

INTRODUCTION

FUNDING SOURCES DEPARTMENT GOALS AND OBJECTIVES

PURPOSE

This chapter describes the manner in which Miami-Dade County identifies goals and objectives for the Department of Housing and Community Development (DHCD). It also describes - in abbreviated terms -- the funding sources that support those objectives

COMPOSITION, FUNCTIONS AND PRIMARY DHCD OBJECTIVES

The structure of DHCD has expanded significantly since beginning of 2007. The Department now manages functions of the Development and Loan Administration Division which oversees the Documentation Stamp Surtax and State Housing Initiatives Partnership (SHIP) Program, and the Neighborhood Stabilization Program.

The expansion of the Department is intended to significantly improve coordination of funding resources and delivery of services to low and moderate income persons throughout Miami-Dade County. DHCD administers Federal, State, and local funding.

The available funding sources support viable urban neighborhoods throughout Miami-Dade County. DHCD funded projects must result in 1) the production of decent housing, 2) the expansion of economic opportunities, and 3) the preservation of historic properties.

DHCD funds five types of activities:

- Economic Development
- Housing
- Capital Improvements
- Historic Preservation
- Community Participation

SOURCES OF DEPARTMENT GOALS

DHCD goals are set by four sources:

- The Community Affordable Housing Strategies Alliance
- The Socio-Economic Development Council
- Community Planning Teams, and
- Community Participation

The Mayor and the Board of County Commissioners are the authority sources that approve those goals.

DESCRIPTION OF GOALS AND OBJECTIVES

DHCD's goals and objectives are described in detail in five plans:

- Miami-Dade County's Strategic Plan
- US HUD's Consolidated Plan
- The Workforce Housing Initiatives Plan
- The State Housing Initiatives Partnership (SHIP) Program on Local Housing Assistance Plan
- The Surtax Use Guidelines

The approval authorities for those plans are 1) the Board of County Commissioners (BCC), 2) the U.S. Department of Housing and Urban Development, and 3) the Florida Housing Finance Corporation.

REPORTS

DHCH obtains performance information from 1) agency progress reports and reports that information in 1) the County's Score Card; 2) the Consolidated Annual Performance Evaluation Report (for US HUD), 3) the SHIP Program Affordable Housing Advisory Board reports, and 4) the SHIP Program Annual Report.

YEARLY ADJUSTMENTS

DHCD makes yearly adjustments to its policies and performance outcomes as part of its obligation to meet the objectives mentioned in the Strategic Plan and the Consolidated Plan. Those adjustments are described in three departmental sources:

- The Business Plan,
- The Policy Paper, and
- The Action Plan.

The County Manager's Office, the Mayor, the Board of County Commissioners, and US HUD have the authority to approve those yearly adjustments.

The interaction among the sources of the department's goals, its goals and objectives, reports, and yearly adjustments are illustrated in the following summary chart.

SOURCES, GOALS AND OBJECTIVES, REPORTS, AND YEARLY ADJUSTMENTS

SOURCE	GOALS AND OBJECTIVES	REPORTS	YEARLY ADJUSTMENTS
<ol style="list-style-type: none"> 1) Community Affordable Housing Strategies Alliance 2) Socio-Economic Development Committee 3) Community Planning Teams 4) Public <div style="text-align: center; margin-top: 20px;"> </div>	<ol style="list-style-type: none"> 1) County's Strategic Plan 2) US HUD Consolidated Plan 3) Workforce Housing Initiatives Plan 4) State Housing Initiative Partnership (SHIP) Program Local Housing Assistance Plan 5) Surtax Use Guidelines 	<p>Agency Progress Reports</p> <div style="text-align: center; margin: 10px 0;"> </div> <p>DHCD Scorecard</p> <div style="text-align: center; margin: 10px 0;"> </div> <ol style="list-style-type: none"> 1) Consolidated Annual Performance Evaluation Report (CAPER) 2) State Housing Initiative Partnership (SHIP) Program Affordable Housing Advisory Board Reports 3) State Housing Initiative Partnership (SHIP) Program Annual Report 	<p>DHCD Business Plan</p> <div style="text-align: center; margin: 10px 0;"> </div> <p>Policy Paper</p> <div style="text-align: center; margin: 10px 0;"> </div> <p>Action Plan</p>
APPROVAL AUTHORITY			
<p>Mayor and Board of County Commissioners</p>	<div style="width: 20px; height: 20px; margin: 0 auto;"> </div>		
	APPROVAL AUTHORITY		
	<ol style="list-style-type: none"> 1) County Manager's Office 2) US HUD 3) State of Florida's Florida Housing Finance Corporation 		

DESCRIPTION OF STRATEGIC PLAN

The Strategic Plan is a 5-year outline of overall development goals for Miami-Dade County. This Plan contains six strategic areas:

- 1) Economic Development,
- 2) Health and Human Services,
- 3) Neighborhood and Unincorporated Area Municipal Services,
- 4) Public Safety,
- 5) Recreation and Culture, and
- 6) Transportation.

