Memorandum

MIAMI-DADE COUNTY

Date: June 5, 2007

Agenda Item No. 12B7

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Report on Strategies for the Production of Affordable Housing

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The following report provides information on the proposed use of Building Better Communities General Obligation Bond (GOB) proceeds towards affordable housing in Miami-Dade County. Under this Program, $137 million in bond proceeds is to be directed toward increasing the number of affordable housing units in the County.

BACKGROUND

Staff has identified four key strategies by which to address affordable housing needs in Miami-Dade: (1) provide homebuyer assistance to very low-, low- and moderate-income households; (2) generate additional affordable housing stock through utilization of County lands, low cost financing and subsidies for, and removal of barriers to, housing development; (3) preserve existing affordable housing stock; and (4) preserve housing stability of county residents through homeless prevention.

For the convenience of the Board, a description of programs that are currently in place or in development under each of these strategies is attached (Attachment A). Included are proposed uses of GOB proceeds towards the housing strategies, along with implementation steps. Much of the programming in development is the result of Community Affordable Housing Strategies Alliance recommendations and/or legislative direction of the Board.

Staff has identified four potential uses of GOB proceeds, subject to Bond Counsel approval, to promote two of the housing strategies described above.

Generate Affordable Housing Stock

- GOB Affordable Home Ownership Program:
  Develop affordable single family homes on County-owned parcels qualified for single family residential development, subject to a 20-year affordability period, protections against "flipping" and an equity-sharing tied to mortgage assistance funded by non-bond proceeds through a pre-qualification program administered by the Housing Finance Authority.

- GOB Multi-Family Rental Housing Development Program:
  Develop multi-family rental housing on County-owned parcels, combining GOB funds with Multi-Family Rental Housing Bond Financing, four percent Low-Income Housing Tax Credits to pay for actual construction costs and other funds legally available for use as direct subsidy.

- GOB Affordable Housing Stock Acquisition Program:
  Purchase existing housing units for use as affordable rental housing or for-sale units subject to housing affordability restrictions (i.e. affordability period and resale price formula).

Preserve Existing Affordable Housing

- GOB Affordable Housing Preservation Program:
  Preserve affordable housing units under expiring contracts either through (a) rehabilitation loans to owners in exchange for below market rents and long-term affordability period or (b) County purchase of housing under expiring contracts.

Attachment

Cynthia W. Curry
Senior Advisor to the County Manager

MIAMI-DADE COUNTY AFFORDABLE HOUSING STRATEGIES

Note: Additional strategies and programming are expected to be generated by staff response to CAHSA Final Recommendations (April 25, 2007) and through the Master Housing Planning process currently underway and to be completed in the Fall of 2007.

STRATEGY: Provide Homebuyer Assistance to Very Low, Low and Moderate Income Households

PROGRAMS CURRENTLY IN PLACE

Program Description (See Miami-Dade Housing Program Matrix for Additional Program Details)
Homeownership Assistance Program • Low interest second and third mortgages. • MMAP Down Payment/Closing Cost Assistance • Homebuyer counseling. • Funding Sources: Single Family Bond Revenue, HOME, Surtax and SHIP
American Dream Down Payment Initiative • Assistance with down payment and closing costs. • Funding Source: HOME
Section 8 Homeownership Program (with private lenders) • Applies Section 8 housing assistance towards mortgage. • Homebuyer counseling • Funding Source: Section 8

PROGRAMS IN DEVELOPMENT

Program	Implementation Status
Miami-Dade Employer Assisted Housing Program	Feasibility report to be presented to BCC in June.

STRATEGY: Generate Additional Affordable Housing Stock Through Utilization of County Lands, Low Interest Financing and Subsidies, and Removal of Barriers to Housing Development

PROGRAMS CURRENTLY IN PLACE

Program Description (See Miami-Dade Housing Program Matrix for Additional Program Details)
Infill Housing Program • Development of single family homes for purchase on county land offered to pool of qualified developers selected through a competitive process or on privately-owned lots that are accepted into the Program. Homes sold at below market prices and subject to an affordability period and resale formula.
Workforce Housing Program • Voluntary 12-month pilot Workforce Housing Program, offering density bonuses and other incentives for development of workforce housing units subject to enforceable affordability restrictions.
Multi-Family Rental Housing Bond Financing Program • Low-interest financing to multi-family housing developers for acquisition, construction, renovation and rehabilitation of multi-family properties.
Construction Financing Program • Low-interest construction and rehabilitation loans for production of affordable rental and homeownership housing units. • Funding Sources: Surtax HOME, CDBG, HODAG, SHIP and Surtax
Homeless Housing Development Program • Construction/rehabilitation of transitional and permanent housing for formerly homeless. • Funding Sources: HOME, SHIP and Surtax Homeless Set-Aside and SHP.

