

MEMORANDUM

Agenda Item No. 7(A)

TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

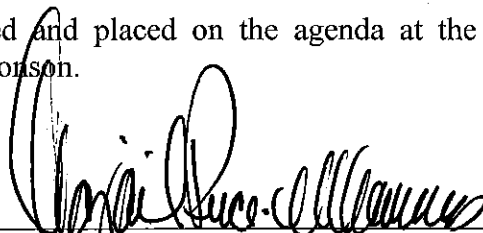
DATE: February 7, 2017

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Ordinance relating to the Infill Housing Initiative Program; amending article VII of chapter 17 of the Code; amending definitions; revising definitions of low and moderate income households and adding definition for very low income households; deleting rehabilitated dwelling units from being eligible under the program; extending from one year to two years the time period for development of infill housing by developers; establishing conditions for construction loans and other financing; revising requirements under which homes can be rented; updating terminology

This item was amended at the 1-19-17 Economic Prosperity Committee to further clarify in section 17-124.2(d)(4) of the Code that where necessary to secure permanent financing through the Federal Housing Administration, Fannie Mae, Freddie Mac or similar lender, the County's affordable housing restrictions and control period shall not survive the foreclosure in accordance with such senior lender's guidelines and restrictions.

The accompanying ordinance was prepared and placed on the agenda at the request of Prime Sponsor Vice Chairwoman Audrey M. Edmonson.


Abigail Price-Williams
County Attorney

APW/smm

Memorandum



Date: February 7, 2017

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over a horizontal line.

Subject: Fiscal Impact Statement for Ordinance Relating to the Infill Housing Initiative Program

The proposed ordinance relating to the Infill Housing Initiative Program amends Article VII of Chapter 17 of the Code of Miami-Dade County. The amendment revises definitions of low and moderate income households; adds the definition for very low income households; deletes rehabilitated dwelling units from being eligible under the program; extends the time period for development of infill housing by developers from one year to two years; establishes conditions for construction loans and other financing; and revises requirements under which homes can be rented.

The Public Housing and Community Development (PHCD) Department currently manages the County's Infill Housing Initiative Program. No additional staff is anticipated and expenses associated with the proposed ordinance are part of the FY 2016-17 Adopted Budget. Therefore, the implementation of the proposed ordinance will not have a fiscal impact to Miami-Dade County.

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Russell Benford
Deputy Mayor

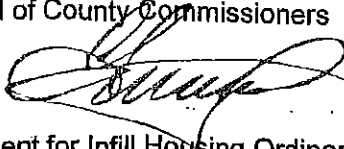
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Memorandum



Date: February 7, 2017

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez 
Mayor

Subject: Social Equity Statement for Infill Housing Ordinance which Amends Article VII of
the Chapter 17 Infill Housing Program

This ordinance amends Article VII of the Chapter 17 of the Code of Miami-Dade County. The amended ordinance will provide a two-year period for development of infill housing, establish conditions for construction loans and other financing, expanded income limits to include very-low income qualified homebuyer to purchase homes, and amends rental requirements. These changes arose from the impediments report and developer input and will improve and streamline the program so that the Infill Housing Program will ultimately provide more affordable homeownership and housing opportunities.

A handwritten signature in black ink, appearing to be "R. Benford", written over a horizontal line.

Russell Benford
Deputy Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

DATE: February 7, 2017

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 7(A)

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. 7(A)
2-7-17

ORDINANCE NO. _____

ORDINANCE RELATING TO THE INFILL HOUSING INITIATIVE PROGRAM; AMENDING ARTICLE VII OF CHAPTER 17 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA; AMENDING DEFINITIONS; REVISING DEFINITIONS OF LOW AND MODERATE INCOME HOUSEHOLDS AND ADDING DEFINITION FOR VERY LOW INCOME HOUSEHOLDS; DELETING REHABILITATED DWELLING UNITS FROM BEING ELIGIBLE UNDER THE PROGRAM; EXTENDING FROM ONE YEAR TO TWO YEARS THE TIME PERIOD FOR DEVELOPMENT OF INFILL HOUSING BY DEVELOPERS; ESTABLISHING CONDITIONS FOR CONSTRUCTION LOANS AND OTHER FINANCING; REVISING REQUIREMENTS UNDER WHICH HOMES CAN BE RENTED; UPDATING TERMINOLOGY; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

