# Memorandum

MIAMI-DADE COUNTY

**Date:** April 6, 2010

Agenda Item No. 8(F)(1)(D)

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

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

**Subject:** Resolution Rescinding Administrative Order No. 3-44 and Approving Implementing Order 3-44 Regarding the Infill Housing Initiative

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**At the request of Housing and Community Development Committee this Implementing Order was revised to include a sunset provision for the temporary rental exception, and to modify the definition of an eligible person or eligible household to include those persons or families participating in any other municipalities' affordable rental program.**

**Recommendation**

It is recommended that the Board of County Commissioners approve the attached resolution rescinding Administrative Order 3-44 (Infill Housing Initiative) and approve Implementing Order 3-44 carrying forward provisions of Administrative Order 3-44; and updating departmental names and their roles and responsibilities, incorporating minor procedural modifications, adding a provision for the temporary rental of housing units, and adding a schedule of program fees.

**Scope**

The proposed revisions include the following:

- Update department names and their roles and responsibilities
- Make minor procedural changes that are more reflective of current processes
- Eliminate the reimbursement of Water and Sewer Connection fees
- Limit the reimbursement of impact fees to homes sold to low income families
- Allow for the temporary rental of Infill Homes
- Add modest program fees to help cover operational costs of the Program.

**Background**

Administrative Order No. 3-44 (AO 3-44) was approved on January 25, 2007 establishing the procedures for the Infill Housing Initiative. The Infill Housing Initiative is a County program that encourages developers to build affordable single family housing in inner city neighborhoods. Since AO 3-44 was approved, the names of several departments have changed as well as their functions as they relate to the Infill Housing Initiative (the Program). The recommended changes are necessary to more accurately reflect current processes. In addition, the reimbursement of water and sewer connection charges is being eliminated due to lack of funding and the reimbursement of impact fees is being limited to homes sold to low income families (80% or below of median income), which is consistent with the requirements of the Department of Planning and Zoning. Modest Program fees are being added to help cover operational costs of the Program.

The most significant change is the addition of a provision that allows the developers to temporarily rent the housing units. Due to the downturn in the real estate market and the overall state of the economy, developers are having a very hard time finding buyers for many of the homes that have been built.

Currently, there are approximately 41 completed homes and another 50 homes under construction that have not been sold. Rather than have the developer's risk losing the homes to foreclosure or being vandalized, a proposed code amendment on today's agenda will allow the developers to rent the homes, provided they 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 services for a minimum of three months, placing a "For Sale" sign on the property, and reducing the original asking price by at least 5%. The developers will only be allowed to rent the homes 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 or the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs administered by the Homeless Trust. This rental exception will sunset after two years.

**Fiscal Impact**
The proposed Implementing Order incorporates modest fees to the developers which will help cover administrative costs of the Program. Currently, GSA does not charge any fees to the developers. However, staff spends a considerable amount of time monitoring the developer's progress, preparing paper work to release liens, processing requests for extensions, and preparing closing documents.

**Track Record/Monitor**
Elva Marin, GSA Real Estate Manager

**Comments**
An ordinance amending Sections 17-121 through 17-128 of the County Code, which regulate the Infill Housing Initiative, is also on today's agenda for your consideration. The amendment is needed to allow for the temporary rental of the housing units.

Assistant County Manager

# MEMORANDUM

(Revised)

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

**DATE:** April 6, 2009

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

**SUBJECT:** Agenda Item No. 8(F)(1)(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. 8(F)(1)(D)
4-6-10

RESOLUTION NO. _____

RESOLUTION RESCINDING ADMINISTRATIVE ORDER 3-44 AND APPROVING IMPLEMENTING ORDER 3-44 TO PROVIDE DIRECTION TO THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE REGARDING THE ADMINISTRATION OF THE INFILL HOUSING INITIATIVE PROGRAM

**WHEREAS,** Miami-Dade County created the Infill Housing Initiative Program for the purpose of increasing the availability of affordable homes for low and moderate income persons, maintaining a stock of affordable housing, redeveloping urban neighborhoods by eliminating the blight of vacant lots and dilapidated or abandoned properties, equitably distributing homeownership opportunities within the Infill Target Areas, and generating payment of ad valorem taxes; and

