



Economic Development and Human Services Committee
September 12, 2007

EXHIBITS LIST

Prepared by: Jovel Shaw

NO.	DATE	ITEM #	DESCRIPTION
1	9/12/07	--	County Manager's Memorandum of Requested Changes
2	9/12/07	7B Suppl.	County Manager's Memorandum entitled, "Documentary Surtax and State Housing Incentive Partnership Funds"
3	9/12/07	7B	A document entitled, "Miami-Dade County SHIP/Surtax Housing Programs"
4	9/12/07	7C	A copy of the EDHSC Budget Priorities prepared by Chairwoman Edmonson

Memorandum

MIAMI-DADE
COUNTY

Date: September 12, 2007

To: Honorable Chairperson and Members
Economic Development and Human Services
Committee

From: George M. Burgess
County Manager 

Subject: Requested Changes to the
Economic Development and Human Services
Committee Agenda

RECEIVED
By the Clerk for the Board of

SEP 12 2007

Item _____
Exhibit 1
Meeting EDMSC

Additions

7C

Audrey M. Edmonson

072695 DISCUSSION OF COMMITTEE BUDGET PRIORITIES

Memorandum



Date: September 12, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Documentary Surtax and State Housing Incentive Partnership Funds

Supplement to
Agenda Item No. 7(B)

RECEIVED
By the Clerk for the record.

SEP 12 2007
Item _____
Exhibit 2
Meeting EDHSC

Staff has developed this report to inform the Board on a revised recommendation to allocate State Housing Initiative Partnership (SHIP) funds and Documentary Stamp Surtax (Surtax) funds towards housing activities in a balanced manner to ensure a range of affordable housing opportunities for both homeownership and rental. At this point, these revised recommended allocations are not part of the proposed FY 2007-08 resource allocation plan.

While there is a dire need in our community for additional resources to support rental and homeownership construction and homeownership mortgage assistance opportunities, staff is attempting to balance available resources and recommend the allocation of these two funding sources in a way to best meet the needs of our community.

SHIP

- 65 percent of new and carry-over SHIP funds will be directed toward homeownership opportunities in the form of mortgage assistance, and development of new affordable homes for purchase.
- The balance of SHIP funds (35 percent) will be directed toward rental housing development.

Surtax

- 40 percent of new Surtax funds will be directed toward homeowner assistance.
- 60 percent of new Surtax funds, along with the majority of carry-over funds, will be directed toward development of affordable homeownership and rental housing with an emphasis on rental due to increasing difficulty of very low-and low-income households to enter into homeownership due to tightening credit opportunities, current housing prices, and homeowner insurance costs.

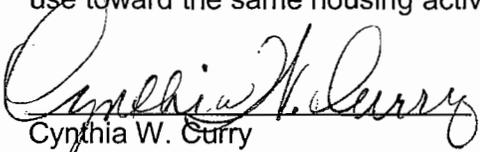
SHIP Allocation

SHIP funds may benefit households up to 120 percent of median income. More specifically, 30 percent of all SHIP funds must benefit very low-income persons and at least an additional 30 percent of the SHIP funds must benefit low income persons.

The proposed resource allocation plan includes \$8.888 million in new SHIP funds. Staff recommends that 65 percent of all available SHIP funds be directed towards homeownership activities in the form of mortgage assistance and construction financing in accordance with Section 420.9075(5)(b). Staff recommends that the balance (35 percent) be directed toward development of affordable rental housing. In accordance with Section 420.9075(5)(b) Florida Statutes, at least 75 percent of all available funds must be directed towards construction, rehabilitation, or emergency repair of affordable, eligible housing. Mortgage assistance toward the purchase of newly developed units through new construction or rehabilitation counts towards this 75 percent threshold requirement. Said units must receive a certificate of occupancy within, or have never been occupied in, the 12 months immediately preceding the contract for sale.

Allocation of Loan Repayments

Funds collected due to the repayment of Surtax and SHIP loans generated from the direct allocation of funds for homeownership assistance and owner-occupied rehabilitation loans or for housing development activities shall be retained by the respective department administering the program for use toward the same housing activities.



