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**Agenda**

ADD-ON AGENDA ITEMS

**Category**

G. REPORTS

**Sub-Category**

Neighborhood Services

**Subject**

Rubonia Infrastructure Funding Update

**Briefings**

Briefing Provided Upon Request

**Contact and/or Presenter Information**

Cheri Coryea, Director Neighborhood Services Department, ext 3030

Gerí Lopez, Director Redevelopment and Economic Opportunity Department, ext. 3030

**Action Requested**

Provide update on efforts to find funding for Rubonia, Florida Infrastructure needs.

**Enabling/Regulating Authority**

Status update only

**Background Discussion**

Infrastructure Improvements in Rubonia, Florida have been placed as a high priority of the Board.

Staff recently made a trip to the Financial Management Division, Department of Housing and Urban Development in Washington D.C., with the assistance of Jocelyn Hong of the Twenty First Century Group.

The purpose was to gain more knowledge of the operation of the Section 108 Loan Guarantee Program. The application process, loan terms, interest rates, repayment methods and collateral options.

This program is a loan and must be repaid.

Director Lopez is in contact with the HUD office since the visit and is gaining additional knowledge on the process/requirements.

The Rubonia area is still under review from the HUD regional office in Jacksonville for eligibility of the area in the new 5 year Consolidated Plan for CDBG.

Additionally, a grant request to the Florida Legislature was made for assistance with the drainage for \$2.8 million. This item is on the Board of County Commissioners' approved state legislative priority projects list and Board members on their trip to Tallahassee will be seeking support for this request.

The sidewalk improvements for the streets in Rubonia were included in the 1/2 cents sales tax and could be leveraged with a state grant to complete this portion of the project.

Since the request to the Legislature is a grant, staff feel this is the first level of priority.

Additional details are included in the attached memorandum.

**APPROVED** in Open Session

**Manatee County Board of County  
Commissioners**

3/7/17

**County Attorney Review**

Not Reviewed (No apparent legal issues)

**Explanation of Other**

**Reviewing Attorney**

N/A

**Instructions to Board Records**

None report only

**Cost and Funds Source Account Number and Name**

N/A

**Amount and Frequency of Recurring Costs**

N/A

**Attachments: (list)**



[HUD Section 108 Rubonia Update .pdf](#)



[Rubonia-Improvements10072016.pdf](#)

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Diane Vollmer - (Agenda Coordinator)  
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# MEMORANDUM

To: Ed Hunzeker, County Administrator  
From: Geri Lopez, Director, Redevelopment and Economic Opportunity  
Date: **March 2, 2017**  
Subject: Summary Notes re: Section 108 Loan Meeting with HUD

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## Meeting Attendees on March 1, 2017 at HUD Headquarters, Washington, DC:

Bennett Hilley, Assistant Director, Credit Review, Financial Management Division, HUD  
Paul Webster, Director, Financial Management Division, Deputy Assistant Secretary Grant Programs  
Jorge Morales-Ramos, CPD Specialist, Financial Management Division  
Jocelyn Hong, Principal, Twenty First Century Group  
Cheri Coryea, Director, Neighborhood Services  
Charlie Hunsicker, Director, Parks and Natural Resources  
Geri Lopez, Director, Redevelopment and Economic Opportunity

## Key Discussion Points:

- Manatee County staff described the history, needs and challenges of the Rubonia neighborhood. Specifically, we explained the county is searching for tools to assist the community with their desire to improve the area with stormwater/drainage and roadway improvements and sidewalks.
- HUD Financial Management Division, Section 108 Loan Program, is eager to accept Section 108 Loan applications and will work concurrently with the HUD Jacksonville Field Office on the review of a complete application. We discussed the Rubonia Drainage and Roadway Improvements as the proposed project.
  - HUD Jacksonville would review the application for meeting the program guidelines and the CDBG national objectives.
  - HUD HQ would review the application for underwriting the loan, specifically how the loan would be repaid, and the collateral/security for repayment if CDBG funds are not available.
- County staff described our current challenge that the Rubonia neighborhood is not a designated CDBG-eligible census tract and requested advice and/or assistance on how an application would work under this scenario.
  - The proposed project must be able to delineate a specific service area/boundary that benefits all residents in a particular area, where at least 51 percent of the residents are Low-Moderate Income (LMI) persons. This can be done through a survey instrument that meets HUD requirements.
  - We explained that the county completed a survey as part of the Rubonia Action Plan submitted to HUD Jacksonville on September 23, 2016.

