



# City of Miami

CONNECT CAPITAL

Little Havana  
MDC Inter-American Campus  
Tuesday, October 11, 2018



# Agenda

1. What is Connect Capital?
2. Community Investment Framework
3. Goal Statement
4. Project Timeline
5. Context
6. Pathways to Pipeline
7. Policy Priorities
8. Workshop
9. Adjourn



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[CitiCommunityDevelopment.com](http://CitiCommunityDevelopment.com)





## What is Connect Capital?

- *Connect Capital* is a two-year initiative of the Center for Community Investment (CCI) that assists communities to attract and deploy capital at scale to improve residents' health and increase their access to opportunity.
- Working with six communities, *Connect Capital* helps participating teams establish shared priorities across stakeholders, create pipelines of deals and projects that can be pushed forward in batches, and strengthen the policies and practices required to achieve the desired outcomes.
- The focus of Connect Capital Miami's work is to determine how to leverage municipal financing to increase production of affordable housing units.
- The *Connect Capital* framework is a three-step process involving the establishment of an aggressive goal, identification of a pipeline to meet it and consideration of the 'enabling environment' or those policies and regulations that might need to be modified to help meet the goal.



# Framework for Strengthening Community Investment

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# Goal Statement



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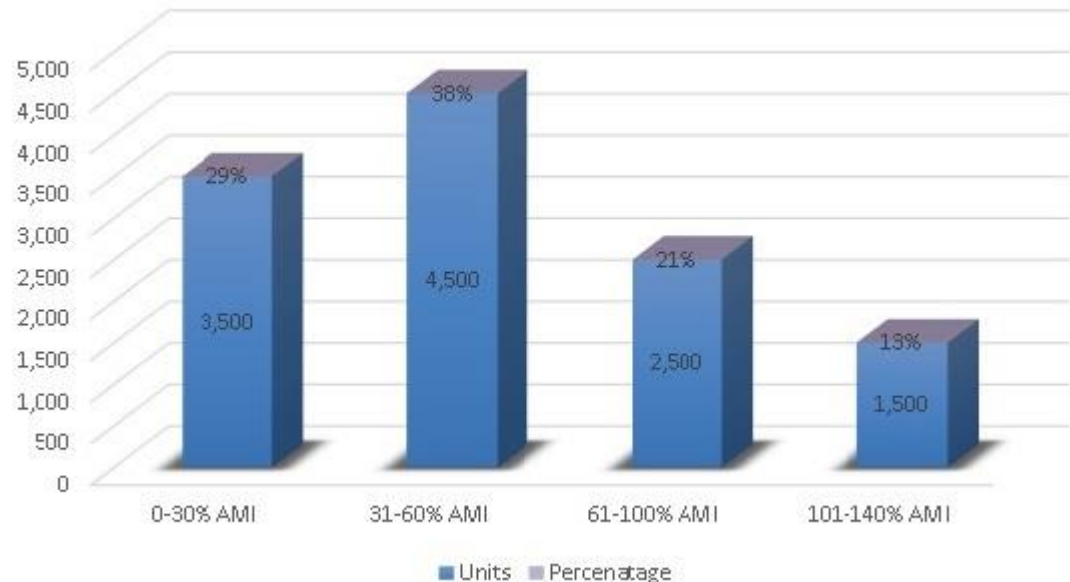
Proposed Goal (July 2018):

**Build or preserve 12,000 units of housing for those in greatest need by 2024**

Priority Criteria:

- resiliency
- rental units
- transit-oriented development (“TOD”)
- neighborhoods of opportunity
- mixed-income

