Memorandum

MIAMI-DADE COUNTY

Date: November 20, 2008

Agenda Item No. 12(B)2

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

From: George M. Burgess
County Manager

Subject: Report on the Voluntary Workforce Housing Development Program

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Pursuant to Section 17-146 of the Miami-Dade County Code of Ordinances (Code), the following attached report is being presented to inform the Board of County Commissioners concerning the compliance with the provisions of the Workforce Housing Development Program.

The Code requires this report to include, but not be limited to, the continuing evaluation of the need for workforce housing, the uses of and expenditures from the Affordable Housing Trust Fund, and the effectiveness of the program.

The attached report prepared by staff from the Department of Planning and Zoning and the Office of Community and Economic Development provides an update on the progress of the Workforce Housing Development Program.

Attachments

Cynthia W. Curry
Senior Advisor to the County Manager

Report on the Voluntary Workforce Housing Development Program
April 2006 to September 2008

The purpose of this report is to provide the Miami-Dade County Board of County Commissioners (BCC) with a progress review of the Workforce Housing Development Program (program). The report includes an overview of the workforce housing need in Miami-Dade County, the number of workforce housing units committed to date under the provisions of the program, and the status of the Affordable Housing Trust Fund, pursuant to Section 17-146 of the Workforce Housing Development Program Ordinance (WH Ordinance).

Background

The Workforce Housing Development Program became effective on February 4, 2007 pursuant to Ordinance No. 07-05. The Workforce Housing Development Program is a voluntary zoning program which provides density bonuses to private developers if they commit to making five to 12.5 percent of the units in a residential development available for workforce housing, or if they make a monetary contribution to the Affordable Housing Trust Fund in lieu of constructing the workforce units. Workforce housing is defined in the WH Ordinance as housing affordable to households between 65 and 140 percent of the median family income. Although the WH Ordinance had a sunset provision which called for it to expire after one year, the Miami-Dade County Board of County Commissioners (BCC) re-adopted the Ordinance on March 4, 2008.

Workforce Housing Need in Miami-Dade County

According to the *Miami-Dade County Workforce Housing Plan, 2008 to* 2015, approximately 90 percent of the households in Miami-Dade County cannot afford to purchase a median priced home ($320,900) without being cost burdened, and half the households in the County cannot afford to rent a median priced two-bedroom apartment ($1,209) without also experiencing some form of cost burden.[1] Cost burden is defined as households that spend more than 30percent of their income toward housing costs. Although there has been a general down turn in the real estate market since 2006, the housing market still remains unaffordable to workforce households with incomes between 65 to 140 percent of the AMI ($31,980 to $68,880).[2] Indeed, the *Workforce Housing Plan* estimates that from 2000 to 2015 approximately 91,599 households in Miami-Dade County will become cost burdened. The intent of the Workforce Housing Development Program is to address the need for affordable workforce housing by providing incentives for the development of such housing.

Workforce Housing Committed Under the Workforce Housing Development Program

The section that follows provides data on the workforce housing commitments made from April 2006 to September 2008 through amendments to the Comprehensive Development Master Plan (CDMP) and zoning public hearings. Information from 2006 is included in the report since some workforce housing commitments were made through the CDMP amendment process prior to the Workforce Housing Ordinance being adopted.

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[1] Florida Association of Realtors and University of Florida Bergstorm Center for Real Estate Studies, "Florida Sales Report for May 2008: Single Family, Existing Homes" was used for the median sales price of a single family home; and the "Miami-Dade County Quarterly Housing Report, Second Quarter of 2008," by Reinhold P. Wolff Economic Research, Inc. was used for the average rent for a two bedroom apartment in Miami-Dade County.

[2] US Housing and Urban Development Income Limits for Miami-Dade County was utilized for the Area Media Income (AMI).

