MEMORANDUM

CCPI
Agenda Item No. 6(B)

TO: Honorable Chairman Jean Monestime and Members, Chairman's Council for Prosperity Initiatives

DATE: July 27, 2015

FROM: Christopher Agrippa
Director, Clerk of the Board Division

SUBJECT: Approval of Commission Council Minutes

The Clerk of the Board's office is submitting the following Clerk's Summary of Minutes for approval by the Chairman's Council for Prosperity Initiatives:

June 3, 2015

CA/mf
Attachment

Stephen P. Clark
Government Center
111 N.W. 1st Street
Miami, FL 33128

CLERK'S SUMMARY OF

Meeting Minutes

Chairmans Council for Prosperity Initiatives

Jean Monestime, Chairman [2]; Daniella Levine Cava [8], and Barbara J. Jordan [1]

Affordable Housing and Homeownership Opportunities

Wednesday, June 3, 2015 **9:30 AM** **18th Floor, Conference Room 18-3**

Members Present: Daniella Levine Cava, Barbara J. Jordan, Jean Monestime.

Members Absent: None.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

REASONABLE OPPORTUNITY FOR THE PUBLIC TO BE HEARD AS PROVIDED IN RULE 6.06

Report: *Chairman Monestime opened the public hearing and called for persons wishing to be heard. He closed the public hearing after no one appeared wishing to speak.*

1 CHAIRMAN'S OPENING REMARKS

Report: *The Chairman's Council for Prosperity Initiatives (CCPI) convened a meeting in the 18th Floor Conference Room 18-3 of the Stephen P. Clark Center, 111 NW First Street, Miami, Florida, at 9:30 a.m. on June 3, 2015. Present upon roll call were Chairman Jean Monestime and Commissioners Daniella Levine Cava and Barbara J. Jordan.*

The following staff members were also present: Assistant County Attorneys Shannon Summerset-Williams, Altanese Phenelus, and Terrence Smith; and Deputy Clerk Cindy Allen.

Chairman Monestime called the meeting to order at 9:42 a.m. and welcomed Commissioners Barbara Jordan and Daniella Levine Cava, and all of the attendees. He requested that the attendees introduce themselves.

Chairman Monestime announced that the Property Appraiser released the preliminary tax roll on Monday, June 1, 2015, which revealed an 8.6 percent increase in property values in Miami-Dade County. He explained that this was not unexpected, especially with the sale of multi-million dollar high-rise condominiums and the shocking prices paid for waterfront properties. He emphasized that these sales did not reflect the general improvement in the economic conditions for the residents of Miami-Dade County. Chairman Monestime referred to a more sobering metric of the general conditions in the County, the Income Inequality Index, according to which MDC ranked high in income inequality among the major metropolitan regions in the U.S. He declared that homeownership was unachievable for most of the working class residents, noting he had first-hand knowledge as a real estate broker for the last 25 years. He expressed concern for those paying unbearable rents in the community. Chairman Monestime noted he had been doing some preliminary work to change the codes, as they related to the programs and policies affecting homeownership. He said that by the next meeting, he would be ready to share his recommendations, and hoped his colleagues would join him in sponsoring some legislation for these changes.

Chairman Monestime introduced Dr. Emily Eisenhauer, Housing and Community

Development, University of Miami, Office of Civic and Community Engagement. He stated that she would share an overview of the data regarding affordable housing in Miami-Dade County.

2 PRESENTATIONS

2A

151312 **Special Presentation**

"OVERVIEW OF DATA REGARDING AFFORDABLE HOUSING IN MIAMI-DADE COUNTY," EMILY EISENHAUER, PH.D., HOUSING AND COMMUNITY DEVELOPMENT, UNIVERSITY OF MIAMI, OFFICE OF CIVIC & COMMUNITY ENGAGEMENT

Report: *Chairman Monestime introduced Dr. Emily Eisenhauer, Housing and Community Development, University of Miami, Office of Civic and Community Engagement. He stated that she would share an overview of the data regarding affordable housing in Miami-Dade County.*

Dr. Eisenhauer thanked the commissioners for the opportunity to present the recently released Miami Affordability Project (MAP), an online interactive mapping tool for affordable housing in Miami-Dade County; a hardcopy of the presentation and a small brochure highlighting the website were distributed at the meeting. She encouraged everyone to use this research tool for housing developers, advocates, policy makers, and urban scholars who were interested in affordable housing data in Miami-Dade County. She explained that they compiled information from all data sources related to affordable housing, including local organizations and universities, the Schimberg Center for Housing Studies at the University of Florida (UF), and national organizations.