WHEREAS, the Board of County Commissioners (“Board”) created the Miami-Dade County Infill Housing Initiative Program pursuant to Ordinance No. 01-47, as amended and codified in Chapter 17, Article VII of the Code of Miami-Dade County (“Infill Housing Program”); and

WHEREAS, the purpose of the Infill Housing Program is to increase the availability of affordable homes for very low, low and moderate income persons (“Qualified Households”), 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 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, through the Infill Housing Program developers build single family homes to be sold to Qualified Households; and

WHEREAS, during this Board's former Health and Social Services Committee June 9, 2014 meeting, the committee heard a citizen's presentation by an Infill Housing Program developer regarding the permitting process and the hardship this developer faced in completing Infill Housing Program homes, some of which was related to the current lack of infrastructure requiring the developer to replace or upgrade main water lines and install fire hydrants at the developer's sole expense; and

WHEREAS, the Infill Housing Program developer also reported that if he was required to replace or upgrade water main lines and fire hydrants at his sole expense, the cost of building an Infill Housing Program home increases and ultimately the project is no longer feasible for the developer; and

WHEREAS, this Board adopted Resolution No. R-996-14 to direct the County Mayor or the County Mayor's designee to prepare a report regarding the impediments which may delay or frustrate the implementation of the Infill Housing Program by developers and the Public Housing and Community Development Department ("Department"), and to provide recommendations for addressing the impediments; and

WHEREAS, this Board specifically desired to learn whether the developer's complaints were isolated or a widespread problem for Infill Housing Program developers, and whether any other impediments exist which may delay or frustrate the implementation of the Infill Housing Program by developers and the Department, which is responsible for the administration of the Infill Housing Program; and

WHEREAS, on December 4, 2014, the Department notified active and non-active Infill Housing Program developers to advise the County of impediments they had experienced with the Infill Housing Program and to provide their recommendations to resolve these impediments; and

WHEREAS, the Infill Housing Program developers were also invited to a roundtable meeting with the Department's Director and staff on December 15, 2014 to further discuss these issues; and

WHEREAS, the Department also requested input from County departments such as the Internal Services Department, Water and Sewer Department, Regulatory and Environmental Resources Department and Transportation and Public Works Department, to address impediments identified by the Infill Housing Program developers for inclusion in Infill Housing Report; and

WHEREAS, on May 15, 2015, the County Mayor submitted the Infill Housing Infill Housing Report ("Infill Housing Report"), which identified a series of impediments that hinder the implementation and administration of the Infill Housing Program; and

WHEREAS, subsequent to issuance of the Infill Housing Report, the Department continued to work with the various County departments involved with the Infill Housing Program to further review potential solutions addressed in the Infill Housing Report and other initiatives; and

WHEREAS, on April 20, 2016, a roundtable meeting was held with Infill Housing Program developers to request any additional recommendations relative to the Infill Housing Program; and

WHEREAS, on May 12, 2016, the Department met with the Affordable Housing Advisory Board (“Housing Board”) to provide an update on the Infill Housing Program, the Infill Housing Report, the required legislation to implement Infill Housing Report recommendations, and to respond to inquiries from the Housing Board; and

WHEREAS, this Board desires to address the impediments identified in the Infill Housing Report and to streamline the Infill Housing Program,

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

Section 1. Article VII of Chapter 17 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:¹

Sec. 17-121. Title; Purpose.

This article shall be entitled, "The Infill Housing Initiative ~~>>Program<<~~." Its purpose is to increase the availability of affordable homes for ~~>>very low,<<~~ low and moderate income persons, maintain a stock of affordable housing, redevelop urban neighborhoods by eliminating the blight of vacant lots and dilapidated or abandoned properties, to equitably distribute homeownership opportunities within the Infill Target Areas, and generate payment of ad valorem taxes. The Infill Housing Initiative ~~>>Program<<~~ shall encourage the redevelopment of vacant, dilapidated or abandoned property through the sale or ~~>>conveyance<<~~ of County property to qualified developers and the inclusion of privately owned vacant, dilapidated or abandoned properties ~~>>located in the Infill Target Areas<<~~. The community development corporations and developers shall be required to ~~[[build]]~~ ~~>>develop<<~~ affordable single-family homes to be sold to ~~>>very low,<<~~ low and moderate income ~~>>eligible person or eligible<<~~ households. Although the Infill Housing Initiative

¹ 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.