Workforce Housing Units Committed through the CDMP Amendment Process

Since April 2006, 14 applications to amend the CDMP have proffered covenants to build workforce housing. More than half of these CDMP applications committed to making a maximum of ten to 25 percent of their residential units available for workforce housing, unless the Workforce Housing Ordinance was in effect, in which case they would voluntarily comply with the ordinance. As of April 2008, a maximum of 610 workforce housing units were proffered through the CDMP amendment process. However, if applicants select to follow the minimum requirements of the WHU Ordinance, the workforce housing commitment is reduced to 453 units, with six applications having the option of providing a contribution to the Affordable Housing Trust in lieu of construction. Of the 14 CDMP applications that have been adopted since 2006, only eight have filed zoning applications and only two have received zoning approval.

Workforce Housing Units Committed through the Zoning Process

To date, the Department of Planning and Zoning (DP&Z) has received 11 zoning applications with a workforce housing component, including eight of the CDMP applications discussed above. Of the eleven zoning applications, only three have been approved, one is pending the final hearing with the BCC, and one has been denied without prejudice. The remainder of the applications are under review or have suspended further action due to the current housing market.

The four zoning applications that have been approved or are pending BCC approval have proffered a total of 89 workforce housing units through zoning covenants. It should be noted, however, that only one of these zoning applications committed to providing affordable workforce housing under the provisions of the Workforce Housing Development Program. Thus, only six workforce housing units have been committed under the WH Ordinance through the zoning process.

Affordable Housing Trust Fund

The Affordable Housing Trust Fund is intended to be a permanent, renewable source of revenue to meet, in part, the housing needs of households with incomes up to 140 percent of the median family income for Miami-Dade County. Monetary contributions made through the Workforce Housing Development Program in lieu of development of workforce housing units are only to be used for households earning 65 to 80 percent of the area median income. To date, there have been no monetary contributions to the Affordable Housing Trust Fund made through the Workforce Housing Development Program.

The Tables on the following page provide an account of the workforce housing units committed through both the CDMP and the zoning process, as well as contributions make to the Affordable Housing Trust Fund.

Table 1: Workforce Housing Units Committed through the CDMP Amendment Process, April 2006 to September 2008

Workforce Housing Commitment without the HW Ordinance:	14 CDMP Applications: 610 WHU units
Minimum Workforce Housing Commitment Under the WH Ordinance:	8 CDMP Applications: 453 WHU units 6 CDMP Applications: Contribution to Affordable Housing Trust Fund equal in value to 5% WHU units

WHU – Workforce Housing Units
Source: Department of Planning and Zoning

Table 2: Workforce Housing Units Committed through the Zoning Process, April 2006 to September 2008

Workforce Housing Commitment though the Zoning Process	Pending Final Hearing	Approved	Denied	Total WHU
WHU Committed without the Workforce Housing Ordinance/ Number of Zoning Applications	63 WHU/ 1 Zoning Application	20 WHU/ 3 Zoning Applications	0* WHU/ 1 Zoning Application	83 WHU/ 5 Zoning Applications
WHU Committed Under Workforce Housing Ordinance/ Number of Zoning Applications	0	6 WHU/ 1 Zoning Application	0	6 WHU/ 1 Zoning Application
Total WHU/ Number of Zoning Applications	63 WHU/ 1 Zoning Application	26 WHU/ 4 Zoning Applications	0* WHU/ 1 Zoning Application	89 WHU/ 5 Zoning Application
Applications in Progress or on Hold by Applicant/ Number of Zoning Applications	WHU - To be Determined/ 6 Zoning Applications			

WHU – Workforce Housing Units
Pending zoning review and final zoning covenants.
* Applicant requested not to comply residential condition proffered under the CDMP covenant*
Source: Department of Planning and Zoning

Table 3: Contribution to Affordable Housing Trust Fund Made Through the Workforce Housing Development Program April 2006 to September 2008

	2006	2007	2008
Contribution to Affordable Housing Trust Fund in Lieu of Construction of WHU	Not Applicable	$0	$0

WHU – Workforce Housing Units
Source: Department of Planning and Zoning

Amendments to the Comprehensive Development Master Plan: Workforce Housing Units Committed from April 2006 to September 2008