Cynthia W. Curry
Senior Advisor to the County Manager

9/12/07, 7B
EDASC

Miami-Dade County SHIP/Surtax Housing Programs

Under the SHIP and Surtax Programs, Miami-Dade County provides assistance towards both the development and purchase of homeownership units and development of rental housing.

- **Persons Assisted Under Housing Programs**

Homeownership Activity:

Homeownership mortgage assistance is serving predominately low income households (those with household income of 80% of area median income or less), followed by moderate income households (household income up to 140% of AMI). Very low income households (50% of AMI or less) make up a very small portion of the total number of households assisted.

Income Group	% of All Assisted*
VLI	17%
LI	55%
MI	27%

*Based on analysis of HFA closed loans between 1/1/07 and 6/30/07.

Miami-Dade County also provides construction financing towards the development of affordable homeownership units. These units may not be sold for more than \$225,000 and a number of developments have produced units priced below \$225,000.

Rental Housing Development:

The majority of rental housing units developed with SHIP or Surtax monies target low income households. Many of these rental housing developments also receive Low Income Housing Tax Credits, requiring that units be set-aside for households at 60% of AMI or less.

- **Per Unit Subsidies under Homeownership and Rental Housing Activities**

Per unit subsidy for homeownership assistance, either directly to homebuyers and developers, is *substantially* greater than subsidy for rental housing (see Attachments A and B).

	Average Subsidy Per Unit
Homebuyer's Assistance	\$65,530
Homeownership Unit Construction	\$49,681
Rental Unit Construction	\$18,987

In many cases, Miami-Dade County is providing both construction and purchase assistance towards the same unit. In those cases, the average subsidy would be \$115,211 compared to a subsidy of \$18,987 for a rental housing unit.

RECEIVED
By: Clerk for the record.

SEP 12 2007

Item _____
Exhibit 3
Meeting EDHSC

- **Miami-Dade County Homeownership Assistance Program in Effect is Primary Lender for Home Purchases**

Under the Homeownership Assistance Program, Miami-Dade County, along with some additional subsidy provided by the City of Miami and other municipalities, is providing the majority of financing needed to purchase a home (See Attachments B and C).

The majority of loans are being directed towards low income households. In these transactions, the County is providing, on average, 62% of the financing required to purchase the home. Across all three income groups (very low, low and moderate), the County is providing 57% of the purchase funds needed by a household to purchase a home, compared to private sector's share of the financing.

	Private Participation	Public Participation			Public Share of Financing
		Miami-Dade County Funding	Other Municipalities and State	Total Government	
VLI	\$2,572,077	\$3,369,255	\$896,455	\$4,265,710	62%
LI	\$10,308,545	\$14,594,904	\$2,260,237	\$16,855,141	62%
MI	\$8,712,631	\$7,015,489	\$346,813	\$7,362,302	46%
TOTALS	\$21,593,253	\$24,979,648	\$3,503,505	\$28,483,153	57%

Miami-Dade Affordable Housing Development Programs

Miami-Dade Affordable Housing Developed Under Miami-Dade Programs as of December 31, 2006

	Units Placed in Service	Miami-Dade County Funds (Surtax, SHIP, HOME, HODAG, CDBG)	Construction Subsidy Per Unit
Homeownership (1999 through 2006)	960	\$36,901,430	\$38,439
Rental Housing (1984 through 2006)	16,266	\$165,254,213	\$10,160
TOTAL	17,226	\$202,155,643	

Affordable Housing Placed in Service Between January 1 and July 30, 2007 Under Surtax and SHIP Programs

	Units Placed in Service	Miami-Dade County Funds			Construction Subsidy Per Unit
		Surtax	SHIP	Total Funds	
Homeownership	30	\$ 1,000,000	-	\$1,000,000	\$33,333
Rental Housing	698	\$10,850,000	\$500,000	\$11,350,000	\$16,261
TOTAL	728	\$11,850,000	\$500,000	\$12,350,000	

Affordable Housing Units Currently in Development Pipeline Under Surtax and SHIP Programs

	Units in Development	Miami-Dade County Funds			Construction Subsidy Per Unit
		Surtax	SHIP	Total Funds	
Homeownership	337	\$15,850,000	\$892,315	\$16,742,315	\$49,681
Rental Housing	4,818	89,179,011	2,300,000	\$91,479,011	\$18,987
TOTAL	5,155	105,029,011	\$3,192,315	\$108,221,326	

RECEIVED
By the Clerk for the record.