>>Program<< 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 >>very low,<< low or moderate income families.

Sec. 17-122. Definitions.

(a) *Adjusted for family size.* Adjusted in a manner that results in an income eligibility level that is lower for households having fewer than four people, or higher for households having more than four people, than the base income eligibility for >>very low,<< low and moderate income households, based upon a formula established by the United States Department of Housing and Urban Development (HUD).

(b) *Affordable.* Where the rental payments or mortgage payments, including taxes and insurance, does not exceed 30 percent of the amount which represents the percentage of the median annual gross income for >>very low,<< 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.

(c) *Annual gross income.* Annual income as defined under the Section 8 housing assistance payments programs in 24 C.F.R. part 5; annual income as reported under the census long form for the recent available decennial census; or adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 for individual federal annual income tax purposes. The County shall calculate income by annualizing verified sources of income for the household as the amount of income to be received in a household during the 12 months following the effective date of the determination.

(d) *Certificate of Qualification.* A certificate >>or other document<< issued by the Miami-Dade >>Public<< Housing >>and Community Development Department, its successor department<< ~~[[Agency]]~~ or an outside agency that has been authorized by the County to qualify households, establishing that a household is qualified to purchase an eligible home. ~~[[Certificates of Qualification shall be valid for 12 months.]]~~

(e) *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 ~~[[30]]~~>>20<<-year period, said home shall be released from the affordability restrictions.

(f) *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.

(g) *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 >>(iv) has individual utility meters for each of the provided utility services; and (v) sold in fee simple<<.

(h) *Eligible Person or Eligible Household.* One or more natural persons or a family that has not previously owned or had interest in a home during the previous three years and that has been determined by the County to meet the eligibility requirements of a >>very low,<< 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. 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 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 >>very low,<< 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.

(i) *Infill Parcel.* A parcel of >>surplus County-owned<< land >>included on the County's affordable housing inventory list established in accordance with Section 125.379, Florida Statutes or privately owned land, which<< ~~[[that]]~~ is located within any infill target area and is suitable for the development of no more than four single family homes (attached or detached).

(j) *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.

(k) *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.]]~~ >>One or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households within Miami-Dade County. With respect to rental units, the low-income household's annual income at the time of initial occupancy may not exceed 80 percent of the area's median income adjusted for family size.<<

(l) *Moderate Income Household.* ~~[[Those households whose total annual adjusted gross income is more than 80 percent 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.]]~~ >>One or more natural persons or a family that has a total annual gross household income that does not exceed 140 percent of the median annual income adjusted for family size for households within Miami-Dade County. With respect to rental units, the moderate-income household's annual income at the time of initial occupancy may not exceed 140 percent of the area's median income adjusted for family size.<<

(m) *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]]~~ >>develop<< affordable housing through the Infill Housing >>Initiative<< 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 >>very low,<< 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.

(n) *Qualified Household*. An eligible household that has received a certificate of qualification from the County or other County approved agency.

(o) *Rental Price* means rents that do not exceed the monthly Fair Market Rent >>by bedroom size<< as determined for Miami-Dade County and published by the U.S. Department of Housing and Urban Development.

(p) *Sales Price*. The price set by the County pursuant to an ~~[[administrative]]~~ >>implementing<< order >>or as such price may be set by resolution of the Board of County Commissioners<<, which price shall not exceed an amount affordable at the maximum income range, as defined in this article, 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>>, with a minimum of one percent from a qualified household's personal funds<<; and (d) an estimation of annual property taxes, assessments, loan repairs and financing fees, allowances for property maintenance and repairs, homeowners insurances, homeowner association fees, if any, and allowances for utilities.

(q) *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.

(r) *Surtax*. 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 >>very low,<< low-income and moderate-income families.

>>(s) *Very Low Income Household*. One or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households within Miami-Dade County. With respect to rental units,

the very-low-income household's annual income at the time of initial occupancy may not exceed 50 percent of the area's median income adjusted for family size.<<

Sec. 17-124. Transfer or sale of property.

