

# Application No. 17

## Countywide

### APPLICATION SUMMARY

Applicant/Representative: Miami- Dade County Department of Planning and Zoning/  
Subrata Basu, Interim Director  
111 NW 1 Street, Suite 1110  
Miami, Florida 33128-1972

Location: Countywide

Proposed Text Amendments:

1. Revise the text in the Housing Element to require Miami-Dade County to identify sites adequate for workforce housing and ensure the development of such housing according to the "Miami-Dade County Workforce Housing Plan," adopted by July 1, 2008, as per 163, 3177, F.S.
2. Revise the Housing Element to include a definition of affordable housing and affordable workforce housing. This shall include a definition of the income limits within each category.
3. Revise the Land Use Element and the Housing Element to include "affordable workforce housing" and "extremely low-income households" as part of the income limit categories listed in the affordable housing policies. The addition of "extremely low-income households" is intended to create consistency with Miami-Dade County's housing programs.

Amendment Type: Standard

## RECOMMENDATIONS AND CONCLUSIONS

Staff:	<b>TRANSMIT (August 25, 2007)</b>
Community Councils:	<b>NOT APPLICABLE</b>
Planning Advisory Board (PAB) acting as Local Planning Agency:	<b>ADOPT AND TRANSMIT (October 15, 2007)</b>
Board of County Commissioners:	<b>ADOPT AND TRANSMIT (November 27, 2007)</b>
Revised Staff Recommendation	<b>ADOPT WITH ADDITIONAL CHANGE (March 24, 2008)</b>
Final Recommendation of PAB acting as Local Planning Agency:	<b>TO BE DETERMINED</b>
Final Action of Board of County Commissioners:	<b>TO BE DETERMINED</b>

### Initial Recommendation

In the Initial Recommendations Report published on August 25, 2007, the Staff recommended: **Transmittal of** the proposed amendments based on the Staff Analysis summarized below:

1. The purpose of the proposed amendment is to comply with changes to Chapter 163 of the Florida Statute related to workforce housing, as per House Bill 1375 passed in 2007. "Workforce housing" is defined as "housing affordable to natural persons or families whose total household income does not exceed 140% of the area median income."
2. The legislative changes call for Counties, such as Miami-Dade, to adopt a plan for affordable workforce housing by July 1, 2008, which at a minimum identifies sites suitable for workforce housing. Failure to adopt the workforce housing plan by July 1, 2008 will make Miami-Dade County ineligible to receive any State Housing Assistance grants.
3. In addition to the mandated changes, the proposed amendment seeks to establish greater consistency with Miami-Dade County's housing programs by revising the Housing Element to include "extremely low-income households" as an income limit category. The amendment also modifies the Housing Element to include the definitions for "extremely low-income, very low, low, and moderate" income limit categories, as defined by Department of Housing and Urban Development (HUD) and State programs. Finally, the amendment adds an explanation in the Housing Element regarding the difference between "affordable housing" and "workforce housing."

## **Principal Reasons**

The principal reasons for the above recommendations are based on the following:

In 2007, the Florida Legislature passed House Bill 1375, a comprehensive legislative mandate intended to address the affordable housing needs of workforce households throughout the state. The proposed amendments presented in this Application are intended to address the legislative changes to Chapter 163 of the Florida Statutes included in House Bill 1375.

The legislation called for counties that had a housing affordability gap of \$170,000 or higher to develop a plan to ensure the provision of workforce housing. The housing affordability gap represents the difference between what a median income family can afford and the cost of a median priced home. According to the Florida Housing Finance Corporation, Miami-Dade County had a housing affordability gap of approximately \$178,950, the sixth highest in the State of Florida in 2006..<sup>1</sup> That same year, Miami-Dade also ranked top among all counties nationwide with the highest percentage of homeowners considered severely cost burdened.<sup>2</sup> Cost burden is defined as households that pay 30% or more of their income toward housing. Households that are severely cost burdened spend 50% or more of their income on housing costs.

Miami-Dade County has been proactive in adopting measures to address the affordable housing needs of workforce families. The County implemented a voluntary Inclusionary zoning program, a Housing Trust Fund, and established a Government Obligation Bond (GOB) for the development of affordable housing, among other initiatives. The proposed text amendment to develop a workforce housing plan serves to further the county's existing efforts.

