



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Erlande Steril

Executive Director
Tony E. Crapp, Sr.

CRA Attorney
Steven W. Zelkowitz

Date: November 9, 2006

To: Honorable Chairman and Members
CRA Board of Commissioners

From: Tony E. Crapp, Sr.
Executive Director

Subject: **Pioneer Gardens Affordable Housing Development Architect's Construction Cost Estimate, Pre-Development Budget and Pre-Development Loan Application**

In follow-up to the deferral of the discussion of the above-referenced subject during the CRA Board meeting on October 24, 2006, this memorandum serves to transmit information that was received from North Miami Housing on November 8, 2006 for your review and discussion during the Special CRA Board Meeting on November 14, 2006.

Attached please find, as required pursuant to the terms of the Development Agreement for the Pioneer Gardens Project dated October 17, 2006, the Architect's Construction Cost Estimate (e.g. Architectural Development Estimated Budget) that has been submitted by NMH along with the accompanying footnotes explaining the basis for the estimated costs and expenses (e.g. Footnotes to Architectural Development Estimated Budget).

In addition to the information provided by NMH as indicated above, please also find attached a comparative summary of the total and per unit estimated development cost for the Pioneer Gardens project as of May 9, 2006 and as of November 8, 2006 that has been prepared by the CRA staff.

During the meeting on November 14, 2006 representatives of NMH will be present to discuss their submitted Architect Construction Cost Estimate. In addition, there will be a related discussion regarding the Pioneer Gardens Pre-Development Budget and the Pre-Development Loan Application.

Please note that pursuant to the Development Agreement, prior to the closing of the pre-development loan the developer shall prepare and submit to the CRA for approval a pre-development plan and budget for the project including a detailed construction cost estimate for the project prepared by the architect. The CRA may grant or withhold approval of the developer's submission in its sole but reasonable discretion.

Please also note that a Special Meeting of the CRA Advisory Committee will be held on November 13, 2006 to discuss the submitted estimate and provide input for the consideration of the CRA Board. I encourage you to contact me at your convenience should you have any questions regarding the attached information that can be addressed prior to the upcoming Board meeting on November 14, 2006.



PO Box 610655
North Miami, FL 33261-0655
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org



AGENDA
NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
SPECIAL BOARD MEETING

TUESDAY, November 14, 2006
5:30 P.M.

NORTH MIAMI CITY HALL – COUNCIL CHAMBERS
776 N.E. 125TH STREET, SECOND FLOOR

CALL TO ORDER – Pledge of Allegiance; Roll Call

APPROVAL OF MINUTES - Regular Meeting on Tuesday, October 24, 2006

ITEMS FOR REVIEW AND/OR ACTION

I. TAB 1

Discussion Item: Update regarding the Pioneer Gardens affordable housing development Architect's Construction Cost Estimate, Pre-Development Budget, and Pre-Development Loan Application; and Project Timetable

NOTE: This item was discussed at a Special Meeting of the CRAAC on 11/13/2006 and three related motions were made:

- 1) The CRA Advisory Committee supports the requested budget submitted by North Miami Housing for the A & D loan in an amount up to \$3.4 million subject to the resolution by the Executive Director of the issues surrounding the timing of the payment of County impact fees. *Approved 6 to 0.*
- 2) The cost of the Pioneer Gardens housing units as presented at this meeting (same as those in the CRA Board's Agenda Packet) based on the estimates provided by North Miami Housing as of November 8, 2006 is not affordable for the people they were originally intended, residents making between 50% to 120% of the Area Median Income (AMI.) for Miami-Dade County. The Advisory Committee therefore asks the CRA Board to find alternatives to make these units affordable to the original targeted income groups. *Approved 6 to 0.*
- 3) In an effort to possibly reduce the project cost and eliminate the possible need to revise the project site plan due to set-back issues that could result from the proposed extension of NE 4th Avenue, the CRA Advisory Committee support an alternative to the proposed extension including the modification of the site plan to eliminate the proposed extension. *Approved 6 to 0.*

II. REPORTS

A. Board Members Report

Chair Kevin A. Burns

Member Michael R. Blynn

Member Jacques Despinosse

Member Scott Galvin

Member Marie Erlande Steril

B. CRA Attorney

C. Executive Director

D. Next Board Meeting – November 28, 2006 at 5:30 p.m.

Next Advisory Committee Meeting – December 7, 2006 at 6:00 p.m.

III. ADJOURNMENT

Note:

Two or more members of the City Council/CRA Board of Commissioners and/or other elected or appointed public officials may be present at this meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. If you desire auxiliary services to assist in viewing or hearing the meetings, or reading meeting agendas and minutes, please contact the Office of the CRA Secretary at (305) 895-9817.