Dr. Eisenhauer shared some of the recent news articles highlighting the need for affordable housing and the persistent affordable housing gaps, as follows: According to the State of the Nation's Housing 2014, Joint Center for Housing Studies, Harvard University, June 2014, Miami had the highest number (21 percent) in the U.S. for severe cost burdens (households spending more than 50 percent of their income on housing); according to the Department of Economic Opportunity, 2014, National Low Income Housing Coalition, 2014, the mean renter wage was $15.00 per hour, yet one bedroom and two bedroom apartment rentals required wages of $17.50 per hour and $22.42 per hour, respectively; and according to a recent Miami Herald report, the mean income for recent college graduates was $25,778 per year, yet $86,000 per year was needed to afford the median market-rate rent of $2,200 per month (an extreme income gap).

Dr. Eisenhauer reiterated that the MAP tool was developed by UM's Center for Computational Science, with funding from JPMorgan Chase, and data provided by MDC's Public Housing and Community Development (PHCD), the City of Miami Department of Community and Economic Development, UF's Schimberg Center for Housing Studies, the U.S. Census, American Community Survey, and MDC's Property Appraiser.

Dr. Eisenhauer reviewed the neighborhood layer, aggregated by census tract:

Map # 1: The colored map showed Median Monthly Owner Housing Costs in MDC (lower values in green and higher values in red). She pointed out that the higher costs were located in the south along the coastline (in red) and along the western edge of the Urban Development Boundary (UDB) (in orange); building out in West Miami Dade was not cheaper as once believed.

Map # 2: The colored map showed Median Monthly Renter Housing Costs in MDC (lower values in green and higher values in red). She pointed out that renters with high housing costs were spread throughout the County, especially in the southern and western parts; renters were paying $1,000 - $1,500 per month (in orange) and $1,500 - $2,000 per month (in red).

Map # 3: The colored map showed Percent of Cost-Burdened Renter Households in MDC (lower values in green and higher values in red). Renters were paying more than 30 percent of their monthly income in rent; the standard used by U.S. HUD was 30 percent of monthly income. Large areas of the County were paying more than 50 percent of their monthly income in rent (in orange and red), especially in the north, the northern urban core, and western parts.

Map # 4: The colored map showed Percent of Cost-Burdened Renter Households as in Map # 3 along with Assisted / Subsidized Housing by tax credits through MDC's HOME and Surtax Programs, and other funding sources (in purple) and Public Housing (in pink) in MDC. These affordable rental housing investments were located in downtown Miami, Liberty City and further North Dade, and further South Dade into Homestead along U.S. Route 1 (South Dixie Highway).

Dr. Eisenhauer reviewed the data points that were pulled out of the maps, including the following: 61 percent of households were cost-burdened renters and 28 percent of households were cost-burdened owners; there were 397 assisted housing developments, 43,483 housing units, and 9,189 public housing units; 43 percent of households were renters; 6 percent of housing units built were intended for residents earning 35 percent of Annual Median Income (AMI) (approximately $15,000 - $20,000 per year) for housing expenses; while 61 percent of housing units built were intended for residents earning 55 – 60 percent AMI of (AMI for MDC was $49,000 per year).

Dr. Eisenhauer reviewed the Subsidy Expiration for the assisted / subsidized and public housing. She said that affordability restrictions were placed in subsidized programs for certain periods of time – 30 years for MDC HOME Program and 50 years for the State Low Income Tax Credit Program. She noted the following: 6,486 units had subsidies expiring before 2020, the majority were rental assistance units; the contracts ran one to five years, and many were coming up for renewal; some landlords would renew and some may decide not to renew due to rising rents, thus, units may cycle out of affordability and onto the private market; and 1,008 units had Real Estate Assessment Center (REAC) Scores below 80 – this was a U.S. Department of Housing and Urban Development (HUD) score of unit quality verified through annual inspections, another indicator of forthcoming issues.