The goals for each strategic area were originally established by Community Planning Teams (composed of community leaders with expertise in strategic topics). The quantifiable objectives and proposed units of service for the economic development strategic area are displayed in DHCD's Business Plan and its Scorecard.

DESCRIPTION OF CONSOLIDATED PLAN

The Consolidated Plan outlines the strategies that Miami-Dade County proposes to address through federal funding (primarily CDBG, HOME, and ESG) provided by US HUD. The Plan covers a five-year period. Its most recent version covers the period that began in 2008 and ends in 2012.

The federal funding must be used primarily to support those goals of the County's Strategic Plan and the Consolidated Plan that address the needs of low and moderate-income persons. The Strategic Plan identifies measurable objectives and proposed service units cited in each annual Action Plan. Available funding each year will affect the number of proposed units in each Action Plan.

RELATIONSHIP OF PLANS FOR GOALS AND OBJECTIVES

The Plans identify goals for DHCD in general terms. Miami-Dade County and US HUD Plans cover five-year periods; State and Surtax plans cover one to three year periods. The Consolidated Plan delineates those goals in the Strategic Plan that are supported by federal funding.

As a result, DHCD must adhere to County, State, and Federal guidelines.

BUSINESS PLAN AND SCORECARD FUNCTIONS

The Business Plan identifies the goals and objectives in the Strategic Plan that will be implemented by specific County departments. The DHCD Business Plan and Scorecard contain select economic development objectives.

The Business Plan components are measurable and results oriented. The components are loaded into DHCD's department Scorecard - a computerized performance management system reviewed by County Senior Management on a quarterly basis.

Alerts in the Scorecard identify those proposed measures that are not being accomplished (addressed through variance reports).

QUANTIFICATION OF INITIATIVES, REPORTS, AND PERIODIC ADJUSTMENTS

Performance data is updated every quarter in the progress reports by sub-recipients for the various activities in the Action Plan. The performance data is loaded into DHCD scorecard on a quarterly basis. The performance data is provided every three to twelve months to State and Federal Governments. The reports are shared with various community groups. For the five-year period, the adjustments to meet the initiatives are indicated in annual Business Plans, Policy Papers, and Action Plans.

SEDC RECOMMENDATIONS AND THEIR INCLUSION IN THE STRATEGIC PLAN AND CONSOLIDATED PLAN

The County's original Strategic Plan was implemented in 2003 and covered the 5-year period that ended in 2007. At that time, the SEDC identified 16 goals in its May 2007 Overview Document. The current Plan contains economic initiatives that are similar to 10 of those identified in SEDC Overview Document (identified by Economic Development Community Planning Team).

There are 28 initiatives in the current Consolidated Plan which overlap with the Strategic Plan initiatives and SEDC recommendations. The 2008-2012 Consolidated Plan contains updated SEDC recommendations.

FUNDING SOURCES

DHCD administers nine (9) funding sources:

- Community Development Block Grant (CDBG)
- The Community Development Block Grant funds under Title XII of the American Recovery and Reinvestment Act of 2009
- The Community Development Block Grant Neighborhood Stabilization Program (NSP)
- Emergency Shelter Grant (ESG)
- HOME Investment Partnership Program (HOME, HOME-CHDO, HOME CHDO Set-Aside, American Dream Downpayment Initiative)
- Community Development Block Grant-Disaster Recovery Initiative(CDBG-DRI)

- State Housing Initiatives Partnership (SHIP) Program
- Documentary Stamp Surtax

Each of those sources will be outlined in the following sections.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

The Community Development Block Grant (CDBG) - 24 CFR §570 - yearly awards range between \$18 and \$20 million and is the only available source for DHCD that supports all five program types for the department - economic development, housing, capital improvements, historic preservation, and public services.

CDBG supports projects integrated in long range community strategies and is used to increase private and public partnerships. More importantly, the grant is used to benefit low and moderate income persons and to enhance deteriorated business and residential districts.

The criteria for the CDBG national objectives are identified through eight categories in **24 CFR 570.208** mentioned below.

Four categories determine if activities benefit low or moderate income persons:

- Area benefit activities (LMA)
- Limited clientele activities (LMC)
- Housing activities (LMH)
- Job creation/retention activities (LMJ)

Three categories determine if activities either eliminate or prevent slum or blight:

- Area basis
- Spot basis
- Completion of an urban renewal project

One category - urgent need (URG) - is used to determine if activities meet community development needs that have a particular urgency.

They may also be accessed at:

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr570_main_02.tpl.

COMMUNITY DEVELOPMENT BLOCK GRANT -- RECOVERY PROGRAM (CDBG-R)

Approved by Congress on February 17, 2009, Title XII of the American Recovery and Reinvestment Act of 2009 appropriated \$1 billion to carry out -- on an expedited basis -- the CDBG Program under Title I of the Housing and Community Development Act of

1974. Funding available under the Recovery Act (CDBG-R) has clear purposes:

1. It must give preference to projects that can award contracts based on bids within 120 calendar days from the date funds are made available to the recipients.
2. At least 50 percent of the funds must be used for activities that will be initiated within 120 calendar days.
3. CDBG-R funds may be used for hard development costs associated with infrastructure activities that provide basic services to residents and stimulate the economy through measures that modernize the Nation's infrastructure.