Redevelopment and Economic Opportunity Department  
1112 Manatee Avenue West, Suite 510  
Phone number: (941) 749-3029

- Staff had a conversation with HUD Jacksonville in January 2017 and they also had questions about the survey instrument. We are continuing to follow up with HUD Jacksonville on next steps regarding this item.
- HUD staff described the general conditions/underwriting process for a Section 108 Loan:
  - Interim loan interest is 3-month LIBOR (variable)
  - Permanent loan is set by 10-year treasury yield plus 40 to 50 basis points (currently at 2.85%)
  - Up to a 20-year loan term
  - The fee for Section 108 loan disbursements under loan guarantee commitments awarded in FY 2017 is at 2.59% of the principal amount of the loan
  - Can receive a loan commitment prior to project being ready with permits, engineering/design, etc.
  - As soon as the loan is advanced, interest accumulates
- As the proposed project is public infrastructure with no specific revenue-generating component, we requested specifics on repayment of the loan and the collateral/security needed:
  - CDBG annual allocation can be used to repay the loan.
  - In addition, the County must identify a second source of security. Options available are: 1) full faith and credit pledge, 2) set up of a reserve account (and replenish if used), 3) other taxes from taxing district or sales taxes, etc.
- Other HUD requirements that need to be met:
  - Citizen Participation Plan
  - Inclusion in 5-year Consolidated Plan
  - Environmental Review Process (24 CFR Part 58) for release of funds
  - Set up and reporting in IDIS
  - Davis-Bacon, Section 3, procurement requirements

### **Points of Consideration:**

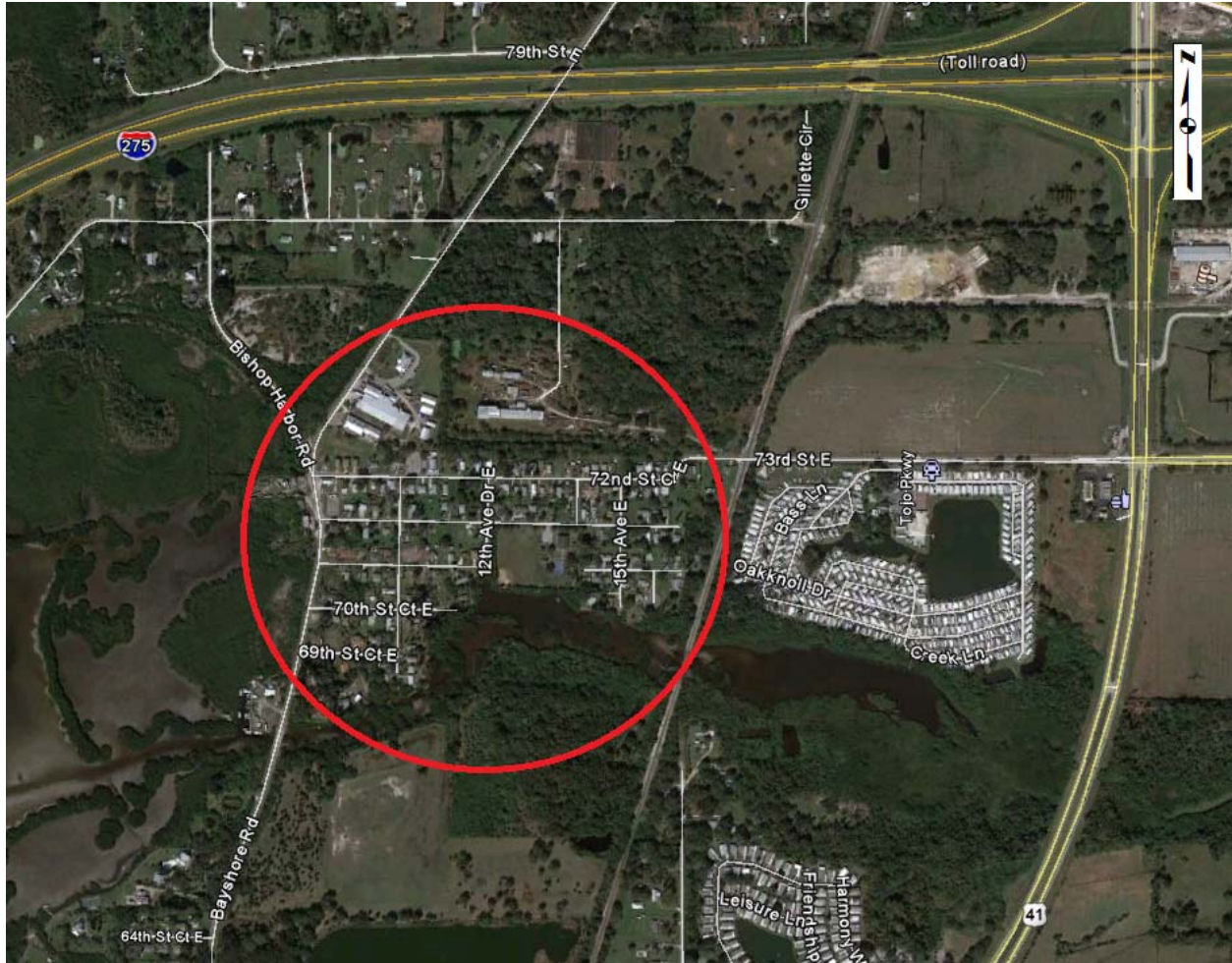
- Community Development staff is in the process of preparing the 5-Year Consolidated Plan and FY17-18 Action Plan. With upcoming priorities such as the “All Things Housing” worksession with Board of County Commissioners and multi-family impact fee incentive program proposal as well as the complexity of the loan application process, REOD will need assistance both from other departments and resources for consultants to complete an application quickly. HUD doesn’t have an application or prescribe a particular format but the submission must follow 24 CFR 570.704 Application Requirements.
- REOD will discuss with HUD Jacksonville the need to resolve the Low-Mod area benefit issue as they are the party responsible for reviewing the portion of the application that the proposed project meets the national objectives.
- As complying with federal regulations make the project more expensive, staff needs time to evaluate the cost of constructing the project with federal funds vs. other sources of funds.
- Identifying county collateral/security for repayment of loan if CDBG funds are not available
- Cost/benefit analysis of reserving approximately 20-25% of CDBG funds used for infrastructure annually for 20 years to pay for debt service of the proposed project