Distribution of Units



Fair Market rent for a 1-2 BR is \$1,351  
30% AMI = \$405; 60% AMI = \$810

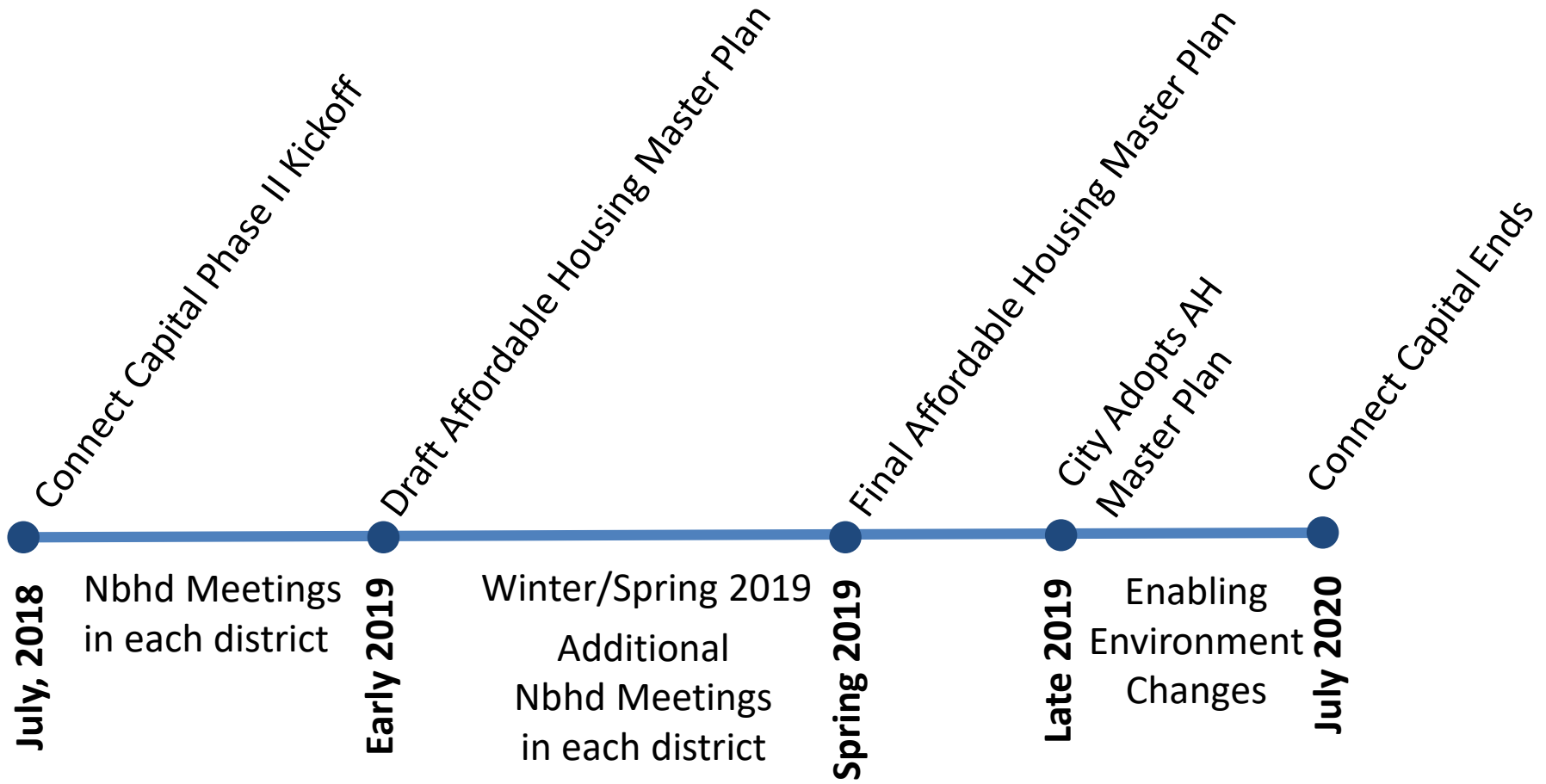




# Project Timeline



