

APPROVED
AFFORDABLE HOUSING ADVISORY COMMITTEE
MIZELL CENTER – 1409 NW 6 STREET
2ND FLOOR AUDITORIUM
MONDAY, OCTOBER 17, 2011 – 8:00 A.M.

Cumulative Attendance

Committee Members	Attendance	7/11 through 6/12	
		Present	Absent
Jason Crush, Chair	A	1	1
Bradley Deckelbaum, Vice Chair	P	2	0
Margie Alexander	A	0	2
Peter Henn	P	2	0
Jonathan Jordan	P	2	0
Michelle Klymko (8:31)	P	2	0
Edwin Parke	P	2	0
Brian Poulin	P	1	1
Janet Riley	P	2	0
Amanda Spangler-Bartle	P	1	1
Rebecca Jo Walter	A	1	1
Roosevelt Walters	P	1	1

Staff

Jonathan Brown, Housing and Community Development Manager
Diana McDowell, Liaison, Housing & Community Development Division
Anthony Fajardo, Acting Zoning Administrator
Angelia Basto, Administrative Aide, Housing and Community Development
Barbara Hartmann, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

Roll Call

Vice Chair Deckelbaum called the meeting to order at 8:12 a.m. Roll was called and it was noted a quorum was present.

Board / Staff Introductions

Mr. Brown introduced new Committee Liaison Diana McDowell. Ms. McDowell has worked for the City for 23 years and is Administrator of the Affordable Housing Program.

Approval of Minutes – September 19, 2011

Motion made by Mr. Henn, seconded by Mr. Walters, to approve the minutes of the September 19, 2011 meeting. In a voice vote, the **motion** passed unanimously.

The following Item was taken out of order on the Agenda.

Surplus Lots

Mr. Brown recalled that the Committee had sent a communication to the City Commission in October requesting that they review the City's list of surplus properties in order to determine if any of these were suitable for affordable housing. Rather than having Staff review all the lots available, the Commission has directed Staff to look at those properties zoned for housing. Mr. Brown advised that he has requested a copy of the full list from the City Auditor.

The current list states the width, depth, and total area of the lots zoned for housing, and designates whether or not the lots are buildable. Lots of 5000 sq. ft. or larger are considered suitable for multi-family development. Some lots are of interest to the CRA or other potential buyers. Mr. Brown asked what parameters the Committee would like Staff to set in terms of the lots.

Mr. Jordan asked what determines whether or not a lot is buildable. Mr. Brown said the main factor in this decision was the size. He asked that the Committee to establish these parameters, as this will allow him to pull appropriately sized lots from the City Auditor's list.

Mr. Henn observed that the lots should be consistent with the surrounding neighborhood. He pointed out that the report should show when the City acquired the lots, as undeveloped lots they have owned for several years could be sold below market value with the deed restriction that affordable housing must be built on them.

Mr. Brown asked if the Committee would like him to put together a list of buildable lots of all sizes from the City Auditor's list. The Committee agreed with this. Vice Chair Deckelbaum advised that in addition to identifying properties with potential for affordable housing, they could try to match these lots with public or private building programs.

Mr. Henn said if the City felt they could get market value for a given lot, he did not feel the Committee would be able to accomplish very much with the list; he again urged that they encourage the City to sell these properties, possibly for one dollar, with a deed restriction. This would give the list some value for non-profit and for-profit developers.

Mr. Brown confirmed that the majority of these properties were purchased with federal dollars, with the caveat that they must be used for affordable housing. He agreed that some of the properties are very old, and Housing and Urban Development (HUD) wants the City to do something with the properties.

Mr. Henn asked if federal rules would allow the City to sell a lot for one dollar, if they are required to hold out for the same price at which they purchased the property, or if the lots must be re-appraised. Mr. Brown said if a property would be used for affordable housing, it could be donated. Mr. Henn proposed that once the list is completed, the Committee could ask the City to donate it or sell it for one dollar with a deed restriction, in order to see something done with the property.

Mr. Brown said the City Manager has indicated if the lots need to be packaged in order to be sold, this was acceptable. The current direction is to dispose of the property. He advised if the Committee did not agree with this, they could send another communication to the City Commission advising them of the Committee's recommendations.