(a) *Transfer or Sale of Property.* Pursuant to all applicable state and County laws >>, implementing order and guidelines established in accordance with this article<<, any County owned parcel or parcels of property identified as appropriate for infill housing may be transferred>>,<< ~~[[or]]~~ sold >>or otherwise conveyed<< to a qualified developer >>through a competitive solicitation established by the County or in accordance with Sections 125.379 or 125.38, Florida Statutes,<< for the development of infill housing subject to the requirements of Section 17-126 of this article. Notwithstanding this requirement, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< ~~[[is authorized to approve]]~~ >>may recommend to the Board that they approve<< a conveyance of an infill property previously conveyed by the County to a qualified developer when a municipality or any other governmental entity desires said property in exchange for another infill property of equal or greater value. Said ~~[[transferred]]~~ >>conveyed<< infill property shall be subject to the restrictions set forth in Section 17-124(c) and (d) >>of this article<<.

(b) *Clear Title.* To the extent that it is feasible and allowed by law, title to the property ~~[[shall]]~~ >>may<< be cleared of all liens, taxes and other encumbrances prior to transfer or sale by the County to a qualified community development corporation or a qualified developer. The title may be cleared through:

- (1) Forgiveness of County liens as established in Section 17-126 of this article;
- (2) Cancellation of County-held tax certificates ~~[[as allowed by state law]]~~ >>in accordance with Section 197.502(11), Florida Statutes, as may be amended<<;
- (3) Payment of liens;
- (4) Development of incentives for private, municipal and other governmental lienholders to release liens; or
- (5) By any other available means.

However, pursuant to Section 125.411>>,<< ~~[[of the]]~~ Florida Statutes, as amended, the County shall only convey the interest of the County and shall not warrant title.

(c) *Reverter Clause/Affordability Period.* County deeds conveying title of any properties to a qualified community development corporation or qualified developer, under this Infill Housing Initiative>>Program<<, shall contain a reverter to >>be exercised by<< the County >>at its sole option<< in the event the property has not been reasonably developed ~~[[or rehabilitated]]~~ within ~~[[one year]]~~ >>two years<< of conveyance. >>Such two year period for development may be extended at the sole direction of the Board of County Commissioners upon written application by a qualified developer. Approval of such request for an extension shall be evidenced by the County Mayor or the County Mayor's designee recording an instrument granting such extension in the public records of Miami-Dade County.<< Any eligible infill housing that is developed under this Infill Housing Initiative >>Program<< shall remain as affordable housing for at least ~~[[thirty (30)]]~~ >>20<< years.

(d) >>Construction loans. In the event a developer requires a construction loan or other financing from a third party lender in order to develop the property, such construction loan or other financing shall be subject to the County's deed restriction. Prior to closing on such construction loan or other financing, the developer, the lender and the County shall execute an agreement approved by the County Attorney's Office, that requires the lender or subsequent purchaser of a property to develop the property in accordance with this article and the deed restrictions set forth in the County Deed. Notwithstanding any default, foreclosure by the third party lender, deed in lieu of foreclosure, or subsequent transfer of the property resulting from the foregoing, the restrictions set forth in the County Deed shall remain in full force and effect, and shall constitute a restrictive covenant which shall run with the land, notwithstanding any other term herein; provided, however, the covenants required herein shall not be senior to any instrument securing permanent financing from the Federal Housing Administration, Fannie Mae, Freddie Mac, or similar senior lender. Where necessary to facilitate the securing of permanent financing from the Federal Housing Administration, Fannie Mae, Freddie Mac, or similar senior lender, the Director shall approve modifications to such previously-recorded restrictions to provide for the restrictions to automatically terminate if title to the mortgaged property is transferred by foreclosure or deed-in-lieu of

foreclosure, or if the mortgage is assigned to the Secretary of the U.S. Department of Housing and Urban Development. In the event the developer applies for a construction loan from the County, such as one funded through Surtax or other County affordable housing funding program, the County Mayor or the County Mayor's designee shall ensure that such loan will be subject to the requirements of this article.

