

# MEMORANDUM

EPC  
Alternate to  
Agenda Item No. 1G3 Sub

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

**DATE:** October 13, 2016

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

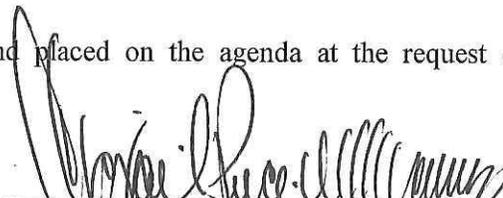
**SUBJECT:** Ordinance related to affordable housing; creating section 17-132.1 of the Code; establishing a revolving loan fund from actual carryover funds in excess of the adopted budget from general fund revenue proceeds placed into the Affordable Housing Trust Fund; providing that the revolving loan fund shall be used to make loans to developers and for administration; providing criteria for award of loans; setting forth requirement that the revolving loan fund be administered by the County Mayor

This alternate ordinance differs from the substitute in that the alternate provides that:

- 1) The Affordable Housing Trust Fund Revolving Loan Fund (RLF) is to be administered by the County Mayor or the County Mayor's Designee, rather than an outside program administrator.
- 2) The County Mayor or the County Mayor's designee shall provide reports on the status of the RLF, instead of the outside program administrator providing such reports. The alternate ordinance requires that the reports also be submitted to the County Commission, not just the Affordable Housing Trust Fund Board of Trustees, as required by the substitute ordinance.
- 3) Different criteria is to govern the issuance of loans. Although both ordinances provide that the loans shall be awarded based on underwriting criteria ultimately approved by the County Commission, the alternate ordinance adds that the loans shall be made in Commission Districts with the highest need, as determined by the County Commission after recommendations by the County Mayor or the County Mayor's designee taking into account any U.S. HUD statistics that show areas of greatest need. The alternate ordinance further provides that a competitive process is required for the award of the subject funds and that the final award of loaned funds must be approved by the County Commission, which the substitute ordinance does not require.

The title in the alternate ordinance differs from the title in the substitute ordinance, in accordance with the changes described above.

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.

  
Abigail Price-Williams  
County Attorney

APW/smm

# Memorandum



**Date:** November 1, 2016  
**To:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners  
**From:** Carlos A. Gimenez  
Mayor  
**Subject:** Fiscal Impact Statement for Ordinance Relating to Affordable Housing; Establishing a Revolving Loan Fund from General Fund Revenue Proceeds placed in the Affordable Housing Trust Fund

The proposed ordinance relating to the Affordable Housing Trust Fund, creates Section 17-132.1 of the Code of Miami-Dade County establishing a revolving loan fund from General Fund revenue proceeds placed into the Affordable Housing Trust Fund.

Per Ordinance No. 16-29, that amended Chapter 17, Article VIII of the Code related to the Affordable Housing Trust Fund Board of Trustees, a fiscal impact was prepared to include a part-time Administrative Officer 2 position to provide any necessary Trust Fund Board support. It is anticipated that any support activities necessary to monitor all revenues deposited into the Trust Fund, per the proposed ordinance, could be absorbed by this position.

There will be a fiscal impact to the County for the estimated annual costs of the outside administrator of the Revolving Loan Fund. That cost cannot be estimated until the proposals are received and evaluated. The services of the outside administrator would be funded by the Affordable Housing Trust Fund.

  
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Russell Benford  
Deputy Mayor

FIS09716 161723

# Memorandum



**Date:** November 1, 2016

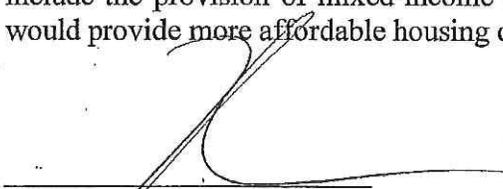
**To:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

**From:** Carlos A. Gimenez  
Mayor 

**Subject:** Social Equity Statement - Ordinance Establishing Affordable Housing Trust Fund

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The proposed ordinance creates Section 17-132.1 of the Code of Miami-Dade County, establishing the Affordable Housing Trust Fund using General Fund revenue proceeds. This proposed ordinance will have a positive impact on the County and its residents as it establishes a revolving loan fund that will be used solely for housing programs and administrative support, specifically to make loans to developers for the construction, rehabilitation, or acquisition of land for housing for sale or rental to homebuyers or renters whose household annual income does not exceed 140 percent of the Area Median Income (AMI), and will include the provision of mixed-income and elderly affordable housing. For this population, this item would provide more affordable housing opportunities, including single or multi-family housing.



