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PRESS RELEASE

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Mayor Manny Diaz Highlights Miami's Ongoing Affordable Housing Production at the Completion Ceremony of Ralph Plaza II

Miami Moving Closer Toward \$1 Billion Goal by 2010



Caption: City of Miami Commission Chairman Angel Gonzalez, District 1, Commissioner Michelle Spence-Jones, District 5, and Mayor Manny Diaz (at center, from left to right) joined future residents of Ralph Plaza II at the official ribbon-cutting for the new, affordable townhome development. Photo: Jorge R. Perez/City of Miami

MIAMI, FL (March 13, 2007) -- City of Miami Mayor Manny Diaz, City Commission Chairman Angel Gonzalez, Commissioner Michelle Spence-Jones, and Barbara Gomez, Director of the Department of Community Development, joined some of the 30 families that will call Ralph Plaza

ll their home for a commemorative ribbon-cutting marking the completion of the new, affordable townhouse development.

"Today we take another step toward our goal of investing one billion dollars by 2010, all dedicated to increase the production and availability of affordable housing," said Mayor Diaz. "We also ask our friends in the Florida Legislature to assist these efforts by 'Scrapping the Cap' on Sadowski Funds and to end the practice of 'gentrification through taxation' by reigning in skyrocketing property appraisals based on speculative market conditions."

The Sadowski Act was created in 1992 and uses revenue collected from documentary stamps as a trust fund for affordable housing. Although the fund contains over \$940 million, the state legislature has capped it at a little over \$240 million. "Scrapping the cap" would release \$700 million in state funds for the production of affordable housing. Another barrier to the production of affordable housing is skyrocketing property valuations based on the speculative concept of highest and best use, a taxation policy that oftentimes causes sales of otherwise affordable properties. A move to market based valuations on affordable housing and rental properties would significantly reduce their tax burden.

The City of Miami has to date invested more than \$530 million toward affordable housing projects, counting with both the City's funding allocation and leverage from private developers, including \$2,156,511 in state and federal funding towards Ralph Plaza II, developed by the Allapattah Business Development Authority, Inc. (ABDA). Ralph Plaza II consists of 30, three-bedroom townhomes in several buildings located at 3817, 3829, and 3837 NW 17th Avenue and 1680 NW 39th Street in Allapattah. The homes range in size from 1,000 to 1,060 square feet, and were priced from \$125,000-145,000. All homes must be purchased by low-income persons/families, who qualified as income-eligible (average median income of 80% or below). Ralph Plaza II is located nearby Ralph Plaza I, another affordable development featuring 21 townhomes that ABDA completed back in 2003.

The City of Miami's Department of Community Development utilizes the grant funds it receives from federal and state government sources to aid in the development of a viable urban community. For additional information on affordable housing in the City of Miami, please call 305-416-2080.

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