

Kashmer, Ann

From: NSP2
Sent: Thursday, July 16, 2009 5:30 PM
To: Francisco Rojo
Subject: RE: NSP 2 Application

Dear Mr. Rojo,

Thank you very much for your thoughtful comments. The NSP2 targeted areas you have listed are part of our NSP2 targeted neighborhoods, which we used to craft our application to HUD. We agree with your statements of need, and look forward to working with the community to address these needs if the City is successful in its NSP2 application.

Sincerely,

Ann R. Kashmer
NSP Project Manager - Community Development
City of Miami
444 SW 2nd Ave - 2nd Floor
Miami, FL 33130
Ph. 305-416.2097
Fax 305-400.5297
akashmer@miamigov.com

From: Francisco Rojo [mailto:francisco@landmarkco.net]
Sent: Thursday, July 09, 2009 11:31 AM
To: NSP2
Subject: NSP 2 Application

Ann;

It is my understanding the City of Miami (the City) is presently finalizing guidelines for the award of NSP 2 funds. By way of this e-mail we respectfully request the City add the following census tracts to those areas that will be given priority for NSP 2 funding:

- 1) 3602
- 2) 5302
- 3) 6602
- 4) 6702

The above census tracts have a large number of residential properties originally intended for condominium/home ownership use, which have been foreclosed by their lenders and are partially completed, but presently abandoned. The purchase and completion of these properties directly serves the main purpose of the NSP 2 program. The provision of NSP 2 funds to buy and complete the construction of properties in the above census tracts will make economically viable the delivery of moderately priced units that would otherwise be left to deteriorate.

Thanks in advance for your consideration of the above comments. Feel free to call me at the telephone number below, if you wish to discuss.

Thank you.

Francisco Rojo

**Vice President
Landmark Companies, Inc.
1666 Kennedy Causeway, Suite 505
North Bay Village, Florida 33141
Tel (305) 538-9552, ext. 103
Fax (305) 538-9553**

Kashmer, Ann

From: NSP2
Sent: Thursday, July 16, 2009 5:21 PM
To: Terry A. Coble
Subject: RE: Comments to City of Miami NSP2 Application attached

Thank you for your comments on our NSP2 application for the City of Miami. We appreciate the time and effort you and your organizations put into your thoughtful suggestions. The City of Miami's Department of Community Development understands your concerns, and we have taken your comments into consideration as we crafted our final proposal. We look forward to working with your organizations if the City is successful in its application.

Sincerely,

Ann R. Kashmer
NSP Project Manager Community Development
City of Miami
444 SW 2nd Ave , 2nd Floor
Miami FL 33130
Ph 305 416.2097
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akashmer@miamigov.com

From: Terry A. Coble [mailto:terry@miamihomeless.org]
Sent: Monday, July 13, 2009 3:27 PM
To: NSP2
Cc: Jeffrey Hearne; Shahrzad Emami; Tony Romano; Ben Burton
Subject: Comments to City of Miami NSP2 Application attached
Importance: High

Dear Ms. Kashmer:

Attached please find the joint comments of the Miami Coalition for the Homeless, Inc., Legal Services of Greater Miami, Inc., the Miami Workers Center, and the Affordable Housing Advocacy Project of LSGMI to the City of Miami's NSP2 Application.

Thank you for this opportunity.

Sincerely,

Terry A. Coble
Affordable Housing Advocate
Miami Coalition for the Homeless
305-751-0504
terry@miamihomeless.org

Kashmer, Ann

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Sent: Monday, July 13, 2009 3:27 PM
To: NSP2
Cc: Jeffrey Hearne; Shahrzad Emami; Tony Romano; Ben Burton
Subject: Comments to City of Miami NSP2 Application attached
Attachments: Comment Letter to City of Miami.pdf

Importance: High

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Thank you for this opportunity.

Sincerely,

Terry A. Coble
Affordable Housing Advocate
Miami Coalition for the Homeless
305-751-0504
terry@miamihomeless.org

Date: July 13, 2009

To: City of Miami – Department of Community Development

From: The Miami Coalition for the Homeless, Inc.
Legal Services of Greater Miami, Inc.
The Miami Workers Center
The Affordable Housing Advocacy Project of LSGMI

Re: Comments on NSP2 Application

Thank you for the opportunity to provide comments regarding the City of Miami's application to the U.S. Department of Housing and Urban Development for grant money under the second round of Neighborhood Stabilization Program funding (ARRA-NSP2). In general, we are pleased that Miami has undertaken to submit an application for federal funding to assist in developing and rehabilitating affordable housing in the City of Miami. However we are concerned about several specific aspects of the application, especially with regard to the amount of funding proposed to be dedicated to rental housing for families with income at 50 percent or below area median income (AMI), with respect to the length of the affordability period in the proposal, the failure to emphasize local training and hiring and to require green building and universal design features, and the failure to mention continuing obligations for low-income rentals such as the requirement to accept Section 8 Choice Vouchers. Our specific concerns are set forth below.

