



## Community Affordable Housing Strategies Alliance COMMITTEE REPORT

**Committee Name:** Rental, Homeownership and Rehabilitation

**Date of Report:** November 16, 2006

**Prepared by:** Claire Raley

**Meeting Date/Time:** November 8, 2006/9:30 a.m.

**Attendees:** Claire Raley, Chair, Barry Goldmeier, Olga Golik, Marcos Regalado, Cecilia La Ville, Terry Coble, Patricia Sharifi

### **Committee's Mission Statement:**

*Evaluate current policies affecting the availability of affordable and workforce rental and ownership opportunities for the residents as well as the availability of rehabilitation potential of existing units; if necessary recommend changes and develop action plan.*

### **Recommendations (for submittal to CASHA task force):**

#### **1. Systems Restructuring for Miami-Dade County's Affordable Housing Programs:**

- a. County government must treat housing as its #1 priority for the community
- b. The system is broken and not the result of a few bad apples but of broad problems. A comprehensive, independent oversight process is needed, such as the Homeless Trust
- c. One leader (Housing Czar) for all housing activities, such as an Assistant County Manager, with housing being his/her sole responsibility
- d. Centralize and streamline system to include all current and future sources of affordable housing
- e. Comprehensive 5-Year Housing Plan and follow it
- f. Professionalization of all players-Czar, staff, developers, etc.
- g. Department heads for WASA, Public Works, DERM, Building, Zoning and Planning, Fire and other departments that impact affordable housing development are held accountable for meeting the goals for building affordable housing
- h. Mandate that 90% of the total Surtax funding allocation for affordable housing be direct development costs while limiting 10% to administrative costs, which includes project delivery costs. Administrative costs include all County employee and other indirect costs associated with the program
- i. Evaluate effectiveness of CDCs, private developers and their affordable housing projects, and focus resources accordingly (addition based on public comments at November 1, 2006 community forum)
- j. Create Housing Resource Center for Information and referrals utilizing existing County outlets such as County One Stop Centers, Team Metro offices, and CAA (addition based on public comments at November 1, 2006 community forum)

- k. Allow government utility and connection fee to be paid at the time the houses or unit is given the Certificate of Occupancy (addition based on public comments at November 1, 2006 community forum)

## **2. Preliminary Miami-Dade County Implementation Actions**

- a. Expedite existing projects in pipeline
  - 1) Project Execution
  - 2) Compliance
- b. Allocate funds and then issue commitment letter
- c. Close loans with the bank and all subsidy sources at the same time, reduce closing requirements, develop unified documents, and let the bank administer the county funds
- d. Underwriting should be restricted to underwriting the “gap” funding to make sure the project is not over-subsidized
- e. Delegate County administration of loans to financial institutions; the role of County government should be to create and enforce policy
- f. Consider putting money in pool of funds that will blend down interest rate to make the project affordable to targeted income groups (one of many tools)
- g. Create a local rental assistance program and provide at least \$ TBD million annually for the program (not like the current Section 8 program).
  - Increases in program funding should be tied to increases in property taxes
- h. Prioritize rental housing due to loss of rental units
- i. Look at innovative housing models from other states such as California for energy efficiency and to reduce housing costs (addition based on public comments at November 2, 2006 community forum)
- j. County ordinance prohibiting discrimination based on “source of income”
- k. County should overhaul Request for Application (RFA) process:
  - Current process convoluted; RFA requirements need to be reduced
  - County’s role should be as a facilitator and policy maker, determining the designated target groups, funding distribution allocations, i.e., new construction rentals, rehabilitation homeownership, etc., and leveraging of funds that will utilize the least amount of County money to serve the targeted groups, coupled with a policy of determining which projects should get deeper subsidies
  - County’s Comprehensive Housing Plan (CHAS) planning process is inadequate, and it needs to: reflect the needs of the population; (2) be realistic; (3) determine how funding will be distributed; and (4) be utilized to mirror the RFA process
  - Rental housing projects owned by for profit and non-profit developers with public funding must set-aside at least 15% of the units to families at or below 30% of Average Median Income and must include rental assistance (like the U.S. HUD 202 program) and an operating reserve for rental assistance for projects that set aside more than 15% of the units to compliment the State’s tax credit program
  - Implement one major RFA funding cycle each year with a second cycle for recaptured funds (addition based on public comments received at November 2, 2006 community forum)
- l. Waive all impact fees (including school) for affordable/workforce/rental housing on sliding scale depending on affordability

- m. **Platting as well as permit approvals by DERM, WASA, and DHS for projects containing affordable housing units should be concurrent and streamlined so that it takes no longer than three (3) months**
- n. **Building permit process for projects containing affordable housing units needs to be expedited with only one reviewer per discipline. Reviewer should provide final comments within two (2) weeks and if Architect/Engineer submits responses and modifies plan within two (2) weeks, then Building Department will issue permit within one (1) week of receiving responses and modified plans. Expedite Inspections and revision process (addition based on public comments received at November 2, 2006 community forum).**
- o. **All affordable housing developments requiring public hearings may by-pass the community council process and go directly to the County Commission**
- p. **Make all platted lots buildable as long as sewer lines are available (related to communities where platted lots are less than required)**
- q. **Where possible, WASA should provide sewer lines to lots that are to be used for affordable housing units without costs to the developer or present homeowners in the area (use General Obligation Bonds for this purpose)**
- r. **County needs to support DCA's efforts to enforce the housing component of the Comprehensive Master Plan in all Miami-Dade County municipalities**
- s. **Create new and enhanced mechanisms for additional funding at a local level for affordable housing**
  - **Percentage of Ad valorem tax increases to go to Affordable Housing Fund**
  - **Fair share from wealthy municipalities who are not currently producing affordable housing**
  - **TIF**
- t. **Preservation of existing affordable rental housing is essential in addressing the County's housing crisis. The County should design their programs to compliment the state programs**
- u. **Because there are many rental projects, such as tax credits and Section 8, reaching the end of their compliance period, County funding should prioritize preservation of these units**
- v. **The County should renew efforts to change property tax legislation to mandate tax assessors to use income approach when appraising rental housing, e.g., vacant condominiums rented to lower-income persons with a reduced tax burden for unit owner**
- w. **The maximum sales prices for homeownership should be reviewed and adjusted annually, if needed, to reflect increases in construction and development costs**
- x. **Homeownership programs should have a pool of funds available to make homes accessible for persons with disabilities, when needed**
- y. **Surtax minimum housing standards should be eliminated. The County should use the Florida Building code as the standard for all its affordable housing units.**
- z. **The County should issue quarterly reports on the progress of the Committee's recommendations**

**Note: The committee considered each of the public comments that were within the subject area of this committee. Where the recommendation indicates "addition based on public comments received at community forum," it is not necessarily the same suggestion made, but an amended version based on the committee's deliberations. In addition, some public comments were not included in the recommendations because the majority of the committee either did not support it or it was not within the assigned subject area of the committee.**