

# Memorandum



**Date:** July 17, 2008

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

**From:** George M. Burgess  
County Manager

**Subject:** Supplemental Information Regarding the FY 2009 Consolidated Planning Process Policies

Supplement to  
Agenda Item No. 8(K)1(B)

As requested at the June 11, 2008 meeting of the Economic Development and Human Services Committee, the following report provides a summary of the comments at eight public meetings to discuss the proposed FY 2009 Consolidated Planning Process Policies. The following is a summary of verbal comments made at the eight public meetings held in June and July.

**June 11, 2008, 21300 SW 122 Avenue (Goulds)**

There were no concerns expressed regarding the Policy Paper

**June 16, 2008, 6701 SW 62 Avenue (South Miami)**

The CAC wants OCED to consider funding projects that did not submit applications though the RFA process.

**June 19, 2008, 17801 Homestead Avenue (Perrine)**

The major concern for the CAC was the creation of a neighborhood crime watch association and identification of activities for youth and young adults.

**June 19, 2008, 1301 NW 83 Street (West Little River)**

There were no concerns regarding the Policy Paper

**June 25, 2008, 5400 NW 22 Avenue (Model City)**

See attached letter from Dr. Christian and OCED's response.

**June 26, 2008, 490 Ali-Babe Avenue (Opa-Locka)**

The CAC expressed their desire to include the entire municipal boundaries of the City of Opa-locka in the Opa-locka NRSA.

**July 1, 2008, 3300 NW 32 Avenue (Melrose)**

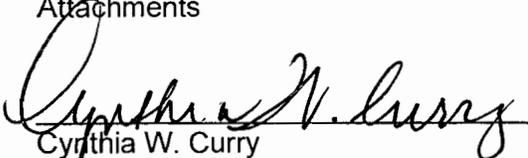
There were no concerns expressed regarding the Policy Paper.

**July 2, 2008, 13955 SW 254 Street (Leisure City/Naranja)**

There were no concerns expressed regarding the Policy Paper

During the official 30-day comment period OCED received one letter. However, OCED extended the comment period and accepted two letters during this extended comment period. Attached please find copies of the letters received and the responses by OCED. The letters were from Burstyn Properties, the South Florida Community Development Coalition and the Model City Community Advisory Committee (CAC).

Attachments

  
Cynthia W. Curry  
Senior Advisor to the County Manager



Community Action Agency  
 Model City OCED  
 Community Advisory Committee  
 Overtown Transit Village  
 701 NW 1<sup>st</sup> Court, 9<sup>th</sup> Floor  
 Miami, Florida 33136  
 T 786-469-4746  
 F 786-469-4656

Members May 29, 2008

- Martha Anderson
- Dr. Mae Christian
- Adell Dillard
- Timothy Everett
- Roy Hardemon
- Lottie Mitchell Hines
- Kenneth Kilpatrick
- Kevin T. Marshall
- Wilfred McKenzie
- Carl Mitchell
- Louis Sparks
- Everett Stewart, Sr.
- Nicole Williams

Jose Cintron  
 Director  
 Miami-Dade County Office of Community & Economic Development  
 701 NW 1<sup>st</sup> Court  
 Miami, Fl. 33136

Dear Mr. Cintron:

In acknowledgement of your diligent efforts and leadership in spearheading Miami-Dade County's community and economic development initiatives, I want to commend you for meeting the vast and numerous challenges of our community. As an elected member of the Model City OCED Citizens Advisory Committee, I would like to utilize this opportunity to forward the recommendations and concerns of citizens who reside in the target area regarding the FY 2009 Consolidated Planning Process Policy Paper. As a follow up to the Model City OCED Community Advisory Committee meeting, which was held on Thursday, May 22, 2008, please find attached the minutes of the meeting.

The comments and recommendations of advisory committee members and residents of the community, relative to the proposed policies governing the planning process, will greatly support and enhance the Office of Community and Economic Development's strategies and approaches in creating sustainable change in low-income communities.