Legal Services of Greater Miami, Inc. is the largest provider of broad-based civil legal services for the poor in Miami-Dade and Monroe Counties, and is recognized in the state and the nation as a model legal services program. The Miami Coalition for the Homeless advocates for the rights of the homeless and for putting an end to homelessness by increasing the supply of affordable housing to extremely-low and very-low income people. The Miami Workers Center is a strategy and action center that builds the collective strength of working class and poor Black and Latino communities in Miami. The Affordable Housing Advocacy Project of Legal Services of Greater Miami, Inc. advocates for the preservation and development of affordable housing for low and very low income people residing in Miami-Dade County.

Increase Amount Targeted to Households at or Below 50% AMI

Among the reasons that Miami's application may receive strong consideration for additional federal funding is the poverty of its residents: In recent years, the Bureau of the Census has found Miami to be the poorest metropolitan city in the United States. If Miami is awarded NSP2 funds, it will therefore in part be due to the sizable proportion of its population living in poverty. As a matter of fundamental fairness, we have strong concerns that Miami is proposing to allocate only the bare minimum of 25 percent of its request (\$9,625,000 of \$38,500,000) for the benefit of households at 50 percent or less of AMI, and makes no mention of residents surviving on 30 percent or less of AMI.

Due to the exceptionally large proportion of extremely-low and very-low income households in the City of Miami, we urge you to devote a **much greater proportion of NSP2 funding – at least a majority – to multi-family rental units for households at or below 50% of AMI**, through purchase and rehabilitation of such units, or through redevelopment of demolished or vacant properties. We also strongly urge that **a portion of the funds be dedicated** to assist the Miami households with the greatest need, those living on income **at or below 30 percent of AMI**.

Make Benefit to Very-Low & Extremely-Low Income Households Clear

The details of Miami's strategy to assist very-low and extremely-low income households give rise to additional concerns: In describing "Low Income Targeting" on page 13, the application states that \$9,625,000 will be targeted to households with income at or below 50 percent of AMI,¹ whereas the total amount allotted to this strategy on pages 7 and 18 is \$12,000,000 – leading the reader to conclude that \$2,375,000 is targeted to households with income greater than 50% AMI. On the other hand, in the description of this strategy on page 18, the application states that "All units, or a pro-rata share of them, shall be rented to low income families whose income does not exceed 50% of HUD's Area Median Income adjusted for family size." In addition, the description on page 18 states that this activity "may be designated as a rental activity, homeownership activity or a combination of both."

The proposal thus lumps together home ownership and rental options as well as households below and above 50% of AMI in a single strategy. The vagueness and ambiguity of this language (and indeed of the strategy itself) lead us to have grave concerns as to whether it meets the minimal federal requirement that at least 25 percent of funds will effectively benefit households with income at or below 50 percent of area median income. We therefore urge you to amend the application to **list a specific strategy with a specific dollar amount exclusively for the benefit of households with income at or below 50 % of AMI**.

Place Greater Emphasis on Rental Housing

Due to its cost, homeownership is not a viable option for the overwhelming majority of Miami households with income at or below 50 percent of AMI (approximately \$25,000 per year). Such households simply do not have sufficient income to pay for the costs associated with homeownership in Miami. This is especially true for households with income at or below 30 percent of AMI (approximately \$15,000 per year). For any housing strategy to be successful in providing housing at these income levels, it must be directed at the development or redevelopment of rental housing. It is therefore imperative that the proposal's language be clarified and that the proposal **direct sufficient funding exclusively to rental housing** so that it will actually benefit residents with income at or below 50 percent of AMI.

¹ On page 13, the application lists this strategy as "Strategy A," whereas on pages 7 and 18, it is listed as Strategy B." We assume that the numbering on page 13 is a typographical error.

Extend Minimum Affordability Period to 30 Years

As housing advocates, we struggle to preserve affordable rental properties that have received some form of governmental assistance to ensure that the needs of low-income residents continue to be met. Every year, our community loses affordable housing units because the affordability period to which the developer agreed as a condition of accepting public money has expired. Especially in these difficult economic times, we must maintain affordability levels for hard-working low-income residents. We therefore urge you to **extend the affordability period for all units that will receive NSP2 funding to 30 years.**

Increase the Long-Term Viability of Low-Income Rentals

Redeveloping or building low-income rental housing that is truly affordable for residents at or below 50% of AMI, and that will remain so, requires inclusion of certain features and restrictions, such as the obligation to adhere to the same requirements as properties that receive LIHTC assistance, the requirement to incorporate green building, storm proofing and universality specifications, and the obligation to train and employ local labor, particularly Miami residents living in poverty, in order to increase their long term ability to pay for the housing being developed.

We therefore strongly recommend that the proposal require that any rental property that receives funding under the City of Miami proposal (1) accept **Section 8 Housing Choice Vouchers**, (2) have an extended use agreement recorded in public records which calls for **good cause to terminate a tenancy**, (3) **meet at least LEED Silver green certification** requirements, visitability standards and include storm resistant and universal design features, (4) **prioritize local training and hiring**, and (5) **employ at least 50% of its workers from the locality** in which the property is located.

Again thank you for allowing us this opportunity to submit comments. We hope that they are helpful, and wish you good luck with your application.