

**MIAMI-DADE COUNTY  
AFFORDABLE HOUSING  
PRESERVATION  
PLAN**



## FUNDERS AND PARTNERS

JPMORGAN CHASE & CO.



City of Miami Department of Housing & Community Development  
Housing Finance Authority of Miami-Dade County  
Miami-Dade Public Housing and Community Development  
University of Miami Office of Civic and Community Engagement

## TABLE OF CONTENTS

|    |                                  |
|----|----------------------------------|
| 2  | FUNDERS AND PARTNERS             |
| 4  | INTRODUCTION                     |
| 6  | PRESERVATION PLAN KEY STRATEGIES |
| 8  | CAPACITY BUILDING STRATEGY       |
| 18 | POLICY CHANGES STRATEGY          |
| 27 | CAPITAL SOURCES STRATEGY         |
| 34 | CONCLUSION                       |
| 35 | CITATIONS & SOURCES              |
| 37 | APPENDIX                         |

# INTRODUCTION

South Florida is facing an affordable housing crisis, as over 50% of households in Miami-Dade County are paying more than 30% of their income toward housing<sup>1</sup>. As local real estate continues to rapidly appreciate in Miami-Dade County, and wages do not increase at the same rate, this problem will only worsen. Meanwhile, our community is losing the affordable housing we currently have at astounding rates, resulting in significant displacement of our workforce, vulnerable residents, and our cultural heritage.

Fortunately, across the County there are several efforts underway to address the affordable housing crisis. Any successful strategy, however, must feature heavily the preservation of existing affordable housing. This makes financial sense, as preservation is usually more cost-effective than new construction<sup>2</sup>. Also, as new affordable housing units are built, preservation will ensure a net increase in the inventory numbers, preventing regional efforts from becoming futile attempts to fill an ever-deepening hole of unaffordability.

The Miami-Dade County Affordable Housing Preservation Plan recommends prioritized strategies to preserve existing affordable housing, addressing both types of affordable housing at risk of being permanently lost:

1. Properties with publicly-funded subsidies whose affordability restrictions are scheduled to expire within the next 5 years, and
2. “Naturally occurring affordable housing”, known as NOAH<sup>3</sup>, which is housing that is currently priced below market rates but has no public subsidy restrictions that serve to keep those rates low.

## SETTING THE STAGE

### PRESERVATION OF SUBSIDIZED AFFORDABLE HOUSING

Subsidized affordable housing includes a wide array of property types and subsidy programs, each with its own preservation challenges. For example, when the affordability period for a property with a rental subsidy ends, the building owner must decide whether to renew the subsidy, apply for additional subsidies, or convert the units to market-rate. Since 1993, Miami-Dade County has lost 8,042 subsidized affordable units<sup>4</sup>. In the

next decade, 95 developments in Miami-Dade County with 9,694 assisted units are at heightened risk of affordability loss because of expiring subsidies, aging facilities, or both<sup>5</sup>. Furthermore, for some properties with tax credit financing, the “Qualified Contract” process allows owners the opportunity to exit its affordability restrictions early after only 15 years.

### PRESERVATION OF NOAH HOUSING

The majority (approximately 76%) of affordable housing in the United States is “naturally occurring affordable housing” (NOAH)<sup>6</sup>. This denotes housing that is priced below market due to its age, physical condition or location. At-risk NOAH in the City of Miami largely comprises small to medium multifamily (SMMF) properties<sup>7</sup> built between the 1930s and 1970s. This stock houses some of our most vulnerable residents, with 60% of households earning between \$0 and \$10,000 annually living in SMMF<sup>8</sup>. The smallest multifamily buildings feature heavily in our residential market as well, with 10% of Miami’s residents living in buildings of 5-19 units<sup>9</sup>.

Unfortunately, we are losing these affordable units at alarming rates. According to a Federal Reserve Bank analysis, Miami lost more than 3,200 units with rents below \$750 from 2010 to 2014, while gaining 8,404 with rents above \$1,500<sup>10</sup>.

### MIAMI’S LOCAL RESPONSE TO THE CRISIS

The City of Miami and Miami-Dade County are taking important steps to address this crisis. The City has partnered with the Florida International University Metropolitan Center (FIU) to create a 10-year Affordable Housing Master Plan. Additionally, the City has partnered with Miami Homes For All (MHFA) and many others through the Connect Capital Miami initiative to create or preserve 12,000 units of affordable housing by 2024<sup>11</sup>. Similarly, Miami-Dade County has partnered with MHFA and FIU to create an Affordable Housing Blueprint. These plans explore policies and other strategies that can make a significant impact on the challenge in the short and long term.