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Russell Benford  
Deputy Mayor



# MEMORANDUM

(Revised)

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

**DATE:** November 1, 2016

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

**SUBJECT:** Agenda Item No.

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.  
11-1-16

ORDINANCE NO. \_\_\_\_\_

ORDINANCE RELATED TO AFFORDABLE HOUSING; CREATING SECTION 17-132.1 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA; ESTABLISHING A REVOLVING LOAN FUND FROM ACTUAL CARRYOVER FUNDS IN EXCESS OF THE ADOPTED BUDGET FROM GENERAL FUND REVENUE PROCEEDS PLACED INTO THE AFFORDABLE HOUSING TRUST FUND; PROVIDING THAT THE REVOLVING LOAN FUND SHALL BE USED TO MAKE LOANS TO DEVELOPERS AND FOR ADMINISTRATION; PROVIDING CRITERIA FOR AWARD OF LOANS; SETTING FORTH REQUIREMENT THAT THE REVOLVING LOAN FUND BE ADMINISTERED BY THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

**WHEREAS**, this Board, pursuant to Ordinance No. 07-15, as amended, created the Affordable Housing Trust Fund of Miami-Dade County, Florida (the "Trust") as a permanent, renewable source of revenue to meet, in part, the housing needs of the residents of Miami-Dade County >>which include the provision of mixed-income and elderly affordable housing and the preservation of the existing stock of affordable housing whose affordable housing requirement is expiring by extending such requirement<<<sup>1</sup>; and

**WHEREAS**, this Board requires that the Trust be used solely for housing programs and administrative support approved by this Board to meet the housing needs of those households that meet the target income of up to 140 percent of the area median income for Miami-Dade County; and

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<sup>1</sup> The differences between this alternate and the substitute item are indicated as follows: Words that are shown in shaded print and are double stricken through and/or [[double bracketed]] are deleted, words double underlined and/or >>double arrowed<< are added. Additionally, the changes proposed by the alternate are described in summary form in an accompanying memorandum.

**WHEREAS**, on May 17, 2016, this Board adopted Resolution No. R-432-16, which provided that ten percent of the increase in the County's general fund revenues, shall, subject to appropriation, be deposited into the Trust for a revolving loan fund with the guidelines for the revolving loan fund to be set by the board of trustees of the Trust; and

>>WHEREAS, the FY 2016-2017 County Budget, Item I, directed the County Mayor to appropriate 50 percent of actual carryover funds in excess of the adopted budget, up to \$10,000,000.00 to the Affordable Housing Trust Fund, as a part of the FY 2015—16 end-of-year budget amendment as was appropriated by the ordinance and as recommended in the County Mayor's memorandum entitled "Information for First Budget Hearing – FY 2016-2017 (General Fund Revenues); and

WHEREAS, as stated in such memorandum, allocation of actual carryover in the Countywide General Fund in excess of the budgeted carryover is a more objective and secure way of providing for funding for the Affordable Housing Trust Fund, rather than the funding formula originally contemplated by Resolution No. R-432-16; and<<

**WHEREAS**, revolving loan funds for affordable housing have been implemented to great success in other jurisdictions including the State of California, Washington, D.C., and New York City; and

**WHEREAS**, this Board desires to have the Revolving Loan Fund administered by >>the County Mayor or the County Mayor's designee<<[[~~an outside administrator~~]] chosen through a competitive Request for Proposal process,