- Given the proposed project is in a floodplain and state coastal zone management area, additional environmental review and mitigation may be required with use of federal funds

**Recommendation:**

Given the complexity of the Section 108 loan program and the corresponding federal requirements, staff needs time to fully understand the loan application requirements and the program's impact on County resources before we are prepared to make a recommendation to the Board. Staff will continue to explore the cost and benefits of the Section 108 loan program and pursue CDBG eligibility of Rubonia with the HUD Jacksonville Field office. We also need to explore other funding sources and alternatives including state funding as part of the appropriations request.

**RUBONIA SUBDIVISION**  
**DRAINAGE AND ROADWAY IMPROVEMENTS**



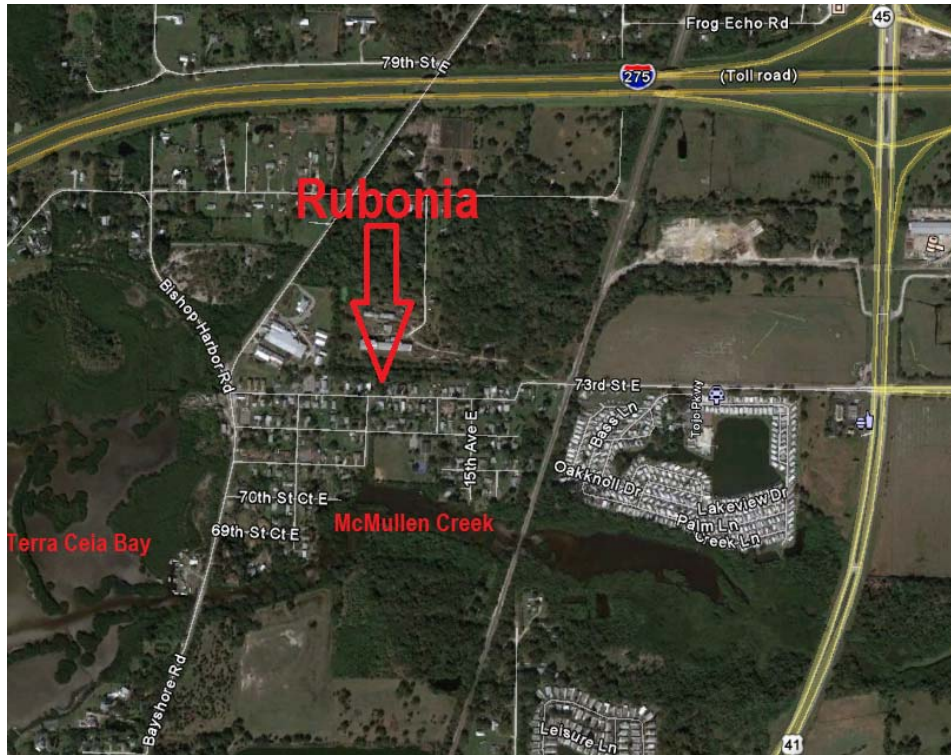
**PREPARED BY:**  
**MANATEE COUNTY PUBLIC WORKS**  
**ENGINEERING SERVICES DIVISION**