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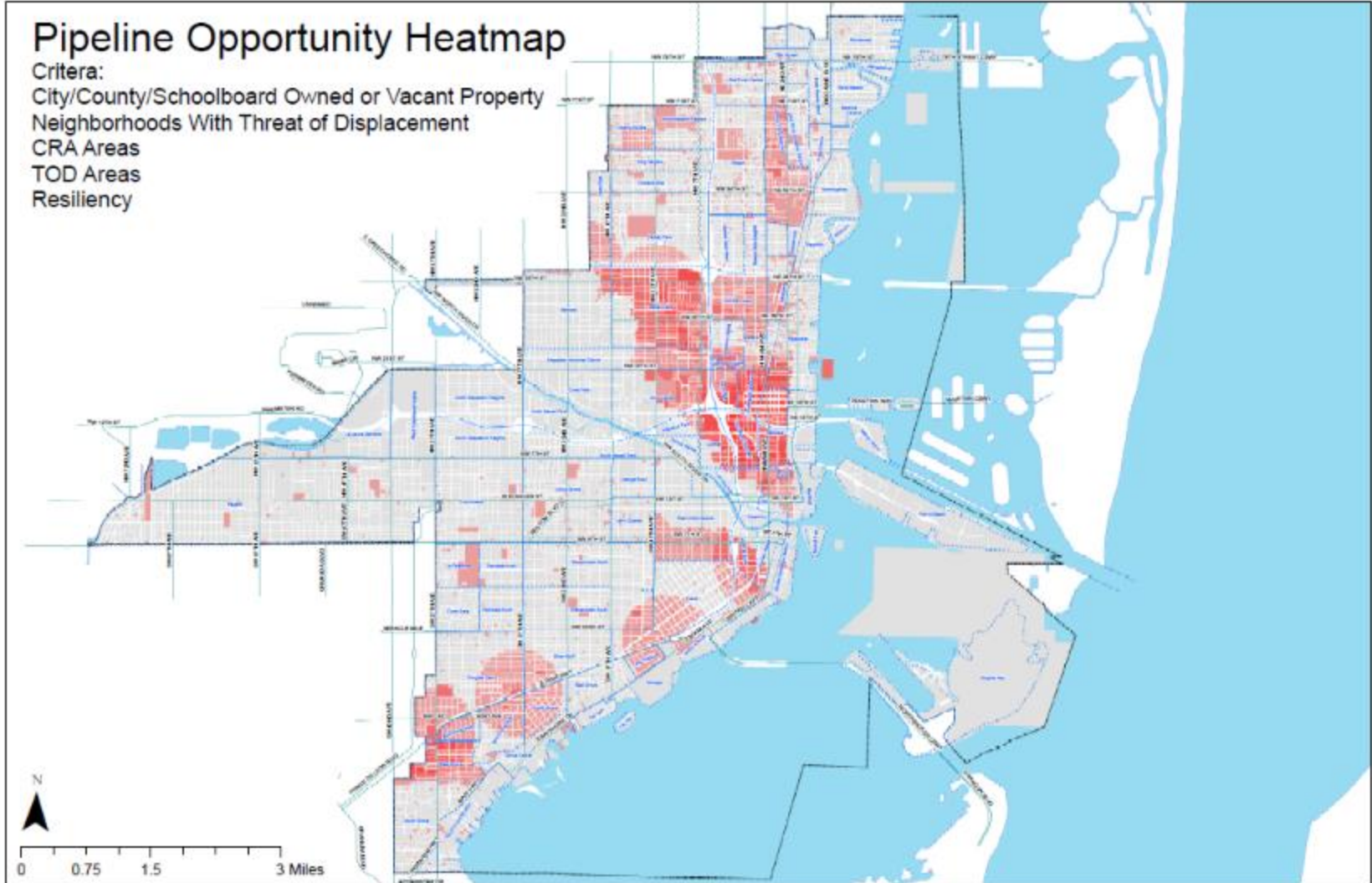




# Opportunity Areas



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## The Need Today: 32,000 Rental Units