**WHEREAS,** the Infill Housing Initiative Program further encourages 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; and

**WHEREAS,** in furtherance of that policy, this Board had previously approved Administrative Order 3-44 establishing directions to the County Mayor or the County mayor's designee regarding the administration of the Infill Housing Initiative Program; and

**WHEREAS,** this Board desires to include provisions that allows developers on a temporary basis to rent their units; and

**WHEREAS,** it is necessary to amend other portions of the Administrative Order to reflect departmental name changes as well as changes to their roles and responsibilities, procedural changes, and inclusion of Program fees; and

**WHEREAS,** this Board desires to rescind Administrative Order 3-44 and enact an implementing order to re-establish the provisions of Implementing Order 3-44 and add the additional requirements set forth above,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA,** that this Board hereby rescinds Administrative Order 3-44, regarding the Infill Housing Initiative, and approves the Implementing Order 3-44 in substantially the form attached hereto and incorporated herein, and authorizes the County Mayor or the County Mayor's designee to exercise any and all rights conferred therein.

The foregoing resolution was 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:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

| | |
|---|---|
| Bruno A. Barreiro | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Barbara J. Jordan | Joe A. Martinez |
| Dorrin D. Rolle | Natacha Seijas |
| Katy Sorenson | Rebeca Sosa |
| Sen. Javier D. Souto | |

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of April, 2010. 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

Approved by County Attorney as
to form and legal sufficiency.

By:_____
Deputy Clerk

Terrence A. Smith

~~A.O.~~ I.O No.: 3-44
Ordered: ~~01/25/2007~~
Effective: ~~02/08/2007~~

MIAMI-DADE COUNTY
~~ADMINISTRATIVE~~ IMPLEMENTING ORDER

**AUTHORITY:**

~~Section 4.02 of the~~ The Miami-Dade County Home Rule Amendment and Charter, including among others, Section 1.01 and 2.02 A and Article VII Section 17-121 thru 17-~~127~~128.1 of the County Code.

**SUPERSEDES:**
This Implementing Order supersedes Administrative Order 3-44 ordered January 25, 2007 and effective February 8, 2007.

**SCOPE:**
This ~~Administrative~~ Implementing Order establishes the process for implementation and management of the Infill Housing Initiative for Miami-Dade County. The procedures established to carry out the goals of the Infill Housing Initiative shall be referred to as the Infill Housing Program.

**POLICY:**
Article VII Section 17-121 through 17-128.1, of the Code of Miami-Dade County creates a specific methodology for handling infill housing, including, but not limited to, the identification of property; acquisition, transfer and sale of property; reversion of title to the County in the event of non-performance; forgiveness of liens; and construction and rehabilitation loan provisions. The various activities necessary to administer the Infill Housing Program as well as the various agencies responsible for its implementation are outlined in this document. This ~~Administrative~~ Implementing Order also directs the creation of the Affordable Housing Review Committee (AHRC) and the Affordable Housing Selection Committee (AHSC).

The purpose of the Infill Housing Program 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, dilapidated or abandoned properties, equitably distribute homeownership opportunities within the Infill Target Areas, and generate payment of ad valorem taxes. The Infill Housing Program shall encourage the sale or transfer of County-owned properties to qualified developers. The developers shall be required to build affordable homes to be sold to low and moderate income persons. 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.

Except as otherwise specified, the General Services Administration is charged with the overall responsibility of administering the Infill Housing Initiative Program under this Administrative Implementing Order.

**DEFINITIONS:**

**Affordable:** Where the mortgage payment, 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.

**Certificate of Qualification:** A certificate issued by ~~MDHA~~ the Department of Housing and Community Development (DHCD) or any other County or non-County agency that has been authorized by ~~MDHA~~ DHCD to qualify households, establishing that a household is qualified to purchase an affordable dwelling unit. Certificates of Qualification shall be valid for 12 months.