## **New Information**

Since the BCC transmittal public hearing on November 27, 2007 and the publication date of the Initial Recommendations Report (August 25, 2007), the "Miami-Dade County Workforce Housing Plan for 2008-2015" has been completed. The Plan provides strategies and recommendations for the development and preservation of affordable workforce housing. Since workforce households are defined as families or individuals with household incomes at or below 140% of the AMI, the Plan provides recommendations for addressing the housing needs of the various income groups which make up the workforce, including extremely low, very low, low and moderate income households. The definition is broad in order to account for working poor families.

The Plan identifies 322 county-owned sites that have been made available for the development of workforce housing, and 136 private sites that have been committed for the development of such housing, for a total of 458 sites. In addition to the specific sites,

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<sup>1</sup> Living in Florida: Florida Housing Finance Corporation, 2006 Annual Report.

<sup>2</sup> U.S. Census, 2006 American Community Survey.

six Community Urban Centers in unincorporated Miami-Dade County have been identified as areas suitable for workforce housing. The County requires all residential mixed-use developments in these transit-oriented areas to provide a minimum of 12.5 percent of their units for workforce housing (specifically for those between 65 and 140 of the AMI). The Community Urban Centers include: Naranja Community Urban District, Goulds Community Urban Center, Princeton Community Urban Center, Ojus Urban Area, Perrine Community Urban Center, and Cutler Ridge Metropolitan Urban Center.

Finally, the Workforce Housing Plan identifies the funding sources to be utilized for addressing the housing needs identified in the plan. This includes Surtax, SHIP, HOME and CDBG funds.

## Revised Recommendation

The Department of Planning and Zoning recommendation for this application is to **Adopt as Transmitted with Additional Changes**. The following provides the original amendments that were transmitted to DCA, as well as the modifications to Policy HO-6-E, which reflect the completion of the workforce housing plan and its adoption by July 1, 2008. The changes are depicted with double strike and double underline.

## Requested Text Amendments:

### Part A: Revisions to the Land Use Element<sup>1</sup>:

#### 1. Revise Policy LU-1K on page I-4 as follows:

LU-1K. Miami-Dade County will maintain and enhance the housing assistance and ~~public~~ housing programs addressed in the Housing Element as a means to improve conditions of extremely low, very low, low and moderate income residents. This includes the provision of affordable workforce housing.

#### 2. Revise Policy LU-8A on page I-17 as follows:

LU-8A. Miami-Dade County shall strive to accommodate residential development in suitable locations and densities which reflect such factors as recent trends in location and design of residential units; a variety of affordable housing options; projected availability of service and infrastructure capacity; proximity and accessibility to employment, commercial and cultural centers; character of existing adjacent or surrounding neighborhoods; avoidance of natural resource degradation; maintenance

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<sup>1</sup> Underlined words and ~~strikethrough~~ words were proposed additions or deletions to the CDMP language as of the November 27, 2007 Board of County Commissioners transmittal hearing. Double underlined words or double ~~strikethrough~~ words are recommended additions or deletions to the proposed CDMP language subsequent to the November 27, 2007 Board of County Commissioners transmittal hearing. All other words existing remain unchanged.

of quality of life and creation of amenities Density patterns should reflect the Guidelines for Urban Form contained in this Element.

## **Part B: Revisions to the Housing Element:**

1. Revise the Introduction of the Housing Element on page III-1 as follows:

The purpose of the Housing Element is to provide a framework for developing plans and programs by local governments to assist in the provision of suitable housing for current and future residents of Miami-Dade County. The Element establishes goals, objectives, and policies aimed at guiding both the public and private efforts to deliver housing. It provides for adequate sites for future housing, particularly housing for extremely low, very low, low and moderate-income families, including workforce housing. It analyzes current housing trends and problems in Miami-Dade County and it presents policies and programs aimed at attaining the housing goals and objectives.

The Housing Element has been developed to meet the requirements of Chapter 163, *Florida Statutes* (F.S.) and Rule 9J-5, *Florida Administrative Code* (F.A.C.). It builds on a long history of innovative housing planning and programming by Miami-Dade County which, since 1957, has been a home rule charter county. The Planning and Zoning Department therefore serves as a regional agency, and housing needs and goals in this Element are presented for the entire County, including the ~~34~~ 35 municipalities.

