

Community Affordable Housing Strategies Alliance (CAHSA)

Final Report

Executive Summary

Section I: The CAHSA Process

On May 9, 2006 the CAHSA Task Force was established by the Board of County Commissioners (R-558-06) to assist in addressing the housing crisis in Miami-Dade County. The Board unanimously passed the resolution which not only assigned specific task and responsibilities to the Task Force, but ensured participation from a broad cross section of the community by including a list of organizational members. (See **Appendix 1** for the complete Resolution with the list of member organizations.) The Task Force was entrusted with the following specific duties, functions and responsibilities:

- To identify the data gathering processes and procedures necessary to evaluate the housing crisis in Miami-Dade County as it relates to households whose income is up to 100 percent of the area median income; and to develop innovative solutions to address this housing crisis. (**Task Completed**)
- To establish methods of obtaining input on community needs and priorities, this may include public meetings, conducting focus groups and convening ad hoc panels. (*Task performed as part of the CAHSA process and recommendations submitted to institutionalize the community input process.*)
- To develop solutions that should include, but not limited to, recommending additional legislation and enforcement of existing legislation. (**Task Completed**)
- To develop methods to inform the public about available funding and financing opportunities, rental and homeownership opportunities through an expanded public information and consumer education program. (**Recommendations Submitted**)
- To plan and implement the convocation of a Miami-Dade County Housing Summit to be held with the purpose of charting the course in program and policy development for the County as it establishes a comprehensive affordable housing strategy. (**Task Completed**)
- To offer guidance in establishing a one-stop clearinghouse for information relating to housing in Miami-Dade County. (**Task Completed**)
- To serve in an advisory capacity to the Miami-Dade Board of County Commissioners and the Mayor of Miami-Dade County and other public and governmental entities with respect to affordable housing issues. (**On-Going**)

At its inaugural meeting on June 15, 2006 the Task Force members established nine committees and agreed to meet regularly to consider the topics identified as critical to the resolution of the housing crisis facing our community. The full Task Force has met a total of six times. The number of independent committee meetings is noted below as part of the summary of the committee reports. (See **Appendix 2** for a complete list of the committees and their mission.)

Community Forums and Housing Summit

The CAHSA members planned and conducted four community forums designed to channel ideas from residents into the CAHSA process. Committee representatives shared the preliminary recommendations of the Task Force, and noted community concerns, at the forums held around the county. The four forums attracted over 200 individuals. (See **Appendix 6** for

the summarized comments made by the community participants at each forum.) In addition, the Miami-Dade County Housing Summit was held on December 2, 2006 at the Miami-Dade College Wolfson Campus under the auspices of the CAHSA Task Force, the Housing Summit Committee, Miami-Dade County and its community partners. The Summit attracted over 500 participants. (See **Appendix 7** for the Summit report and participant comments.)

Appendix 3 details the recommendations developed by each of the committees. Included are attachments of case studies, best practices and other research which guided the work of the committees. In general, recommendations direct the attention of the elected officials to four major aspects of housing policy in Miami-Dade County:

- the need to reorganize the existing housing delivery programs in the County;
- the need to facilitate the development and construction of affordable housing;
- the need to provide professional and accessible services to County residents needing assistance in acquiring or maintaining affordable housing; and,
- the need to understand and fulfill the needs of those residents requiring public or special needs housing

The major recommendations are presented in the body of the report, in the pages indicated in parenthesis after each summary presented below.

Section II: Summary of Committee Reports

1) Data Collection and Analysis

(Shirley Andrades, Chairperson - Full committee convened four times)

The Data Collection and Analysis Committee evaluated the current state of the data being utilized by analysts and policy makers in developing affordable housing strategies. While the Research Section of the Planning and Zoning Department responds to data requests from a variety of agencies and organizations, the committee recognized that much of the available data are not easily accessible to the public or to analysts. Similarly, some data that are available at specific County departments, such as the property appraisers, or other organizations, such as the Florida Associations of Realtors, should be tabulated and presented on a regular basis through a centralized information point provided by the County. This Data Clearinghouse should also provide access to appropriate regional and national information sources. Of particular concern to the committee was the need to refine the terms often used to refer to the housing dilemmas of our residents. The term "affordability," for example, should be used when talking about the needs of specific segments of the population. What is "affordable" for some is not "affordable" for others. Public policy initiatives should be driven by the data which assesses affordability across the spectrum of the needs of our residents. With this in mind, the committee recommended key data on housing affordability be analyzed and made available by Commission District. **(SEE PAGES 7-8 IN FINAL REPORT AND APPENDIX 3)**

2) Public Housing, Section 8, Homeless and Special Housing Needs

(Bill Thompson, Chairperson; Alicia Hancock Apfel, Vice-Chair - Full committee convened six times)

The committee addressing the Public Housing, Section 8 and Special Housing needs of the community reviewed a variety of best practice approaches in the process of evaluating existing conditions in Miami-Dade County and in making recommendations for change.