**Control Period:** The 20-year period during which the eligible home must remain affordable. The control period begins on the initial sale date of the eligible home and resets automatically every 20 years for a maximum of 60 years, except that in the event the home is owned by the same owner for an entire 20-year period, said home shall be released from the affordability restrictions.

**County Property:** Property that is owned by Miami-Dade County.

**Dwelling Unit:** A unit, whether detached or attached to another such unit, that houses a single family and that can be sold in fee simple ownership.

**Eligible Housing or Eligible Home:** Any dwelling unit that is: (i) located on an infill parcel; (ii) constructed or rehabilitated in accordance with this article; and (iii) used as the primary residence of a qualified household.

**Eligible Person or Eligible Household:** One or more natural persons or a family that has not owned or had an interest in a home during the previous three years and that has been determined by the County to meet the eligibility requirement of a low income 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'<< 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.

**Impact Fees:** Fees for Road, Fire and Emergency Services, Parks, Police and Educational Facilities that are paid as pre-development costs to help fund the additional expenses required for services for new development.

**Infill Parcel:** A parcel of land that is located within the infill target areas and is suitable for residential development of four (4) dwelling units or less.

**Infill Target Areas:** The areas of the County designated as the Urban Infill Target Area (UIA), as defined in Section 33G-3(26) of the Code, and the Targeted Urban Areas (TUA), as defined in Section 30A-129(2) of the Code. In addition, Infill Target Areas shall include those portions of Neighborhood Revitalization Strategy Areas not otherwise covered under the UIA and TUA; and any geographic locations in Miami-Dade County which are designated by the Federal Government as empowerment zones shall be included in the definition of TUA at the time of such designation.

**Liens:** Encumbrances placed on property by the County or other municipality for failing to maintain property or pay for services rendered, i.e. lot clearing, trash pick up, demolition of unsafe structure, etc.

**Low Income Household:** Those households whose total annual adjusted gross income is 80% percent or less than the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within Miami-Dade County, whichever is greater as defined by HUD.

**Maximum Resale Price:** The sum of (i) the current area median income for the Metropolitan Area of Miami-Dade County as published by the U.S. Department of Housing and Urban Development (HUD) multiplied by the resale price multiplier, as defined herein, (ii) capital improvements, if any, however, in no event shall the Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Household earning 140% of the Area Median Income, as required by the Program for an eligible household to obtain mortgage financing (as such purchase price is determined by County), and further provided that the Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price.

**Moderate Income Household:** Those households whose total annual adjusted gross income is greater than 80% and less than 140% percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within Miami-Dade County, whichever is greater as defined by HUD.

**Private Property:** Property that is not owned by Miami-Dade County.

**Qualified Developer:** Any person, firm, corporation, partnership, limited liability company, association, joint venture, community based organization, not-for-profit agency, or any entity or combination of entities, excluding any governmental entity, that has been qualified by the County as having the requisite experience and capacity to build affordable housing through the Infill Housing Program. For these purposes a community-based organization shall have among its purposes the provision of affordable housing to persons who have special needs or have low income, or moderate income within a designated area, which may include a municipality or more than one municipality or the County, and maintains, through a minimum of one-third representation on the organization's governing board, accountability to housing program beneficiaries and residents of the designated area.

**Rental Price:** Rents that do not exceed the monthly Fair Market Rent as determined for Miami-Dade County and published by the U.S. Department of Housing and Urban Development.

**Resale Price Multiplier:** The number calculated by dividing the Property's initial sale price from the developer to the first eligible homebuyer by the HUD Area Median Income for the Metropolitan Area of Miami-Dade County at the time of sale.