Mr. Walters pointed out that if lots are packaged and sent out in this way, small developers might not be able to afford to build on the properties. He felt they should also have the opportunity to participate in the program. Ms. Spangler-Bartle added that a deed restriction could also stipulate that developers work with minority-owned builders or companies with job training programs for low-income residents of the community. Mr. Walters noted that Broward County had a poor track record with programs of this nature.

Ms. Klymko arrived at 8:31 a.m.

Mr. Parke observed that while most residents in some CRA neighborhoods are renters, turning these individuals into property owners will lead to a better-kept neighborhood. Vice Chair Deckelbaum agreed this was a positive side effect, although he noted that encouraging rental properties should also remain a goal.

Ms. Spangler-Bartle added that if word is spread throughout the community regarding the lots for sale, there may be ideas from the community as well. She offered the example that her organization may be willing to look at the land trust model.

Vice Chair Deckelbaum recalled that the steps identified at the last meeting were as follows:

- Identifying lots;
- Zoning requirements;
- Organizing a forum for public and private entities.

He suggested that the forum could present an opportunity to “pitch” the properties to various development entities, advising them that the lots would be reserved for affordable housing.

The Committee members briefly discussed some of the specific lots City zoned for housing. Mr. Brown advised that all the lots on the list are vacant.

Mr. Brown added that the lots for sale are being sold either at market value or the amount the City owes HUD. If the buyer pays the HUD value, the lot is no longer considered to be designated for affordable housing.

Mr. Henn commented that packaging the lots for sale would speed up the process, as buyers could not “cherry-pick” specific lots for sale. He advised that the goal should be for the entire list should be cleared within a specific time frame, such as six months or a year. Mr. Brown said the minimum bid for the City lots currently for sale is either the amount originally invested in them or the current market value, whichever is greater.

Mr. Henn asked if it would be possible to add a caveat to properties for sale, stating that if the purchaser agrees to deed restrictions and/or HUD conditions, the property is available to qualified bidders at a cost of one dollar. Mr. Brown said this meets federal requirements, although the final decision of whether or not to stipulate this would rest with the City Commission. As long as the lots are being used for affordable housing, HUD would forgive the City’s debt.

Vice Chair Deckelbaum suggested there should be a Request for Qualifications (RFQ) for the right to bid at one dollar. He asked Staff to request the City Commission’s permission to develop an RFQ for qualified developers who would be willing to take on the HUD obligations for land that is donated or is at a nominal cost.

Mr. Jordan pointed out that the Committee would first need to identify a list of groups or agencies that they would like to respond to the RFQ. The RFQ would also need to describe the process up-front. Ms. Spangler-Bartle said she would like to know the estimated time the RFQ process would take, and whether or not there was a better way to proceed.

Mr. Brown said one major hurdle to this process is the City’s Charter Amendment. He explained that the only agencies that can currently accept the City’s properties are the Housing Authority and the CRA, as the Charter does not allow properties to be transferred to affordable housing entities without a competitive process and a minimum bid. He noted that this Charter Amendment is going to be brought forward for discussion once again by the City Commission. He stated he would discuss this further with the City Attorney’s Office.

Mr. Walters asked if the Committee could schedule a workshop so potential bidders who are less familiar with the affordable housing process could ask questions. Mr. Henn agreed that this would be a good form of outreach, particularly for local qualified bidders.

Mr. Brown noted that the City is receiving bids on quite a few of its surplus lots. It was estimated that it could take up to six months to develop an RFQ, put it forward, and wait for responses. He advised that the Committee would have to make a request of the RFQ from the City Commission, who, if they agreed, would then direct Staff to begin the process.

Vice Chair Deckelbaum suggested that the Committee take this action as soon as possible. Mr. Henn said he did not agree, as he felt the Procurement Department can act very quickly once they know what they have to do; however, the Committee has not yet determined what they would like to see done, and should reach a conclusion before asking Staff to act.

Vice Chair Deckelbaum said while the RFQ is going out to find qualified bidders, the Committee could determine the properties to be sold; within six months they would have both a final list of the properties to be transferred and a list of qualified bidders approved by the City. The Selection Committee would then determine which bidders would receive specific properties. He explained that it could take months to develop an RFQ and send it out.