**OCTOBER 7, 2016**



## INTRODUCTION

Rubonia Neighborhood (Rubonia) is located in northern Manatee County, just south of I-275 and west of U.S. 41 at the northernmost extent of Terra Ceia Bay. This report evaluates the existing drainage system within Rubonia which is bounded by McMullen Creek to the south, 72<sup>nd</sup> St Ct East to the north, Bayshore Road to the west and 15<sup>th</sup> Avenue East to the East (See Site Map Below).

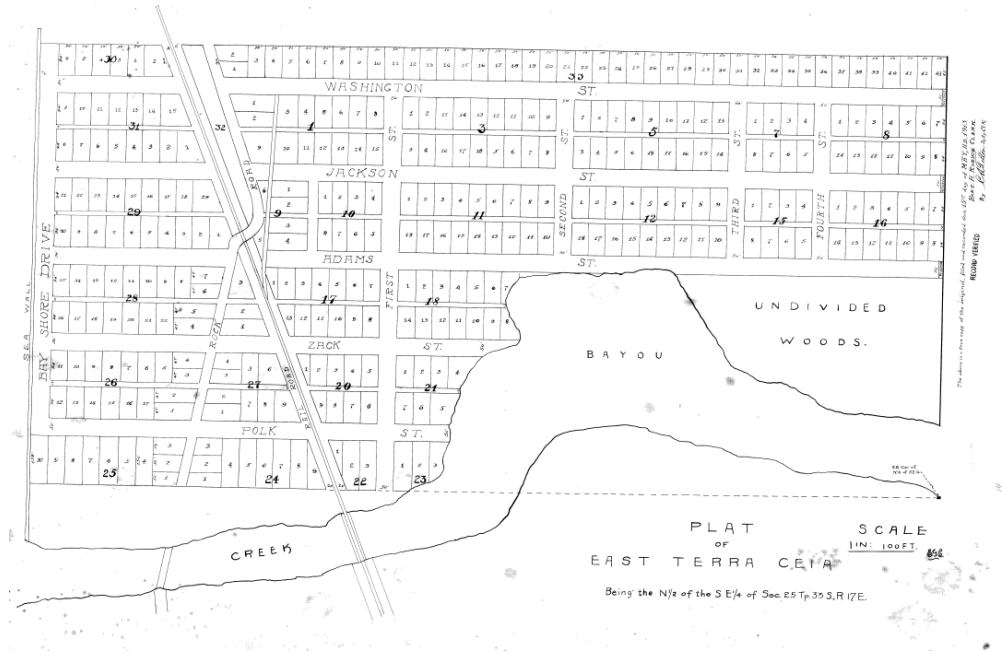


Rubonia Site Location Map

This community is within the original Rubonia Subdivision which was platted in 1913 (see Plat below). This more than one hundred year old residential subdivision was designed and constructed in 1913 when there was very little to no regulation regarding roadways and drainage that would otherwise be required today. For example, drainage regulations were not required by the State until the 1970's.

Rubonia currently consists of a 50 ft. wide road Right-of-Way with about 20-to 22 ft. wide paved section. The drainage design consists of road side ditches on both sides of the road and residential home sites on 50 ft. to 82 ft. lot sizes.