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

**Section 1.** >>The recitals above are incorporated in this ordinance.<<

**Section** >>2<<[[1]]. Section 17-132.1 of the Code of Miami-Dade County, Florida, is hereby created to read as follows:<sup>2</sup>

**Sec. 17-132.1 Revolving Loan Fund.**

Notwithstanding any other provision of this article or the Code >>or resolution to the contrary,<< all general fund revenues >>as defined herein, as 50 percent of actual carryover funds in excess of the adopted budget, up to \$10,000,000.00 to the Affordable Housing Trust Fund, subject to appropriation each year, shall be<< placed into the Trust >>on an annual basis and<< shall be used for a revolving loan fund (“Revolving Loan Fund”) to be operated as set forth in this section >>and section 17-132 of the Code<<. The general fund revenues, all repayments of general fund revenues, and all interest paid on loans made from the Revolving Loan Fund shall be deposited into a separate interest-bearing account. All funds deposited into the account shall be used solely for the purposes of making eligible loans to developers and for administration of the Revolving Loan Fund, including payment of the outside administrator. The Revolving Loan Fund shall operate as follows:

- (a) Short Term Loans, as defined in the Revolving Loan Fund guidelines, shall be made available to developers for the construction, rehabilitation, or acquisition of land or housing for sale or rental to homebuyers or renters whose household annual income does not exceed 140 percent of the area median income adjusted for family size.
- (b) Revolving Loan Fund monies may be used for single-family or multi-family housing.
- ~~[[c) Loans shall be awarded based on underwriting criteria, set forth in the Revolving Loan Fund guidelines to be created by the board of trustees and approved by the Board of County Commissioners. No competitive process shall be required for the award of Revolving Loan Fund monies.]]~~

<sup>2</sup> Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

>> (c) Loans shall be awarded to developers for developments located in Commission Districts with the highest need, as determined by the Board of County Commissioners after recommendations by the County Mayor or the County Mayor's designee, taking into account any statistics from the United States Department of Housing and Urban Development related to areas within Miami-Dade County that have the greatest need for affordable housing. Loans shall be awarded based on underwriting criteria, set forth in the Revolving Loan Fund guidelines to be created by the board of trustees and approved by the Board of County Commissioners. A competitive process shall be required to be undertaken by the County Mayor or County Mayor's designee for the award of all Revolving Loan Fund monies.<<

~~[[e]]~~ >>(d)<< The Revolving Loan Fund shall be administered by >>the County Mayor or County Mayor's designee<< ~~[[an outside administrator selected through a competitive Request for Proposals process. The Board of Trustees of the Trust shall serve as the selection committee for review of the Requests for Proposals and shall make a recommendation to the Board of County Commissioners for the selection of an outside administrator. The Board of County Commissioners shall make the final choice of outside administrator. The administrator chosen by the Board of County Commissions must demonstrate the ability and financially commit to provide its funds to leverage the funds in the Revolving Loan Fund, must demonstrate a proven track record of administering similar programs and must demonstrate an ability to combine the Revolving Loan Fund monies with existing affordable housing resources. Nothing herein shall prohibit the selection of a Community Development Financial Institution, lender, bank, or other financial institution from being chosen as the outside administrator for the Revolving Loan Fund. The initial Request for Proposals shall be issued by September 30, 2017.]]~~

(c) The final award of all loans from the Revolving Loan Fund must be approved by ~~[[the chosen administrator and shall not require approval of]]~~ the Board of County Commissioners.

- (d) The ~~>>County Mayor or the County Mayor's designee<< [[chosen administrator]]~~ shall make bi-annual reports to the Trust Board of Trustees on the status of the Revolving Loan Fund and each of the outstanding loans.

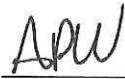
**Section** >>3<<[[~~2~~]]. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

**Section** >>4<<[[~~3~~]]. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision >>and the recitals above<<, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

**Section** >>5<<[[~~4~~]]. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as  
to form and legal sufficiency:



Prepared by:



Shannon D. Summerset-Williams

Prime Sponsor: Commissioner Rebeca Sosa