

Memorandum

MIAMI-DADE
COUNTY

Date: December 18, 2007

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

From: George M. Burgess
County Manager

Subject: Supplemental Information on Agenda Item 8 (F) (1) (A)
Authorization to the County Manager or his designee to Convey
County-owned Properties through the Infill Housing Initiative

Supplement to
Agenda Item No. 8(F)1(A)

The following information is provided to supplement Agenda Item 8 (F) (1) (A), Authorization to the County Manager or his designee to Convey County-owned Properties through the Infill Housing Initiative.

Status of the Infill Housing Initiative

To date, 368 homes have been built through the Initiative and all but 28 have been sold. An additional 86 homes are under construction and 200 lots are in the predevelopment phase.

Since January 5, 2007, when the Board amended the Infill Housing Initiative Ordinance and approved Administrative Order 3-44 (the Infill Housing Initiative), staff has accomplished the following:

- o Created the Infill Housing Initiative Guidelines;
- o Developed milestones for each lot already in the Program, which are closely monitored;
- o Created a database to track the progress of the homes;
- o Assisted developers resolve many of the problems that were causing delays;
- o Evaluated approximately 209 County lots to determine whether they can be developed with affordable single family housing;
- o Identified corrective actions required to make the County lots buildable and initiated the corrective actions;
- o Selected a qualified developer pool via a Request for Qualifications process;

Process to Award Lots

County lots that have been determined to have no problems will be packaged into groups of no more than five lots in geographic proximity to one another and will be offered to all of the members of the qualified developer pool via a Work Order Proposal Request (WOPR). Developers will be allowed to submit proposals for no more than two groups. Developers who have more than five lots already in the Program without building permits will not be eligible to receive new lots. Proposers will be required to specify the size of the home for each lot, the sales price; and the targeted income level of the buyer. In addition, they will be required to submit a floor plan and elevation drawings of each model, and specify whether the home will incorporate specific energy efficiency features, i.e. star rated energy efficiency appliances; extra insulation throughout the home; drought tolerant landscaping, etc. and specify whether the home will include other extra design features i.e. garage, fencing around yard and higher quality building materials inside the home. The Affordable Housing Selection Committee, which is the same committee that selected the pool, will evaluate and score each of the responses to the WOPR.

Program Challenges

The downturn in the real estate market has impacted the developers' ability to sell the homes. More buyers are reluctant to purchase a home at this time because they fear that the value of the home is going to decrease. Additionally, banks are tightening their lending requirements and that is affecting both the developers and the buyers. Developers cannot obtain construction financing unless the home is under contract and buyers are being asked to increase their down payments. Currently, there are 28 completed homes without buyers and an additional 86 under construction, many of which do not have purchasers.

One of the Program's biggest challenges is the limited amount of County subsidy available for the buyers. As such, the County cannot guarantee that there will be subsidy to purchase the homes built on lots conveyed in the future. Without these subsidies, it is almost impossible for low or moderate income buyers to qualify for a home.

In light of these challenges, staff will be closely monitoring the real estate market and releasing lots when it is prudent to do so.



Director, General Services Administration