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

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.
Funding Sources

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

- 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
Possible Solutions

- 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

- Peter McDougal - Raza Development Fund
- Shahrzad Emami - Legal Services of Greater Miami, Inc.
- Andrew Frey - Tecela
- Jim Walker - Florida Community Loan Fund
- Nancy Merolla and Jim Mitchell - Florida Community Bank, N.A.
- Scott Evans - Bank of the Ozarks
- Cinzia Keever & Cheryl Henry-Renn - Neighborhood Lending Partners
- Doug Mayer - Stone Soup Development