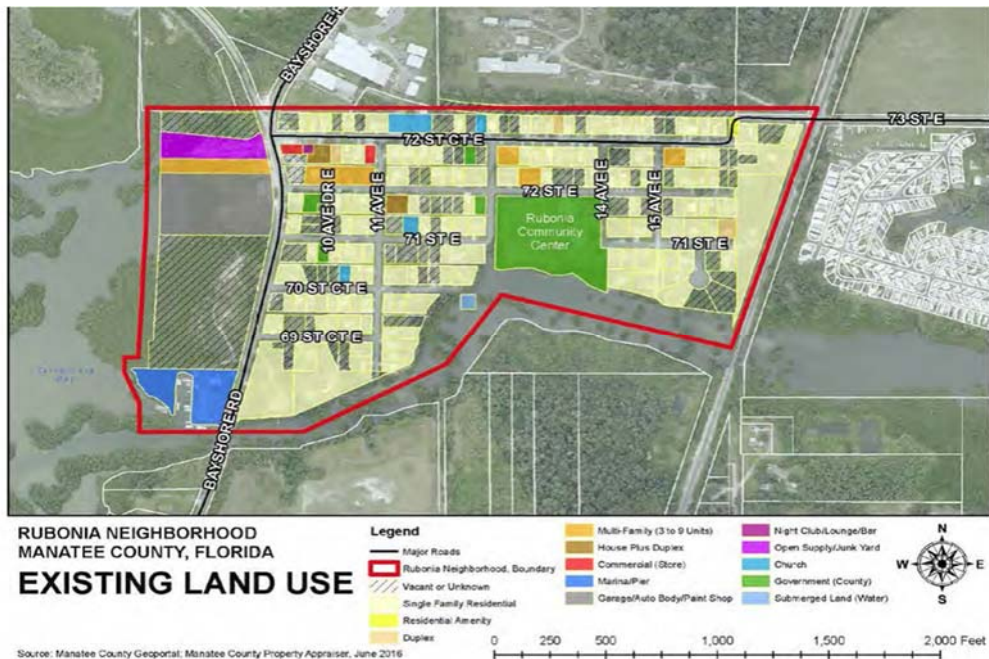
The existing roadway system and its over 100 year old antiquated drainage design are prone to routine flooding. This report is written for the proposed drainage and roadway/safety improvements and will incorporate Neighborhood sidewalks throughout the original 1913 Rubonia subdivision.



(Excerpt of the original Plat-1913)

### EXISTING CONDITION

Rubonia is bounded by McMullen Creek to the south and all road side ditches from Rubonia eventually drain to the creek. McMullen Creek is part of the Terra Ceia Bay Aquatic Preserve which is designated as an Outstanding Florida Water (OFW) by the State. This is important because an OFW requires additional levels of water quality protection for any stormwater discharges that may occur such as from the improvements that are proposed in this document for Rubonia.