Dr. Eisenhauer reviewed the parcel layer housing data in the Overtown neighborhood. She emphasized that this area experienced strong pressure for development, yet the residents had needs for subsidized housing. She explained the following: 5 percent were Single Family Residences (SFRs) / Townhomes; 17 percent were Condos / Co-ops; 70 percent were Multi-Family Residences (MFRs) / mixed use with 51 percent assisted / subsidized housing; and 9 percent were public housing.

Chairman Monestime allowed time for questions, concerns, and comments.

Pursuant to Commissioner Levine Cava's recommendation for showing the number of Severe Cost-Burdened (21 percent of households spent more than 50 percent of their income on housing), Dr. Eisenhauer stated that this data was

not readily available from the U.S. Census, yet they could include this map / chart in the study.

Commissioner Levine Cava pointed out that it was the combination of housing and transportation costs that caused Miami to be the most expensive city in the U.S.

In response to Commissioner Jordan's question regarding specific addresses and names of developers where subsidies were expiring, for units shown in the table on Page # 7, Dr. Eisenhauer said she could provide the information. Commissioner Jordan expressed concern for the creation of another housing bubble and the trending towards gentrification in Overtown.

Commissioner Levine Cava observed that even though there was a trending towards gentrification in Overtown, there were opportunities to include mixed income.

In response to Commissioner Jordan's recommendation for showing the numbers of owners and renters of SFRs / Townhomes in Overtown, Dr. Eisenhauer stated that further analysis was required, yet they could include this map / chart in the study.

Dr. Eisenhauer clarified that a good amount of subsidized housing was available, although half of the MFRs / Mixed-Use units were on the private market (depressed values and low quality housing). She observed that preservation of these units was necessary.

Commissioner Jordan stressed the importance of adopting further policies to preserve / maintain certain neighborhoods in Overtown, so that native residents would not need to move.

In response to Commissioner Jordan's question regarding historic preservation of Overtown as a whole, Dr. Eisenhauer confirmed that the small Folk Life district was designated. She explained that they had been working with the University of Miami's School of Architecture last semester on historic preservation initiatives, and would need to work with the City of Miami to preserve certain structures just outside of the area. She noted the roof of the Dorsey Memorial Library unfortunately caved in recently.

In response to Chairman Monestime's question as

to whether it was practical to seek to prevent the gentrification of Overtown when homeownership of SFRs / Townhomes was 5 percent, Dr. Eisenhauer stated that gentrification had different definitions, i.e. preserving affordability for certain people or preserving the cultural fabric of the neighborhood. She reiterated that Overtown was a limited geographic area, and strategizing on the best use of resources was possible. She pointed out that much of the vacant land could be used for mixed-income development. Dr. Eisenhauer advised the Council members that the study included filters for publicly-owned land (land owned by Miami-Dade County (MDC), the City of Miami, and the Community Redevelopment Agency (CRA)). She stated that the development of SFRs could be increased using the Infill Housing Program (IHP).

In response to Chairman Monestime's question regarding tracking solutions to the high cost burden of housing and how MDC compared with other similarly-sized counties / municipalities around the U.S., Dr. Eisenhauer indicated that no formal report had been published. She stated that the programs and resources, financial leveraging, and policies such as rent control and inclusionary zoning would determine the restrictions placed on private market housing developments. She noted Mr. Alan Mallach, Metropolitan Policy Program, the Brookings Institution, suggested that Miami, with its booming housing market and affordability gap, focus on inclusionary zoning / housing.

Commissioner Jordan informed the Council members that the County enacted inclusionary zoning / housing programs in 2005; she sponsored the legislation for voluntary workforce housing. She stated that she was in the process of updating this legislation to mandatory workforce housing. Commissioner Jordan pointed out that the commissioners would need to work with the development community and the Board of County Commissioners (BCC) would need to approve this updated legislation.

Chairman Monestime thanked Dr. Eisenhauer for her presentation.

Chairman Monestime allowed Mr. James Carras to give his presentation before Mr. Mario Artecona due to telephone time constraints. He introduced Mr. Carras, Adjunct Lecturer in Public Policy, Harvard Kennedy School, who would share an overview of the regional housing trends

and inclusionary zoning.