### City of Miami Renter Housing Supply and Demand Analysis

	HH Income Category	Total Renter Households (Demand)	Affordable Rent Levels		Number of Renter Units Within Affordable Price Range (Supply)	% Total Renter Units	Surplus/Gap within Affordable Price Range
			0% Median	30% Median			
<b>Extremely Low Income</b>	0-30% Median	18,498	0% Median	30% Median	0-30% Median	4.4%	13,195 units
	\$0-\$9,173		\$0	\$229	5,303 units		
<b>Very Low Income</b>	31-50% Median	13,691	31% Median	50% Median	31-50% Median	5.0%	7,694 units
	\$9,174-\$15,289		\$230	\$382	5,997 units		
<b>Low Income</b>	51-80% Median	17,798	51% Median	80% Median	51-80% Median	5.8%	10,909 units
	\$15,290-\$24,462		\$383	\$612	6,889 units		
<b>Moderate Income</b>	81-100% Median	8,991	81% Median	100% Median	81-100% Median	7.2%	432 units
	\$24,463-\$30,578		\$613	\$764	8,559 units		

Source: 2016 ACS; table and calculations by FIU Metropolitan Center.

60% (109,000 people) of all households in the City of Miami are cost burdened or severely cost-burdened. 74% are renters and 26% are owners.



- **To Create and Preserve Affordable Housing to address a gap of approximately 32,000 rental units for low- to moderate-income households.**
  - @ 59% of Miami households are cost-burdened (2016, Shimberg)
  - @ 64% of Miami renters are cost-burdened (2016, Shimberg)
  - @ 38% of Miami renters are severely cost-burdened (2016, Shimberg)
- Of Cost-burdened households 75% are renters and 25% are owners



# Context



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This work is important for the following reason:

- **Lack of affordable housing is causing displacement in our communities, affecting the economic growth since businesses are reluctant to locate here, causing a brain drain since our youth and graduates from our colleges are unable to afford to live here and affecting the cultural fabric of our communities due to displacement**



## Putting a Face to the Need Today: Francine Income: \$24,000/YR

- Single mom of two kids.
- Works full time as a security guard.
- On the Section 8 waiting list for years.
- Got voucher. But struggles to find an apartment in Miami market with HUD Fair Market Rents (FMR):

### ROUGH FIGURES:

\$1,390 - FMR for 2-bd Section 8 voucher

\$600 - Naomie's portion of rent (~30% of income)

\$790 - Section 8 pays the other ~70%

### HOWEVER:

\$1,748 - conservative median rent for 2-bd

**\$358** - GAP between market rent and voucher. Francine must compete with tenants in private market.



# Pathways to Pipeline



At the pipeline workgroup meeting held on August 24<sup>th</sup>, 2018 the following pathways to pipeline were presented:

- Preserve subsidized housing
- Preserve naturally occurring affordable housing (NOAH)
- Redevelop public housing
- New Construction

The guidance we were given by meeting participants was to:

- Drill down to what will actually be shovel ready or completed by 2024
- To identify all of the projects currently under proposal documenting funding sources
- Determine where developers may need assistance if they are still in pre-development





# Policy Priorities



At the workshop conducted on August 29<sup>th</sup>, 2018 the following policy priorities were presented and recommended for further discussion:

- Mandatory inclusionary zoning
- Improve Regulatory and application process
- Vacancy Tax
- Property tax abatements

We were given the guidance that:

- Tax abatements may require advocacy at the state level
- Vacancy tax rates may be undesirable to property owners
- A hybrid inclusionary zoning strategy may be worth pursuing.

We were given direction to gauge the capacity for implementation of these strategies with decision makers.



# Local Strategy Session



At the workshop conducted on October 19<sup>th</sup>, 2018 we updated meeting attendees on the progress made since 8/29. We received the following guidance on preservation of affordable housing and the disposition of publicly owned land:

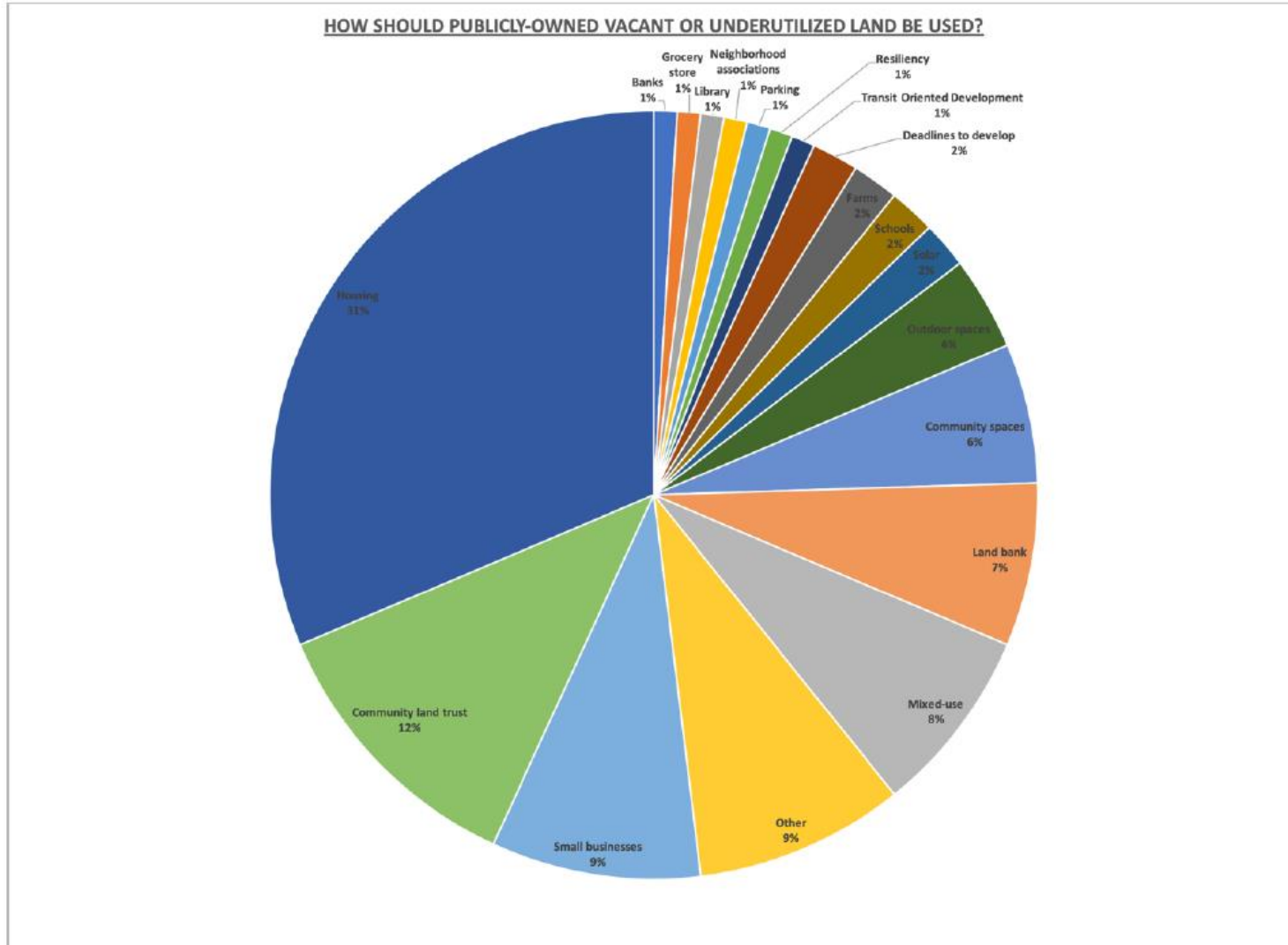
- Devise a land-banking strategy to optimize the disposition of public land for the production of affordable housing.
- Recommendations on what other uses public land should be dedicated to when not used for affordable housing development.
- Recommendations on who needs to be at the table to create a preservation plan



