MEMORANDUM

Agenda Item No. 7(D)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: April 6, 2010

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Ordinance amending Article VII, Sections 17-121, 17-122 and 17-125 of the Code concerning the establishment of a rental exception to the Infill Housing Initiative Program

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This ordinance was amended at the 3-25-10 Housing & Community Development committee to include as part of the definition of "Eligible Persons" or "Eligible Households" persons or families who participate in affordable rental programs administered by municipalities. Additionally, a two year sunset period has been added to the proposed Section 17-125.1 of the Code.

The accompanying ordinance was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Katy Sorenson.

R. A. Cuevas, Jr.
County Attorney

RAC/jls

Memorandum

MIAMI-DADE COUNTY

Date: April 6, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Ordinance Amending Article VII of the Code Establishing Rental Exception to the Housing Initiative Program

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The ordinance amending the Code and providing the establishment of rental exceptions to the infill housing initiative program will result in no fiscal impact to Miami-Dade County. This amendment allows for developers to list their properties with the Miami-Dade Public Housing Agency, for Section 8 participants, to rent like private owners.

Cynthia Curry, Senior Advisor

fls03410

MEMORANDUM
(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: April 6, 2010

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 7(D)

Please note any items checked.

_____ **"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**

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

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No.7(D)
4-6-10

ORDINANCE NO. _____

ORDINANCE AMENDING ARTICLE VII, SECTIONS 17-121, 17-122, AND 17-125 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA CONCERNING THE ESTABLISHMENT OF A RENTAL EXCEPTION TO THE INFILL HOUSING INITIATIVE PROGRAM; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Section 17-121 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:[1]

Sec. 17-121. Title; purpose.

This article shall be entitled, "The Infill Housing Initiative." Its purpose is to increase the availability of affordable homes for low and moderate income persons, maintain a stock of affordable housing, redevelop urban neighborhoods by eliminating the blight of vacant lots and dilapidated or abandoned properties, to equitably distribute homeownership opportunities within the Infill Target Areas, and generate payment of ad valorem taxes. The Infill Housing Initiative shall encourage the redevelopment of vacant, dilapidated or abandoned property through the sale or transfer of County property to qualified developers and the inclusion of privately owned vacant, dilapidated or abandoned properties. The community development corporations and developers shall be required to build affordable single-family homes to be sold to low and moderate income households. >>Although the Infill Housing Initiative is primarily designed to create affordable homeownership of single family homes, the County under limited circumstances may at its sole discretion permit developers to rent these homes to qualified low or moderate income families.<<

[1] Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Section 2. Section 17-122 of the Code of Miami-Dade County, Florida is hereby amended as follows:

Sec. 17-122. Definitions

* * *

(b) *Affordable.* Where the >>rental payments or<< mortgage payments, including taxes and insurance, does not exceed 30 percent of the amount which represents the percentage of the median annual gross income for low and moderate income households. However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark.

* * *

(h) *Eligible Person or Eligible Household.* One or more natural persons or a family that has not previously owned or had interest in a home during the previous three years and that has been determined by the County to meet the eligibility requirements of a low or moderate income household according to the income limits adjusted to family size published annually by the United States Department of Housing and Urban Development based upon the annual gross income of the household. >>The terms *Eligible Person or Eligible Household* shall also include one or more natural persons or a family who participates in one of the<< [[~~County's~~]] >>County and other municipalities'<<[2] >>affordable rental programs, including but not limited to the Section 8 Housing Choice Voucher or the Miami-Dade Homeless Trust Continuum of Care's Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs and who has been determined by the County to meet the eligibility requirements of a low or moderate income household according to the income limits adjusted to family size published annually by the United States Department of Housing and Urban Development based upon the annual gross income of the household.<<

* * *

(o) >>*Rental Price* means rents that do not exceed the monthly Fair Market Rent as determined for Miami-Dade County and

[2] Committee amendments are indicated as follows: words double stricken through and/or [[double bracketed]] shall be deleted, words double underlined and/or >>double arrowed<< constitute the amendment proposed.

published by the U.S. Department of Housing and Urban Development.

(p)<< *Sales Price.* The price set by the County pursuant to an administrative order, which price shall not exceed an amount affordable at the maximum income range, as defined in this article, taking into account (a) family size; (b) an annual fixed interest rate based on a thirty (30) year mortgage term; (c) payment of up to five percent (5%) down payment by a qualified household; and (d) an estimation of annual property taxes, assessments, loan insurance and financing fees, allowances for property maintenance and repairs, homeowners insurances, homeowner association fees, if any, and allowances for utilities.

[[~~(p)~~]]>>(q)<< *State Housing Initiative Partnership (SHIP).* The affordable housing program established pursuant to Section 420.90 *et seq.* of the Florida Statutes for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing related employment.

[[~~(q)~~]]>>(r)<< *Surtax.* The discretionary tax on documents, which the County is authorized by Section 125.0167 of the Florida Statutes to levy, for the purpose of establishing and financing the County's Local Housing Assistance Loan Trust Fund to assist in the financing of construction, rehabilitation, or purchase of housing for low-income and moderate-income families.

Section 3. Section 17-125 of the Code of Miami-Dade County, Florida is hereby amended as follows:

>>**Sec. 17-125.1 Rental of Property.**

The County in its sole discretion may allow developers to rent eligible homes on a temporary basis if the developer can demonstrate to the County's satisfaction that they have made a good faith effort to sell the eligible home. The term "good faith effort" shall include but is not limited to marketing of the eligible home by listing the home on the multiple listing service for a minimum of three months, placing a "For Sale" sign on the property, and reducing the original asking price . In the event the developer is able to demonstrate that it has used good faith efforts to sell the eligible home and the County permits the rental of said home, the County shall require the developer to rent the eligible home to families who are eligible participants in one of the

County's or other local municipality's rental housing assistance programs, including but not limited to, the Section 8 Housing Choice Voucher (HCV) Program administered by the Miami-Dade Public Housing Agency (MDPHA) or the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs administered by the Miami-Dade County Homeless Trust The County shall determine prior to authorizing a developer to rent an eligible home whether the rental of said home is consistent with all applicable state and federal laws and regulations.

Upon the County's approval to rent any eligible home, each developer shall be required to comply with all applicable federal and state housing laws and regulations. Developers shall also be required to rent the eligible homes for a minimum of one year and will not be permitted to sell said eligible home during the first year it is rented, unless it is sold to the existing tenant.<<

>>This section of the Code shall sunset two years from the effective date of this ordinance<<

Section 4. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 5. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

Section 6. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as
to form and legal sufficiency:

Prepared by:

Terrence A. Smith

Prime Sponsor: Commissioner Katy Sorenson