PROGRAMS IN DEVELOPMENT

Programs	Implementation Status
GOB New Construction on Existing County Public Housing Sites • Joe Moretti - 100 new units • Dante Fascell - 30 new units • Three Round Towers - 100 new units • Annie Coleman - 24 new units • Lincoln Gardens - 36 new units • Virrick Village 1 - 51 new units	TBD
GOB Affordable Home Ownership Program: • Develop affordable single family homes on county-owned parcels qualified for single family residential development pursuant to local zoning regulations and other applicable laws. • Homes will be built to size and specifications tailored for affordability to very-low, low and moderate income households. • Contractors will be competitively selected to build single family homes of the sites, utilizing bond proceeds to cover the cost of construction and related capital costs. • Homes will be subject to twenty year affordability period, consistent with the Infill Housing Program. • Potential purchasers will be pre-qualified for mortgage assistance utilizing county funds other than bond proceeds. • All proceeds from home sales developed under this program will be used for capital costs and subsidies associated with the Affordable Home Ownership Program.	Within ninety days of BBC approval of this GOB strategy, the following s will be presented to the BCC : • An inventory list of all real property to which the County holds title that is appropriate for affordable housing with a recommendation as to which of these properties should be developed as single family homes under the Affordable Homeownership Program • Identification of legally available County funds, other than bond proceeds, that may be used to assist individuals with mortgage financing. • A Request for Proposals for BCC approval to solicit developers' proposals for the construction of single family homes. Within 120 days of BBC approval of this GOB strategy: • Present a pre-negotiated agreement with HFA for BCC approval under which HFA will be responsible for pre-qualification of purchasers. A progress report will be presented to the BCC a minimum of every six months.

5

GOB Multi-Family Rental Housing Development Program: • Develop multi-family rental housing on county-owned parcels, combining GOB funds with Multi-Family Rental Housing Bond Financing and 4% LIHTC.	Within ninety days of BBC approval of this GOB strategy, the following will be presented to the BCC: • An inventory list of all real property to which the County holds title that is appropriate for affordable housing with a recommendation as to which of these properties should be developed as multi-family rental housing under the GOB Program. • Site-specific financial feasibility analysis, including description of housing unit mix, other uses and funding sources. • Development plan, including zoning and infrastructure related issues. • A Request for Proposals for BCC approval to solicit developers' proposals for the construction of multi-family housing. A progress report will be presented to the BCC a minimum of every six months.
GOB Affordable Housing Stock Acquisition Program: • Purchase existing housing units for use as affordable rental housing or for-sale units subject to housing affordability restrictions (i.e. affordability period and resale price formula).	Within ninety days of BBC approval of this GOB strategy, the following will be presented to the BCC for approval: • Invitation for Purchase
Homeless GOB Land Bank and Housing Development Program • Develop 145 units of permanent housing for formerly homeless families with disabled member and a farmer's market micro-enterprise on former Homestead Air Force Property deeded to County. • Establish land bank by acquiring properties suitable for multi-family housing development. • Fund capitol costs of multi-family housing development with 100% or partial set-asides for homeless/formerly homeless households.	• Application to Amend HAFB Plan to allow permanent supportive housing with Department of Health and Human Services is in process and due to HHS on 6/25/07 (current plan on file calls for 145 units of transitional housing). • An Invitation for Offers of Property was approved by the GOB Citizens Advisory Committee and is under County Attorney Office review.
Establish Community Land Trust	Feasibility Report to be presented to BCC in May.

6

Remove Barriers to Housing Development Per CAHSA Final Recommendations (see CAHSA Final Recommendations for details)	Feasibility and Implementation Report to presented to BCC in July.

STRATEGY: Preserve Existing Affordable Housing Stock

PROGRAMS CURRENTLY IN PLACE

Program Description (See Miami-Dade Housing Program Matrix for Additional Program Details)
Homeowner Rehabilitation Loan Program • Home repair loans to very-low, low and moderate income homeowners with priority given to disabled and elderly households. • Funding Source: SHIP, Surtax, HOME
Barrier-Free Housing Rehabilitation Assistance for the Disabled. • Funding Source: SHIP, Surtax
Window and Shutter Loan Program • Provides loans towards installation of hurricane windows and/or shutters. • Funding Source: Surtax

PROGRAMS IN DEVELOPMENT

Programs	Implementation Status
GOB Affordable Housing Preservation Program • Preservation of affordable housing units under expiring contracts either in the form of (a) rehabilitation loans to owners in exchange for below market rents and long-term affordability period or (b) County purchase of housing under expiring contracts.	Within ninety days of BBC approval of this GOB strategy, the following will be presented to the BCC: • A Request for Proposals for BCC approval to solicit developers' proposals for rehabilitation assistance or county purchase of property.

STRATEGY: Preserve Housing Stability Through Homeless Prevention

PROGRAMS CURRENTLY IN PLACE

Program Description (See Miami-Dade Housing Program Matrix for Additional Program Details)
Long-Term Rental Assistance Programs ***(All Federally Funded)***
• Section 8 Housing Choice Vouchers
• HOME Rental Assistance (scattered site)
Public Housing
Project-Based Rental Assistance Programs ***(All Federally Funded)***
• Section 8 Moderate Rehabilitation
• Section 8 Project-Based Vouchers
• New Construction and Substantial Rehabilitation
Short-Term Housing Assistance

• Housing Assistance Grant Program
  • Moving assistance, deposits, and emergency rental and mortgage assistance.
  • Funding: General Revenue

• Emergency Food and Shelter Assistance
  • Emergency assistance with utilities, rent and/or mortgage.
  • Funding: Emergency Food and Shelter Funds

• Emergency Housing Assistance for SSI Applicants
Homeless Continuum of Care (Data captured as beds per federal reporting requirements - CoC housing units range from 0 to 4 bedrooms)

• Homeless Continuum of Care Emergency Shelter with Support Services
  • Funding: Federal ESG, Local Food & Beverage Tax
  • 1,402 beds in CoC inventory.

• Homeless Continuum of Care Transitional Housing (24 Months) with Support Services
  • Funding: SHP
  • 1,842 beds in inventory.

• Homeless Continuum of Care Permanent Housing with Support Services
  • Funding: SHP, Shelter Plus Care, SRO Moderate Rehabilitation.
  • 2,314 beds in CoC inventory.