Resale Price Multiplier Calculation Example:

| | |
|---|---|
| Original Purchase Price | $175,000 divided by |
| Current HUD Area Median Income | $ 58,000 |
| **Resale Price Multiplier** | **3.01** |

**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.

**Surtax Funds:** 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.

~~**Water and Sewer Connection Fees:** Charges for the usage of the Department's facilities based on the estimated average daily water usage and/or sewage flow in gallons per day, paid by a developer or customer for utilizing portions of the Department's water and/or sewer system funded by the Department.~~

**ROLES AND RESPONSIBILITIES:**

**General Services Administration (GSA):** As the County's official real property asset management agency, the Department of General Services Administration (GSA) is responsible for identifying County property suitable for Infill Housing, ~~and~~ monitoring the construction, ~~and~~ initial sale, and resale of the home.

**Miami-Dade Public Housing Agency (MDPHA):** MDPHA is responsible for administering the Section 8 Project Based Voucher Program (PBV) Program which provides financial assistance to low income families to help them pay their rent or mortgage. ~~qualifying eligible homebuyers and providing funding assistance in the form of mortgages to eligible homebuyers and construction loans to qualified developers of affordable housing. In addition, MDHA will be responsible for administering the resale process during the control period.~~

**Housing Finance Authority (HFA):** HFA provides low-interest rate mortgages and financial assistance to first-time low and moderate income homebuyers. In coordination with its non-profit partner, Miami Dade Affordable Housing Foundation, Inc., the HFA also provides homebuyer education and certification.

~~**Metro Miami Action Plan Trust (MAAP): MMAP**~~ **Miami-Dade Economic Advocacy Trust (MDEAT):** MDEAT administers the Homeownership Assistance Program (HAP) which provides low and moderate income families with down payment and closing cost assistance.

**Miami-Dade County Homeless Trust (Homeless Trust):** The Homeless Trust administers the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence program.

~~**Office of Community and Economic Development (OCED)**~~ **Department Housing and Community Development (DHCD):** DHCD administers Federal and State funding that supports the development of viable urban neighborhoods in Miami-Dade County characterized by decent housing, expansion of economic opportunities and the preservation of historic properties. DHCD is responsible for qualifying eligible homebuyers and providing funding assistance in the form of mortgages to eligible homebuyers and construction loans to qualified developers of affordable housing.

**Affordable Housing Review Committee (AHRC):** The Affordable Housing Review Committee's function is to review property to determine whether it is suitable for infill and/or affordable housing development.

**Affordable Housing Selection Committee (AHSC)**: The Affordable Housing Selection Committee's function will be to evaluate and select qualified developers through a competitive process.

**PROGRAM INCENTIVES:**

**Availability of County Property:** The County will make available buildable land to qualified developers, free and clear of all liens, as provided in this ~~A.O.~~ IO.

**Impact Fees ~~and Water and Sewer Connection Charges~~:** New homes constructed through the Program qualify to have impact fees for road, fire and emergency services, parks and police services ~~as well as water and sewer connection charges,~~ refunded once a restrictive covenant has been recorded on the property stating that the property will remain affordable during the control period, and the home has been completed and sold to a ~~qualified~~ low-income household.

**Building Permit Expedite Process:** Building permit applications for homes being built in the Unincorporated Municipal Service Area (UMSA) through the Infill Housing Program qualify for the Building Department's expedite process. The developer must provide the Building Department written proof that the home is being built through the Infill Housing Program.

**Financial Assistance:** Various County agencies including ~~MDHA/DLAD, OCED~~ MDPHA, DHCD, HFA and ~~MMAP~~ MDEAT offer financial assistance to qualified homebuyers in the form of low interest loans using Surtax, SHIP, CDBG, HOME and other applicable funds.

**Lien Releases:** County liens placed on private property prior to the developer purchasing the lot may be released, provided the developer proffers all of the required restrictive covenants.

**Reduced Real Estate Taxes:** The assessed value of the homes constructed through the Infill Housing Program will be adjusted during the control period once a declaration of restrictive

covenants has been recorded in the public records stating that the home must remain affordable.

## THE INFILL HOUSING PROGRAM PROCESS:

### Identifying Lots

GSA is responsible for reviewing the inventory of County property to identify lots that may be suitable for infill housing. Property that is located in the infill target areas and is appropriately sized, residentially zoned, designated for residential use in the County's Land Use Map, or located adjacent to residential uses is presented to the Affordable Housing Review Committee (AHRC) for action. Market conditions of the surrounding area are also taken into consideration when determining whether the property should be presented to the AHRC.