In alignment with our committee's resolve to participate in the planning process, members of our citizen's advisory committee will be attending the public hearing scheduled for June 11, 2008, to advocate for the policy changes that will enable the implementation of measures that improve the quality of life for individuals residing in some of the County's most poverty stricken areas.

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In closing, we firmly believe that the continuation of our mutually beneficial collaborative partnership helps to ensure greater coordination in the implementation of community and economic development projects in the Model City area.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dr. Mae Christian". The signature is fluid and includes a large, sweeping flourish at the end.

Dr. Mae Christian  
Model City OCED CAC

**Miami-Dade County Community Action Agency  
List of recommendations at May 22<sup>nd</sup>, 2008 Meeting  
Model City OCED Community Advisory Committee**

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**Summary of recommendations**

- I. Recommends that both acronyms CAA and CAC to be separated
- II. Committee to remain as is with 13 numbers with no special appointments from elected officials.
- III. Opposition to increase the 20% cap as it relates to the federal policy. There is to be no increase.
- IV. For profit and non-profit entities should be treated equally regarding job creation and job retention for every \$35,000.00 awarded.
- V. Increase the number of OCED meetings from four times a year to every month
- VI. Assign legal and technical assistance to provide guidance to Community Advisory Committees (CACs) at each meeting.
- VII. The cap should be 20% of public service dollars. In addition to section 3 the county can waive the bid process.
- VIII. Eliminate matching funds and inter-local agreement requirements and replace them with the designation of area of metropolitan significance where entities are located within the Unincorporated Dade area would be given "extra points"
- IX. Utmost priority to implement Section-3
- X. Triple the current amount of CDBG funds allocated to neighborhood revitalization service areas (NRSAs). This request relates to failed plans, lack of administrative guidance, assistance follow-up and monitoring of programs in the Model City (NRSAs).

- XI. Restore CDBG funding for the Community Action Agency (CAA) Citizen Participation component servicing the OCED NRSAs from OCED budget since CAA is providing the services. Resolve the problems of staff missing time lines, perform at a level of professional compliance, adhere to guidelines, present the proper documentations, provide legal and technical assistance in order to enhance maximum citizen participation.
  
- XII. Improve the time line for citizens to respond to public comments regarding the Miami-Dade County OCED Policy Paper, guidelines and mandates.
  
- XIII. Include in the Policy Paper, a complete copy of the Miami-Dade County Citizen Participation Plan and Guidelines and guidelines and mandates.
  
- XIV. Provide to the Model City OCED CAC members all referenced ordinances, resolutions referenced in the FY2009 OCED Policy Paper along with any complaints and request for 2007 – 2008 along with necessary response immediately.
  
- XVI. Provide an update on previous requested Model City OCED office space. This request may require 20% of Model City OCED budget in order to get Model City OCED plans back on track as targeted; recommend Model City as a high priority. The board recommends the original boundaries be implemented immediately for the Model City OCED (NRSAs) target area.



Carlos Alvarez, Mayor

Community & Economic Development
701 N.W. 1st Court • 14th Floor
Miami, Florida 33136
T 786-469-2100 F 786-469-2236

miamidade.gov

July 3, 2008

Dr. Mae Christian
Community Action Agency Model City
Community Advisory Committee
701 NW 1st Court, 9th Floor
Miami, FL 33136

Re: Model City CAC -- Policy Paper Recommendations

Dear Dr. Christian:

Thank you for your letter dated May 29, 2008. Miami-Dade County appreciates your valuable input as one of the Community Advisory Committees (CACs) assisting us in the delivery of affordable housing, economic development, and capital improvement opportunities to the low- to moderate income residents in Miami-Dade County's distressed neighborhoods. The following addresses your comments:

