

Affordable/Workforce Housing in Miami Beach



MIAMIBEACH

Typical Miami Beach Rents

Average rents:

- 1-bedroom apartment \$1,500 (Miami average \$1,600)
- 2-bedroom apartment \$2,400 (Miami average \$2,100)
- 3-bedroom apartment \$5,995 (Miami average \$2,700)

Area Median Income Rates

Family Size	1	2	3	4	5	6	7	8
30%	\$19,200	\$21,950	\$24,700	\$27,400	\$30,680	\$35,160	\$39,640	\$44,120
50%	\$32,000	\$36,600	\$41,150	\$45,700	\$49,400	\$53,050	\$56,700	\$60,350
80%	\$51,200	\$58,500	\$65,800	\$73,100	\$78,950	\$84,800	\$90,650	\$96,500
120%	\$76,800	\$87,840	\$98,760	\$109,680	\$118,560	\$127,320	\$136,080	\$144,840
140%	\$89,600	\$102,480	\$115,220	\$127,960	\$138,320	\$148,540	\$158,760	\$168,980

Source: U.S Department of Housing & Urban Development

Affordable Housing Defined

Affordable housing is any housing in which its occupants expend no more than 30% of household income on housing costs (rent, utilities, etc.)

In the vernacular, many people have associated affordable housing with the Section 8 housing program because the program requires participants to pay 30% of their income towards rent.

Affordable Housing Types

- **Subsidized Housing**
- **Public Housing**
- **Section 8**
- **Fair Market Rents**
- **Naturally Occurring Affordable Housing**

Subsidized Housing Defined

Subsidized housing provides reduced rent to income-eligible households (typically at or below 80% of Area Median Income) that results in either Fair Market Rents (typically lower than Market Rent which is dictated by the open marketplace) or rent costs capped at 30% of household income.

Can be publicly or privately provided.

Public Housing Defined

Public housing is affordable housing owned by a housing authority in which tenants pay 30% of the household's income towards rent.

Rebecca Towers' South Tower is an example of public housing.

Section 8 Defined

Section 8 is a rent subsidy program requiring income-eligible households to pay 30% of their household income for rent. The program has two aspects:

Project-based – Property-specific housing is typically owned privately but subsidized by federal funds.

Voucher-based – The rent subsidy is portable and can be used for housing in the marketplace.

Please note that out of 3,400 HACMB housing vouchers, only 30% remain within the City.

Fair Market Rents

Fair Market Rents (FMRs) are used to determine payment standards for the following programs:

- Housing Choice Voucher program
- Project-based Section 8 contracts
- Moderate Rehabilitation Single Room Occupancy program (Mod Rehab)
- HOME Investment Partnerships program
- Emergency Solution Grants program
- Continuum of Care recipients
- Public Housing units

Final FY 2021 & Final FY 2020 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 FMR	\$1,057	\$1,231	\$1,551	\$2,068	\$2,483
FY 2020 FMR	\$1,084	\$1,285	\$1,625	\$2,164	\$2,621

Naturally Occurring Affordable Housing (NOAH)

Naturally Occurring Affordable Housing are housing units in the private market that can be afforded by members of the local area workforce based on the 30% affordability rule.

- 9,912 households pay between \$1,000 - \$ 1,499 for rent. *(U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates)*

Occupation	Average Hourly Rate	Affordable Rent
Wait Staff	\$26,977	\$674
Teachers	\$49,524	\$1,238

Workforce Housing Defined

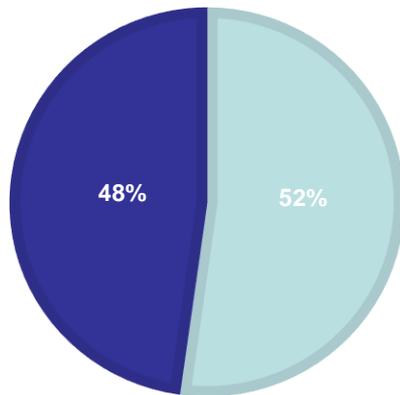
Workforce housing is affordable housing directed at individuals and their families employed in the area's local workforce.

Its modern use is most closely aligned with Aspen, Colorado's effort to provide subsidized housing for its workforce.