(e) << *Declaration of Restrictive Covenants.* Prior to >> or concurrently with << the initial sale of an eligible home, a declaration of restrictive covenants running with the land, approved in form by the County, shall be recorded in the public records of Miami-Dade County which contains such language as is necessary to carry out the purposes of this article. Said declaration of restrictive covenants shall specify that:

(1) The restrictions of this article shall run with the land for the entire control period >> << ~~and~~

(2) The covenant will bind the applicant, any assignee, mortgagee, or buyer, and all other parties that receive title to or interest in the property. These covenants shall be senior to all instruments securing permanent financing >> and shall bind all assignees, mortgagees, purchasers and other successors in interest unless due to the requirements of such permanent financing. Notwithstanding the foregoing, the covenants required herein shall not be senior to any instrument that facilitates the securing of permanent financing from the Federal Housing Administration, Fannie Mae, Freddie Mac, or similar senior lender. In such covenants, the control period and other restrictions on the eligible home shall not survive any foreclosure in accordance with such senior lender's guidelines and restrictions. <<

(3) The covenant shall be controlled for a minimum of twenty (20) years and shall automatically reset every 20 years for a maximum of 60 years, except that in the event an eligible home is owned for an entire 20-year control period by the same individual(s), said individual(s) shall automatically be released from the Declaration of Restrictive Covenants.

(4) Every eligible home constructed ~~[[or rehabilitated]]~~ pursuant to this article shall be offered for sale to qualified households to be used as their primary residence. A qualified household that has purchased an eligible home shall not lease said eligible home; and

(5) Prior to the >> resale << ~~[[sale]]~~ of an eligible home during the control period, the eligible home's owner shall obtain the County's written approval as set forth in Section 17-124.2(c); and

(6) The initial sales price of the eligible housing shall not be offered for a price greater than the current maximum eligible home's sales price of affordable housing as determined by the County at the time of sale or its current appraised value, whichever is lower; and

(7) The County reserves its right of first refusal to purchase the eligible home prior to or at the end of control period, if it becomes available for purchase and there are no eligible persons to purchase said home. The County shall have sixty (60) days after receiving written notification from the owner that the eligible home is for sale, to advise the owner in writing of the County's intent to exercise its right of first refusal or to provide the owner with written notification of the County's intent to waive its right of first refusal. The County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< is authorized to negotiate and execute any contracts to purchase the available eligible home, without prior approval from the Miami-Dade Board of County Commissioners, from the funds earmarked in the a separate account or any trust fund designated for this purpose. Notwithstanding this authorization to purchase, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall bring to the Board of County Commissioners a resolution seeking ratification of said purchase at the next available Board meeting following the purchase of the eligible home.

Sec. 17-124.1. Eligibility of households for eligible home.

(a) Eligibility requirements to purchase an eligible home shall be pursuant to an ~~[[administrative]]~~ >>implementing<< order approved by the Board of County Commissioners and shall be based on household size and income. An eligible household must receive a certificate of qualification from the County or other outside agency authorized by the County to qualify households, to become a qualified household, in accordance with the procedures prescribed by the ~~[[administrative]]~~ >>implementing<< order.

(b) Each qualified household purchasing an eligible home shall be required to record a mortgage in favor of Miami-Dade County with an amount equal to the value of the ~~[[land]]~~ >>mortgage amount<< at the time of the initial sale of the home. 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 required by this section.

(c) Eligibility for continued ownership of an eligible home shall be contingent upon the qualified household's use of the eligible home as his or her primary residence. A qualified household that no longer occupies the home as their primary residence shall be in default of the mortgage recorded against the eligible home by the County and the Declaration of Restrictive Covenants.

(d) Effective January 1st of the year following the recording of the declaration of restrictive covenants in the Public Records stating that the home must remain affordable the assessed value of the homes constructed through the Infill Housing >>Initiative<< Program will reflect consideration of the aforementioned restriction. To ensure that the assessed value of the affordable home reflects consideration of the aforesaid restrictions, County shall submit a copy of the recorded covenant to the Miami-Dade Property Appraiser's Office ~~[[immediately]]~~ after closing. Upon receiving said covenant, the Property Appraiser's Office will make a notation in the records available to the public that the home is subject to affordable housing restrictions and, for subsequent assessments during the control period, will ensure that the assessed value reflects consideration of the housing restrictions.