~~This~~ The Housing Element addresses needs that must be met for the most part by the private sector. Other Elements of this Plan deal with development programs that are primarily public sector responsibilities -- the street and highway system, mass transit, parks, playgrounds, water, waste disposal, and other utilities and capital improvements which are the responsibility of Miami-Dade County and other local governments. Housing is different, as local governments today build little or no new housing. Instead, they provide, plans, programs, and development regulations (zoning, building codes, etc.) to guide the private sector in the development of new housing, and maintain fair housing ordinances and housing structural and health codes which set minimum standards. Funding is also provided as incentives for the development of affordable housing, including affordable workforce housing.

References to affordable housing and income limit categories that are made throughout the Housing Element are based on standard definitions developed by the U.S. Department of Housing and Urban Development (HUD) which are used to determine eligibility for many of the County's housing programs. In this context, affordability is defined as housing costs that are 30% or below a household's annual income. Households whose housing expenses exceed 30% of their annual income are considered cost burdened.

The extremely low, very low, low and moderate income limit categories presented in the Housing Element represent the maximum income one or more natural persons or a family may earn, as a percent of the area median income (AMI) in order to qualify for certain housing assistance programs. Below are the income limits as defined by HUD standards, state regulations and Miami-Dade County policies:

- Extremely Low: At or below 30% of the AMI
- Very Low: 30.01 to 50% of the AMI
- Low: 50.01% to 80% of the AMI
- Moderate: 80.01% to 120% of the AMI (The moderate income limit for Miami-Dade County's Documentary Surtax Program includes up to 140% of the AMI.)

In addition to the above categories, the Housing Element also provides a workforce housing category, which is defined as housing that is affordable to natural persons or families whose total household income is at or below 140% of the AMI. Although workforce housing incorporates all the income categories described above, it differs from other forms of affordable housing in that it seeks to address the housing needs of the workforce. Such housing is generally located near employment centers and within close proximity of transit services. This form of housing allows for employment based housing, which is housing provided by employers for their workers. It also encourages public-private partnerships in the development of such projects.

2. Revise Objective HO-2 and Policy HO-2A on page III-2.

Objective HO-2

Designate by the year 2025 sufficient land (+/-25,000 acres) to accommodate sites at varying densities for a variety of housing including manufactured homes, with special attention directed to affordable units for extremely low, very low, low, and moderate-income households, including workforce housing.

HO-2A Develop by the end of ~~2006~~2008 a housing plan that would aim to fairly and equitably distribute extremely low, very low, low- and moderate-income publicly assisted affordable housing, including affordable workforce housing, throughout the County, in a manner that lessens lessening potential impacts of such housing in any one area while providing a wider choice of extremely low, very low, low, and moderate-income affordable housing options.

3. Revise Objective HO-3 and Policies HO-3A to HO-3E on pages III-3 to III-4 as follows:

Objective HO-3

Assist the private sector in providing affordable housing products in sufficient

numbers for existing and future residents throughout the County by the year 2025, (approximately 294,000 units), with an appropriate percentage (about 42 percent) of new housing available to extremely low, very low, low and moderate-income households, including workforce housing.

#### Policies

- HO-3A. Provide additional administrative incentives for new developments to ensure the inclusion of a wide spectrum of housing options, particularly for extremely low, very low, low, and moderate-income households, including workforce housing.
- HO-3B. Continue to investigate methods for providing ~~low-cost~~ affordable residential dwelling units and to review, evaluate and streamline those aspects of planning, zoning, permitting and building codes that may unduly restrict or increase the cost of housing.
- HO-3C. Provide administrative and technical support to non-profit housing development corporations to construct new housing either for sale or rent to extremely low, very low, low, and moderate-income persons, including workforce housing.
- HO-3E. Encourage interlocal agreements among adjacent jurisdictions, for the provision of affordable housing opportunities within their region if not within their jurisdiction, especially for extremely low, very low, low, and moderate-income residents, including workforce housing.