SEP 12 2007

Item _____
Exhibit _____
Meeting _____

**MIAMI-DADE COUNTY HOMEOWNERSHIP PROGRAMS
(January 1, 2007 through June 30, 2007)**

2007 Private and Public Participation in Homeowner Assistance Loans

	Private Participation	Public Participation			Public Share of Financing
		Miami-Dade County Funding	Other Municipalities and State	Total Government	
VLI	\$2,572,077	\$3,369,255	\$896,455	\$4,265,710	62%
LI	\$10,308,545	\$14,594,904	\$2,260,237	\$16,855,141	62%
MI	\$8,712,631	\$7,015,489	\$346,813	\$7,362,302	46%
TOTALS	\$21,593,253	\$24,979,648	\$3,503,505	\$28,483,153	57%

Average Amount of Assistance by Income Group

	Private Financing Only	Miami-Dade County Bond Only	Miami-Dade County Program Subsidies Only (No Bond)	All Government (Miami-Dade County and Additional Subsidy Provided by State and Other Municipalities)
VLI	\$47,631	\$71,917	\$61,033	\$78,995
LI	\$59,245	\$90,960	\$71,855	\$96,869
MI	\$101,310	\$149,188	\$55,554	\$85,608
All Households	\$68,768	\$107,399	\$65,530	\$90,711

Income Group Share of Government Funds and Share of Private Financing

	Share of Private Financing (\$21,593,253)	Share of Public Funds (\$28,483,153)	Share of Private and Public Funds (\$50,076,406)
VLI	11.9%	15.0%	14%
LI	47.7%	59.2%	54%
MI	40.3%	25.8%	32%

RECEIVED
By the Clerk for the record.

SEP 12 2007

Item _____
Exhibit _____
Meeting _____

VLI means household income of 50% of area median income or less. LI means household income of 80% of area median income or less. MI means income over 80% of area median income, but less than 140% of area median income.

Note: Data collected from multiple sources. Delay in title company delivery of closed loan files also produces time lag in reporting data. Report subject to change. 8/27/07

RECEIVED
 the Clerk for the record.

SEP 12 2007

**MIAMI-DADE HOMEOWNERSHIP ASSISTANCE PROGRAMS
 CLOSED LOANS
 2007 Quarterly Reports**

Attachment C

Item _____
 Exhibit _____
 Meeting _____

Income Group	# of Unduplicated Households Assisted	MMAP Surtax*		HFA Surtax		HFA SHIP		HFA HOME		HFA SF Bond		EDI		ADDI HOME		TOTAL FUNDS
		# of Loans	Total Funds	# of Loans	Total Funds	# of Loans	Total Funds	# of Loans	Total Funds	# of Loans	Total Funds	# of Loans	Total Funds	# of Loans	Total Funds	
1ST QUARTER 2007																
VLI	24	12	\$82,610	1	\$70,000	16	\$989,150	1	\$48,509	2	\$70,366	7	\$228,600			\$1,489,235
LI	85	68	\$708,816	23	\$1,383,000	56	\$3,359,173	10	\$608,121	9	\$731,988	1	\$31,500	2	\$20,000	\$6,842,598
MI	42	35	\$349,753	18	\$920,000	19	\$972,775	1	\$30,000	8	\$1,183,447	1	\$50,000			\$3,505,975
TOTALS	151	115	\$1,141,179	42	\$2,373,000	91	\$5,321,098	12	\$686,630	19	\$1,985,801	9	\$310,100	2	\$20,000	\$11,837,808
2nd QUARTER 2007																
VLI	30	14	\$153,610	7	\$522,000	19	\$994,950	1	\$108,560	1	\$3,100	3	\$97,800			\$1,880,020
LI	89	73	\$758,541	42	\$2,704,000	38	\$2,050,700	11	\$815,964	14	\$1,360,101	2	\$63,000			\$7,752,306
MI	44	37	\$365,917	26	\$1,360,000	15	\$729,230	0	0	7	\$1,054,367					\$3,509,514
TOTALS	163	124	\$1,278,068	75	\$4,586,000	72	\$3,774,880	12	\$924,524	22	\$2,417,568	5	\$160,800	0	\$0	\$13,141,840
YTD TOTALS	314	239	\$2,419,247	117	\$6,959,000	163	\$9,095,978	24	\$1,611,154	41	\$4,403,369	14	\$470,900	2	\$20,000	\$24,979,648