CDMP AmendCycle	App No	App Type	Application Name or Name of Applicant	Location	Lot Size (Gross Acres)	Proposed Land Use Change	Approved Land Use Change	CDMP Status	Covenant	Total Units	Without WH Ordinance		Minimum with WH Ordinance	
									Volunteer to Comply with WH Ordinance Yes/No	Proposed	% WHU	# WHU	% WHU	# WHU
April 2005-06	1	Standard	46 Acres, LLC.	NE 215 St, approximately 900 feet west of San Smeon Way	26.13	Industrial and Office	Low-Medium Density Residential (5 to 13 DU/Ac)	Adopt with changes and acceptance of Covenant	10% WHU; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	339	10%	34	5%	17
April 2005-06	3	Standard	Dynamic Biscayne Shores Associates, Inc.	West of Biscayne Blvd to NW 13 Ave, between NE 112 and NE 115 Streets	15.89	**Parcel A**: Low Density Residential **Parcels B, C**: Low-Medium Density Residential **Parcels D, E**: Low-Medium Density Residential & Business and Office	**Parcels A, B, C, D**: Medium Density Residential **Parcel E**: Business and Office	Adopt with acceptance of Covenant	51 WHU units; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	523	–	51	–	Contribution equal in value to 5% WHU
April 2005-06	4	Standard	Liberty Investments Inc.	NW 12 Ave to NW 9 Ave between NW 95 terrace and NW 99 Street	27.60	**Parcels A, B, C, D, E**: Low-Medium Density Residential (5 to 13 DU/Ac.	**Parcels A, C, D, & E:** Medium Density Residential **Parcel B**: Medium Density Residential	Adopt with acceptance of Covenant	10% WHU; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	362	10%	36	5%	18
April 2005-06	22	Standard	Princeton Land Investment, LLC.	NW and SW corners of SW 127 Ave and SW 240 Street	62.51	**Parcels A, B, C**: Low Density Residential (2.5 to 6.0 DU/Ac.)	**Parcels A & C**: Medium Density Residential **Parcel B**: Low-Medium Density Residential	Adopt with acceptance of Covenant	65 WHU without ordinance; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	970	–	65	5%	49
Oct 2005-06	1	Small-Scale	Biscayne Green Acres, LLC. And Biscayne Goldacres, LLC	NE 116 to 117 St and west of NE 16 Ave	2.21	**Trac A**: Business and Office **Tract B**: Low-Medium Density Residential (5 to 13 DU/ac.)	**Trac A**: Business and Office **Tract B**: Medium Density Residential (5 to 13 DU/ac.)	Adopt with acceptance of Covenant	10% Workforce Housing; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	73	10%	7	--	Contribution equal in value to 5% WHU

CDMP AmendCycle	App No	App Type	Application Name or Name of Applicant	Location	Lot Size (Gross Acres)	Proposed Land Use Change	Approved Land Use Change	CDMP Status	Covenant	Total Units	Without WH Ordinance		Minimum with WH Ordinance	
									Volunteer to Comply with WH Ordinance Yes/No	Proposed	% WHU	# WHU	% WHU	# WHU
Oct 2005-06	4	Small-Scale	Biscayne Shore Star, LLC.	East of Biscayne Blvd/East Dixie Hwy, between NE 108 and 109 Streets	1.32*	Low-Medium Density Residential (6 to 13 DU/Ac)	Medium Density Residential (13 to 25 DU/Ac)	Adopt with acceptance of Covenant	10% WHU; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	72	10%	7	--	Contribution equal in value to 5% WHU
Oct 2005-06	5	Small-Scale	Poinciana Partners, LLP.	North of NW 78 St, between NW 22 and NW 24 Avenues	2.70	Industrial and Office	Business And Office (Applicable Residential Category is Medium High Density 25 to 60 DU/Ac)	Adopt with acceptance of Covenant	Units will primarily serve students & workers of the Pharmaceutical Park. Otherwise 10% WHU; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	108	10%	11	--	Contribution equal in value to 5% WHU
Oct 2005-06	12	Small-Scale	West Perrine Community Development Corporation	NE corner of SW 186 St and Homestead Ave	2.40	Industrial and Office	Business And Office (Applicable Residential Category is Medium High Density 25 to 60 DU/Ac)	Adopt with acceptance of Covenant	25% Independent Sr. Housing and/or Affordable Housing or 10% WHU; If ordinance is approved, will comply with ordinance in lieu of commitment. WH Ordinance - Yes	105	10%	11	--	Contribution equal in value to 5% WHU
April 2006-07	3	Small-Scale	2260 NW 27 Ave, LLC	2260 NW 27 Ave, between NW 22 and NW 23 Streets	6.64	Industrial and Office		Adopt with acceptance of Covenant	25% Workforce Housing. If unable to sell in 210 days, will give right of first refusal to county; otherwise, units become market rate WH Ordinance - No	500	25%	125	NA	125
April 2006-07	13	Standard	Tagoror Investments, LLC.	North of SW 338 St, between SW 194 and SW 192 Avenues	9.89	Estate Density Residential (1 to 2.5 DU/ac.)	Low Density Residential with DI-1 (Use Low-Medium Density Due to DI-1 to calculate WHU)	Adopt with change and acceptance of Covenant	20% WHU if max density allowed. If unable to sell in 210 days, will give right of first refusal to county; otherwise, units become market rate WH Ordinance - No	129	20%	26	NA	26