SUMMARY MINUTES

REGULAR COMMUNITY REDEVELOPMENT AGENCY MEETING

October 24, 2006

A regular meeting of the Chairman and Members of the Community Redevelopment Agency (CRA) Board was held in the North Miami Council Chambers of City Hall on Tuesday, October 24, 2006, beginning at 5:39 p.m.

(Phonetic spelling of each speaker's name may be used throughout the minutes unless correct spelling is known.)

Note: The actual agenda and all backup materials for each CRA Board meeting and CRA Advisory Committee meeting can be found at:

www.NorthMiamiCRA.org

Flag salute led by Board Member Scott Galvin

ROLL CALL

Marie Erlande Steril	Here
Scott Galvin	Here
Chairman Kevin A. Burns	Here
Jacques Despinosse	Here
Michael R. Blynn	Here

Approval of Minutes: Regular Meeting – Tuesday, September 26, 2006, approved by Board

ITEMS FOR REVIEW AND/OR ACTION

I. TAB 1 – ACTION ITEM: PROPOSED RESOLUTION APPROVING THE RECOMMENDATION OF AWARD FOR THE REQUEST FOR PROPOSALS TO OBTAIN A BANK LINE OF CREDIT IN AN AMOUNT UP TO \$10,758,300

The CRA Executive Director reviewed with Board Members the results from respondents' proposals to obtain a bank line of credit in an amount up to \$10,758,300. The evaluation committee's recommendation is to close on the line of credit with Regions Bank. Board discussion. The Board approved the Resolution by a 5-0 vote.

II. TAB 2 – ACTION ITEM: PROPOSED RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO (1) ISSUE AN RFP FOR INDEPENDENT AUDITING SERVICES TO PREPARE AN EXTERNAL AUDIT REPORT FOR THE CRA’S FISCAL YEAR ENDING ON SEPTEMBER 30, 2006; (2) CONDUCT AN EVALUATION OF THE RFP RESPONSES; AND (3) MAKE A RECOMMENDATION TO THE CRA BOARD FOR CONTRACT AWARD TO CONDUCT THE FY 2005-06 AUDIT WITH AN OPTION TO EXTEND THE CONTRACT ON A YEAR TO YEAR BASIS FOR UP TO TWO (2) ADDITIONAL YEARS

The CRA Executive Director presented the Resolution requesting proposals (RFP) for Independent Auditing Services. The Board approved the Resolution by a 5-0 vote.

III. TAB 3 – ACTION ITEM: PROPOSED RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO (1) ISSUE AN RFP FOR HOME-BUYER TRAINING AND PURCHASE PRE-QUALIFICATION SERVICES RELATIVE TO THE PIONEER GARDENS AT NORTH MIAMI AFFORDABLE HOUSING DEVELOPMENT; (2) CONDUCT AN EVALUATION OF THE RFP RESPONSES; AND (3) MAKE A RECOMMENDATION TO THE CRA BOARD FOR CONTRACT AWARD WITH AN OPTION TO EXTEND THE CONTRACT ON A YEAR TO YEAR BASIS FOR UP TO TWO (2) ADDITIONAL YEARS BEYOND THE INITIAL CONTRACT TERM

The CRA Executive Director presented the Resolution requesting proposals (RFP) for Homebuyer Training, Credit Pre-Qualification and Purchase Assistance Services. Board discussion. The Board approved the Resolution by a 5-0 vote.

IV. TAB 4 – ACTION ITEM: PROPOSED RESOLUTION SUPPORTING AN EXPANSION OF THE BOUNDARIES OF THE MIAMI-DADE COUNTY STATE DESIGNATED ENTERPRISE ZONE TO INCLUDE A PORTION OF THE CITY OF NORTH MIAMI THAT INCLUDES BISCAZYNE LANDING DEVELOPMENT PROJECT

The CRA Executive Director presented the Resolution supporting the expansion of the boundaries of the Miami-Dade County State Designated Enterprise Zone to include the Biscayne Landing development program, to include in the Legislative Priorities list in

the upcoming State Legislative Session and request the City and County also adopt a Resolution. Mr. Tillman, Carlos Leonard and Paul Sherman, International Management Consultants, present. Board discussion. The Board approved the Resolution by a 5-0 vote.

V. **TAB 5 – DISCUSSION ITEM: UPDATE REGARDING THE DEVELOPMENT AGREEMENT FOR THE PIONEER GARDENS AFFORDABLE HOUSING DEVELOPMENT AND THE PROPOSED PREDEVELOPMENT BUDGET INCLUDING THE ARCHITECT’S DETAILED CONSTRUCTION COST ESTIMATE FOR THE PROJECT**

The CRA Executive Director provided a status update to the Board. Board discussion.

VI. **REPORTS**

A. Board Members

Various items of interest presented by the Board.

