



MIAMI BEACH

City Commission Workshop

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive
October 15, 2008

Mayor Matti Herrera Bower
Vice-Mayor Richard L. Steinberg
Commissioner Saul Gross
Commissioner Jerry Libbin
Commissioner Edward L. Tobin
Commissioner Deede Weithorn
Commissioner Jonah Wolfson

City Manager Jorge M. Gonzalez
City Attorney Jose Smith
City Clerk Robert E. Parcher

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ATTENTION ALL LOBBYISTS

Chapter 2, Article VII, Division 3 of the City Code of Miami Beach entitled "Lobbyists" requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the City Clerk's Office. Questions regarding the provisions of the Ordinance should be directed to the Office of the City Attorney.

Times based on the digital recording in the City Clerk's Office.

Commission Workshop called to order at 2:27:44 p.m.

Hilda Fernandez, Assistant City Manager, introduced the item and gave a PowerPoint a presentation. (See PowerPoint handout)

Discussion held.

Michael O'Hara, Director of Housing Development for the Housing Authority in Miami Beach introduced himself and also introduced Orlando Prendas, Director of Housing Programs for the Housing Authority, and gave a brief presentation on what the Housing Authority is and what it does. The Housing Authority was created by Florida Statutes Section 421. The five member Housing Authority Commissioners are appointed by the Mayor. The Housing Authority Board of Commissioners are primarily responsible for ensuring the integrity of the Housing Authority's programs and operations, its fiscal management and hiring of executives director. The Housing Authority has a staff of 34 employees which administers 2,613 Section 8 vouchers for low income families, owns and operates Rebecca Towers South which is a 200 unit public housing property, Rebecca Towers North which is a 200 unit Section 8 project for the elderly, and a 16 unit affordable housing project located at 211 Collins Avenue. The Housing Authority has three (3) new housing projects in development; 321 Michigan Avenue, a 30 unit new construction project for elderly disabled persons, 234 Jefferson Avenue, a 21 unit new construction project for elderly, and 328

Jefferson Avenue, a five (5) unit historic rehabilitation project for affordable housing.

Mayor Bower stated that Miguel Del Campillo, Housing Authority Director, could not attend the Workshop today because he is on jury duty.

Hilda Fernandez, Assistant City Manager, continued her presentation. She spoke about Community Housing Development Organization (CHDO) and stated that there is only one certified CHDO in the City of Miami Beach which is Miami Beach Community Development Corporation and other methods of providing affordable housing. (See PowerPoint handout)

Roberto Datorre, President Of Miami Beach Community Development Corporation, answered Commissioner Tobin's question regarding 530 Michigan and the Villa Maria project.

Jack Johnson, Chair of the Board of the Miami Beach Community Development Corporation (MBCDC), gave a PowerPoint presentation.

Discussion continued.

Mayor Bower stated that she loves Roberto Datorre because he has proven himself and he produces affordable housing projects. She stated that there has been no one that has produced the amount of affordable housing as Roberto has. She reiterated that Roberto has done a great job because he produces.

Commissioner Gross stated that the Miami Beach Community Development Corporation (MBCDC) does a great job and they do produce. He added that today they also did a good job in explaining the financial aspects of one of the projects and how difficult and complex the financing can be. He asked, in reference to the Area Median Income (AMI) chart on page 9 of the PowerPoint presentation, in comparison with the median cost of housing on Miami Beach chart on page 11 of the PowerPoint presentation, and asked if staff has looked at the median cost of housing on the beach and excluded luxury waterfront property because that is skewing the median and the average. He also asked if staff has looked at the average rental prices in South Beach and North Beach.

Hilda Fernandez, Assistant City Manager, explained that the quartiles can be given.

Commissioner Gross stated that he is curious to know the median rental prices in the primary neighborhoods where people live in rental properties such as Flamingo Park and North Beach in the area west of Collins and east of the bay. This gives the best indication of what people are trying to rent and the dollars available and the numbers provided include the waterfront properties.

Discussion continued.

Commissioner Gross asked if the data is broken out by studio, one and two bedroom units, because with this data it would give the best indication of what the affordability crisis is.

Kevin Crowder, Economic Development Director, indicated "no."

Hilda Fernandez, Assistant City Manager, stated that she will research to see if data is available.

Commissioner Gross stated that the other question which ties to the chart on page 9 is the monthly housing affordability based on the area median income. The chart shows that at 100%, (which is \$49,200) there will be available \$1,250 a month, which is more than enough to pay for the median

apartment. Based on this, the average household can afford the average apartment on the Beach.

Commissioner Tobin stated that Commissioner Gross' point is that there is sufficient number of affordable housing.

Hilda Fernandez, Assistant City Manager, stated that there is housing that is affordable but the vacancy rate is what drives availability. The issue is the people at 30% or 50%.

Commissioner Gross stated that he would also like to see data on the 30% and 50% figures. The current numbers show that a person with an average income can afford the average apartment on Miami Beach; this does not suggest a major affordability crises. It needs to be looked at more closely and he would like to see whether the majority of the money that the Miami Beach Community Development Corporation (MBCDC) receives, which group is it being applied too, the 30% of AMI, the 60% of AMI, or the 80% of AMI. **Hilda Fernandez to handle.**

Robert Datorre addressed Commissioner Gross' question.

Commissioner Gross stated that the presentation today was oriented towards showing the Miami Beach Community Development Corporation (MBCDC) renovations of the buildings and the process involved, the cost, and the oversight and he knows that the affordability plan is updated periodically and that has to do more with how many units we have that are affordable and what the need is. He requested an LTC to provide this information. He also requested to receive his materials in advance whenever there is a workshop. **Hilda Fernandez to handle.**

Discussion continued.

Mayor Bower stated that her concern is the need for affordable housing but the City is not in the business of providing affordable housing and to have the owner flip-it over to make money. She insists that the units be maintained. **Hilda Fernandez to handle.**

Discussion continued.

Hilda Fernandez, Assistant City Manager, stated that there is one scattered site program where the owner of the unit is MBCDC, and that is the program that should be expanded. The second program is the home buyer program where MBCDC connects the buyer to the unit, qualifies the buyer, fixes the unit and gives financial assistance for moving and the buyer owns the unit. The City imposes a restricted covenant on the unit and there are repayment provisions. **Hilda Fernandez to handle.**

Mayor Bower thanked everyone for participating.

Meeting adjourned at 5:10:43 p.m.

Handout or Reference Material

1. Copy of PowerPoint presentation titled: "Commission Workshop Affordable Housing" and dated October 15, 2008
2. Committee Memorandum to the Members of the Finance and Citywide Projects Committee from Jorge Gonzalez, City Manager, dated December 21, 2006
3. Miami Beach Redevelopment Agency Item Summary and Redevelopment Agency Memorandum dated March 14, 2007 – Item RDA 2B
4. Ad in The Miami Herald – Ad # 510
5. Materials Submitted by the Miami Beach Community Development Corporation

- a) Color copy of the PowerPoint presentation
- b) Document titled: Georgetown Journal on Poverty Law & Policy, dated Fall 2005
- c) Document titled: Miami Beach Community Development Corporation "Green Building Design Charrette"
- d) Document titled: 2005 Conference Success Stories
- e) Document titled: Building and Sustaining Community – Unique, Vibrant, Diverse
- f) Document titled: Since 1981 – Building and Sustaining Community - Unique, Vibrant, Diverse