The committee supports the development of a comprehensive master plan which coordinates all funding opportunities available for the development of affordable housing throughout the County. The plan should establish a benchmark of producing a minimum of 30% of all housing units using County funds affordable to residents making 30% or less of AMI. The CAHSA representative from the League of Cities emphasized that cooperation with the municipalities in this and other efforts should be advanced as a partnership rather than as a series of mandates issued from the County.

As the County improves its provision of housing for the low income residents, the committee recommends the establishment of policies which promote mixed-income developments and a decentralization of poverty. These policies could entail changing legislation to create a protected class based on income in the County, increasing rent support for Extremely Low and Very Low Income households and evaluating the role of community councils in the process of creating low income affordable housing.

The committee also encourages the implementation of strategies that would preserve the existing and future stock of housing affordable to the low income residents. These might include the establishment of tax breaks for owners willing to maintain a stock of low income affordable rental units, the creation of a land trust, a land bank and the legislation of mandatory inclusionary zoning.

The committee promotes the use of "best practices" evident in other communities. The committee particularly encouraged the development of strategies designed to promote mixed used developments as well as transit focused development of low income and workforce housing.

The committee also recommended a reorganization of the voucher programs to include a closer cooperation between tenants and the County programs. Best practices in other communities, which include a grass roots approach to voucher distribution, might be instructive in assessing the obstacles in the existing programs.

Finally, the committee strongly recommends the development of an effective, County-wide strategy to fill the special housing needs of our residents. Promoting "Housing First" models and integrating homeless families and individuals into permanent housing with supportive services off-site or on-site depending upon need of the target population should be a priority.

In addition to the substantive recommendation, the committee endorsed the extension of the CAHSA Task Force as an advisory body to the Board of County Commission on affordable housing issues in the community. (See pages 8-15 in Final Report and Appendix 3)

3) Rental, Homeownership and Rehabilitation **(Claire Raley, Chairperson - Full committee convened six times)**

The broad agenda of this committee allowed the members to submit recommendations that would have an impact on all aspects of housing in Miami-Dade County. The committee strongly recommended the restructuring of the County housing programs under one leader and a professionally staffed centralized structure responsible for coordinating the work of all agencies in the county that can contribute to meeting the housing needs of the residents, e.g. WASA, Public Works, etc.

The committee also put forth a series of recommendations designed to speed up the process of financing, production and habitation of affordable housing units. Expedited processes are

encouraged in the issuance of RFAs as well as in the monitoring and completion of existing and future projects. Also included are detailed recommendations directed at increasing the incentives for builders to provide affordable housing, such as the waving of impact fees and the revamping of building approval processes. **(SEE PAGES 16-19 IN FINAL REPORT AND APPENDIX 3)**

4) Public and Private Employer Housing Incentive Programs

(Ann R. Kashmer, Chairperson - Full committee convened four times)

Employers in Miami-Dade County are finding that the cost of housing in the area is eroding their ability to attract and retain qualified employees. With this in mind, the Committee recommends a variety of strategies designed to encourage employers to assist in housing their employees. The recommendations focus on providing incentives to the employers to subsidize the housing costs of their employees or to provide direct housing assistance to employees. The Committee also proposed the implementation of a County-funded Employer Assisted Housing Pilot Program for county employees. The proposed project would include Home Buyer Education, Individual Development Account (IDA) match, and/or providing a subsidy to County employees to assist in their housing needs. **(SEE PAGES 19-21 IN FINAL REPORT AND APPENDIX 3)**

5) Tax/Relief/Incentives/Abatement/Insurance Issues

(Frank Jacobs, Chairperson - Full committee convened 3 times)

The Committee which evaluated the potential of using tax incentives as a tool in alleviating the affordable housing crisis grouped its recommendations into two categories: 1) those addressable by action by local political bodies, and, 2) those requiring State-wide legislative initiatives.

At the local level, policy makers could implement several tax relief measures to alleviate the housing burden of residents, including, better public education on the recently amended property tax deferral statute for low income senior homeowners (allows the deferral of property taxes by owners 65 or older earning a CPI adjusted household income of approximately \$24,000); the revision of Local ordinances to allow multi-family rental properties to qualify for Enterprise Zone property tax abatement opportunities; and the revision of local ordinances to eliminate the ability of borrowers to sell their affordable housing properties to unqualified buyers at market value.