2B

151313 **Special Presentation**

"RENTAL OR OWNERSHIP? AN ANALYSIS OF THE ALLOCATION OF HOUSING DOLLARS BY MIAMI-DADE COUNTY," MARIO ARTECONA, CHIEF EXECUTIVE OFFICER, HABITAT FOR HUMANITY OF GREATER MIAMI

Report: *Chairman Monestime introduced Mr. Mario Artecona, Chief Executive Officer, Habitat for Humanity of Greater Miami (HFHGM), who would share an analysis of the allocation of housing dollars by MDC for rental versus homeownership.*

Mr. Artecona thanked Chairman Monestime for the creation of the committee and Dr. Terry Murphy for the invitation to present. He disclosed that several HFHGM staff members were recently reviewing the online tool from the University of Miami.

Mr. Artecona explained that the discussion of homeownership versus rental was an ongoing one in MDC. He said that he always advocated for homeownership opportunities as he worked for HFHGM. Although he understood there was a great need for rentals, he noted he believed that the scales needed to be balanced back towards homeownership. He pointed out that an overwhelming amount of dollars had gone towards rentals in the last several years.

Mr. Artecona noted the original Surtax Program written by Congresswoman Carrie Meek and Mr. Marty Fine was based on homeownership. He revealed that the minimum State of Florida requirement of 35 percent of Surtax funding going toward homeownership was closer to eight percent, and the majority of the eight percent was for subsidies for people buying homes. He emphasized that no new stock was created; organizations were paid to help families become "homeowner ready"; however, this did not result in new homeownership.

Mr. Artecona said that he shared his vision with anyone who would listen regarding balancing the scales back towards homeownership. He stated that he was extremely encouraged by the new emphasis from the County Commission, and the leadership of the new Public Housing and Community Development (PHCD) Director

Michael Liu on this issue. He pointed out that the BCC discussed a report yesterday (6/2) on improvements for the Surtax and the Infill Housing Programs to make conditions more favorable. Mr. Artecona mentioned that Commissioner Jordan sponsored legislation on recapturing funds and setting limits on the amount of Surtax dollars that could be used for particular purposes as a percentage of the program. He noted he was pleased to see that past practices regarding the use of Surtax dollars were changing for the better.

Mr. Artecona declared that true community development came from homeownership. He emphasized that homeowners took more care of their home compared to renters, and they took more pride in their neighborhood / community. He said he believed that more emphasis on homeownership was needed in communities such as Perrine, Miami Gardens, and Liberty City; many people wanted to invest and live in these communities. He pointed out that over the last four years alone, HFHGM had built over 300 homes in Liberty City. Mr. Artecona explained the homeownership process at HFHGM: HFHGM found the families that were in need; the families performed their sweat equity and attended numerous workshops, i.e. home maintenance; knowing the elected officials and how to speak with the government; and budgeting. He stated that HFHGM had seen amazing transformations in the areas they were working in. He noted although three percent of the families experienced negative results, there were plenty of hardworking families that took great pride in their homes and their communities.

Mr. Artecona confessed that the success of HFHGM could not have been possible without the assistance from MDC's Infill Housing Program (IHP). He noted through this program, HFHGM received hundreds of lots and met its goals to U.S. HUD by transforming these lots into homes for low-income families. He shared that he and HFHGM were proud of the partnership with MDC, and he apologized for being critical since there was always room for improvement in the programs.

Mr. Artecona recommended the following solutions to improve the programs: a new emphasis on Surtax dollars, which were loans not giveaways. He cited an item discussed by the BCC recently, where developers were bemoaning caps to $225,000 per unit, and pointed out that this was

very high for a low-income unit. He said he believed that a quality strong affordable housing unit could be built for a lot less money. Mr. Artecona stated that HFHGM built homes for $120,000; sold the homes at developer's cost or appraised value, whichever was lowest; and financed at zero percent interest. He declared that HFHGM, a non-profit developer (no developer fee), experienced only seven foreclosures out of 997 homes built in 25 years in MDC. He recommended reducing the caps and focusing on the families that would live in the homes.

In response to Chairman Monestime's question regarding HFHGM's retention rate of original homeownership, Mr. Artecona clarified that in the history of Habitat, less than 10 percent of the homes were resold. He explained the resale process: the homeowner must give Habitat the right of first refusal so that Habitat could put the home back into the program or the home must be maintained in an affordable housing stock; for the first 20 years, the home must go to a family with 80 percent or below AMI. For example, Mr. Artecona noted a new homeowner who worked at Wendy's closed on her new three-bedroom two-bathroom home yesterday (6/2) in South Miami Heights; her mortgage payment including property taxes and insurance would be $690.00 per month. He pointed out that a Habitat mortgage payment never exceeded thirty percent of the family's income.