Section 1602 of the Recovery Act requires that grantees shall use grant funds in a manner that maximizes job creation and economic benefit. No more than 15 percent of CDBG-R funds can be used for public service activities. Up to 10 percent may be used for general administration and planning activities.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM -- NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

Covered by Title III of the Housing and Economic Recovery Act of 2008, the Neighborhood Stabilization Program provided Miami-Dade County with more than \$62.2 million in CDBG funds. The funds must be used to redevelop abandoned and foreclosed homes to stabilize Miami-Dade County as a community.

The NSP requires Miami-Dade County to place priority to areas of low and moderate-income levels (at least 51% of the residents have incomes at or below 120% of the County's area median family income. The program guidelines require the selection of areas with the greatest need according to the following criteria:

- the greatest percentage of home foreclosures,
- the highest percentage of homes financed with subprime related mortgage loans, and
- the most likely to experience a significant increase in the rate of home foreclosures.

The funds may not be used in the County's CDBG entitlement cities - City of Miami, City of Miami Gardens, City of Hialeah, City of Homestead, City of North Miami, and City of Miami Beach. The funds must be spent within a four-year period that will end on March 31, 2013.

EMERGENCY SHELTER GRANT (ESG)

The Federal Emergency Shelter Grant Program represents approximately \$800,000 in annual funding to DHCD. These funds are administered by the department's Community and Economic

Development Division. Its funds cover costs of 1) operating shelters, 2) essential support services, and 3) administrative funds of activities designed to enable homeless persons and families to live independently. Its guidelines are mentioned in detail in **24 CFR Part 576** or through <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&rgn=div5&view=text&node=24:3.1.1.3.8&idno=24>

HOME INVESTMENT PARTNERSHIP PROGRAM

The HOME Investment Partnerships (HOME) Program - 24 CFR §92 - accounts for more than \$6 million in funding to DHCD. This source has four objectives:

- Provide decent affordable housing to lower income households
- Expand the capacity of nonprofit housing providers
- Strengthen the ability of state and local governments to provide housing
- Leverage private sector participation

The activities must provide benefit to very low and low income persons. Administered by the Community and Economic Development Division, this source of funding supports 1) construction loans, 2) first and second mortgage financing to low income families to purchase homes, and 3) rental of affordable housing units.

HOME funds may be used to 1) support rehabilitation of existing units, 2) cover the conversion costs of nonresidential units to residential units, and 3) covers costs for acquisition of existing units for rehabilitation. Its guidelines are covered by 24 CFR Part 92.205, and they may be accessed at http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr92_main_02.tpl.

RENTAL REHABILITATION PROGRAM AND HOUSING DEVELOPMENT GRANT PROGRAM

Both of these funding sources are the federal forerunners of the HOME Program. These programs are no longer funded by US HUD. Therefore the County uses its remaining RR and HODAG to support projects that may be eligible for funding under the HOME Program.

COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY INITIATIVE (CDBG-DRI)

The CDBG-DRI funds are awarded through US HUD through the Military Construction Appropriations and Emergency Hurricane Supplemental Appropriation Act. The funds are administered through the State of Florida Department of Community Affairs.

The total funding to the County entails \$41 million that are intended for restoration of infrastructure and housing damaged in 2005 through Hurricanes Katrina and Wilma.

STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM

This funding source is used for the development of affordable homeownership and multi-family housing. The funding may be used to support projects that involve the following:

- Emergency repairs,
- New construction,
- Rehabilitation,
- Down payment and closing costs assistance,
- Impact fees,
- Construction and gap financing,
- Mortgage buy-downs,
- Property acquisition,
- Matching funds for federal awards, and
- Homeownership counseling.

DOCUMENTARY STAMP SURTAX

This funding source provides low cost financing for projects that may not be financed through standard market rates.

Surtax supported projects consist of loans to Community Development Corporations and private developers for the development of rental and homeownership projects.

The Program's funding ranges between \$10 and \$15 million of annual funding in DHCD. Current funding for this source is available through the Request For Application (RFA) process.

ACCESS TO FUNDING

Funding priorities are determined through priorities identified in the annual Citizen Participation Plan and through consultations with staffs of Commission Districts. For housing and construction related activities, DHCD has been adhering since 2006 to the strategy of "Finishing What We Started" - fund fewer activities (particularly currently active projects), but provide higher allocations to ensure their completion.

To be considered for funding, interested organizations must participate in DHCD's Request For Applications (RFA) process. Funds are also made available through Plan Amendments, which entail recovering funds from non-viable projects and distributing them among viable projects that have funding gaps or projects that were not funded through the annual Action Plan.