

# MEMORANDUM

Agenda Item No. 11(A)(19)

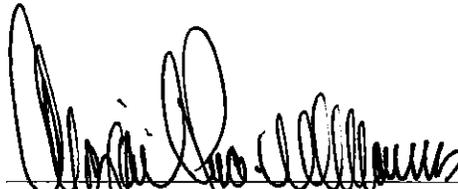
**TO:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

**DATE:** November 1, 2016

**FROM:** Abigail Price-Williams  
County Attorney

**SUBJECT:** Resolution directing the County Mayor to prepare and submit a report concerning the affordability of rental housing for cost-burdened renters in Miami-Dade County within 90 days of the effective date of this resolution

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Dennis C. Moss.



Abigail Price-Williams  
County Attorney

APW/lmp



# MEMORANDUM

(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)(19)  
11-1-16

RESOLUTION NO. \_\_\_\_\_

RESOLUTION DIRECTING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO PREPARE AND SUBMIT A REPORT CONCERNING THE AFFORDABILITY OF RENTAL HOUSING FOR COST-BURDENED RENTERS IN MIAMI-DADE COUNTY WITHIN 90 DAYS OF THE EFFECTIVE DATE OF THIS RESOLUTION

**WHEREAS**, there is a severe shortage of rental housing that is affordable to the residents of Miami-Dade County; and

**WHEREAS**, on October 7, 2015, Apartment List Rentonomics, which is the fastest-growing online rental marketplace in the world, published a study titled *Which Cities and States Have the Most Cost Burdened Renters* (the "Apartment List Study"), which analyzed the rise in rental costs nationally and the effects of this rise on renters; and

**WHEREAS**, the Apartment List Study states that nationally "the share of US renters facing cost burdens... has risen steadily for the past 50 years, from 24 [percent] in 1960 to 38 [percent] in the year 2000"; and

**WHEREAS**; the Apartment List Study also states that while renters have only seen a modest increase in their incomes, which are still lower than reported incomes in 2001, rents have increased at twice the pace of overall inflation; and

**WHEREAS**, the Apartment List Study also states that "[n]ationwide, more than half of renters are cost-burdened, spending more than 30 [percent] of their income on rent"; and

**WHEREAS**, according to the Apartment List Study, as of 2013, census data showed that the percentage of cost-burdened renters is 40 percent or higher in all but two states, i.e. North Dakota and South Dakota; and

**WHEREAS**, the Apartment List Study also states that “Florida, Hawaii, and California, have the worst scores [with] each of them [having] cost-burden rates of 57 [percent] or higher; and

**WHEREAS**, moreover, in the before-mentioned states, 30 percent of renters spend more than half their income on rent”; and

**WHEREAS**, the Apartment List Study lists Miami, Detroit and Los Angeles as the worst cities for renters; and

**WHEREAS**, “[e]ach of these cities have more than 60 [percent] of their renters facing cost burdens, and Miami has an incredible 37 [percent] of renters paying at least half of their income in rent....”; and

**WHEREAS**, while Miami, like other cities in the nation, has made up some ground since the recession, which occurred between 2007-2011, there still is a challenge placed on renters to live and work in the County; and

**WHEREAS**, according to the County’s 2015 *Analysis of Impediments to Fair Housing Choice* report (“Impediments Report”) the “percentage of cost burdened households in the county (55 [percent]) in 2013 was greater than the statewide percentage (43 [percent]); and

**WHEREAS**, the Impediments Report indicates that “[o]f the 495,052 households paying more than 30 [percent] of their incomes on housing, 218,518 (24.13 [percent] of total households) paid 30 to 50 [percent] of their income and 276,534 (30.53 [percent]) paid more than 50% of their income on housing”; and

**WHEREAS**, the Impediments Report also found that “[o]f households who were renters, 16.79 [percent] spent less than 30 [percent] of their income on housing, 24.13 [percent] spent 30

to 50 [percent] of their income and 15.81 [percent] spent more than 50 [percent] of their income on housing”; and

**WHEREAS**, also, according to a July 2013 policy paper titled *Housing Hunters South Florida: Where Will Our Workers Live?*, which was published by Florida International University Metropolitan Center (the “FIU Study”), the lack of affordable and workforce housing is attributable to a number of factors, “including loss of equity, prolonged job loss, escalating rents and rising transportation costs”; and

