

MEMORANDUM

Agenda Item No. 11(A)(17)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: July 6, 2016

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution directing the County Mayor, in accordance with Resolution No. R-371-11, to prepare and submit a study of the use of services that provide an alternative credit reporting system for residents in non-credit-building categories, including, but not limited to those where bill payment reporting helps to build credit as a way to provide an additional avenue to home ownership

This item was amended at the 6-16-16 Economic Prosperity Committee to indicate that the County Mayor submitted a report to the Board of County Commissioners on October 13, 2011 and to direct the County Mayor to submit an updated study of the use of services that provide an alternative credit reporting system for residents in non-credit building categories.

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Jean Monestime and Co-Sponsor Commissioner Daniella Levine Cava.



Abigail Price-Williams
County Attorney



APW/smm

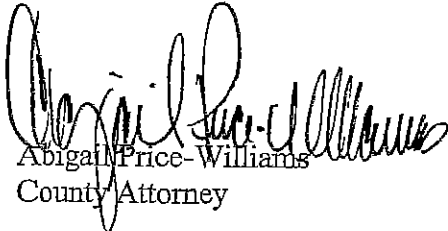


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(Revised)

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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
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor'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. 11(A)(17)
7-6-16

RESOLUTION NO. _____

RESOLUTION DIRECTING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE, IN ACCORDANCE WITH RESOLUTION NO. R-371-11, TO PREPARE AND SUBMIT A STUDY OF THE USE OF SERVICES THAT PROVIDE AN ALTERNATIVE CREDIT REPORTING SYSTEM FOR RESIDENTS IN NON-CREDIT-BUILDING CATEGORIES, INCLUDING, BUT NOT LIMITED TO THOSE WHERE BILL PAYMENT REPORTING HELPS TO BUILD CREDIT AS A WAY TO PROVIDE AN ADDITIONAL AVENUE TO HOME OWNERSHIP

WHEREAS, this Board adopted Resolution No. R-371-11, which directed the County Mayor or the County Mayor's designee to investigate the use of services including but not limited to "Payment Reporting Builds Credit" that provide an additional credit reporting system for residents with strong payment history but in non-credit-building categories as an avenue to home ownership; and

WHEREAS, Resolution No. R-371-11 also directed the County Mayor or the County Mayor's designee to submit a report to the Board on the feasibility of using such credit scoring systems in housing developments financed wholly or in-part by Miami-Dade County and the potential for use in the larger real estate market; and

WHEREAS, ~~[[the report was never submitted to the Board]]~~>> on October 13, 2011, the County Mayor submitted a report to this Board in which the County Mayor did not recommend proceeding with this type of credit reporting system<<¹; and

¹ Committee amendments are indicated as follows: Words double stricken through and/or [[double bracketed]] are deleted, words double underlined and/or >>double arrowed<< are added.

>>WHEREAS, this Board believes the capabilities and capacity of Miami-Dade County to provide such alternative credit reporting services are much improved since the prior recommendation rendered almost five years ago; and

WHEREAS, alternative credit reporting initiatives would greatly benefit the citizens in our community who continue to struggle in a local economy with a persistent and significant income inequality gap; and<<

WHEREAS, approximately 100 million Americans have little or no credit history on file with the Experian, Equifax and TransUnion bureaus but earn a steady income and meet regular payment obligations of rent, utilities and recurring bills; and

WHEREAS, these potential creditworthy customers are often denied for credit offerings due to their thin or nontraditional credit history; and

WHEREAS, a portion of the population still cannot qualify for common forms of revolving debt such as credit cards without high interest rates because of a lack of credit history; and

WHEREAS, the ability to purchase a home is greatly influenced by an individual's credit score generated by the three national credit reporting agencies; and

WHEREAS, providing avenues that are in addition to traditional credit scoring for people with solid bill payment history to build credit might create a path to homeownership and help bolster the local housing market; and

WHEREAS, a non-traditional credit reporting bureau, Payment Reporting Builds Credit, uses rental utility and auto loan payments along with expanded FICO scoring to provide a more complete credit report,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. This Board adopts the foregoing recitals incorporated as if fully set forth herein.

Section 2. This Board directs the County Mayor or the County Mayor's designee, in accordance with Resolution No. R-371-11 >>and this resolution<<, to prepare and submit ~~[[a]]~~>>an updated<< study of the use of services that provide an alternative credit reporting system for residents in non-credit building categories, including but not limited to those where bill payment reporting services, such as Payment Reporting Builds Credit, help to build credit as a way to provide an additional avenue to home ownership. The study shall also include information concerning the feasibility of using such credit scoring systems in housing developments financed wholly or in-part by Miami-Dade County and the potential for use in the larger real estate market. The County Mayor or County Mayor's designee shall provide the study to this Board within 30 days of the effective date of this resolution and shall place the completed study on an agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Chairman Jean Monestime and the Co-Sponsor is Commissioner Daniella Levine Cava. It 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:

Jean Monestime, Chairman	
Esteban L. Bovo, Jr., Vice Chairman	
Bruno A. Barreiro	Daniella Levine Cava
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

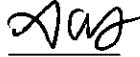
The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of July, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Terrence A. Smith