Specific legislative changes at the State level could lower the tax and insurance burdens associated with housing. The recommendations include the following: urge the State Legislature to pass legislation eliminating the "loop hole" that currently allows transfers of real property to take place without a recorded deed reflecting the consideration paid for the real property; urge the State Legislature to consider the concept of a property tax deferral program for owners of apartment buildings who meet certain rental rate thresholds and property maintenance standards, in an effort to encourage their retention; urge the State Legislature to pass legislation providing for expansion of the "classified use value" concept to include properties utilized for affordable/workforce housing for period of at least 10 years. Owners of qualified properties would enter into a restrictive covenant with an appropriate governmental agency limiting the use of the property to affordable/workforce housing for 10 years or more; and, urge the State Legislature to pass legislation expanding the ability of Citizens Property Insurance Corporation to spread the risk of loss and accept windstorm policies throughout the State of Florida without regard to a property's geographic location. **(SEE PAGES 21-22 IN FINAL REPORT AND APPENDIX 3)**

6) Maintenance of Affordability Committee

(Mark Buchbinder, Chairperson - Full committee convened five times)

The committee strongly recommended the inclusion of restrictive covenants to maintain affordability on publicly funded developments and the establishment of a housing compliance office to monitor and enforce affordability compliance and restrictions. In addition, the committee explored the methods by which various communities have established and maintained a public land trust and made specific recommendations following this "best practices" approach. The Committee strongly endorsed the implementation of Resolution# R-306-03, which stated that the Board of County Commissioners and the County Manager should explore the possibility of establishing a community land trust administered by Miami-Dade County or a neighborhood-base community land trusts in certain areas of Miami-Dade County.

The Committee also recommended that when property maintenance associations are required as part of a residential development and Miami Dade County land is conveyed to the developer or funds are used to finance the project, then within the project budget there must be sufficient funds set aside for an appropriate period of time to fund the sustainability of the association and to cover its expenses. Miami-Dade County funds could be used to finance the operations of these associations. The residents should receive training in the governance of the association and on how to monitor and address the needs of the residential area.

In addition, the Committee recommends a variety of programs designed to assist the residents in maintaining their housing units. The Committee recommended that Miami-Dade County provide funding for post-closing homeownership case management services. Currently, surtax dollars and general revenue funds are being used for pre-closing homeownership education and perhaps these resources can also be used for post-closing follow-through. Similarly, grants and loans which are currently available for items such as hurricane shutters could be expanded for other uses such as mold removal, housing code violations, etc., and Miami-Dade County (possibly in conjunction with other community agencies or foundations) could establish an IDA account program which could be used for post-closing expenses (i.e. furniture, emergency repairs, mortgage payments in case of an economic crisis). **(SEE PAGES 23-26 IN FINAL REPORT AND APPENDIX 3)**

7) Mayor's Land Use Work Group

(Robert E. Chisholm, Chairperson - Full committee convened six times)

The mandate of the Mayor's Land Use Work Group was to identify some means to improve the process of developing affordable housing and workforce housing on County owned land. To do this, the Work Group worked within the CAHSA process to develop clear criteria by which to evaluate County land for the development of affordable housing. The committee developed a Site Evaluation Criteria Form (See Form and other documents submitted by the Committee in **Attachment 3**) and applied the criteria detailed in the form to six of the large sites owned by the County. Using the developed criteria, the Work Group recommended three sites for immediate development of affordable housing.

In addition to evaluating the six sites, the Work Group made specific recommendations to facilitate the involvement of developers in the production of affordable housing. Specifically, the Work Group recommended the waiving or adjusting of impact fees for projects designed to house low and moderately low income residents and the establishment of set aside zoning incentives for the construction of high density affordable housing units. **(SEE PAGES 26-27 IN FINAL REPORT AND APPENDIX 3)**

8) Public Information and Education Committee

(Elaine Black, Chairperson - Full committee convened five times)

Ultimately, the success of public policy initiatives hinges on how effectively the initiatives are communicated to the public. The primary concern of the Public Information and Education Committee was that the existing information about County housing programs was simply not being effectively communicated to the community. After conducting an extensive survey of County departments that performed some kind of housing related activities, the Committee presented a series of recommendations which attempt to address the communication gaps evident in the responses. The recommendations emphasize the need to standardize, evaluate and centralize information gathering and delivery methods as well as the need to design a county-wide education campaign to inform residents about the housing programs available to them. **(SEE PAGE 28 IN FINAL REPORT AND APPENDIX 3)**

Section III: County Initiatives Addressing CAHSA Recommendations

The recommendations presented by the CAHSA Task Force committees echo many of the concerns that the Management Assistance Team (MAT) has been addressing in the process of restructuring the provision of County housing services. Section III presents the recent County initiatives that correspond to some of the concerns raised by the CAHSA Task Force.

Reorganization of Housing Programs

Several Committees commented on the need to reorganize the delivery of housing programs. As mentioned in a recommendation by the Rental, Ownership and Rehabilitation Committee, "The system is broken and not the result of a few bad apples but of broad problems." In this regard, a series of initiatives have been implemented by the MAT and the County Manager to address operational issues:

- Selected a new director, Kris Warren, following a national search
- Hired a new Chief Financial Officer, Glenda Blasko
- Issued a competitive Request for Qualifications (RFQ) to identify a management consulting firm with deep housing and US HUD expertise that could be accessed on an as-needed, work-order basis by MDHA.