- I. "Recommends that both acronyms CAA and CAC to be separated": OCED will make this change as requested.
II. "Committee to remain as is with 13 members with no special appointments from elected officials": OCED has reviewed the impact of your comment on the citizen participation activity, and will revise the Policy Paper by removing from the composition of the committee, the appointee from the County Executive Office. Instead, OCED will recommend that one representative be appointed by the Commissioners of the districts in which the Neighborhood Revitalization Strategy Area (NRSA) is located. In the case of Model City NRSA there will be an appointee from Commission district 2 and one from Commission district 3. As it relates to the decreasing of the number of committee members from thirteen (13) to nine (9), this measure will improve the CACs' decision-making process.
III. "Opposition to increase the 20% cap as it relates to the federal policy. There is to be no increase": OCED is requesting more clarification regarding the above-mentioned recommendation as the department is already abiding by this federal guideline, and will continue to do so per 24 CFR §570.205 and 206.
IV. "For profit and non-profit entities should be treated equally regarding job creation and job retention for every \$35,000": OCED agrees with your recommendation that for-profit and not-for-profit economic development agencies are to be held to the same standards as it relates to job creation and retention. This requirement is further emphasized in the agencies contractual agreements with OCED.
V. "Increase the number of OCED meetings from four times a year to every month": In 2007, OCED held over one hundred (100) public meetings in addition to the two (2) public hearings required by the US HUD guidelines. Unfortunately, due to the decrease in resources (staff and CDBG funds), OCED will only be able to hold a total of thirty-two (32) public meetings in each of the eight (8) NRSA's, in addition to the two (2) required public hearings held at the Board of County Commissioners (BCC) in 2008.

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- VI. **“Assign legal and technical assistance to provide guidance to Community Advisory Committees (CACs) at each meeting”**: OCED agrees with you that technical assistance and guidance is critical for the committee to efficiently represent the low-and-moderate income persons in the Model City NRSA. As such, technical assistance will continue to be provided at the CAC meetings by OCED and other County departments as needed, as well as during the Annual CAC Leadership meetings sponsored by CAA and OCED. In addition, as part of the updating of the Citizen Participation Plan, OCED will explore adding an annual meeting for the benefit of CAC members which will provide training on federal program requirements such as Section 3, eligibility requirements, and contract monitoring issues. Legal assistance shall be provided by the County’s Attorney staff for specific items on the agenda after a vote by the CAC. A written request from the CAC must be provided to OCED staff who will contact the County’s Attorney’s Office to arrange their participation at the CAC meeting.
- VII. **“The cap should be 20% of public service dollars. In addition to section 3 the county can waive the bid process”**: Miami-Dade County is bound by the CDBG Entitlement program regulations which prescribe that “the amount of CDBG funds used for public services shall not exceed 15 percent of each grant”. Regarding Section 3 requirements, in the past, it has been a very important item on the Model City CAC’s economic development agenda, and OCED is surprised that you would want to waive the competitive bid process. The Section 3 requirement is also federally mandated and cannot be waived.
- VIII. **“Eliminate matching funds and inter-local agreement requirements and replace them with the designation of area of metropolitan significance where entities are located within the Unincorporated Dade area would be given “extra points”**: OCED agrees that funding priorities should be given to projects located or serving low-and-moderate income persons in the NRSAs, eligible block groups and Unincorporated-Dade areas. Therefore, the RFA awards additional points to those agencies that serve and/or are located in the NRSAs. As it relates to projects in entitlement cities such as the City of Miami, since they receive an annual CDBG entitlement allocation, OCED believes that it would be favorable to the communities we both serve that the City contributes funds from its own entitlement to those projects that are affecting both our entitlement areas. The matching requirement means more funds to projects.
- IX. **“Utmost priority to implement Section 3”**: OCED agrees that Section 3 federal requirements should be a priority in the implementation of our contractual agreements with the agencies, and has a system in place to monitor agencies for compliance on a regular basis. However, at the annual meeting, OCED will bring more clarification to this requirement.
- X. **“Triple the current amount of CDBG funds allocated to neighborhood revitalization strategy areas (NRSAs). This request relates to failed plans, lack of administrative guidance, assistance, follow-up and monitoring of programs in the Model City NRSA”**: OCED agrees with you that more funds should be allocated to NRSAs and has already provided bonus points in the RFA for services to be provided therein. It still remains imperative, however, that all applicants compete for funding.