#### 4. Revise Objective HO-4 on page III-4.

##### Objective HO-4

Develop ways to broadly communicate accurate information about public and private affordable housing development, especially extremely low, very low, ~~and~~ low, moderate-income, and workforce housing, throughout the County.

#### 5. Revise Goal II and Objective HO-5 on page III-4.

##### GOAL II

THROUGHOUT MIAMI-DADE COUNTY IDENTIFY AND PROVIDE AFFORDABLE HOUSING OPPORTUNITIES FROM WITHIN THE EXISTING HOUSING STOCK AND ENSURE ITS EFFICIENT USE THROUGH REHABILITATION AND RENOVATION, AND FACILITATE ADAPTIVE CONVERSION OF NON-RESIDENTIAL STRUCTURES TO HOUSING USE, ~~INCLUDING FOR~~ EXTREMELY

LOW, VERY LOW, LOW, AND MODERATE-INCOME HOUSEHOLDS, INCLUDING WORKFORCE HOUSING.

Objective HO-5

Reduce the number of substandard housing units in the County by encouraging the rehabilitation or conservation of the existing housing stock, including historic structures, and provide that an increased number of extremely low, very low, low and moderate-income, and workforce units comes from housing rehabilitation and adaptive re-use of non-residential structures.

6. Revise Objective HO-6 and Policies HO-6A and HO6C on pages III-5 and III-6.

Objective HO-6

Increase affordable housing opportunities for extremely low, very low, low, and moderate-income households, including workforce housing options, within reasonable proximity to places of employment, mass transit and necessary public services in existing urbanized areas.

Policies

HO-6A. ~~Through the application of CDMP planning provisions and cooperation with County agencies which provide lower income affordable housing, location of such housing near employment centers or premium transportation services should be promoted.~~ Promote the location of housing for extremely low, very low, low, and moderate-income households, including workforce housing options, near employment centers or premium transportation services through the application of CDMP planning provisions and cooperation with County agencies which provide affordable housing.

HO-6C. Priority should be given to assisting affordable work force housing projects which are proximate to employment concentrations, mass transit, or ~~with~~ have easy access to a range of public services.

7. Add Policy HO-6D after Policy HO-6C on page III-6.

HO-6E ~~By July 1, 2008, adopt a plan for providing affordable workforce housing that, at a minimum, identifies adequate sites for such housing. Miami-Dade County shall identify sites adequate for workforce housing according to the "Miami-Dade County Workforce Housing Plan" adopted by July 1, 2008.~~

## **Appendix 1**

Draft of Miami-Dade County Workforce Housing Plan, 2008 to 2015  
to be adopted July 1, 2008

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**Miami-Dade County**  
**Workforce Housing Plan, 2008 to 2015**

March 2008

Prepared by:

Miami-Dade Department of Planning & Zoning,  
Office of Community and Economic Development,  
and the General Services Administration

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# I. Introduction

## BACKGROUND

In 2007, the Florida Legislature passed a legislative mandate intended to address the affordable housing needs of workforce households throughout the State. The legislation amended Chapter 163 of the Florida Statutes to require certain counties in the State, such as Miami-Dade County, to adopt a Workforce Housing Plan by July 1, 2008. At a minimum, the plan must identify sites suitable for affordable workforce housing. The Workforce Housing Plan presented in this report seeks to address this requirement.

The purpose of the Workforce Housing Plan is to increase the variety and supply of housing that is affordable to the workforce in Miami-Dade County. The Plan provides an analysis of the current housing market, identifies sites suitable for such housing and establishes strategies and recommendations aimed at facilitating development. The Workforce Housing Plan builds on a long list of efforts by Miami-Dade County to address the housing needs of workforce families.

## DEFINITIONS

References to affordable housing and income limit categories made throughout the Workforce Housing Plan are based on standard definitions developed by the U.S. Department of Housing and Urban Development (HUD), as well as the State of Florida and Miami-Dade County.

According to the State of Florida, workforce housing is defined as housing that is affordable to natural persons or families whose total household income is at or below 140 percent of the area median income (AMI). This definition is inclusive of extremely low, very low, low, and moderate-income households, since many of these households represent working poor families. However, Miami-Dade County distinguishes this category from other affordable housing categories in that workforce housing seeks to address the specific housing needs of the labor force; thus workforce housing programs encourage sites to be developed near employment centers and within close proximity of transit services. These programs also support employment based housing efforts.