(e) Subject to the availability of funding, the County will provide affordable mortgage loans through the use of Surtax and SHIP funds to qualified households who purchase infill housing. In order to receive a mortgage loan, the qualified household must meet the eligibility requirements for the funding.

Sec. 17-124.2. Affordability controls.

(a) *Initial sale.*

(1) Every eligible home required to be established under this article shall be offered for sale to a qualified household to be used as their own primary residence.

(2) In order to assure the purpose of the infill program as set forth in Section 17-121 >>, of this article<<, steps shall be taken by the County to encourage a mix of housing prices that are affordable to ~~[[both]]~~ >>very low,<< low and moderate income households.

(3) No less than sixty (60) days prior to offering any eligible home, the developer shall notify the County of such offering. The notification from the developer shall set forth the size, sales price, >>copies of pre-sale contracts<< and location of each eligible home offered and shall provide >>the number of bedrooms and bathrooms contained in the eligible home,<< a description of each eligible home's finishes and availability. >>Additionally, the developer shall

submit the permit plans, elevations and floor plans to the County prior to submitting them to the County for permit approval.<< The County may request additional information from the developer >>including information concerning the qualified homebuyer<< [~~or other property owner~~], as it deems necessary.

(4) Upon notification from the developer, the County shall make such notice available to >>all interested persons<< [~~eligible households~~] through its web site and other locations designated by the County.

(5) If the County determines an eligible household qualifies for an eligible home, the County will issue a certificate of qualification declaring the household a qualified household. In order to receive a certificate of qualification, an eligible household must have completed a homeownership counseling course and met the eligibility requirements of a >>very low<< low or moderate income household.

(b) *Resale.* Subject to the mortgage recorded against the eligible home in favor of the County, any qualified household that intends to sell his or her eligible home prior to the expiration of the control period shall provide written notification to the County pursuant to subsection (c) of this section. Upon resale of an eligible home, each household must ensure that a prospective qualified household has received a valid certificate of qualification.

(c) *Control of resale prices.*

(1) The eligible home may be resold, but only to a qualified household. Any owner of an eligible home shall notify the County in writing of his or her intent to offer the eligible home for resale.

(2) The maximum sales price permitted on resale of an eligible home shall be based on the following:

(i) 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;

(ii) documented costs for property improvements that are permanent in nature and not for decoration or maintenance purposes.

(3) Prior to closing a sale, the seller of the eligible home shall submit to the County for approval (which approval shall not be unreasonably withheld or delayed):

(i) a copy of the proposed sales contract >>at a price no greater than the maximum sales price or appraised value from a qualified appraisal service, whichever is less<<;

(ii) >>verifiable income of the purchaser from a County approved mortgage lender or the Department;

(iii) a copy of the first-time homebuyer course certification of completion or other similar document from a County or United States Department of Housing and Urban Development approved provider<<; and

>>(iv)<< an affidavit signed by the owner of the eligible home and the new qualified household attesting to the accuracy of all documents and conditions of the sale.

(4) No resale of an eligible home shall be considered to be in compliance with this article until all required documents and affidavits have been submitted to and approved by the County.

(5) The County shall either approve or disapprove all required documents and affidavits in writing within fifteen business days after they are submitted to the County. If the County disapproves such documents or affidavits then the County shall provide the owner, in writing, the reasons for such disapproval and an opportunity to correct any deficiencies, and provide adequate and appropriate documentation.

(d) *Foreclosures, bankruptcy, probate and other proceedings.*

(1) If any qualified household of an eligible home defaults on his or her mortgage with the County and said default is not cured within the applicable time periods, then the whole debt secured by said mortgage, with all interest thereon, and all other amounts thereby secured shall, at the option of the County, become immediately due and payable. In the event any qualified household of an eligible home fails to cure the default, the County shall have the right to legally enforce the term of the mortgage or collect the debt in any action at law, including but not limited to a proceeding in foreclosure. Any proceeds, including any expenses or expenditures incurred and recovered by the County, shall be deposited into a separate account >>earmarked for the Infill Housing Initiative Program,<< or [[into any affordable housing trust fund]] >>the Miami-Dade Affordable Housing Trust Fund<< established [[by the County]] >>pursuant to Article VIII, Sections 17-129 et seq. of the

Code of Miami-Dade County, or returned to the affordable housing program from which such funds originated.<< ~~[[and]]~~ >>Such funds<< shall not be commingled with any other funds.