OCED staff is available to provide administrative guidance and technical assistance to any resident or agency that requests it, and has been diligent in providing copies of the NRSA strategies and other requested documents at every meeting. OCED appreciates CAC Model City’s commitment to its mission, and organized several additional workgroup meetings with its consultant and staff in verbalizing strategies and priorities which were ultimately included in the FY 2008-2012 Consolidated Plan.

In addition, all programs funded with CDBG funds are monitored annually for compliance with federal guidelines and regulations, and funded agencies are requested to regularly provide an update report on their progress to the CACs.

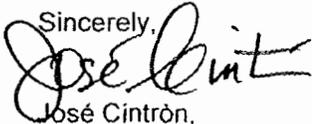
- XI. **“Restore CDBG funding for the Community Action Agency (CAA) Citizen Participation component servicing the OCED NRSAs from OCED budget since CAA is providing the services. Resolve the problems of staff missing time lines, perform at a level of professional compliance, adhere to guidelines, present the proper documentations, provide legal and technical assistance in order to enhance maximum citizen participation”:** OCED does not allocate administrative funds to County departments, therefore, OCED cannot increase or decrease those allocations. Regarding the circumstances surrounding the meetings, meetings are always advertised, staff is always on-time, and technical assistance is given routinely during the meetings, and through out the year by e-mail or telephone, and at the OCED’s offices. Please see paragraphs X and VI for additional input on this subject.
- XII. **“Improve the timeline for citizens to respond to public comments regarding the Miami-Dade County OCED Policy Paper, guidelines and mandates”:** OCED’s custom is to provide a comment period of 30 days which is consistent with federal requirements. Occasionally, that deadline is extended on a case-by-case basis, to address urgent matters such as the ones you delineated in this letter. Although your comments were submitted after the 30-day comment period, OCED will include this response and your comments in the FY 2009 Action Plan which will be presented to the BCC for approval, in July 2008, and submitted to US HUD after BCC approval is received.
- XIII. **“Include in the Policy Paper, a complete copy of the Miami-Dade County Citizen Participation Plan and Guidelines and mandates”:** As requested, please find attached copies of the resolutions and ordinances mentioned in the Policy Paper, and a complete copy of the Citizen Participation Plan.
- XIV. **“Provide to the Model City OCED CAC members all referenced ordinances, resolutions referenced in the FY 2009 OCED Policy Paper along with any complaints and request for 2007-2008 along with necessary response immediately”:** As requested, please find attached a complete package including copies of the full version of the Citizen Participation Plan, the resolutions and ordinances mentioned in paragraph XIII and the copies of the comments.
- XV. **“Provide an update on previous requested Model City OCED office space. This request may require 20% of Model City OCED budget in order to get Model City plans back on track as targeted; recommend Model City as a high priority. The board recommends the original boundaries be implemented immediately for the Model City OCED (NRSA) target area”:** As previously discussed, OCED is unable to provide Model City with office space as we do not have any available space. In addition, no space and operating budget is provided to any of the other CACs. Instead, the BCC voted to award all CACs, \$100,000 of CDBG funds to allocate to high priority projects in their respective NRSAs, in the categories of housing, economic development, historic preservation and capital improvement.

Model City NRSA boundaries are consistent with the current federal guidelines. The NRSAs boundaries are based on poverty, unemployment and overcrowding rates, as reflected in the latest data provided in 2000 by the US Census Bureau. Therefore, the current boundaries must remain the same until new data is provided from the next US Census scheduled for 2010.

Dr. Mae Christian  
Community Action Agency Model City  
Community Advisory Committee  
Page 4

I appreciate your feedback and your suggestions will be incorporated as appropriate and considered as we finalize the FY 2009 RFA Policies and Guidelines. If you require any additional information, you may contact Ms. Tangie White Jackson, Director of OCED's Community and Economic Development Division, at (786) 469-2100.

