



**AGENDA ITEM COVER PAGE**

**File ID: #1995**

**Resolution**

**Sponsored by: Mayor Tomás Regalado**

A RESOLUTION OF THE MIAMI CITY COMMISSION, WITH ATTACHMENT(S), ESTABLISHING A CITY OF MIAMI DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT HOUSING POLICY FOR SMALL RENTAL DEVELOPMENTS ("GUIDELINES"), ATTACHED AND INCORPORATED AS EXHIBIT "A" AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT THE GUIDELINES.



**City of Miami**  
**Legislation**  
**Resolution**

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Miami, FL 33133  
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**File Number: 1995**

**Final Action Date:**

A RESOLUTION OF THE MIAMI CITY COMMISSION, WITH ATTACHMENT(S), ESTABLISHING A CITY OF MIAMI DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT HOUSING POLICY FOR SMALL RENTAL DEVELOPMENTS ("GUIDELINES"), ATTACHED AND INCORPORATED AS EXHIBIT "A" AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT THE GUIDELINES.

WHEREAS, the City of Miami Mayor wishes to assist affordable housing developments and entice developers to build more affordable housing units within the City of Miami ("City"); and

WHEREAS, the City's Department of Community and Economic Development has general requirements and terms for all developments; and

WHEREAS, the Mayor is proposing the establishment of a housing policy that facilitates the creation of smaller developments ("Guidelines"), attached and incorporated as Exhibit "A"; and

WHEREAS, the proposed Guidelines are consistent with United States Department of Housing and Urban Development regulations and provide for maximum subsidy, affordability period, and maximum rent allowed; and

WHEREAS, the City Commission finds that it is in the best interest of the City and its residents to incentivize small affordable housing rental developments and to establish the Guidelines, attached and incorporated as Exhibit "A", for the administration of said program;

NOW, THEREFORE, BE RESOLVED BY THE COMMISSION OF THE CITY OF MIAMI, FLORIDA:

Section 1. The recitals and findings contained in the Preamble to this Resolution are adopted by reference and incorporated as if fully set forth in this Section.

Section 2. The City Commission hereby establishes the City's Department of Community and Economic Development Housing Policy for Small Rental Projects.

Section 3. The City Manager is authorized<sup>1</sup> to implement the Guidelines, attached and incorporated as Exhibit "A", for affordable housing non-tax credit rental developments.

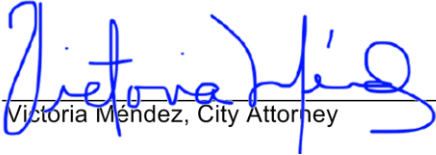
Section 4. This Resolution shall become effective immediately upon its adoption and signature of the Mayor.<sup>2</sup>

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<sup>1</sup> The herein authorization is further subject to compliance with all requirements that may be imposed by the City Attorney including but not limited to those prescribed by applicable City Charter and City Code provisions.

<sup>2</sup> If the Mayor does not sign this Resolution, it shall become effective at the end of ten (10) calendar days from the date it was passed and adopted. If the Mayor vetoes this Resolution, it shall become effective immediately upon override of the veto by the City Commission.

APPROVED AS TO FORM AND CORRECTNESS:

  
Victoria Méndez, City Attorney 4/4/2017

**"Exhibit A"**

**City of Miami  
Department of Community Economic  
Development  
Housing Program Summary**

**RENTAL POLICY-DEVELOPERS**

Program Description	Provides assistance to developers for the construction or rehabilitation of affordable rental units that are NOT Tax Credit Development
Funding	HOME, SHIP, CDBG, AFFORDABLE HOUSING TRUST, HOPWA
Affordability Period	Rehabilitation or Acquisition of Existing Housing- 15 years; New Construction or Acquisition of New-Housing 20 years
Minimum/Maximum Subsidy	\$1,000 per unit to HUD Maximum subsidy cap as published based on bedroom size
Security	Recorded mortgage on the property. In addition, affordability period to be enforced by a restrictive covenant that will run with the land. In the case of phased developments, the covenant will run with the land making up all phases of the development. In the case of a developer default, the restrictive covenant will continue throughout the affordability period.
Default Penalties	<ol style="list-style-type: none"> <li>1. Full payment of f the construction loan (total disbursed amount) and accrued default interest at the maximum rate allowed by law depending on loan amount.</li> <li>2. Developer and all principals with a minimum of 10% share in the development will be barred from participating in any City of Miami program for a minimum of five (5) years.</li> <li>3. If the City assistance is used for land acquisition (or any predevelopment activity) profit realized from the sale of the land will be considered program income and will revert to the City.</li> <li>4. Recorded covenant will only be removed upon sale of the property if approved by the City of Miami Commission.</li> </ol>
Developer Fees	Maximum of 16% of the total project cost. Disbursement based on percentage of construction completion.
City of Miami Service Charge	1% of City Loan up to a maximum of \$15,000 will be charge to the developer as a commitment fee.
Minimum ratio of City funds to other funds in the project	1:2 Desirable on a project by project basis.
Maximum Rent	As published by US HUD

**Attachment: 1995 Exhibit A (1995 : Accept - Creation of Housing Program Policies)**

*"Exhibit A"*

*City of Miami  
Department of Community Economic  
Development  
Housing Program Summary*

**RENTAL POLICY-DEVELOPERS**

Program Income	Gross income received by the project directly generated from the use of funds. When program income is generated by housing, the income shall be prorated to reflect the percentage of funds used.
Type of Assistance	Construction soft costs, hard costs (predevelopment)
Income	Household income must comply with the funding source being provided for the project.
Miscellaneous	<ol style="list-style-type: none"><li>1. City of Miami Residents must be given priority at time of leasing complying with City of Miami Ordinance 13645.</li><li>2. The developer will comply with City of Miami Ordinance 13491 reference Marketing and notification of the project.</li><li>3. Selection from Request for Proposals and/or Applications. Project will be selected based on ranking and merits of the application.</li><li>4. Annual Compliance monitoring for duration of affordability period</li></ol>
Appeal Process	All project funding must obtain approval by the Housing and Commercial Loan Committee as to the terms and conditions.
Appeal Process	A project presented to the Housing and Commercial Loan Committee (HCLC) can be appealed to the City Commission as to the terms and conditions imposed by the HCLC. In an appeal process the City Commission will make the final determination.
Effective Date	Any project that meets this housing policy and have received Certificate of Occupancy (CO) in the past 5 years will be eligible to renegotiate the City of Miami contract.