The Need for Workforce Housing

COST BURDEN

■ Paying less than 30% for housing ■ Paying 30% or more for housing



- **48% of all of the City's households** are paying 30% or more of their income for housing

19% of all homeowners pay 30.1-50% of their household income for housing
28% of all homeowners pay 50% or more of their household income for housing
23% of all renters pay 30.1-50% of their household income for housing
33% of all renters pay 50% or more of their household income for housing

The Need for Workforce Housing

Benefits of workforce housing in a community:

- Reduces traffic (*by eliminating cars carrying workers from other communities*)
- Creates closer community ties (*by those who live and work here*)
- Encourages residency by vital employees including teachers, emergency service personnel and nurses, among others

The City's Comprehensive Plan

Affordable housing goal:

Objective 1: Have 6,800 affordable units for low/moderate-income and special needs households (This was just reduced from the initial goal of 16,000 units)

Current Status: Through government sponsored programs, there are 2,048 subsidized affordable units for low/moderate income and special needs households as well as 3,400 Section 8 vouchers administered by the Housing Authority of Miami Beach.

Please note that subsidized buildings are not required to pay property taxes.

City's Efforts

The City has funded a variety of affordable housing projects over the past 15 years through either direct City funding or as subrecipients of Federal and State funding including:

Affordable rental housing for the **elderly**

- Allen Apartments (39 units)
- Jefferson Apartments (27 units)
- Rebecca Towers (400 units)

Affordable rental housing for **working families**

- Lottie Apartments (9 units)
- London House Apartments (24 units)

Affordable rental housing for **veterans and formerly homeless individuals**

- Harding Village Apartments (92 units)
- Meridian Place Apartments (36 units)

Affordable rental housing for **working and disabled individuals**

- Madeleine Village Apartments (16 units)
- Neptune Apartments (35 units)

City's Efforts: Affordable & Workforce Housing Incentives

- Affordable housing parking requirements have been reduced from:
 - 0.5 to 0 for elderly housing
 - 1 to 0.5 for low and/or moderate income non-elderly persons
 - No additional parking requirements for development of additional affordable housing units on an existing building and new construction.
- Workforce housing parking requirements have been reduced from:
 - 1 to 0.5
 - When an existing building is renovated and the number of units is increased, or when units are added on a lot with an existing building that is retained and renovated, there is no parking requirement for the newly constructed units
- For Main Use Garages Parking District 1
 - Zero-parking requirement for workforce and affordable housing within main use garages
 - Increased the maximum percentage of allowable accessory uses related to workforce and affordable housing from 25% to 35%

City's Efforts: Affordable & Workforce Housing Incentives, continued...

- **Affordable & Workforce Housing**
 - Reduced minimum and average unit size to 400 square feet across all zoning districts within the City where multifamily residential units are allowed.
- **Accessory Dwelling Units (ADU) Ordinance** allows for the following:
 1. ADU's be allowed in all single-family neighborhoods.
 2. The rental of ADU's be limited to homesteaded or owner-occupied properties.
 3. The rental of ADU's for over six months and one day.
- **Town Center**
 - The maximum residential density may be increased by up to 80 percent beyond the maximum residential density if the development incorporates certified workforce or affordable housing units.
 - The additional density may only be utilized for workforce or affordable housing units.

City's Efforts: Affordable & Workforce Housing Incentives, continued...

- **Affordable & Workforce Housing**
 - Waiver of Training and Technology Fee
 - This fee is currently 6% of the Building permit fee and is assessed by the Planning, Public Works, Fire and Building Departments.
 - The ordinance waives the Training and Technology surcharge for affordable and workforce housing projects, and automatically sunsets on December 31, 2025, to permit the City Commission to re-evaluate the exemption, and any impact to City's revenues, at that time.
- **Expedite Building Permit Review For Affordable Housing**
 - A resolution was passed in February 2021 to prioritize and expedite the review of building permits associated with the development of low- and moderate-income housing for non-elderly or elderly individuals

City's Efforts: Affordable & Workforce Housing Incentives, continued...

- **Additional legislation in process for affordable housing:**
 - Waiver of city land use board fees
 - Waiver of city mobility fees
 - A draft Ordinance amending the applicable sections of the Land Development Regulations (LDRs) to implement the fee waivers has been endorsed by the Land Use and Sustainability Committee and was referred to the Planning Board by the City Commission.

Questions?