Mr. Artecona said he believed that the Habitat model would take a long time to duplicate on a larger scale, yet solutions were available to promote homeownership. He mentioned that he had spoken to Ms. Bobbie Babble, Miami Coalition of Homeowners, and other housing developers. He believed that rental and homeownership developers were, unfortunately, fighting for the same pool of funding, and expressed the belief that the program funding should be separated.

Mr. Artecona noted he was encouraged to hear that there was a significant amount of homeownership opportunities planned for Liberty Square. He said he remained committed to working with MDC on Public Private Partnerships (P3s). He reiterated his belief that without the Infill Housing Program (IHP), Habitat would not have been as successful. Mr. Artecona recalled that the County came to Habitat years ago when the Scott-Carver project malfunctioned; Habitat

turned the project around and built 56 affordable homes, the majority of which were purchased by former Scott-Carver residents. He mentioned that a family was selected yesterday (6/2) from Liberty Square. He emphasized that good, hard-working families wanted to remain in Liberty City and Overtown, and were proud of their communities.

Chairman Monestime said he believed that he had some win-win solutions for both Mr. Artecona and Ms. Babble. He noted he was working on and finding opportunities to transition some renters to homeownership. He pointed out that some renters wanted to transition to homeownership, yet were unable to build credit. He referenced the Pay Rent, Bill Pay program, and requested assistance from both Mr. Artecona and Ms. Babble to make this program come to fruition. Chairman Monestime explained that this program would allow for a family's rent payment to go towards building / strengthening their credit towards homeownership.

Commissioner Jordan noted the Housing Agency and the Housing Finance Authority had similar programs to help families set aside money for homeownership. She explained that the Workforce Housing Program started with an affordable rate of $175,000 in 2005; the rate increased to over $300,000 during the housing boom. She concluded that the affordable rate of $225,000 came from the Housing Agency and the Housing Finance Authority after the housing decline. Commissioner Jordan said she would like for the rate to be reduced even more.

2C

151314 Special Presentation

"REGIONAL HOUSING TRENDS AND INCLUSIONARY ZONING," JAMES CARRAS, ADJUNCT LECTURER IN PUBLIC POLICY, HARVARD KENNEDY SCHOOL

Report: *Mr. Carras referred to his work on the Seven50 (Seven Counties / 50 Years) Southeast Prosperity Plan, funded by U.S. HUD and developed by the South Florida Regional Planning Council. He mentioned the Fair Housing and Equity Assessment, which reviewed the indicators relating to economic prosperity in the seven-county region (Monroe, Miami-Dade, Broward, Palm Beach, Martin, St. Lucie, and Indian River). With Miami-Dade, Broward, and Palm Beach counties comprising the bulk of this region, he emphasized that the key finding was that a significant portion of the population lived in concentrated areas of racial, ethnic segregation and poverty. Mr. Carras stated that they focused on Miami-Dade County's housing, transportation, access to jobs, and access to health care, water, and food in each census tract. She said they found that where people lived determined the accessibility of positive outcomes, i.e. jobs, education, and healthy lifestyles; in other words, the location and availability of affordable housing was tied to economic prosperity.*

Mr. Carras commented that if housing costs were reduced, people would have extra money to use for other purposes. Unfortunately, he noted, MDC was one of the most expensive places to live based on the high housing costs. In other words, stated Mr. Carras, using the federal guideline of 30 percent of gross income, the number of people whose housing costs exceeded this figure, made MDC one of the most expensive Metropolitan Statistical Area (MSAs) in the U.S. He added that MDC lead the U.S. in the number of households that spent more than 45 percent of their gross income on housing and transportation costs.

In response to these trends prevalent in the County and the region, Mr. Carras reported that a number of governmental initiatives were put in place to address the affordable housing crisis before the economic recession of 2009. He noted the coining of "workforce housing", those occupations that paid 60 – 140 of AMI, i.e. teachers, nurses, firefighters, and police officers. He emphasized that all levels of income were

challenged relative to homeownership and rental housing costs, i.e. below 30 percent of AMI, 30 – 60 percent of AMI (the working poor), and 60 – 140 of AMI (the workforce).

