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OFFICE OF THE CITY MANAGER

NO. LTC # 135-2009

LETTER TO COMMISSION

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: May 22, 2009

SUBJECT: **Miami Beach Community Development Corporation (MBCDC) Successfully Retained Its $2 Million Loan Commitment From State**

This Letter to Commission is intended to update you on the status of Villa Maria Apartments, the 34-unit elderly resident affordable housing development, located at 2800 Collins Avenue, and to inform you of two notable accomplishments of the City's affordable housing development partner (and only certified Community Housing Development Organization), Miami Beach Community Development Corporation (MBCDC).

In January 2008, MBCDC was awarded a $2 Million loan commitment through the State of Florida's Special Housing Assistance and Development Program (SHADP) for the development of the Villa Maria project. This application process was extremely competitive. Largely as a result of the City's support and commitment towards this project, MBCDC's application was ranked first in its category against at least twenty other competing projects.

As you may recall, MBCDC subsequently learned last November that, at 35% of construction completion, the $2 million was at risk of being withdrawn by the State Legislature in its effort to balance the FY 2008/09 State Budget. However, due to the diligence and lobbying efforts of MBCDC, the funding was not only spared from the $190 Million in cuts that were sustained by the State's Housing Trust Fund, but the project retained its first place ranking in its category on a State-wide basis. On April 27, 2009, MBCDC received written notice from the Florida Housing Finance Corporation (FHFC), re-affirming its commitment for the SHADP loan funds and targeting a closing date no later than June 29, 2009. Villa Maria is currently at 50% completion, with an anticipated occupancy date of November 2009.

It is also worth mentioning that Miami Beach was recently selected as a case model in Florida International University's South Florida Workforce Housing Best Practices Study, which was released in November, 2008. The Study highlights the accomplishments of those South Florida municipalities that have been proactive and stand out in addressing low-moderate income/workforce housing needs in their respective communities. The study specifically focuses on those projects undertaken by MBCDC in collaboration with the City and/or the RDA, including the Allen, the London House, the Barclay, Villa Maria and Villa Matti.

C: Executive Staff and Management Team

Attachment
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