Income Group	Breakdown of Households Assisted by Income Group		Distribution of Funds by Income Group				Average Purchase Price
	Households Assisted	% of All Assisted	% of All County Funds	% of Surtax Funds	% of SHIP Funds	% of HOME Funds	
VLI	54	17%	13%	9%	22%	10%	\$136,636
LI	174	55%	58%	59%	59%	88%	\$155,099
MI	86	27%	28%	32%	19%	2%	\$185,423

VLI means household income of 50% of area median income or less. LI means household income of 80% of area median income or less. MI means income over 80% of area median income, but less than 140% of area median income.
 Note: Quarterly reporting based calendar year. Data collected from multiple sources. Delay in title company delivery of closed loan files also produces time lag in reporting data. Report subject to change.

8/27/2007

SEP 12 2007

Item _____
Exhibit 4
Meeting EDHSC

DISCUSSION - EDHS BUDGET PRIORITIES

The following are the priorities as identified by the EDHS Committee and information provided in the Manager's Memo dated 9/6/07.

- **CAA/DHS** – EDHS recommended that CAA not be merged with DHS. At the 8/31/07 EDHS Sunshine meeting, the committee recommended that the County restore \$1M to maintain CAA and DHS as separate departments. *The Manager's memo recommends the name of the new department be changed to the Department of Community Action and Social Services.*
- **Head Start** – EDHS Committee recommended that the 400 slots remain with the County and not be transferred to delegate agencies [\$716,000]. *The Manager's memo indicates that the transfer will not be implemented as recommended in the proposed budget.*
- **Mom & Pop** – EDHS recommended that the Mom & Pop program be maintained at its current level of funding. EDHS voted that \$1.95M be allocated from the County Services reserve for this purpose. *The Manager's states in his memo that he has asked staff to assess different options to mitigate the reduction in funding to the Mom & Pop grant program.*
- **MMAP** – EDHS recommended that MMAP be maintained as an independent entity with its current level of funding. OSBM reported that MMAP is currently funded at \$998,000 and that MMAP has submitted a revised budget of \$774,000. OSBM further stated that the revised recommendation would provide \$474,000 in funding. EDHS voted that \$300,000 be allocated from the County Services reserve to meet the shortfall. *The Manager's recommendation does not mention funding for MMAP but refers to an ongoing management review and audit of MMAP and recommendations that will be presented to the BCC pertaining to MMAP's programs, management, operational and funding issues.*
- **CBO Funding** – EDHS recommended that the current level of funding be maintained for this fiscal year. *The Manager, in his memo, asked staff to assess different options to mitigate the reduction in funding available to CBOs.*
- **Greater Miami Service Corps** – EDHS recommended that the current level of funding be maintained. *This issue is not mentioned in the Manager's memo.*
- **Urban Economic Revitalization Task Force** – EDHS voted that the department be maintained in its current form and that the staff be decreased from 5 to 3. Asked that staff bring the costs associated with this recommendation back to the Committee with a recommended source of funding. *This issue is not mentioned in the Manager's memo.*