Mr. Carras indicated that homeownership was more difficult to achieve due to the dramatic changes in mortgage underwriting standards by lenders, and the lack of subprime lenders offering higher interest rates. He verified that prices of homes were approaching the levels of the housing boom during the 21st century. Mr. Carras emphasized that it was more challenging for the working poor and the workforce to obtain a mortgage due to the need for a high credit score, a higher down payment, and protection from spending more than 30 percent of their income on housing costs.

Mr. Carras noted the tremendous boom of rental housing in downtown Miami, targeted to people with incomes with well above 140 percent of AMI. He confirmed a similar situation occurring in downtown Fort Lauderdale, with rental housing costs of $1,600 per month for a studio apartment.

Mr. Carras mentioned South Florida's wage and zoning regulations that were prohibitive and discouraged the development of affordable housing. He emphasized that wages and zoning regulations needed to encourage the increase of density and sustainable development, and discourage the suburban nature of housing. He stated that more focus was needed on where to concentrate residential development since the housing supply was limited. Mr. Carras noted land use and zoning were the greatest barriers to affordable housing along with the factoring attitude of Not In My Backyard (NIMBY) towards affordable housing.

Mr. Carras advocated for increased affordable housing in all high and low opportunity communities, close to improved public transportation for accessibility to jobs, quality education, and services. He emphasized the need for development of housing where poor people did not typically live. Mr. Carras indicated that statistics showed that when poor people moved into high opportunity areas, their family structure, income, and quality of life improved; conversely, numerous reports showed that when low-income people were kept in highly-segregated communities, their whole family situation remained at status quo.

Mr. Carras stated that inclusionary zoning was one of the solutions to address affordable housing. He defined it as a zoning regulation that included a certain percentage of affordable housing in any new development. He stated that the governing body would need to decide the definition of affordable standard and determine the percentages of available units in different ranges, i.e. below 30 percent of AMI, between 30 – 60 percent of AMI, and between 60 - 140 percent of AMI, respectively. He emphasized that the inclusionary laws / regulations must be backed by incentives for the developers, i.e. land use and zoning enhancements, greater density, and fewer required parking spaces. Mr. Carras also emphasized that this zoning must provide developers an option to pay a fee in lieu of development; the governing body would need to determine this fee based on the square footage and the number of units either contained in the building, built off-site, or an investment made into a Trust Fund for affordable housing elsewhere. He provided the example of New York City where developers must build units within the buildings, i.e. downtown luxury apartment buildings that include affordable housing units within the buildings; no one would know the difference in units.

Mr. Carras noted the city of Coral Springs and the Town of Davie, in Broward County, had been placed under a moratorium for affordable housing during the recession; and their policy was under review to discontinue the moratorium. He said he believed that the town of Jupiter, Florida, may have recently adopted inclusionary zoning. He disclosed that the development community was strongly opposed to inclusionary zoning, yet it was utilized in most high-priced markets around the U.S. Mr. Carras expressed the belief that inclusionary zoning could be utilized as a solution in South Florida, especially in Miami-Dade County with its high-priced market relative to people's income.

Chairman Monestime allowed time for questions, concerns, and comments.

In response to Commissioner Levine Cava's request for more advice on how to overcome resistance to inclusionary zoning in highly-desirable areas and how to obtain the most efficient use of the funding, Mr. Carras emphasized that public support, i.e. community

interest groups, was needed to push this issue forward. He also emphasized that the commissioners, community leaders, affordable housing advocates, and planners needed to discuss and run the numbers / do the analysis before discussing with the developers. He warned the commissioners that the developers' initial response would be that this solution would put them out of business; they needed to see the numbers / analysis, i.e. development cost and overall budget impacts of selling units five percent higher to subsidize units sold at 10 percent lower. Mr. Carras stated that this type of zoning was not a panacea, yet it was a necessary tool.

Mr. Carras mentioned that Broward County was close to passing a linkage fee / affordable housing impact fee on commercial development not residential development. He explained that funds would be collected for increased commercial development activity. He encouraged the commissioners to review this tool, and said he would provide any necessary information. Mr. Carras reiterated that linkage fees and inclusionary zoning were two key tools / solutions to assist in progressing affordable housing.