**WHEREAS**, according to the FIU Study, when transportation costs are factored in, the average household should only consume about 45 percent of their income, however in Miami-Dade County the average consumption cost per household increases to 57.9 percent of their total income; and

**WHEREAS**, the United States Department of Housing and Urban Development (“HUD”) and the State have determined rents for households earning up to 140 percent of area median income; and

**WHEREAS**, while the average rent for a household of four living in Miami-Dade County, whose income is at 80 percent of area median income, should be approximately \$1,671.00 for a three-bedroom unit or \$1,987.00 for four-bedroom unit, as determined by HUD, the average rent in Miami-Dade County for a one or two-broom unit, for example, is approximately \$1,880.00 and \$2,494.00, respectively; and

**WHEREAS**, based upon these rental rate averages, this Board is aware that households who receive subsidy, such as Section 8 Housing Choice Vouchers, from the County are still struggling to find affordable rental units; and

**WHEREAS**, meanwhile competition for federal housing assistance is intense, waiting lists for housing vouchers managed by local public housing authorities, like the County, are often years long or even closed; and

**WHEREAS**, research shows that lower-income households, seniors, single parents, and individuals with disabilities are paying more than half their incomes on housing and spend significantly less on food and health care, and to reduce these costs, some resort to cheaper and poorer quality housing, leading to negative health and educational outcomes for their children; and

**WHEREAS**, this Board is concerned that the average fair market rents as determined by HUD for Miami-Dade County are far lower than the actual rents that households must pay to live here; and

**WHEREAS**, this Board is also concerned that rising cost in rents serves an impediment for residents looking for housing in Miami-Dade County and for those households thinking about relocating to Miami-Dade County, thus forcing these households to relocate to other counties or other states where housing may be more affordable; and

**WHEREAS**, this Board has an obligation to remove such impediments which may prevent the County from meeting its burden to affirmatively further fair housing; and

**WHEREAS**, this Board is also concerned that the current housing crisis has and will continue to have the brain drain effect as more highly skilled and educated individuals leave the County to pursue better opportunities elsewhere where the price of housing is more affordable; and

**WHEREAS**, this Board wishes to find ways to develop and preserve the County's existing supply of affordable and workforce housing to ensure that the residents of Miami-Dade County and those looking to relocate here have housing that is affordable for years to come,

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

**Section 1.** The foregoing recitals are incorporated in this resolution and are approved.

**Section 2.** This Board directs the County Mayor or the County's Mayor's designee to prepare and submit a report concerning the affordability of rental housing for cost-burdened residents of Miami-Dade County. The report shall:

- a) Examine the current rental rates in Miami-Dade County;
- b) Provide recommendations regarding whether the County's definition of "affordable housing" should be re-defined;
- c) Provide steps that the County can take to urge HUD to increase the fair market rents for Miami-Dade County, which would give Section 8 Housing Choice Voucher and other federally subsidized recipients a more effective means to move into areas of higher opportunity and lower poverty areas by providing them with subsidy adequate to make such areas accessible and to thereby reduce the number of voucher families that reside in areas of high poverty concentration;
- d) Provide steps that the County can take to encourage the federal government and the State to provide more funding to the County to be used to increase and preserve the supply of affordable and workforce housing;

- e) Provide steps that can be taken by the County to increase the County's local resources to fund and preserve affordable and workforce housing projects;
- f) Provide steps that can be taken by the County to increase and preserve the supply of affordable housing;
- g) Provide steps that can be taken by the County to increase the supply of affordable and workforce housing to accommodate larger families, the disabled and elderly; and
- h) Provide steps that can be taken by the County to prevent the escalation of rents in housing projects funded by the County.

**Section 3.** This Board directs the County Mayor or the County Mayor's designee shall submit the report required by this Section 3 of this resolution to this Board within 90 days of the effective date of this resolution and shall place the completed report on an agenda of this Board pursuant to Ordinance No.14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Dennis C. Moss. 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	

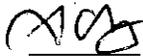
The Chairperson thereupon declared the resolution duly passed and adopted this 1<sup>st</sup> day of November, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon 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