Those broader housing initiatives have been informed by a local “Preservation Initiative” jointly led by MHFA and Enterprise Community Partners. In early 2018, these two organizations began convening stakeholders to craft solutions to the particular challenge of housing preservation, forming two bodies: the Preservation Interagency Council (PIC), a group of public sector representatives; and the Preservation Advisory Group (PAG), a group of private and public sector representatives. This Preservation Plan is the result of these bodies’ work. It is a concrete, prioritized action plan for the preservation of both subsidized and NOAH housing in Miami-Dade County.

## PRESERVATION PLAN KEY STRATEGIES

This Preservation Plan outlines key strategies that can impact Miami-Dade’s housing affordability crisis, and these are grouped into three categories. These strategies are equally important, and implementing all of these is required to ensure the most success from Miami-Dade’s affordable housing preservation efforts.

### CAPACITY BUILDING

Affordable housing stakeholders should invest in coordinating efforts and building out the infrastructure needed for new solutions. Additionally, local real estate developers need additional capacity to effectively execute preservation projects.

**SOLUTION 1:** Increase the membership and staff capacity of the Preservation Interagency Council (PIC).

- 1.1 Include more stakeholders and public agency participants in the PIC.
- 1.2 Provide the PIC with more staff capacity.
- 1.3 Formalize a relationship between the existing “Preservation Advisory Group” (PAG) and the PIC.
- 1.4 Establish an advanced warning notification system and marketing support for subsidized and NOAH properties that are potentially up for sale.

**SOLUTION 2:** Increase the capacity of real estate developers and building owners to redevelop and manage preservation properties.

- 2.1 Increase visibility of potential projects to mission-aligned developers.
- 2.2 Increase development and property management capacity of non-profit and smaller property owners.
- 2.3 Inform and identify preservation opportunities for non-mission aligned developers.

### POLICY CHANGES

There are several policy solutions that can facilitate the preservation of affordable housing, including adjustments to building and zoning codes, permitting processes, and property taxes.

**SOLUTION 3:** Modify local building and zoning codes to allow for some non-conforming uses and moderately increased density.

- 3.1 Amend codes to make some nonconforming buildings legal.
- 3.2 Moderately increase allowable density and reduce parking requirements in certain neighborhoods to encourage more supply.
- 3.3 Allow for accessory dwelling units (ADUs) in more single family neighborhoods.

**SOLUTION 4:** Streamline and reduce the cost of permitting for affordable housing preservation projects.

- 4.1 Coordinate different government entities’ permitting processes to support preservation projects.
- 4.2 Coordinate permitting processes with public funding timelines.
- 4.3 Make public infrastructure and utility impact fees progressive according to the size of the real estate project.

**SOLUTION 5:** Provide local property tax incentives in exchange for affordability.

- 5.1 Create state legislation that reduces property taxes for affordable housing projects.
- 5.2 Create local tax adjustment policies for affordable housing.

### CAPITAL SOURCES

Sources of development capital – new and existing – must be dedicated to affordable housing preservation.

**SOLUTION 6:** Create a fast-acting, local acquisition and rehabilitation fund with low-cost debt or impact equity.

- 6.1 Invest public resources to seed a medium-term (mini-perm) local acquisition/rehab loan fund.
- 6.2 Engage the social impact-focused private sector to create low-cost equity funds.

**SOLUTION 7:** Promote the dedication of existing local and state housing funds to preservation.

- 7.1 Support FHFC’s recapitalization funding programs.
- 7.2 Support local preservation funding and policy efforts.



## **CAPACITY BUILDING** strategy

To ensure effective preservation of affordable housing in Miami-Dade, we must increase the capacity of the following:

1. The Preservation Interagency Council (PIC) – a committee of public sector agencies that are best positioned to support the redevelopment and preservation of affordable housing, and the Preservation Advisory Group (PAG) – a committee of private sector actors who assist with the overall preservation agenda; and
2. Real estate developers and existing owners, especially of small, multifamily properties, that are positioned to own and renovate subsidized or unsubsidized affordable housing.

# Solutions

# 1.

## **INCREASE THE MEMBERSHIP AND STAFF CAPACITY OF THE PRESERVATION INTERAGENCY COUNCIL (PIC)**



The existing PIC, created to prevent loss of publicly-assisted affordable housing, needs more support to increase its capacity and reach. The PIC has already created a priority matrix with criteria to identify the properties most critically in need of preservation support. By including more public entities as members and by further bolstering its supporting staff capacity, the PIC can expand its potential interventions and solutions.