Commissioner Jordan recalled that in 2005 when she served as the Assistant County Manager the Housing Agency was under her purview. She noted she was tasked by one of the County commissioners to review housing due to the concentration of low-income housing in poor communities as opposed to disbursement of low-income and affordable housing throughout the County. She visited Montgomery County, Maryland, and Fairfax County, Virginia, to learn about their inclusionary zoning program. Commissioner Jordan stated that the average income levels in these communities at the time were $85,000 - $90,000. She stated that presenters came to Miami to show replicas of mini mansions; the mini mansions sold for $800,000 while the replicas (quadruple or four houses in one) sold for $125,000 each. She added that they had two opt-out provisions: pay into the fund or build affordable units in the same neighborhoods, yet not in the same section.

Commissioner Jordan stated that once she became a commissioner, she worked on inclusionary zoning; the County Commission passed voluntary inclusionary zoning / workforce housing legislation. She said that the commissioners requested workforce housing as part of any future

developments in their districts. She stated that the BCC also developed a Trust Fund with a few million dollars. Commissioner Jordan noted, although the economic downturn stopped the progression of workforce housing, she was ready to bring it back for BCC discussion and present it as mandatory workforce housing. She recalled that when the BCC had to work with the developers years ago, most were not willing to share their numbers; yet some of the developers diligently worked with the County. She noted since that time, five or six new commissioners on the Board needed to be educated regarding this solution. Commissioner Jordan requested assistance from Mr. Carras and others to educate the commissioners.

Mr. Carras said he was impressed that Commissioner Jordan had such first-hand knowledge and experience with inclusionary zoning. He stated that Montgomery County was one of the best examples to follow for inclusionary zoning; they had been utilizing this type of zoning for the past 20 years to produce thousands of affordable housing units in a high-priced market similar to Miami. He pointed out that any ordinance that was passed needed to be customized to MDC's market. Mr. Carras noted he concurred with Commissioner Jordan's comments, and recommended that the BCC and the public be educated to raise community support.

Commissioner Jordan emphasized that the BCC would need to ensure that the property remained affordable even on re-sale; it was critical to keep the ratio of 10 to 20 affordable units out of 100 units for more than 50 years, and to have the provisions included for re-sale as well.

Mr. Carras said he agreed with Commissioner Jordan that the public subsidy needed to stay with the property from one homeowner to another. He stated that in Montgomery County, they did not include such a provision, and the first homeowner gained a windfall from a public subsidy (the initial affordable housing unit was sold at market rate). He emphasized that the BCC needed to determine the affordability rates and terms for homeownership and rental units. Mr. Carras noted, for example, the national law for low-income tax credits required affordability for 15 years, while the State of Florida required 50 years to perpetuity.

In response to Chairman Monestime's question

regarding the correlation between income / education and affordability or lack of affordability, Mr. Carras stated that housing was an economic development component, and should be reviewed in conjunction with economic development. He emphasized that it was necessary to build affordable housing in high-opportunity areas to facilitate the access of job seekers to the employment / job centers, and to the available nodes of transportation to these centers.

Commissioner Levine Cava expressed her interest in Broward County pursuing the linkage fee, and recommended that MDC review this solution as well. She noted pending legislation regarding Community Redevelopment Agencies (CRA's) would likely include a provision for affordable housing set asides / investment for new developments. She said she agreed that it would not be good practice for MDC to displace workers, and not remediate the need for local housing for local workers.

Chairman Monestime thanked Mr. Carras for his presentation.

3 DISCUSSION

4 ANNOUCEMENTS

Report: *Chairman Monestime mentioned that he was working on legislation to incorporate affordable homes and address geographic distribution using incentives for the for-profit and non-profit partners. He shared that the next topic of discussion would also be on housing policies. He stated that both he and Commissioner Levine Cava were working on legislation.*

Commissioner Jordan shared that she was working on the inclusionary zoning legislation and recommended holding a separate workshop for mandatory inclusionary zoning legislation.

Chairman Monestime noted the regular meeting schedule would resume on Monday, June 29, 2015.

Commissioner Levine Cava mentioned that staff received a request from People Acting for Community Together (PACT) regarding specifically addressing the Trust Fund legislation. She recommended including this issue into the agenda for the next meeting to explore increasing the funding into the Trust Fund.

5 TOPIC FOR NEXT SESSION: HOUSING POLICIES

6 ADJOURNMENT

Report: *There being no further business to come before the Council, the meeting adjourned at 11:16 a.m.*