# Polling Results



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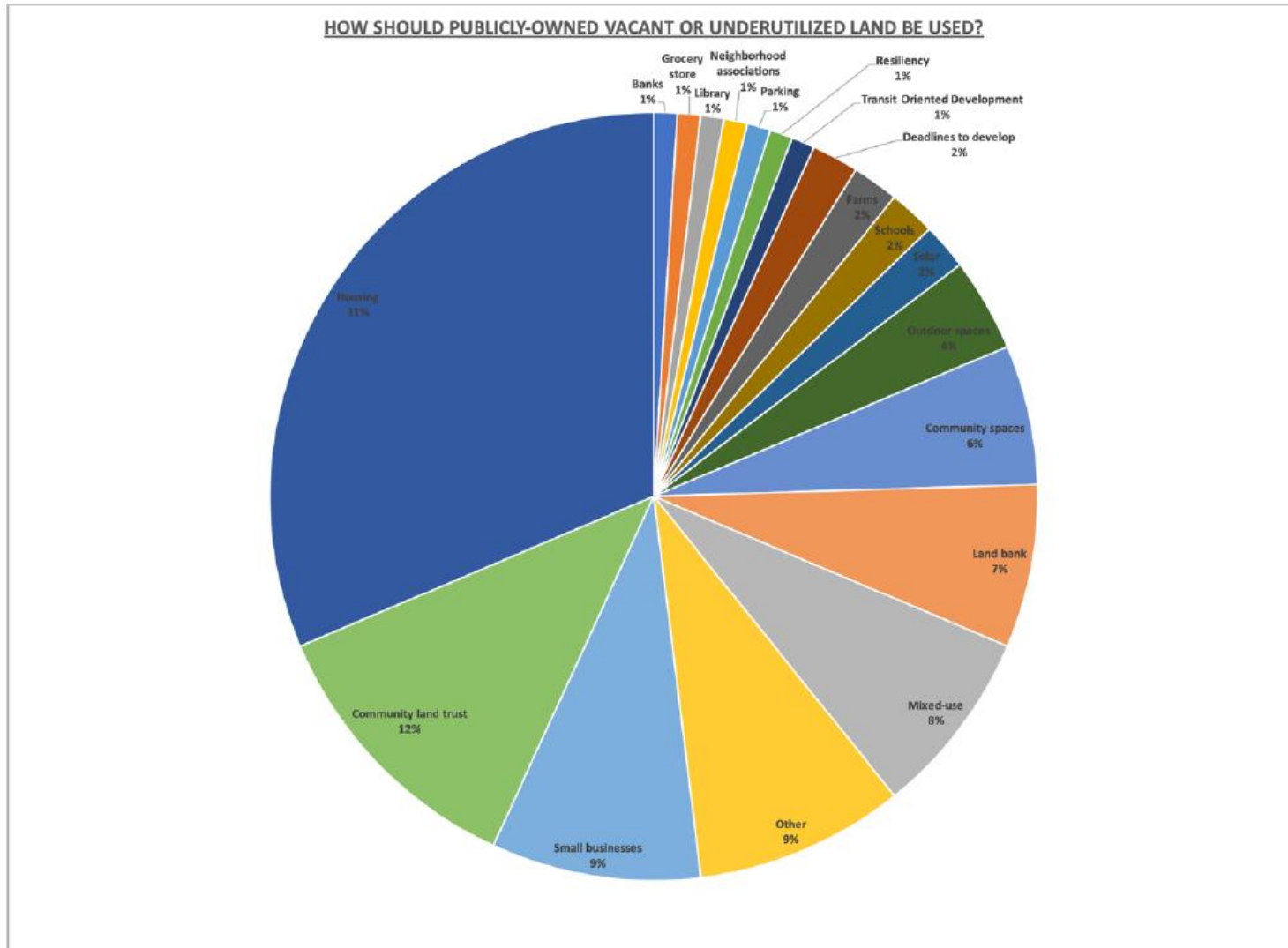