(2) In any suit, action or proceeding, including without limitation bankruptcy, probate or any other suit, action or proceeding affecting the eligible home, any monies recovered by the County shall be deposited into a separate account ~~[[designated for such purposes]]~~ >>earmarked for the Infill Housing Initiative Program,<< or ~~[[any affordable housing trust fund]]~~ >>the Miami-Dade Affordable Housing Trust Fund<< established ~~[[by the County]]~~ >>pursuant to Article VIII, Sections 17-129 et seq. of the Code of Miami-Dade County, or returned to the affordable housing program from which such funds originated<<.

(3) Notwithstanding subsection e (1) and (2), in the event of default by a qualified household on any senior mortgage associated with an eligible home, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< is authorized to pay off said senior mortgage and assume ownership of the eligible home by using funds from the affordable housing trust fund. The defaulting qualified household shall be required to vacate the eligible home. The County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< is further authorized to purchase any eligible home that is sold as a result of any suit, action or proceeding, including but not limited to foreclosure, bankruptcy, probate or any suit, action or proceeding affecting the eligible home. The County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall report each such purchase to the Board of County Commissioners at the next Board meeting following the purchase of the eligible home.

>>(4) No sale, transfer or foreclosure shall affect the validity of the covenants except as expressly set forth in the provisions of this article. It is provided that, where necessary to<< >>facilitate the securing of<<² ~~[[obtain]]~~ >>permanent financing, such as financing from the Federal Housing Administration<< >>, Fannie Mae, Freddie Mac,<< >>or similar senior lender,<< >>in such covenants<< ~~[[the Housing Director may provide that]]~~ >>the control period and other restrictions on the eligible home shall not survive the foreclosure in accordance with such senior lender's guidelines and restrictions.<<

² 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.

Sec. 17-125. Development.

- (a) *Private Property Owners.* The County may encourage private property owners to ~~[[rehabilitate or]]~~ redevelop their properties as infill housing through forgiveness of County liens as identified in section 17-126 of this article or through the availability of construction ~~[[and rehabilitation]]~~ loans. Subject to the availability of funding, the County ~~[[will]]~~ ~~>>may<<~~ provide construction ~~[[and rehabilitation]]~~ loans to private property owners who are determined to be eligible for such funding. In order to participate in the ~~[[infill housing program]]~~ ~~>>Infill Housing Initiative Program<<~~, each private owner ~~>>authorized to participate<<~~ ~~[[participating]]~~ in the ~~[[infill housing program]]~~ ~~>>Infill Housing Initiative Program<<~~ shall ~~>>abide by all the pre-development, development, and qualifying an eligible household described herein. The County Mayor or County Mayor's designee shall approve a Private Property Owner to develop their private property, located in the Infill Target Areas, for the Infill Housing Program and allow the maximum amount of time provided by the Program to develop and sell such property. If not, the Private Property Owner will not be eligible to receive program incentives and the lot may be removed from the Infill Program. Each Private Property Owner shall<<~~ record in the public records one or more covenants or declarations of restrictions in a form approved by the County as set forth in Section 17-124(d).
- (b) *Qualified Developers.* Subject to the availability of funding, the County ~~[[will]]~~ ~~>>may<<~~ provide construction ~~[[and rehabilitation]]~~ loans through the County's Surtax and SHIP programs, to qualified developers for the development of infill housing. In order to receive the construction ~~[[or rehabilitation]]~~ loan, the qualified developer must meet the eligibility requirements for such funding.

Section 17.125.1. Rental of Property.