### Affordable Housing Review Committee (AHRC)

The AHRC reviews County property identified by GSA as having the potential of being developed with affordable housing. The AHRC is chaired by GSA's Assistant County Manager, or his/her designee, and is comprised of representatives from various County agencies, including General Services Administration, Planning and Zoning, Public Works, Environmental Resources Management, Water and Sewer, Building and Neighborhood Compliance, Finance, Miami-Dade Public Housing Agency, ~~Community and Economic Development~~ Department of Housing and Community Development, ~~Team Metro~~ and any other department deemed necessary by the County Manager to review lots being considered for affordable housing.

The AHRC reviews property to determine whether it meets the minimum requirements for development and makes one of the following determinations:

1) **Appropriate for Infill Housing Development**
   A property or parcel located in the infill target areas which can be developed with four dwelling units or less. These properties are bid out amongst the pool of Infill Housing Developers via a work order proposal process.

2) **Appropriate for Affordable Housing Development**
   A property, or parcel, that can be developed with more than four dwelling units, regardless of its location. These properties are made available for development via a competitive process.

3) **Not Appropriate for Infill nor Affordable Housing development**
   Properties determined by AHRC as unsuitable for housing development. Such parcels are addressed through the surplus process as dictated by Administrative Order 8-4.

Properties that are deemed appropriate for infill development, but may require corrective action are forwarded to the appropriate agency for said correction. If it is recommended by AHRC that a variance from zoning requirements be sought or that the zoning of the property be changed, then a request is made to the Department of Planning and Zoning to file a Director's application

on said property. GSA initiates such requests for corrective action and reports back to AHRC on their progress.

**Clearing Title**

All liens of record, citations, violations and special assessments are released or satisfied prior to awarding the lot. GSA identifies any such lien(s) and facilitates the release or satisfaction of said liens, citation, violation, etc. by contacting the County or municipal agency in charge of releasing the lien, etc. Additionally, GSA ensures that the title has been quieted, if necessary, prior to the conveyance of the lot.

**Selecting Qualified Developers:**

Infill housing developers are selected through a Request for Qualifications (RFQ) process. The RFQ states the minimum requirements a developer must have to participate in the Infill Housing Program including, but not be limited to the following:

1) Experience building housing.
2) Past performance on similar housing projects
3) Financial capacity to build the homes.

Selection of the pool of qualified developers is made by the Affordable Housing Selection Committee (AHSC). The AHSC members ~~is~~ are appointed by the County Manager and is comprised of representatives from GSA, ~~MDHA~~, ~~OCED~~ HCD, and any other department deemed necessary. The County Attorney's Office shall serve as legal advisor to the AHSC.

**Availability of County Property:**

County property that has been deemed to be suitable for infill housing by AHRC is submitted to the Board of County Commissioners for their approval. Once approved for infill housing, the property is offered to the pool of qualified developers through a competitive Work Order Proposal process that encourage a mix of housing prices that are affordable to both low and moderate income households. Consideration for award also takes into account status of lots previously awarded to the developer and the developer's past performance in the Program. The Proposals are evaluated and selected by the Affordable Housing Selection Committee (AHSC). Properties are conveyed, leased or made available to the selected developer through a developer agreement which clearly states the obligations of both the County and developer.

Said instrument contains the following restrictions:

1) the property shall be developed with an affordable home(s);
2) the home(s) shall be sold to an eligible homebuyer;
3) the home shall be built within a specified period of time;
4) the home shall meet the Minimum Infill Architectural and Space Requirements;
5) the sales price of the home shall not exceed the maximum sales price set by the County for affordable housing;
6) the developer shall require that the qualified household purchasing the eligible home execute and record simultaneously with the deed of conveyance the County's Affordable Housing Restrictive Covenant;

7) that the developer shall forfeit all rights to the property if the restrictions are not complied with.