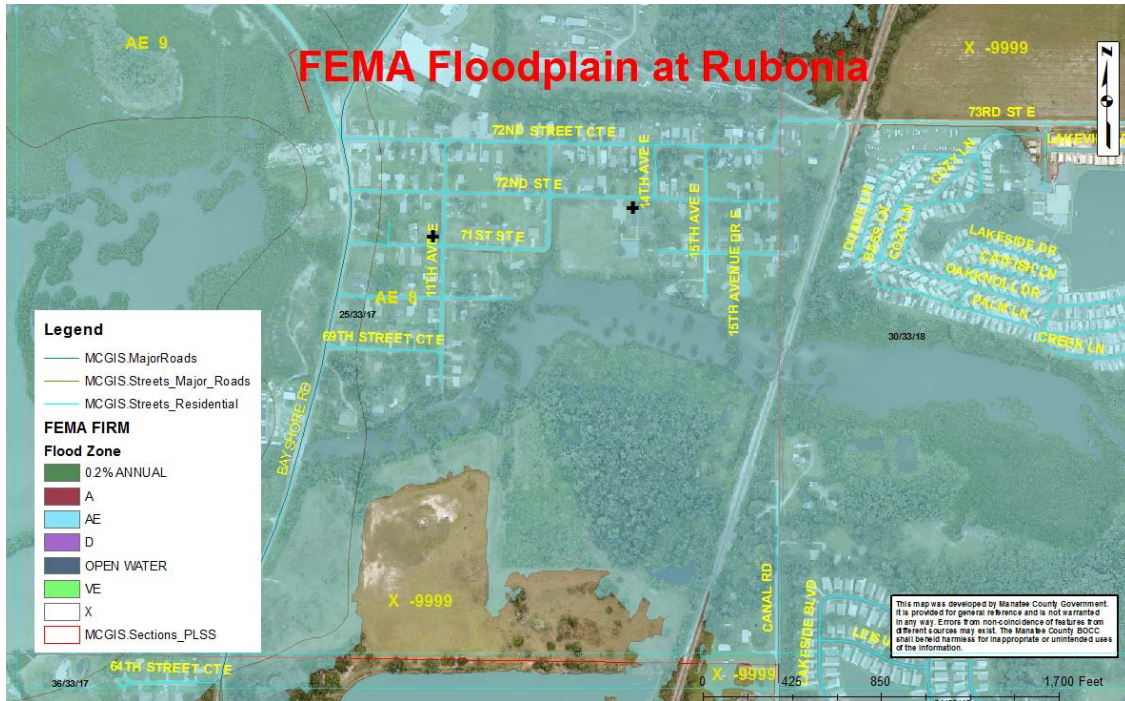






## FLOODPLAIN

Rubonia is located in FEMA Zone AE as shown below with a base flood elevation varying from 8-9 ft. (NAVD) above sea level. The proposed drainage and roadway improvements within this report will encroach into approximately 1.25 acres of floodplain. The blue shaded area below represents the FEMA Zone AE elevation. The green area (land) is the area outside of the 100 year floodplain.



FEMA Floodplain at Rubonia

## BASIS FOR STORMWATER IMPROVEMENTS

- Stormwater attenuation is typically a requirement for any new development that is not tidally influenced or otherwise subject to restrictions that are associated with freshwater/riverine systems. Because McMullen Creek is a tidal water body, it is not subject to attenuation requirements. However, the Southwest Florida Water Management District (FWMD) will require a detailed conveyance analysis for various storm event frequencies up to the 100 year 24 hour event (10 inch rainfall) to demonstrate that there are no adverse impacts from the proposed piping of the existing ditches and associated roadway improvements. This is typically referred to as a pre-condition analysis versus a post-condition analysis to show that the proposed condition will not result in any adverse impacts from flooding or make any existing flooding conditions any worse for existing developments as in the case for Rubonia.
- Water quality treatment is required by SWFWMD and is based on the volume of lost treatment that occurs as a result of piping the existing ditches for the drainage and roadway improvements. The lost volume was calculated using an average wetted cross sectional area in the existing roadside ditches resulting from a one-inch (1") rainfall event. The resulting calculated treatment volume will require approximately 2.0 acres for a stormwater treatment pond. This will necessitate the



acquisition of land to situate the area needed for the above described 2.0 acre stormwater treatment pond. The land acquisition could be accomplished via the acquisition of multiple existing residential home sites for the purposes of stormwater pond construction.

### **PROPOSED IMPROVMENTS**

The proposed drainage and roadway improvements within the Rubonia Subdivision include adding curbs and gutters; 24 ft. wide paved roadways; and storm/curb inlet structures along with storm drain piping on both sides of the roadway. In addition we are proposing a 5 ft. wide concrete sidewalk along one side of the proposed roadway. The photo below shows a typical roadway and drainage system that is proposed for Rubonia neighborhood.



Example of Proposed Improvements

The total project construction cost estimate for the above described improvements is attached. The estimate includes Engineering Design, Permitting, Construction, and Land Acquisition along with 10% Contingency. A summation of the total cost is itemized in the table below. The total cost is estimated at \$3,104,867.36.

