overhead and profit	919	125,000	Allocation of contractor profit as an extraordinary cost
Bond 1.5% of building cost	206	28,000	Allocation of 1.5% bond for piles, grade beams, overhead & profit.
Sub Total Building Costs	16,956	2,306,000	
Site conditions & maintenance	2,096	285,000	Includes - security, theft, vandalism, site maintenance issues extraordinary to this site
Sub-Total Hard Cost	37,985	5,166,000	
Contingency - approximately 7%	2,647	360,000	
Total Hard Cost	40,632	5,526,000	
Soft Costs			
Architectural & engineering fees	699	95,000	Architectural site plan & floor plan studies, expedited permitting & PUD services
Site testing	184	25,000	Includes Phase II environmental report and required updates for construction loan
Permits & impact fees	838	114,000	Proposed City impact fees for parks & police - ordinance has not been passed at 11-01-2006
Environmental Liability Insurance	1,397	190,000	Cost to purchase \$5 million, 5 year policy -
Investigation of 48" force main	479	65,200	Budget for soft dig and future inspections & monitoring during construction of existing 48" force main. Includes a \$20,000 estimate for design for relocation of 12" force main
Pre - Development Lender's cost & interest reserve	1,390	189,000	Loan fees, lender & CRA legal costs, stamps, title policy, recording and interest
Construction lender's cost & interest reserve	2,647	360,000	Appendix A costs are approximately 17.9% of total project costs. Allocated 17.9% of construction loan interest and fees.
Sub-Total Soft Cost	7,634	1,038,200	
Contingency - approximately 5%	382	52,000	
Total Soft Cost	8,016	1,090,200	
Project Cost	48,649	6,616,200	
Development and Mgmt Fees (15%)		892,980	Fee calculated on project costs less finance costs, permits & impact fees
Combined Total Project Cost	270,840	36,834,200	Combines project cost and Appendix A costs
Combined Development and Mgmt Fees (15%)		5,023,080	Fee calculated on Combined Total Project Cost less finance costs, permits & impact fees

Footnotes to Architectural Development Estimated Budget

North Miami CRA-Pioneer Gardens Condo Prepared by North Miami Housing, LTD
November 8, 2006

These Costs May be Reduced Through Value Engineering

CRA project costs currently excluded from estimated budget:

- Ruck's Park Phase I costs
- Condominium document preparation and printing
- Buyer Qualification Program, Sales and Marketing
- Condominium deficit operation from date of first sale to date of turnover to Condo Association

ARCHITECT BUDGET HARD COSTS

Site Work

- The site budget which includes underground utilities, paving, sidewalk and site lighting was based on a subcontractor takeoff using a preliminary set of plans. The Construction Manager expects to have a complete budget based on civil construction drawings and proposals from subcontractors about November 22, 2006.

Amenities

- Budget is an allowance to construct a swimming pool, related wash room/ shower building, pavilion, pool deck and purchase pool furniture. CRA to determine final scope of amenities.

Landscaping and Irrigation

- Budget is based on an allowance of \$1900 per unit.

Building Budgets

- Subcontractors submitted proposals to DiTocco Konstruction Inc. based on plans submitted for permit dated September 21, 2006. The budget is primarily based on those proposals. Some of the pricing is based on standard building construction allowances.
 - Following category pricing came from subcontractor proposals dated October 20, 2006.
 - Elevator based on 2500 lb car with interior measurements of 7'2"x 4'8"
 - Shell package per plans includes Masonry, Steel & Rough Carpentry

- Foundation including piles which are priced at a one time mobilization for all buildings. There are 970 auger cast piles 40' deep & 14" diameter.
 - Wood Trusses & Stairs
 - Finish Carpentry
 - Roofing & Insulation
 - All Windows & Interior Doors - window estimate is based on standard sizes good until 4-1-07. Design pressure 61.60.
 - Finishes – Builder Standard Per Plan drywall, stucco & paint
 - Mechanical - Builder Standard Per Plan plumbing & HVAC
 - Electric Builder Standard Per Plan
- Allowances were budgeted at standard builder's grade packages installed in Affordable/ Workforce Housing.

Contractor General Conditions

- Includes project supervision and administration final unit cleaning, trash removal, temporary labor, temporary fencing & utility usage.

Contractor Fee

- Estimated at 7% of the Building Cost and General Conditions.

Bond Cost

- Is estimated at 1.5% of General Contractor's Building contract amount. This budget does not include Bond Cost for Demolition or Site work.

Site Conditions & Maintenance

- Includes maintenance & repair during construction, security, theft, vandalism, aerial photos and contribution to site trailer rent & utilities

SOFT COSTS

Architectural & Engineering Fees

- Includes the conceptual site plans, building elevations & floor plans; all building design and construction documents; permitting of plans; engineering design & construction documents through permitting; and all construction services required by lenders or agencies including certification of as built drawings.

Site Testing

- Environmental site assessment Phase I, including updates which will be required for Pre-Development and Construction Loans. Geotechnical Engineering subsurface study and construction related soil compaction testing.

Construction Testing

- Includes testing and inspection for auger cast piles soil compaction, the threshold inspection, concrete testing, water proof inspections, roof inspections, glass glazing and balcony rail inspections.

Survey Requirements

- Provides for ALTA Surveys for Pre-Development Loan, Construction Loan, Final Survey, Threshold and building corner controls.

Construction Management & Personnel

- Construction Manager cost to provide pre-construction services plus 100% dedicated Project Manager and Assistant hired during construction period.

FP&L Service Allowance

- Provides for cost charged by the utility company to design and install service to the project.

Insurance- Builders Risk & General Liability

- Budget is based on estimates from the Developers insurance department. Insurance costs have increased dramatically over the past two years. Due to the nature of the insurance market these estimated costs may substantially change in a short period of time.

Real Estate Taxes

- The property is owned by North Miami CRA. The property will not be assessed for Real Estate Taxes until residential units are constructed.

Permits & Impact Fees

- Includes Dade County Impact Fees for schools, roads, fire, sewer and water; in addition to North Miami utility charges, fire flow fees and permits. The fees are based on current rates and do not provide for any proposed increases by the governmental agencies.

Developer Legal Services

- Includes cost for Developers Legal Counsel to review Lender Loan Agreements, General Contract Agreements and Miscellaneous Services.

Miscellaneous Project Costs

- Includes printing of plans, Architect & Engineer reimbursable costs; media advertising for Subcontractor Request For Proposal and miscellaneous costs.

Construction Loan Costs

- Includes Lender Loan Fees, Lender Legal Fees, CRA Legal Costs, Documentary Stamps, Intangible Tax Stamps, Title Policy, Loan Interest, Lenders Inspection Costs and Recording Costs.