Currently, the PIC is comprised of the Miami-Dade Housing Finance Agency (HFA), Miami-Dade County's Department of Public Housing and Community Development (PHCD), and the City of Miami's Department of Housing and Community Development (HCD). Miami Homes for All (MHFA) plays an advisory role to the PIC and HFA provides staffing capacity through a member of its team.

## 1.1 INCLUDE MORE STAKEHOLDER AND PUBLIC AGENCY PARTICIPANTS IN THE PIC

The PIC needs to include more public sector organizations to increase its influence and geographic reach. It should invite representatives from additional municipalities to become participating members, including:

The housing authorities or related housing and community development agencies of Miami-Dade County's remaining entitlement cities:

- Hialeah
- Miami Beach
- Miami Gardens
- Homestead
- North Miami

Housing, or planning and zoning departments from other cities of significant population size and regional significance:

- Coral Gables
- Florida City
- Opa-Locka
- Doral
- North Miami Beach

HUD's Miami Field Office

Representative from Florida Housing Finance Corporation

## 1.2 PROVIDE THE PIC WITH MORE STAFF CAPACITY

Many PICs around the country have full-time staff housed either in a participating public agency or working with a third-party non-governmental organization that provides the PIC with administrative and coordination capacity.

Dedicated staff persons housed at a non-governmental entity have the advantage of being able to serve a communications and outreach role that most public sector representatives are limited in their ability to do. Also, a third-party non-governmental entity can often speak more freely to for-profit real estate professionals and to banking and financing representatives about potential preservation strategies.

1. Select a third-party, non-governmental organization that can serve as the PIC's administrative and coordinating partner. Some potential suggestions for organizations that can play this leadership role are:
  - A local policy or advocacy organization such as MHFA, South Florida Community Development Coalition or Health Foundation of South Florida;
  - A local mission-aligned financial institution, such as a CDFI, that has housing finance or policy arms, and can play a financing and administrative role, as the Community Investment Corporation (CIC) does in Chicago.
  
2. Identify funding that can be used to support this third-party organization's functions as the PIC's coordinating partner.
  
3. With the additional capacity, ensure that the PIC is actively helping to accomplish the following tasks:
  - Establish short-term strategies to preserve the most at-risk properties and longer-term strategies to prevent future losses;
  - Engage with larger, national funding and development entities regarding roles they can play in Miami (e.g. POAH; Enterprise Community Partners);
  - Manage the Preservation Matrix, a system that prioritizes subsidized housing properties for loss-prevention, and manage an associated "early warning system" (See Solution 1-D below). In support of this effort, the PIC should establish a long-term data management partnership with a single non-governmental entity.
  - Maintain an active relationship with the Florida Housing Finance Corporation;

- Constantly engage affordable housing property owners and determine their disposition;
- Identify preservation projects for action using the Priority Matrix and guide the implementation of the strategies needed to preserve affordability; and
- Inform local and state affordable housing funders on preservation funding priorities.

### **1.3 FORMALIZE A RELATIONSHIP BETWEEN THE EXISTING “PRESERVATION ADVISORY GROUP” (PAG) AND THE PIC**

The Preservation Advisory Group (PAG) plays a similar role to the PIC in other geographies, helping assess the challenges, suggesting solutions, and lobbying when necessary, but it includes a wider audience of non-governmental stakeholder participants. Miami’s PAG was established in January 2018 by MHFA and Enterprise Community Partners, and has been active in helping to create this Plan and other related reports. MHFA will continue leadership of the PAG, as its role evolves into that of an advisory group that meets periodically to advise on the implementation of the Preservation Plan.

The PAG is able to have conversations outside of the public sector constraints that the PIC might have, and this flexibility can be invaluable over the next few years of implementation. For the immediate future, the PAG should establish regular monthly or quarterly meetings and a working relationship with the PIC.

### **1.4 ESTABLISH ADVANCED WARNING NOTIFICATION SYSTEM AND MARKETING SUPPORT FOR SUBSIDIZED AND NOAH PROPERTIES THAT ARE POTENTIALLY UP FOR SALE**

An “early warning notification system” is needed for all of Miami-Dade County, which will serve to both provide advance notice of upcoming expiring subsidies and to market a subsidized or NOAH property that is up for sale. The purpose of this system is to provide the preservation community the time and information it needs to successfully transfer the ownership of a property to a mission-focused developer or organization.