~~[[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. 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 Program administered~~

~~by the Miami-Dade Public Housing and Community Development, or its successor agency or department or the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs administered by the Miami-Dade County 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.~~

~~This section of the Code shall sunset on April 16, 2014, unless extended by the Board of County Commissioners.]]~~

>>At the sole discretion of the County Mayor or the County Mayor's designee, the County Mayor or the County Mayor's designee may allow developers to rent eligible homes on a temporary basis if the qualified 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. In the event the qualified developer is able to demonstrate and certify 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 qualified 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 Program administered by the Miami-Dade Public Housing and Community Development, or its successor agency or department or the Household Exiting Emergency Shelter, Transitional Housing and Domestic Violence programs administered by the Miami-Dade County Homeless Trust. The County shall determine prior to authorizing a qualified developer to rent an eligible home whether the rental of said home is consistent with all applicable state and federal laws and regulations. At the discretion of the County Mayor or the County Mayor's designee, the qualified developer may be authorized to rent to market low-income families as long as the qualified developer provides an executed lease and the renter provides verifiable income and family size documentation initially and annually.

Upon the County's approval to rent any eligible home, each qualified developer shall be required to comply with all applicable federal and state housing laws and regulations. Qualified 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.<<

Sec. 17-126. - Forgiveness of county liens.

(a) (1) Notwithstanding any other provision contained in the Code of Miami-Dade County, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< may release or satisfy any County lien placed on a publicly or privately owned property if the property has been approved by the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< for the Infill Housing Initiative >>Program<< and the >>qualified developer<< ~~[[private-owner]]~~ >>applies to the County for release of County liens and citations after the sale of the eligible property to an eligible household and<< records in the public records >>simultaneously a warranty deed, and<< a declaration of restrictive covenants in a form approved by the County as set forth in Section 17-124(d).

(2) County liens which may be released or satisfied by the County include but are not limited to: civil restitution liens; code enforcement liens; demolition liens; hospital liens; judgment liens; lot clearing liens; minimum housing standard liens; mortgage liens; nuisance abatement liens; public defender liens; stormwater utility liens; waste liens; water and sewer liens; and welfare liens. The provisions of this article do not pertain to ad valorem tax liens or privately-held tax certificates nor do they pertain to special assessment liens as defined in the Home Rule Charter, Article 1, Section 1.01(A)(11) and in Section 18-14 of Miami-Dade County Code.

(b) The satisfaction of the County lien(s) shall be recorded in the Official Record Book of Miami-Dade County, Florida.

(c) The County >>Mayor or the County Mayor's designee<< shall not release or satisfy any County liens on a property owned by the person whose actions resulted in the County liens being placed on the property. The County shall not release or forgive any County liens on a property owned by the immediate family or a firm, corporation, partnership or business entity of a person whose actions resulted in the liens being placed on the property. For purposes of this section, "person" shall mean any individual, business, corporation, partnership, firm, organization, or other type of entity. For purposes of this section, "immediate family" shall mean spouse, child, parent, niece, nephew, aunt, uncle, grandparent, grandchild or anyone having one of these relationships by law.

(d) Release of a County lien under this article does not prohibit the County from collecting >>a fee and<< the sum underlying the lien by other legal means. Release of a County lien does not mean that a violation underlying the lien has been cured.

Sec. 17-127. >>Policies and procedures.<<

The County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall develop policies and procedures for the implementation of this Infill Housing Initiative >>Program<< as well as designate the appropriate County personnel to implement the Infill Housing Initiative >>Program<<. To the extent that it is feasible, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall incorporate Resolution R-435-00, "Green Infill Housing Machine," and the Interim Report on the Green Infill Housing Machine Infill Housing Programs (7/25/00) into the policies and procedures. Furthermore, the County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall study the appropriateness of developing or contracting with a community land trust for the implementation of the Infill Housing Initiative >>Program<<.

* * *

Sec. 17-128.1. - Reports to the Board of County Commissioners.

The County ~~[[Manager]]~~ >>Mayor or the County Mayor's designee<< shall submit an annual report to the Miami-Dade Board of County Commissioners concerning compliance with the provisions of this article. This >>annual<< report shall include but not be limited to >>(i)<< a list of lots made available to qualified developers >>and private lots that were included in the Infill Housing Initiative Program<<, >>(ii)<< number of homes built and sold >>or rented<< to qualified households, >>(iv)<< a summary of the amount of liens released on County and private property and >>(v)<< legal actions taken against violators of this Article of the Code. >>The completed report required by this section shall be placed on an agenda of the Board pursuant to Ordinance No. 14-65.<<

Section 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 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, 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 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:

APW

Prepared by:

JWS

Terrence A. Smith

Prime Sponsor: Vice Chairwoman Audrey M. Edmonson