If the developer is unable to complete the home within the prescribed timeline he/she may submit a "Request for Extension" application to GSA. GSA reviews the request and makes a determination as to whether the request meets criteria established to grant extensions. If the request is denied, the developer shall forfeit all rights to the property, including any construction of any infrastructure or any improvements in, on, to, or under the land, without recourse to recover any costs of said construction. If the property has been conveyed, the developer shall be required to convey the property back to the County. Failure to convey the property back will result in legal action against the developer. Denials of extension requests may be appealed to the County Manager.

**Monitoring Construction:**

GSA is responsible for closely monitoring the progress of the home by setting milestones for the various phases of development, conducting regular inspections of the site and assisting developers with resolving problems they encounter with the various regulatory agencies.

**QUALIFYING ELIGIBLE HOUSEHOLDS:**

Every dwelling unit created as a result of the Infill Housing Program must be sold to a qualified household to be used as his or her own primary residence. A household is deemed qualified once the following requirements have been met:

- **Homeownership Counseling:**

  The eligible household must complete a homeownership training course through a participating counseling agency that provides financial management, credit counseling and other related technical services to participating families for the purpose of financing a single-family home and has received a certificate verifying that he/she has successfully completed the course.

- **First Time Homebuyer Requirements:**

  The eligible household must be a first-time homebuyer. A first-time homebuyer is an individual who meets any one of the following criteria:

  1) An individual who has had no ownership interest in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers);
  2) A single parent who has only owned a home with a former spouse while married;
  3) An individual who is a displaced homemaker and has only owned with a spouse;
  4) An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations;

- **Income Verification:**

  The eligible household must have obtained a loan commitment from HCD or other Miami-Dade County lending partner, stating the average median income of the household and their family size. The income level of the household shall be based on the income limits

published annually by the United States Department of Housing and Urban Development, adjusted by family size.

~~The eligible household must MDHA, or other designated agency of the County, the required documentation to verify household income. Said documentation shall include, but not be limited to the following:~~

~~1) Income tax returns from the past two years~~
~~2) Pay stubs from the last two pay periods~~
~~3) Evidence of Miami-Dade County residency~~
~~4) Dwelling unit sales contract (if applicable)~~
~~5) Proof that purchaser is a first-time homebuyer~~

~~A determination as to whether the household meets the eligibility requirements of a low or moderate income household shall be made by HCD or other designated agency of the County utilizing within 15 days of submitting all of the required information MDHA or other designated agency of the County. The following income limit table shall be applied to determine eligibility, adjusted by family size, and shall be updated by MDHA based on adjustment of income limits from the United States Department of Housing and Urban Development (HUD):~~

**~~2006~~**
**~~INCOME LIMITS~~**
**~~Adjusted for Family Size~~**

| ~~FAMILY SIZE~~ | ~~30% AMI E. Low~~ | ~~50% AMI V. Low~~ | ~~80% AMI Low/Moderate~~ | ~~100% AMI~~ | ~~120% AMI~~ |
|---|---|---|---|---|---|
| ~~1~~ | ~~11,750~~ | ~~19,550~~ | ~~31,300~~ | ~~39,100~~ | ~~46,920~~ |
| ~~2~~ | ~~13,400~~ | ~~22,350~~ | ~~35,750~~ | ~~44,700~~ | ~~53,640~~ |
| ~~3~~ | ~~15,100~~ | ~~25,150~~ | ~~40,250~~ | ~~50,300~~ | ~~60,360~~ |
| ~~4~~ | ~~16,750~~ | ~~27,950~~ | ~~44,700~~ | ~~55,900~~ | ~~67,080~~ |
| ~~5~~ | ~~18,100~~ | ~~30,200~~ | ~~48,300~~ | ~~60,400~~ | ~~72,480~~ |
| ~~6~~ | ~~19,450~~ | ~~32,400~~ | ~~51,850~~ | ~~64,800~~ | ~~77,760~~ |
| ~~7~~ | ~~20,750~~ | ~~34,650~~ | ~~55,450~~ | ~~69,300~~ | ~~83,160~~ |
| ~~8~~ | ~~22,100~~ | ~~36,900~~ | ~~59,000~~ | ~~73,800~~ | ~~88,560~~ |

**Certification of Qualified Households:**

~~MDHA~~ DHCD or other designated agency of the County ~~is responsible for~~ will issue~~ing~~ certificates of qualification to households that have completed the required homeownership training course and have been determined to meet the income limits of a low or moderate income household. Households that have received a certificate of qualification from other County or non-County agencies that have been authorized by ~~MDHA~~ DHCD to qualify households are also eligible to purchase a dwelling unit through the Program.

