

Funding the Gap of Affordable/Workforce Housing Units In the City of Miami Beach

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BY TATIANA ESCOBAR

CDBG PROJECTS COORDINATOR

OFFICE OF HOUSING AND COMMUNITY SERVICES

CITY OF MIAMI BEACH

Rent controls limit the amount of debt a project can support creating a gap between the project's total cost and the lending opportunities available for workforce housing.



Affordable Housing

- Low Income housing tax credits (Limit at 60%)
- Federal funds cap at 80% AMI



Workforce housing

- Regular lending institutions – limited funds available
- State funds cap at 120% - small allocations
- County Funds cap at 140% - County surtax – competitive application

Current actions being taken to reduce costs

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- ▶ Local Level (In process)
 - ▶ Density Increase - Unit Size Reduction
 - ▶ Reduction or Elimination of Parking Requirements
 - ▶ Intensity Bonus - Floor Area Ratio (FAR)
 - ▶ Full Land Subsidy – Underutilized Assets

- ▶ Mix of Workforce / Market –Rent Units
- ▶ Identify Adjacent Lots with Extra Square Footage – Develop Jointly
- ▶ City to Provide Funding Gap
- ▶ Create a Workforce Housing Development Tax Fund
- ▶ Increase Intensity Through Transfer of Development Rights – Charter Amendment

Acknowledgments

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