A substantive weakness in the organizational structure of the MDHA derived from the inefficiency of its database and information sharing infrastructure. More than seventy issues relating to process, reporting deficiencies, or inadequately trained staff have been identified and substantial corrective action has been achieved to stabilize the reliability of the system.

The operation of the Development and Loan Administration Division (DLAD) is of critical importance for the efficient provision of affordable housing ownership services. For this reason, the MAT conducted a thorough review of its operations. This review resulted in the identification of a significant lack of internal controls at DLAD and the ensuing recommendation that the Division be placed under the supervision and oversight of the County's Finance Department. Immediate steps were taken to secure program functions.

Organizationally, members of the CAHSA Task Force expressed concern that the County did not have a master plan directing affordable housing policies. To remedy this, scope of services guidelines have been developed for the RFP/RFQ for the creation/development of a County Housing Master Plan. This process will be managed by MDHA and the Department of Planning and Zoning with the cooperation of the OCED, MMAP and other appropriate departments. Release of the RFP/RFQ should take place during the first quarter of 2007.

Facilitation of Affordable Housing Development and Construction

Because of the perception given by recent press coverage of the inefficient operations of the housing delivery mechanisms of Miami-Dade County, the Committees were particularly concerned with improving the efficiency of the process of constructing affordable housing for Miami-Dade residents. Several of the committees forwarded recommendations dealing with improving the ability of the County to efficiently assist developers in constructing affordable housing while closely monitoring the progress of the projects.

Over the last few months, a variety of initiatives have been introduced to expedite allocation and monitoring of resources earmarked for the development of affordable housing. The initiatives focus on evaluating the status of existing projects, expediting the completion of projects, and developing a series of controls to monitor existing and future projects.

A significant element in the County's ability to facilitate the construction of affordable housing units is its control over land parcels throughout the County. Several committees emphasized the importance of optimizing the use of County owned land for the construction of affordable housing units. To date, a series of significant adjustments to the County's infill housing program address some of the concerns of the CAHSA committees.

Support for Residents

Many of the committees expressed a concern that the residents eligible assistance by County housing programs were not being served appropriately. Issues associated with the waiting list, client support and record keeping not only concerned the CAHSA committees but were some of the first glaring flaws discovered by the MAT members at the initiation of their analysis of the housing programs.

The restructuring of the Applicant Leasing Center has been a priority for the MAT. Personnel and policy changes accompanied a top-to-bottom review of the function and mission of the Center and a comprehensive, one-stop approach to client needs substituted the previously fragmented system.

Public Housing and Special Needs Housing

Many of the issues identified by the Public Housing, Section 8 and Special Needs Committee, as well as some concerns of the Maintenance of Affordability Committee, are being addressed by the MAT initiatives. The County operations addressing the needs of the poorest residents are undergoing a thorough review and controls are being put in place to address past practices of mismanagement. The concerns of the current residents and access to future residents, as well as the recognition there is a persistent need to construct and maintain public housing are addressed by the recent initiatives.

Community Information and Education

The County successfully executed the soft launch of the Housing Central website (housing.miamidade.gov) and a "grand opening" is planned for February. The new Housing Central portal is customer friendly and features a new housing locator service will provide help to those seeking affordable housing in our community. The new on-line, real-time housing locator service, allows private sector property owners to list their affordable rental properties. This service allows County residents to search for housing based on a variety of characteristics, including rent ranges, size of unit, geographic location, accessibility features, and owner willingness to accept rental subsidies. Search results can be displayed on a Google map. As of January 22, 2007, 1,093 property owners have registered 6,793 properties on the site. Of the

6,793 units in the database, 1,450 units are ready to rent and the 49 for sales are ready for purchase. MDHA is currently directing tenant-based rental assistance participants to these listings. The City of Miami's Section 8 Program also is now directing landlords and its Section 8 participants to the housing locator service on Housing Central.

Conclusion

The members of the CAHSA Task Force have worked diligently and with extraordinary focus in developing a comprehensive and detailed set of recommendations addressing many of the housing challenges facing our community. The recommendations propose changes to the administrative structure of County agencies, the streamlining of procedures designed to involve contractors in the process of producing affordable housing, the professionalization of County staff and administrators dealing with housing issues, and a more user friendly approach to educating and addressing the needs of the residents, particularly those at the lowest end of the economic spectrum. During the last year, County officials, administrators and community partners have been addressing many of these concerns (See **Appendix 8** for the Human Services Coalition's analysis of the work of CAHSA. It is hoped that the work of CAHSA will contribute to and expand these efforts.