Mr. Henn said the Committee would first need to understand exactly how the HUD deed restriction would work. For example, if the deed restriction lasts for 15 years, they would need to know which type of affordable housing it applied to, such as very low-income or workforce occupants, among other specifications.

Mr. Brown noted that the deed restriction would need to be prepared by the City Attorney's Office. He clarified that the Department of Sustainable Development, the Procurement Department, and the City Manager's Office would need to approve the document. He explained that the Housing and Community Development Division is part of the Department of Sustainable Development under the recent restructuring of Departments.

Ms. Spangler-Bartle said she would be satisfied with Staff's recommendations on the best process to get the surplus lots onto the market. Mr. Brown advised that Staff would need to ensure that the existing Charter allows them to proceed with what the Committee wants in terms of the RFQ. He pointed out that the Charter Review Board will be meeting with the City Commission the following day to discuss this Amendment.

It was determined that Staff would bring the deed restriction language back to the Committee in November, as well as more information regarding the Charter Review and the best way to pursue the Committee's stated goals.

Inclusionary Zoning Policy

Mr. Brown introduced Anthony Fajardo, Acting Zoning Administrator, who would speak to the Committee. He recalled that there had been questions at the last month's meeting regarding what the City has done in the past with respect to inclusionary zoning.

Mr. Walters explained that there had been discussion of a City policy on inclusionary zoning in the 1980s, although the policy had not been pursued. He said there had been a great deal of demand from the community for this form of zoning, so any developer rebuilding in an area would include 15%-20% of their developments for affordable housing. The developers and business community had not accepted this effort, and the City had subsequently dropped it. Mr. Fajardo advised he did not have any information on this policy.

Mr. Henn said when the Committee had met with the City Commission, the Commission had been supportive of their desire to move forward with the adoption of an inclusionary zoning policy. He felt this was an opportunity for the Committee to proceed, and concluded that there should be further analysis of how inclusionary zoning could work in the City. He recommended gathering input or reports from other cities that had made this policy work successfully for them.

Ms. Spangler-Bartle said it was not legally necessary to do an inclusionary zoning study. She agreed they should review existing programs to determine the best criteria for this proposed policy. The only Broward County community to make inclusionary zoning a success was the town of Davie, which has since placed a temporary moratorium on the policy due to pressure from the development community.

Mr. Henn proposed that Staff could reach out to representatives of Miami-Dade County to determine what is needed and how much work must be done. Mr. Brown agreed to request this, and asked for the members' input on what they would like to see the City's program look like. Mr. Henn recalled there had been a bonus program as well, which allowed the developers to do more marketing. He emphasized that the Committee would ultimately have no control over the policy decision the City Commission would make regarding this program.

Discussion on Goals and Work Plan

Mr. Brown said he would review the City's existing inclusionary zoning policies with Planning and Zoning and bring this information back to the Committee. Mr. Henn advised that the Committee should seek to spend some time discussing its goals with the City Manager, including their recommendations for the disposition of City property. He recalled that the City Manager had showed some reluctance with regard to the Committee's proposed work plan, particularly the disposal of surplus lots. Mr. Walters suggested that the City Manager had only seen what the Committee had done in the past, and it could be important for him to learn about and buy into their plans for the future.

Communications to City Commission

Mr. Brown pointed out that the Committee's requests to Staff did not require direction from the City Commission, and asked if there were any other communications the Committee would like to send at this time. Ms. Spangler-Bartle asked if it would be helpful for the Committee to support further Amendment to the City's Charter. Mr. Brown said he felt it could, although it was noted that he would not be part of the Commission's discussion on that subject. The City Attorney and City Auditor have kept the Department of Sustainable Development apprised of discussions about the Amendment. Mr. Brown said he would communicate any developments to the Committee.

It was clarified that a change to the Charter Amendment would allow Housing and Community Development to dispose of surplus properties without going through a bidding process, which is the current policy. The proposed change would allow for the transfer of these properties to affordable housing individuals and/or agencies.

It was determined that the Committee would not take any action at this time with regard to the Charter Amendment.

Other Business

Ms. Spangler-Bartle requested that Mr. Brown let the Committee know when items related to affordable housing appear on a City Commission Agenda, so members could plan to provide any necessary support. Mr. Brown agreed to do this.

Adjournment

There being no further business to come before the Committee at this time, the meeting was adjourned at 9:34 a.m.