Sincerely,



José Cintrón,  
Director

JC:mk:ed

Enclosures

- c: Honorable Commissioner Edmonson, Miami-Dade Commission District 3  
Cynthia Curry, Miami-Dade County Executive Office, Senior Advisor  
w/o Enclosures: Tangie White Jackson, Director, CED Division – OCED  
Julie Edwards, Executive Director, MDC Community Action Agency  
Brian Gillis, Supervisor, OCED

→ Tangie - Pls consult with  
Hana & Zafar  
and prepare a draft response  
Thanks

May 15, 2008

Mr. Jose Cintron Director  
Office of Community & Economic Development  
701 Northwest First Court  
Fourteenth Floor  
Miami, Florida 33136

2008 MAY 19 AM 9:00  
OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT  
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**Re: Draft FY2009 Policies -- Condo Conversion**

Dear Mr. Cintron:

Thank you for the various opportunities to meet with you to discuss our efforts in the affordable housing arena. As you know, we are actively involved in "substantial rehabilitation" of dilapidated rental housing and converting them into affordable condominiums. We are providing an opportunity to low-income families to own their own homes in a newly rehabilitated building. In the process, we are assisting the revitalization of low-income neighborhoods. Our strategy has been met with positive reaction from prospective homeowners, the City of North Miami, and OCED / Dade County. Towards that end, we would like to urge that you revisit your draft policy on condo conversions to reconsider recommending "substantial renovation condo conversions."

The rationale given for the new policy says that "current market conditions have shown a saturation of the residential condo market with one of the highest vacancies in the County's history." The vast majority of the residential condo inventory is not priced or suitable for affordable housing even with County subsidies. Even with declines, the median condominium price is well above the affordable maximum. For those that are priced within that range, we would suggest that you make an individual assessment on a case by case basis of the appropriateness, not a blanket one.

Additionally, many of our buyers were renters of "non renovated" units in the same building where they have now purchased a "substantially renovated" unit for a very similar monthly payment of what they were paying for a non renovated unit. We would suggest that "substantial renovation" would include substantial improvements such as new roof, mechanical system, updated electric, new kitchens, new bathrooms, flooring, hurricane impact windows, not just a patch and paint job. Our projects were required to submit full sets of building plans as well as attain master and sub building permits along with inspections confirming the work was completed to code. Then a "re-occupancy certificate" must be attained prior to the closing. This is an almost identical process as a new construction project.

The policy also says that this is "exacerbated by the rate of foreclosures driving the demand for affordable rentals upward." Hence, the County's efforts to redirect its focus on delivering affordable rentals instead of converting existing rentals to condos and losing affordable rental housing to high-priced condos." While for each home we rehabilitate and convert to affordable condominium, you might be able to say the affordable rental inventory has been reduced by a unit, at the same time we are reducing the need for affordable rental housing by the new low-income homeowner. There is no adverse impact on the inventory or demand for affordable rental housing. In fact, we are creating a more stable situation for the low-income family rather than forcing them to continue to reside in "non renovated" rental housing. As you know, a restrictive covenant will ensure the continued affordability of the unit.

**BURSTYN**  
Properties

While it is understandable that you don't want affordable rental housing to be converted to high-priced, unaffordable condominiums, we would hope that you see the important work of rehabilitating deteriorating rental housing, which has no assurance of remaining affordable, where converting to condominium has long-term assurance of affordability. We do want to mention that in order to compensate for time delays of closings, we allow tenants to remain in units after the renovation on a lease to own basis where they are now paying a below market rent. These people will be forced to become displaced if they can't close on their units.

Again we hope that you would consider revising the draft policy to focus on maintaining affordability, whether substantial rehabilitation condominium or rental, or remove it from consideration.

If you have any questions, please call me at (305) 992-5563 or our financing consultant, Steve Graziani, at (305) 227-0086. Thank you for your time and anticipated cooperation.

Sincerely,



David Burstyn, President  
Burstyn Properties, Inc  
Manager for 125 Developers LLC  
Manager for 13200 Developers LLC

CC: Ron L Book, Esq.