**RUBONIA SUBDIVISION  
ROADWAY & DRAINAGE IMPROVEMENTS-COST ESTIMATE**

LINE NO.	ITEM NO.	DESCRIPTION	EST. QTY	U/M	PRICING	
					UNIT PRICE	EXTENDED PRICE
1.	101-1	Mobilization	1.00	LS	\$ 130,493.37	\$ 130,493.37
2.	102-1	Maintenance of Traffic	1.00	LS	\$ 78,296.02	\$ 78,296.02
<b>SUBTOTAL MOBILIZATION AND MOT</b>						<b>\$ 208,789.39</b>
3.	104-10-3	Staked Silt Fence (Type III)	18,000.00	LF	\$ 2.00	\$ 36,000.00
4.	104-11	Floating Turbidity Barrier	400.00	LF	\$ 15.00	\$ 6,000.00
5.	104-15	Soil Tracking Prevention Device	2.00	EA	\$ 3,000.00	\$ 6,000.00
6.	104-18	Inlet Protection System	66.00	EA	\$ 100.00	\$ 6,600.00
7.	110-1-MC	Clearing & Grubbing, incl. riprap, trees, pipes, structures, wells	4.00	AC	\$ 3,850.00	\$ 15,400.00
8.	120-1	Regular Excavation	500.00	CY	\$ 3.85	\$ 1,925.00
9.	120-2	Borrow, Excavation	8,000.00	CY	\$ 5.00	\$ 40,000.00
10.	120-4	Excavation, Subsoil	4,000.00	CY	\$ 10.00	\$ 40,000.00
11.	120-6	Embankment (Regular)	8,000.00	CY	\$ 8.00	\$ 64,000.00
12.	160-4	8" Stabilized Sub-base (LBR 60)	7,000.00	SY	\$ 7.00	\$ 49,000.00
13.	285-704	Optional Base Group 4:	4,000.00	SY	\$ 16.00	\$ 64,000.00
14.	327-70-1	Milling Exist. Asph. Pavement (1" Avg. Depth)	20,000.00	SY	\$ 3.27	\$ 65,400.00
15.	334-1-MC1	1" Type S-I Asphalt Concrete (Incl Tack Coat)	240.00	TN	\$ 90.00	\$ 21,600.00
16.	334-1-MC2	1" Type S-III Asphalt Concrete	1,440.00	TN	\$ 90.00	\$ 129,600.00
17.	425-1-MC3	M.C. Curb Inlet	66.00	EA	\$ 2,500.00	\$ 165,000.00
18.	425-1-MC4	Control Structure	2.00	EA	\$ 5,000.00	\$ 10,000.00
19.	430-175-118	Pipe Storm Sewer Culv (A2000)(18")	9,600.00	LF	\$ 40.00	\$ 384,000.00
20.	430-175-124	Pipe Storm Sewer Culv (A2000)(24")	9,600.00	LF	\$ 60.00	\$ 576,000.00
21.	430-982-129	MES (Cross Drain) 24"	2.00	EA	\$ 1,010.00	\$ 2,020.00
22.	440-1-MC	6" Underdrain	500.00	LF	\$ 35.00	\$ 17,500.00
23.	520-1-MC1	Miami Curb & Gutter	18,000.00	LF	\$ 10.00	\$ 180,000.00
24.	522-1-MC	4" Concrete Sidewalk (Incl. Detectable Warning Truncated Dome)	5,336.00	SY	\$ 32.00	\$ 170,752.00
25.	522-2-MC	6" Concrete Sidewalk, Reinforced Driveway (Incl. 6" x 6" #10 Mesh)	2,340.00	SY	\$ 45.00	\$ 105,300.00
26.	530-3-4	Rip-Rap (Rubble)	275.00	TN	\$ 92.20	\$ 25,355.00
27.	550-MC	Fence, Removal and Reloc. (Incl. Gates, All Types incl. hog wire, barbed)	700.00	LF	\$ 10.00	\$ 7,000.00
28.	570-1-2	Sodding (Performance Turf, Bahia) (Includes Mowing)	11,650.00	SY	\$ 2.00	\$ 23,300.00
<b>SUBTOTAL MOBILIZATION AND MOT</b>						<b>\$ 2,211,752.00</b>
		CONTINGENCY (10%)				\$ 221,175.20
		ENGINEERING & PERMITTING				\$ 176,940.16
		<b>SUBTOTAL CONSTRUCTION</b>				<b>\$ 2,609,867.36</b>
		LAND ACQUISITION	1	LS	\$ 495,000.00	\$ 495,000.00
<b>TOTAL INCLUDING LAND ACQUISITION</b>						<b>\$ 3,104,867.36</b>

Table of Itemized Costs