MEMORANDUM

Agenda Item No. 11(A)(22)

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

DATE: June 5, 2007

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Resolution establishing Affordable Homeownership Program to address County's critical affordable housing shortage

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The accompanying resolution was prepared and placed on the agenda at the request of Vice-Chairwoman Barbara J. Jordan.

Murray A. Greenberg
County Attorney

MAG/bw

MEMORANDUM
(Revised)

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

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FROM: Murray A. Greenberg County Attorney

SUBJECT: Agenda Item No. 11(A)(22)

Please note any items checked.

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(22)
6-5-07

RESOLUTION NO. _____

RESOLUTION ESTABLISHING AFFORDABLE HOMEOWNERSHIP PROGRAM TO ADDRESS COUNTY'S CRITICAL AFFORDABLE HOUSING SHORTAGE; DIRECTING COUNTY MANAGER TO IDENTIFY COUNTY OWNED SITES AVAILABLE FOR AFFORDABLE HOUSING AND LEGALLY AVAILABLE FUNDS TO BE USED TO ASSIST PRE-QUALIFIED BUYERS; AND AUTHORIZING COUNTY MANAGER TO PREPARE REQUEST FOR PROPOSAL TO SOLICIT PROPOSALS FROM DEVELOPERS FOR CONSTRUCTION OF SUCH HOMES AND TO NEGOTIATE AGREEMENT WITH HOUSING FINANCE AUTHORITY OF MIAMI-DADE TO PRE-QUALIFY BUYERS

WHEREAS, a critical shortage of housing available at prices which many persons and families can afford exists in Miami-Dade County as confirmed by citizens at workshops held in the community and at budget hearings where the need for the affordable housing was addressed by members of this Board; and

WHEREAS, this shortage of affordable housing constitutes a threat to the health, safety, morals, and welfare of the residents of the County and causes the County to make excessive expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection and other public services and facilities; and

WHEREAS, the Community Affordable Housing Strategies Alliance (CAHSA) was established by this Board on May 6, 2006 pursuant to Resolution No. R-558-06 for the purpose of analyzing and making recommendations with respect to the affordable housing crisis in the County; and

WHEREAS, CAHSA recently made several recommendations to the County regarding the affordable housing crisis, including the need to facilitate the development and construction of affordable housing; and

WHEREAS, it is in the best interests of the County and its citizens to implement a homeownership program that is "affordable" as that term is defined in Section 420.0004(3), Florida Statutes, as amended ("Affordable"); and

WHEREAS, the Board desires to establish an affordable homeownership program as described in this Resolution ("Affordable Homeownership Program"); and

WHEREAS, the County is required to prepare an inventory list of all real property within its jurisdiction to which the County holds title that is appropriate for affordable housing pursuant to Section 125.379(1), Florida Statutes and may make properties on that list available for use for the production and preservation of permanent affordable housing pursuant to Section 125.379(2), Florida Statutes; and

WHEREAS, a determination needs to be made as to what County owned properties will be contributed toward the production of permanent single family homes to be sold to qualified purchasers as part of the Affordable Homeownership Program; and

WHEREAS, a request for proposal seeking proposals from developers interested in constructing single family homes that are Affordable pursuant to the terms and conditions set forth in this resolution, as part of the Affordable Homeownership Program, needs to be prepared and brought back to this Board for approval; and

WHEREAS, the County has funding available to finance the construction and other related capital costs of the Affordable Homeownership Program through the affordable housing fund approved in the aggregate amount of $137 million by the voters for the purpose of

providing affordable housing in Miami-Dade County as part of the Building Better Communities General Obligation Bond Program ("Affordable Housing GOB Fund"); and

WHEREAS, the Board wishes to identify legally available County funds other than bond proceeds that may be used to assist pre-qualified individuals with the purchase of an Affordable single family home; and

WHEREAS, the Board wishes to utilize the expertise of the Housing Finance Authority in pre-qualifying individuals,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing recitals are incorporated in this resolution and are approved.

Section 2. The Affordable Homeownership Program for the development of affordable single family homes for sale to qualified purchasers is established as follows:

(i) the single family homes shall be built on County owned sites identified for affordable housing pursuant to Section 125.79(1), Florida Statutes and made available upon the recommendation of the County Manager pursuant to Section 125.79(2), Florida Statutes, provided, that each recommended site be qualified for single family residential development pursuant to local zoning regulations and other applicable laws;

(ii) the County shall select contractors to build the single family homes through a competitive process, provided, however, that such homes be built to the size and specifications set forth in the Request for Proposals which will be tailored to the needs of "moderate-income persons", "low-income persons" and "very-low-income persons" as such terms are defined in Section 420.0004(3), Florida Statutes;

(iii) the cost of the construction and other related capital costs of the single family homes shall be financed from bond proceeds on deposit in the Affordable Housing GOB Fund;

(iv) the County shall utilize legally available funds, other than bond proceeds, to assist individuals in qualifying for mortgage financing;

(v) potential purchasers shall be pre-qualified with the assistance of the Housing Finance Authority of Miami-Dade County ("Housing Finance Authority") which shall take into consideration any assistance from the County to assure that the participants in the Affordable Housing Program are "moderate-income persons", "low-income persons" and "very-low-income persons" and that the single family homes are Affordable in accordance with such Section;

(vi) a list of pre-qualified purchasers by family size, by the order in which they were pre-qualified, provided they receive a mortgage commitment, shall be created to match purchasers with homes as they become available for purchase;

(vii) a purchaser shall be responsible for the sale price as well as any other related closing costs which are typically the responsibility of a purchaser;

(viii) the sale of each single family home shall be subject to restrictive covenants that will require the purchaser to reside in the home for no less than twenty (20) years and if sold before such time period expires, that will require the subsequent purchaser to meet one of the affordability criteria set forth in (v) above; and

(ix) all proceeds from the sale of the single family homes shall be used for capital costs and subsidies associated with the Affordable Homeownership Program.

Section 3. The County Manager shall prepare an inventory list of all real property to which the County holds title that is appropriate for affordable housing and shall present a recommendation to this Board within ninety (90) days from the effective date of this Resolution as to which of those properties should be made available for use in the Affordable Homeownership Program.

Section 4. The County Manager shall prepare a report that shall identify legally available County funds, other than bond proceeds, that may be used to assist individuals with mortgage financing and shall present the report to this Board within ninety (90) days from the effective date of this Resolution.

Section 5. The County Manager shall prepare a request for proposal to solicit proposals from developers for the construction of single family homes in accordance with the

provisions of this resolution ("RFP") and shall present the RFP to this Board for review and approval within ninety (90) days from the effective date of this Resolution.

Section 6. The Board approves an allocation to be used exclusively for capital costs related to the Affordable Homeownership Program million from the $137 million Affordable Housing GOB Fund which will be funded from time to time from the sale of general obligation bonds.

Section 7. The County Manager shall negotiate an agreement with the Housing Finance Authority pursuant to which the Housing Finance Authority will be responsible for the pre-qualification of purchasers in accordance with the provisions of this resolution and shall present the agreement to this Board for review and approval within one hundred and twenty days.

Section 8. A progress report that includes homes under construction, completed and sold shall be prepared and presented by the County Manager to this Board every six months.

The foregoing resolution was sponsored by Vice Chairwoman Barbara J. Jordan and offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 5th day of June, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. GTH

Gerald T. Heffernan