**AFFORDABILITY CONTROLS:**

**Sales Price of Affordable Home**

The maximum sales prices for an affordable dwelling unit shall be published annually by HCD or other designated agency of the County. Said price cannot exceed an amount affordable at the maximum income range set at 140% of median income, 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. The initial sales price of all dwelling units constructed through the Infill Housing Program shall not exceed the maximum affordable housing sales price existing at the time of sale.

**Declaration of Restrictive Covenant:**

~~Prior to closing~~ Simultaneously with the recording of the deed on the initial sale of the home, the ~~developer/owner~~ initial homebuyer is required to sign and record a declaration of restrictive covenant running with the land, approved in form by the Director of GSA, the County Attorney's Office, and the Property Appraiser, and sufficient for recording in the public records of Miami-Dade County, Florida, encumbering the individual property specifying the restrictions on the property and shall include the following:

1) That the Declaration of Restrictive Covenants shall bind the ~~developer, any assignee, mortgagee, or~~ buyer, mortgagor, and all other parties that receive title to or an interest in the property for a minimum of twenty (20) years.

~~2) That the Property shall be developed with an affordable single family home (the "home").~~

2) The home shall be ~~sold~~ resold solely to households who have obtained a certificate of qualification confirming that the household meets the eligibility requirements of a low or moderate income household, as defined in the Miami-Dade County Code.

3) Owners shall occupy the home as their primary residence and shall not lease the property or any portion thereof.

4) Prior to any resale or refinancing of the home, the owner of record shall obtain prior written approval from ~~MDHA~~ the Program.

5) The home shall not be resold for more than the maximum resale price ~~established by MDHA at the time of resale~~ as defined herein;

6) The County reserves its right of first refusal to purchase the property prior to or at the end of the Control Period, if it becomes available for purchase and there are no eligible persons to purchase said home;

7) That the Declaration of Restrictive Covenants shall be senior to all other liens or encumbrances on the property including all instruments securing permanent financing, except that tax and assessment liens shall be superior to these covenants. In the event of foreclosure by a first mortgagee, the County may satisfy any outstanding mortgages and take title to the home.

~~**Mortgage:**~~

~~Throughout the control period, each qualified household purchasing an eligible home shall be required to record a mortgage in favor of Miami-Dade County. A promissory note shall be executed by each qualified household and secured by said mortgage. Said mortgage shall set forth the same covenants, along with the refinancing and resale restrictions as those included in the restrictive covenants.~~

**Assessed Value Adjustments:**

To ensure that the assessed value of the affordable home takes into account the aforementioned restrictions, GSA shall submit a copy of the recorded covenant to the Property Appraiser's Office immediately after closing. Upon receiving said covenant, the Property Appraiser's Office makes a notation in the records available to the public that the home is subject to affordable housing restrictions and will adjust the value accordingly.

**Resale of Home:**

Any eligible homebuyer that intends to sell his or her dwelling unit prior to the expiration of the control period shall provide written notification to GSA ~~MDHA~~ or other designated agency of the County. The home can only be resold to a qualified household. The resale price of said home ~~is based on a formula that takes into account the price paid by the current owner and any increases tied to an index of area incomes during the period in which the current owner owned the home~~ shall not exceed the maximum resale price which is calculated by multiplying the current area median income by the resale price multiplier stated in the affordable housing restrictive covenant. Costs for certain property improvements may also be added to the sales price, at the discretion of ~~MDHA~~ GSA. Any such improvements must be permanent and substantial in nature and not for decorative or maintenance purposes. Before closing a sale, the seller of the dwelling unit shall submit to ~~MDHA~~ GSA for approval.