Since the workforce category encompasses extremely low, very low, low, and moderate income households, the Workforce Housing Plan recognizes the need to have different strategies to address the housing needs of the various income groups. As such, the Plan identifies the programs and funding sources which are best suited to meet the needs of households within each income limit category.

The income limit categories discussed throughout the report represent the maximum income a family may earn, as a percent of the area median income (AMI), in order to qualify for certain housing assistance programs. These categories include extremely low, very low, low, moderate-income and workforce households. The AMI and the income limit categories for Miami-Dade County are published in a report published by HUD annually. Below are the various income limit categories:

- Extremely Low: At or below 30% of the AMI
- Very Low: 30.01 to 50% of the AMI

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- Low: 50.01% to 80% of the AMI
- Moderate: 80.01% to 120% of the AMI
- Workforce: At or below 140% of the AMI

## **WORKFORCE HOUSING PLAN**

The Workforce Housing Plan consists of seven sections. Section I describes the intent of the plan and defines the workforce target market. Section II provides an analysis of the housing supply in Miami-Dade County, including an assessment of the sales and rental trends in the housing market. Section III examines the current and future housing demand, as well as the population, economic, and labor force trends that affect the housing market. This section includes a cost burden and affordability gap analysis and provides a projection of housing need for 2015. Section IV presents a discussion of the factors that affect affordability. Section V provides an inventory of sites suitable for the development of workforce housing followed by a description of the funding that is available to develop the sites in Section VI. Finally, the Workforce Housing concludes with a description of existing County strategies for promoting the development affordable workforce housing and provides recommendations for future strategies and policies.

## **SUMMARY OF FINDINGS**

The following is a brief summary of the key findings and recommendations in the Workforce Housing Plan:

- Approximately 90 percent of the workforce in Miami-Dade County are employed by the service sector industries.
- The median wage in Miami-Dade County is \$26,300, which means that half of the workforce earns less than that amount.
- Although the general rule of thumb is that an affordable purchase price is 2.5 times a household's gross yearly income (a ratio of 2.5:1). In 2006, a median priced single family home of \$308,500 was 7.4 times greater than the median household income or 14.2 times greater than the median salary of an individual worker.
- It is estimated that 90 percent of households in Miami-Dade County could not afford to purchase a home without being cost burdened. Approximately half of the households could not afford the rent to a median priced 2-bedroom apartment (\$1,182) without also being cost burdened. Cost burdened households spend more than 30 percent of their household income toward housing costs.
- Although the median sales price of homes have decreased by as much as 15 percent from 2007, the cost of housing still remains out of reach for most households.
- From 2000 to 2015, it is projected that 91, 499 of workforce households in Miami-Dade County will become cost burdened. Approximately 34,120 are estimated to be very low income, 21,395 low income and 35,984 moderate income households. These households represent those in need of affordable workforce housing.

## DRAFT

- To address the need for workforce housing in the coming years, 322 county owned sites have been made available for the development of workforce housing at various income levels. An additional 136 private sector sites have committed to providing affordable workforce housing in the next five years, for over 5,000 housing units. In addition, six areas designated as community development districts, now require all residential mixed-use developments located within the boundaries to provide a minimum of 12.5 percent of their units for workforce housing.
- In the next five years, Miami-Dade will give funding priority to developing the sites that have been identified for workforce housing. The focus will be on the development and preservation of affordable housing units for all sectors of the workforce, including extremely low, very low, low, and moderate income households. Both ownership and rental opportunities will be provided. The County will also seek to foster the development of workforce housing by creating incentives for private sector developers, streamlining the zoning and permitting process, and encouraging employer assisted housing programs.
- Other recommendations for facilitating the development and preservation of workforce housing include adopting policies that prohibit the loss of such housing without replacement, providing the County with the ability to recapture subsidies if units are sold prior to their affordability period, and creating a unified land amendment and zoning process.

It is recommended that the County consider adopting the policies and strategies presented in the Workforce Housing Plan in order to strengthen its current efforts and increase the availability of affordable housing for its workforce.

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