Carlos Alvarez, Mayor

June 05, 2008

Mr. David Burstyn, President  
Burstyn Properties, Inc.  
13700 NE 6 Avenue, Ste. 204  
North Miami, FL 33161

**Re: Draft FY 2009 Policies – Condo Conversion**

Dear Mr. Burstyn:

Thank you for your letter of May 15, 2008 regarding the proposed new affordable housing recommendations. The County recently completed its FY 2008-2012 Consolidated Plan. In the Housing Market Analysis section, research has shown that Miami-Dade County led the nation in the loss of affordable units in 2004. In order to meet the need for affordable rental units, the construction and rehabilitation of rental housing has been identified as a high priority in the County's FY 2008-2012 Consolidated Plan. The Office of Community and Economic Development (OCED) through its latest proposed policies governing the FY 2009 Request for Applications (RFA) process is following a comprehensive countywide-strategy that focuses on the development of affordable rental units instead of converting existing rentals to condos.

In order to meet the high demand for affordable housing, the County is updating its housing priorities to fund more housing activities assisting renters and transitional housing for the homeless. To reinforce our comprehensive effort, OCED is also funding tenant-based rental assistance (TBRA) projects which provide subsidies to low-to-very-low income households in Miami-Dade County. In order to meet rental replacement goals, funds will continue to be made available to developers to rehabilitate affordable rental units.

If you require any additional information, please call Ms. Tangie White Jackson, Director, Community and Economic Development Division, at (786) 469-2100.

Sincerely,

José Cintrón,  
Director

JC/mak

c: Tangie White-Jackson, Director, CED Division - OCED  
Brian Gillis, Supervisor - OCED

*Delivered to Mr. Alvarez - 6/5/08*

# SOUTH FLORIDA COMMUNITY DEVELOPMENT COALITION

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## Comments on the Draft "FY 2009 Consolidated Planning Process Policies"

May 12, 2008

1. **Condo conversion** – On page 4, clarification is needed with regard to a seeming prohibition on funding condo conversion. This might prevent a CDC from creating affordable condominiums by acquiring and then substantially rehabilitating dilapidated, run down, and neglected rental apartment buildings.
  
2. **Funding for County Departments** – On page 6, the Paper states that only 20% of HUD funds can be used for administrative purposes. It states that currently 30% of the remaining 80% is earmarked for county programs and projects. It is proposed to increase the 30% to 40%. The Coalition opposes this change (indeed, the 30% should be lowered). Federal "maintenance of effort" regulations prohibit using federal funds to pay for ordinary local government expenditures. Thus, increasing the percentage of federal funds being used to subsidize local government programs seems to be a bad idea.
  
3. **Promoting capacity building for non-profits** – pages 10, 12, 15, and 18:
  - In the middle of page 10, add a new bullet point: "effective programs that support capacity building for nonprofit development corporations within the targeted communities (NRSA's)
  - On top of page 12, in first full paragraph, after the words "funding set asides", add "CBO capacity building programs".
  - In the middle of page 12, in first line of the second full paragraph after the words "Strong emphasis will be placed on projects" add the words "CBO capacity building programs".
  - In the third bullet on page 15, after the words "Partnerships and/or Joint Ventures must submit their partnership agreements" add the following: "Priority will be given to partnerships with effective capacity building programs for the long term benefit of the nonprofit/CBO and where the nonprofit/CBO has viable participation in both the economic and operational component of the project, that is, a minimum of 40% economic participation and concurrence on all operational decisions."
  - On page 18, the first sub-bullet under the first bullet point should be modified to read: "Utilize effective partnerships between for profit and nonprofits where the nonprofit/CBO has viable participation in both the economic and operational component of the project, that is, a minimum of 40% economic participation and concurrence on all operational decision."

4. **Action Plan calendar** – On page 14, point 4 states that OCED has been authorized to amend the Action Plan to coincide with the County's fiscal year. When will this change take place? Will the FY 2009 Action Plan be effective January 2009 through December 2009, or October 2009 through September 2010?

5. **Retainage** – After the second bullet on page 16, at the end of the bullet point, add: "or be waived when a companion lender, such as a bank, is holding retainage."