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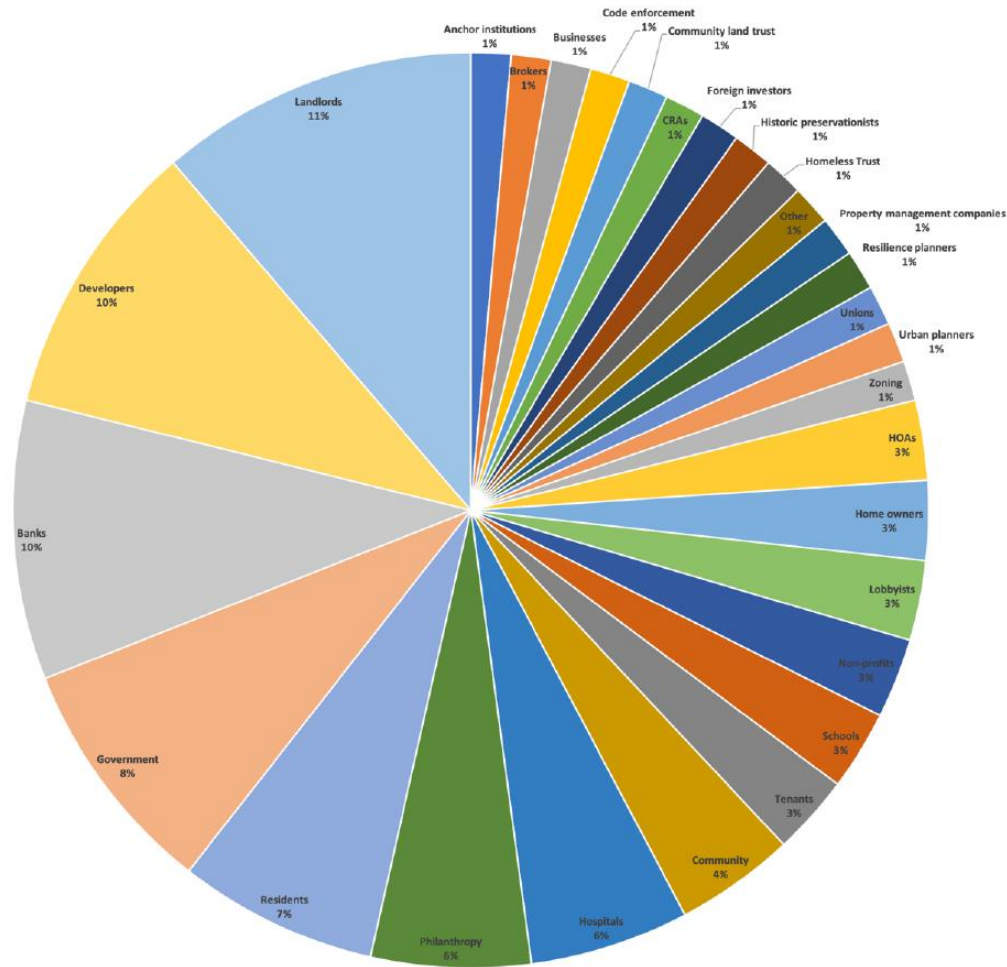


# Polling Results



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WHO ARE THE OTHER STAKEHOLDERS THAT WE NEED FOR A PRESERVATION PLAN?







## Workshop – 30 minutes

- 1. From your perspective, what is most critical for the city and housing development community to prioritize when building or preserving housing? (eg proximity to transit, supportive services, mixed-use, etc...)**
- 2. Of the policy priorities you have heard, which should the City of Miami Prioritize?**
- 3. Are there other priorities that the City should be considering?**

### **Instructions:**

**Pick a scribe and a presenter**

**Discuss with your neighbors at your table**

**Report back**



## Ground Rules

- **Listen actively to others.** Listen to understand what is being said. Do not “pretend” to listen while you are thinking of how to respond to statements others have made.
- **No one-on-one side meetings or conversations.** This is really distracting. Essential discussion is meant for everyone!
- **Manage your own input – no long speeches.** Be clear in thought when you have opportunity to give your opinion.
- **Do not interrupt other participants.** Be respectful to others, as you would expect the same for yourself.