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CDMP AmendCycle	App No	App Type	Application Name or Name of Applicant	Location	Lot Size (Gross Acres)	Proposed Land Use Change	Approved Land Use Change	CDMP Status	Covenant	Total Units	Without WH Ordinance		Minimum with WH Ordinance	
									Volunteer to Comply with WH Ordinance Yes/No	Proposed	% WHU	# WHU	% WHU	# WHU
April 2006-07	14	Standard	Palm & Tower II, Et. Al.	From SW 336 and SW 344 Streets, between SW 192 and SW 197 Avenues	119.66	Estate Density Residential (1 to 2.5 DU/ac.)	Estate Density Residential with DI-1 west of SW 194 Avenue and Low Density Residential with DI-1 east of SW 194 Avenue (Use Low-Medium Density and Low-Medium Density Residential Due to DI-1 to calculate WHU)	Adopt with change and acceptance of Covenant	20% WHU if at least 90% of max density is allowed. 10% WHU regardless of density If unable to sell in 210 days, will give right of first refusal to county; otherwise, units become market rate WH Ordinance - No	940	20%	188	NA	188
April 2006-07	15	Standard	Palm & Tower Investor, LLC.	SW corner of SW 344 St and SW 192 Ave	20.76	Low Density Residential (2.5 to 6 DU/ac.)	Low Density Residential with DI-1 (Use Low-Medium Density Due to DI-1 to calculate WHU)	Adopt with change and acceptance of Covenant	10% WHU. If unable to sell in 210 days, will give right of first refusal to county; otherwise, units become market rate WH Ordinance - No	204	10%	20	NA	20
April 2007-08	10	Small-Scale	West Perrine Land Trust, Inc.	SW Homestead Ave and SW 184 Ave	3.20	Industrial and Office	Medium Density Residential with DI-1 (Use Medium-High Density Due to DI-1 to calculate WHU)	Adopt with acceptance of Covenant	10% WHU; If ordinance is approved, will voluntarily comply with ordinance in lieu of commitment. WH Ordinance - Yes	192	10%	19	–	Contribution equal in value to 5% WHU
April 2007-08	11	Small-Scale	BDG Florida City, LLC	34250 SW 192 Ave	5.04	Estate Density Residential (1 to 2.5 DU/ac.)	Low Density Residential with DI-1 (Use Low-Medium Density Due to DI-1 to calculate WHU)	Adopt with change and acceptance of Covenant	10% WHU if low density and 20% if low density with a D-1 (density increase) is approved. If unable to sell in 210 days, will give right of first refusal to county; otherwise, units become market rate WH Ordinance - No	50	20%	10	NA	10
										4,567		**610**		**453**

NA - Not Applicable. Covenant did not commit to the provisions of the WH Ordinance.