1) A copy of the proposed sales contract;
2) A signed copy of the buyer's certificate of qualification;
3) An affidavit signed by the seller and the buyer attesting to the accuracy of all documents and conditions of the sale.

No resale of a dwelling unit shall be considered to be in compliance with the Code until all required documents and affidavits have been submitted to and approved by ~~MDHA~~ GSA ~~or any other designated agency of the County. MDHA or other designated agency of the County~~. GSA shall either approve or disapprove all required documents and affidavits in writing within ten (10) business days of receiving all required documents. Applicants that are denied shall be provided reasons for such disapproval in writing and an opportunity to correct any deficiencies.

Notwithstanding the provisions set forth herein, any dwelling unit that is owned for an entire control period by the same individual(s) is automatically released from the Declaration of Restrictive Covenants.

**PRIVATE PROPERTY**

The County may encourage private property owners to rehabilitate or redevelop their properties as infill housing through the forgiveness of liens and other incentives offered through the Program. There is an application process through GSA to review the lots and determine whether they fall within the target areas. Other factors, including, but not limited to, availability of second mortgage funds for the homebuyer and market conditions may be taken into consideration when determining whether to accept private lots into the Program. In order to be accepted into the Program, the private property owner shall enter into a developer agreement with the County that specifies the following requirements:

1) that the property shall be developed with an eligible home(s);
2) that the home(s) shall be sold to an eligible homebuyer;
3) that the home shall be built within a specified period of time;
4) that the home shall meet the Minimum Infill Architectural and Space Requirements;
5) that the sales price of the home shall not exceed the maximum sales price set by the County for affordable housing;
6) that the developer shall require that the qualified household purchasing the eligible home execute and record simultaneously with the deed of conveyance the County's Affordable Housing Restrictive Covenant.

~~6) failure to comply with the requirements of the agreement shall result in the reinstatement of the liens and removal of the property from the Program.~~

~~In addition, the owner/developer is required to execute and record the aforementioned Declaration of Restrictive Covenants running with the land. Once the agreement has been executed and the declaration of restrictive covenants has been recorded,~~ Once all of the aforementioned requirements have been complied with, the developer ~~owner~~ shall qualify to have ~~any~~ eligible County liens of record released. GSA will coordinate the releases of said liens with the issuing agency.

Failure to comply with these requirements will result in the removal of the property from the Program and forfeiture of any rights to have County liens released.

## RENTAL OF HOUSING UNITS

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 by a minimum of 5%. 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 MDPHA or the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs administered by the 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.

Failure to obtain such approval will be considered a violation and appropriate enforcement action will be taken.

>>This rental exception will sunset two years from the effective date of Ordinance No. 10-____.<<

**PROGRAM FEE SCHEDULE:**

A schedule of fees shall be established to offset Program operating costs. The fees shall be as follows:

| | |
|---|---|
| Closing Processing Fee: | $1,000 for each conveyed lot (includes recording fees) |
| Private Lot Application: | $100 (will be returned if lot is rejected) |
| Temporary Rental Application: | $100 |
| Release of Lien request: | $150 (includes recording costs) |

**ENFORCEMENT ACTIONS:**

In the event it is determined that any owner, developer or buyer participating in the Infill Housing Program has violated any of the restrictions in the deed or covenant, staff shall notify the County Attorney's Office and request that they initiate civil action against the party. Staff shall provide an annual report of such violations to the Board of County Commissioners.

**REPORTING PROVISIONS**

The County Manager will annually submit a status report on the Program to the Board of County Commissioners. Said report shall include, but not be limited to, the number of lots, both County and private, that have been made available through the Program; the number of homes that have been completed and sold to eligible homebuyers; the amount of liens that have been released on private lots; and any pending legal actions.

This ~~Administrative~~ Implementing Order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida.

_____
County Manager

Approved by the County Attorney as
to form and legal sufficiency _____