

Agenda Item No. 2(B)1 September 5, 2018

Date:

August 3, 2018

To:

Honorable Chairman Esteban L. Bovo, Jr.

and Members, Board of County Commissioners

From:

Carlos A. Gimenes

Mayor

Subject:

Master Affordable Housing Plan Status Report for Fiscal Years 2013 through 2019

On May 15, 2018, as per Resolution No. R-510-18, the Board of County Commissioners (Board) directed the County Mayor to prepare a report on the status of the implementation of the Master Affordable Housing Plan (The Plan) for Fiscal Years (FY) 2013 through 2019. The report was to include at a minimum an assessment of the plan accomplishing the goal of maximizing affordable housing, identification of any impediments which exist to prevent successful implementation of the plan, recommendations and strategies for removal of any impediments to implementation, and recommendations for amendments to the plan for use beyond 2019.

Accomplishment of Affordable Housing Goals

For the period of FY 2013-2018, Miami-Dade County accomplished the development of a multitude of affordable housing projects utilizing \$188.2 million of Surtax, HOME, and NSP funds summarized below:

Miami-Dade County Affordable Housing Units Completed
Utilizing \$188.2 Million in Surtax, HOME, and NSP Funds During FY 2013-2018

	Number of Units						
Project Type	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018*	Total
Rental New Construction	997	699	394	619	463	439	3,611
Rental Rehab	444	295	70	453	0	208	1,470
Rental Homeless New Construction	40	0	0	0	0	0	40
Rental Homeless Rehab	6	0	0	34	0	0	40
Public Housing New Construction	0	0	. 0	0	201	0	201
Public Housing Rental Rehab	0	0	348	200	0	96	644
Public Housing Revitalization Program	236	0	0	0	0	0	236
Homeownership	0	0	12	0	0	0	12
Total	1,723	994	824	1,306	664	743	6,254

^{*} Data as of March 31, 2018

The above table does not represent the total universe of affordable housing that may be available and funded by other sources such as federal, state and local funds not associated with the County. Notwithstanding the housing development accomplishments, the County continues to experience affordable housing challenges.

The Public Housing and Community Development Department (PHCD) continues to make funds available through its Request for Applications (RFA) process to promote the development of affordable housing. This process is typically separated by type of funding resources and type of activities. The FY 2018 RFA process has been issued and proposals have been rated, ranked, and recommendations prepared for Board consideration.

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PHCD and the Homeless Trust (HT) have reinforced their partnership to include the following:

- Established Extremely Low Income (ELI) set-aside units in various affordable housing projects with PHCD funds;
- Set-aside 120 vouchers for the homeless;
- Set-aside 25 public housing units for the homeless; and
- Cooperating with the HT and the U.S. Department of Veteran's Affairs (VA) with the issuance of 271 vouchers for homeless veterans.

The County, through PHCD, is currently a high performer under the Section Eight Management Assessment Program (SEMAP). SEMAP high performers are those that score at least 90 or above out of 100 criteria points. This designation is made by the U.S. Department of Housing and Urban Development (HUD).

Identification of Impediments

PHCD has strived to identify impediments to successful implementation of The Plan by ongoing engagement with community partners, developers, lending institutions, and academicians. PHCD conducts community forums with the Affordable Housing Advisory Board (AHAB), Affordable Housing Trust Fund Board (AHTFB), Developers Roundtable, and the Affordable Housing Practicum held January 2018. The forums enable PHCD to better design its RFAs to align with the needs of the community and available financial resources.

Financial impediments to adequately fund affordable housing projects are a continual challenge. As capital becomes available for the development of affordable housing, the gap remains with adequate subsidies to make these types of transactions feasible. For Surtax funding, the County is subject to the ebbs and flows of commercial transactions and is currently in a decline. For AHTFB funding, there have been modest gains over the past five years. For HOME funds, federal funding is not available at a level that can make a significant impact. County resources are primarily used to cover gaps in the financing of affordable housing. Typically, these projects attempt to leverage County funds with available tax-exempt bonds and non-competitive four percent (4%) low-income housing tax credits. However, these programs require large amounts of project subsidy.

Strategies for Removal of Impediments

PHCD is evaluating best practice recommendations and strategies to remove any impediments to implementation of The Plan. Best practices being studied are summarized below:

- Additional subsidy resources;
- Preservation of Naturally Occurring Affordable Housing (NOAH);
- Preservation of existing pool of affordable housing units;
- Alleviation of insurance concerns;
- Faster government approval of processes;
- Provision of incentives to affordable housing developers;
- Inclusionary zoning practices;
- Supplemental workforce housing incentives;

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- Community Land Trust; and
- Work with the City of Miami as it decides how to implement use of its recently approved \$100 million bond for affordable housing.

Recommendations for Amendments to Plan Beyond 2019

Amendments will not be needed since new initiatives are in the works that will take into account current data and challenges in a fashion that will provide for workable and practical solutions to address affordable housing needs in the County for the next decade. These efforts include an analysis of properties along the County's transit corridors that are suitable for housing development in a joint effort by PHCD, Regulatory Economic Resources (RER), and the Department of Transportation and Public Works (DTPW); a public housing preservation plan; affordable housing preservation plan for both subsidized and non-subsidized non-public housing properties, headed by Enterprise Community Partners and Miami Homes for All; and an effort to create a five year plan led by Miami Homes for All in collaboration with public and private sector stakeholders, inclusive of the County.

Per Ordinance 14-65, this memorandum will be placed on the next available Board Agenda.

If there are any questions regarding this report, contact Michael Liu, Director of Public Housing and Community Development Department, at 786-469-4106.

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