WHU - Workforce Housing Units

WH Ordinance - Workforce Housing Development Program Ordinance

TBD - To be determined

Zoning Action on Workforce Housing Units Committed from April 2006 to September 2008

Process No.	Application Name or Name of Applicant	Location	Lot Size (Gross Acres)	CDMP Amendment with Covenant Proffering WHU	Zoning Covenant	Total Units	Workforce Housing % WHU	Workforce Housing # of WHU	Zoning Status DIC	Zoning Status Hearing Date	Status	Notes
Z2006000144	Poinciana Partners, LLP.	North of NW 78 St, between NW 22 and NW 24 Avenues	2.7	Yes	Yes 10% WHU under the conditions of the WH Ordinance	59	10%	6	N	ZCAB 8 4/25/08	Approved with conditions	Poincian Bio-Pharmacutical Park under litigation.
Z2006000282	Biscayne Green Acres, LLC. And Biscayne Goldacres, LLC	NE 116 to 117 St and west of NE 16 Ave	2.21	Yes	Yes Originally Proffered 15% WHU. However, applicant changed plan to a shopping center with no residential	108	0%	-	N	ZCAB 7 9/2/08	Denied without Prejudice	Will require applicant to Amend the CDMP to revise the CDMP covenant regarding residential use, including the commitment to provide workforce housing.
Z2006000379	Biscayne Shore Star, LLC.	East of Biscayne Blvd/East Dixie Hwy, between NE 108 and 109 Streets	1.32	Yes	Yes At Least 20% WHU	58	20%	11	N	ZCAB 7 6/4/08	Approved	---
Z2006000125	Dolphin Center Properties	Between NW 17 Ave and NW 27 Ave and on both sides of NW 199 St, city of Miami Gardens. Part of the Dolphin Center DRI	350.00	No	Yes 63 WHU. Filed w/t the City of Miami Gardens	638	10%	63	Y	BCC hearing pending	Pending BCC Approval	The Covenant was filed with the City of Miami Gardens; however, the Dolphin Center DRI is within the County's jurisdiction.
Z2006000271	Fontainebleau Executive Center Group, Inc.	275 Fontainebleau Boulevard	2.22	No	Yes Min. of 10% WHU units	92	10%	9	N	ZCAB 8 6/12/08	Approved with conditions	Resolution No. CZAB10-28-08
Z2007000368	46 Acres, LLC.	NE 215 St, approximately 900 feet west of San Smeon Way	26.13	Yes	None Submitted to Date	-	-	-	Y	TBD	Pending	---
Z2007000295	Princeton Land Investment, LLC.	NW and SW corners of SW 127 Ave and SW 240 Street	62.51	Yes	None Submitted to Date	-	-	-	Y	TBD	Pending	Princeton CUC
Z2007000297	Tagoror Investments, LLC.	North of SW 338 St, between SW 194 and SW 192 Avenues	9.89	Yes	None Submitted to Date	-	-	-	N	TBD	Pending	---
Z2007000301	Palm & Tower II, Et. Al.	From SW 336 and SW 344 Streets, between SW 192 and SW 197 Avenues	119.66	Yes	None Submitted to Date	-	-	-	Y	TBD	Pending	Total development limited to 940 units
Z2007000300	Palm & Tower Investor, LLC.	SW corner of SW 344 St and SW 192 Ave	20.76	Yes	None Submitted to Date	-	-	-	N	TBD	Pending	---
Z2007000192	Project 3711, Inc.	3711 SW 88 Place	0.30	No	None submitted to date	4	12.5%	1	N	ZCAB 101/15/08	Deferred Indefinitely	Applicant to comply with WH Ordinance
					Total	955		89				
					Approved or Pending Final Hearing	847		89				
					Denied	108		---				
					Pending Review or Deferred (Not included in Total Units)	4		1				

WHU - Workforce Housing Units

WH Ordinance - Workforce Housing Development Program Ordinance

TBD - To be determined