B. CRA Attorney

(NONE)

C. Executive Director

The CRA Executive Director reported on the recent Florida Redevelopment Conference as being very informative and worthwhile.

The CRA Executive Director advised there is a scheduled meeting for the CRA Board on November 14, 2006.

The CRA Executive Director advised regarding the line of credit item, staff is on schedule to move forward with this request and fiscal year 2006-2007 Budget, to Miami-Dade County.

The CRA Executive Director requested the Board re-appoint CRA Advisory Committee members at the next meeting.

D. Next Board Meeting: November 27, 2006 at 5:30 PM
Next Advisory Committee Meeting – November 2, 2006 at 6:00 PM

ADJOURNMENT

Meeting adjourned at 6:30 p.m.

TAB 1

**Pioneer Gardens Affordable Housing Development
Estimate of Total Development Cost and Per Unit Cost**

	May 9, 2006	November 8, 2006	Comments
Estimated Project Costs:			
(1) Project Cost including all hard and soft construction costs except the development fee	\$27,468,288	\$36,834,200	11/8/06 estimate is subject to refinement and adjustment for the cost of some work items that is to be further analyzed and/or updated.
(2) Development Fee @ 15% of total project cost	\$ 4,120,128	\$ 5,023,080	The 11/8/06 fee estimate is calculated on project costs less finance costs, permits and impact fees
(3) Total Development Cost	\$31,588,416	\$41,857,280	
Number of Units	144	136	
Total Cost per Unit (Total Dev. Cost less Dev. Fee)	\$190,752	\$270,840	
Miami-Dade County Maximum Affordable Housing Sales Price per Unit	\$225,000	\$225,000	

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

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

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.

Appendix A *Footnotes*

The Pioneer Gardens Project contains many extraordinary site conditions that serve to increase costs that are normally not associated with developments of this nature.

Footnotes to these costs are:

HARD COSTS

Site Work

- The proposed site budget was based on typical site development costs for a Project of this nature. All excess costs were considered as extraordinary Project Costs, and will include demolition of Phase II underground piping and the purchase of fill, if any, that may be required to balance the site.

Demolition

- Budget based on proposed contract with DiTocco Konstruction, Inc., (General Contractor). Cross Environmental Services, Inc will subcontract the asbestos and demolition. The contract includes all asbestos removal, demolition of all surface structures and partial demolition of Phase I underground piping.

Perimeter Fencing

- Budget is an allowance based on a vinyl fence 6ft high and 3000 linear feet at a cost of \$45 per linear foot. Gates or small entry feature are included at \$15,000.

Relocation of Existing 12" Force Main

- Request for proposal has been issued to Engineering firms for design and construction services to relocate the Existing Force Main. The plans will have to be approved by the appropriate government agencies. Costs noted are verbal estimates received by the CRA not based on actual drawings.

T-Plat Requirement for Extending NE 4th Avenue

- The requirements for receiving Plat approval may include improvements to the southern section of NE 4th Avenue to connect to NE 137th Street. Costs noted are verbal estimates received by the CRA not based on actual drawings.

Piles & Grade Beams

- A typical four story condominium foundation would be constructed using spread footers. Pioneer Gardens' site and soil conditions required auger cast piles and grade beams.

Contractor General Conditions

- Small business reporting requirements, per the Biscayne Landing Small and Local Business Enterprise Program (BLSLBEP), is an addition to Projects Costs.
- Allocated profit for cost of piles and grade beams.
- Allocated bond for piles and grade beams.

Site Conditions & Maintenance

- Factors the level of service required by this Project for maintenance and repair during construction, security, theft & vandalism.

SOFT COSTS

Architectural & Engineering Fees

- Includes the numerous conceptual site plans, building elevations, floor plans and building designs that were required in order to obtain approval for the Project. Also included PUD submittals and includes expedited permitting requirements.

Site Testing

- Environmental Phase II, survey plus updates to Phase II environmental surveys which will be required for Pre-Development and Construction Loans.

Environmental Liability Insurance

- Is the cost of providing an environmental policy for the Project. Insurance may be purchased due to the Projects potential environmental issues.

Investigation of 48" Force Main

- Includes civil and structural engineer inspection, soft dig and future monitoring & inspections during the construction phase. An estimate of \$20,000 for the design for relocation of the 12" Force Main is included. All costs for the 12" Force Main will be captured in a separate category when the budget is finalized.

Permits & Impact Fees

- Proposed City of North Miami, park and police impact fees totaling \$114,000 are included. The ordinance incorporating these fees has not been passed as of November 1, 2006.

Pre-Development 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.

Construction Loan Costs

- Allocated a percentage of estimated Construction Loan Costs based on total Appendix A costs to normal Project Cost. The allocation is approximately 17.9%.