The following are the different roles that an “early warning notification system” should play, but the technology platform it uses, exact policy foundations that establish and guide it, and management of it should be determined by the PIC with advisory support from the PAG.

- » Create a local or state policy that provides an effective means for sending out early warnings to the public sector and preservation stakeholders about subsidized affordable housing buildings that have affordability restrictions expiring, are being marketed for sale, or have their owner going through a process to terminate the affordability restrictions.
- » Require that a public sector entity, or the PIC / PAG, assist in marketing an affordable housing property that is up for sale to potential mission-aligned buyers.
- » Give the PIC, or another public sector entity, direct purchasing power so they can buy a building as part of the process to preserve its affordability and transfer its ownership to a mission-aligned entity.
- » Modify and strengthen existing early warning systems for mobile home parks that are for sale in Miami-Dade, following other more effective national examples, such as Oregon’s Resident Organized Community legislation for mobile home tenant rights.



# Solutions

## 2. INCREASE THE CAPACITY OF REAL ESTATE DEVELOPERS AND BUILDING OWNERS TO REDEVELOP AND MANAGE PRESERVATION PROPERTIES.



Real estate developers and current building owners face varying capacity issues depending on the kind of affordable housing property being preserved. Larger affordable housing projects involve developers that usually know how to work with existing funding sources. However, they may not have the mission-focus needed to persevere through the more rigorous processes involved in preservation work. On the other hand, smaller, mission-aligned developers may not have the financial capacity or experience that larger developers have, which affects their ability to navigate certain aspects of working with the public sector and the redevelopment process.

| REAL ESTATE DEVELOPER & BUILDING OWNERS' CAPACITY AND PRIORITIES |  |
|--|--|
| Nonprofit/<br>Mission-Aligned<br>Developers                      | Currently in Miami Dade, high-capacity nonprofit developers are not active in the acquisition and preservation of NOAH or smaller subsidized properties. Most are instead seeking tax credit-supported projects, due to alignment with expertise (in acquisition, rehabilitation, and property and asset management) and resource availability.    |
| Small/Low-Capacity<br>Property Owners                            | Existing local owners of affordable small-medium multifamily may not be aware of public resources available to support rehabilitation and preservation of their properties. Furthermore, they may not have the expertise needed to interface with the public sector or private financial sector.   |
| Non-Mission-<br>Aligned Owners                                   | Non-Mission property owners may prioritize return from the sale or redevelopment of their property for a use other than the current affordable, small-medium multifamily building. If current resources do not either provide similar competitive return or enable mission-aligned owners to acquire, these properties will be lost to the market. |

Creating new resources to preserve affordable housing will prove insufficient if the capacity of mission-aligned, for-profit and non-profit developers is not simultaneously built. Through numerous interviews with local and national developers who have either direct experience in acquisition and preservation, or who have not yet engaged due to concerns about risk and capacity, we have identified the below recommendations for activating and building local capacity<sup>12</sup>.

## 2.1 INCREASE VISIBILITY OF POTENTIAL PROJECTS TO MISSION-ALIGNED DEVELOPERS

### PROBLEM(S) TO SOLVE

Experience shows that developers must look at about 25 properties to find a viable deal - an immense outlay of time and resources.

|  |  |
|--|--|
| <b>TACTIC:</b> Support and directly build nonprofit capacity to acquire and preserve properties. |  |
| <b>ACTIONS TO IMPLEMENT</b>  | <ul style="list-style-type: none"> <li>• Provide grants to nonprofit developers to enable them to hire acquisition focused staff.</li> <li>• Resource an individual or entity responsible for finding and pre-vetting potential deals for mission-aligned developers.</li> </ul> |

### PROBLEM(S) TO SOLVE

Nonprofit, smaller mission-aligned developers, and low-capacity property owners are not aware of deals with enough lead time to realistically act.

Developers noted that often when they were successful in securing properties, this is because they secured them off-market and/or had a pre-existing seller relationship.

|  |   |
|--|---|
| <b>TACTIC:</b> Open new or expand existing communication channels between sellers and nonprofit and mission-aligned for-profit developers. |   |
| <b>ACTIONS TO IMPLEMENT</b>  | <ul style="list-style-type: none"> <li>• Establish listserv or other digital channels for real-time updates between sellers and developers.</li> <li>• Host regular roundtables or networking events to build relationships between these currently siloed networks.</li> <li>• Activate early warning notification/ property marketing system for properties with expiring subsidies.</li> </ul> |

|  |  |
|--|--|
| <b>TACTIC:</b> Share pipeline of existing subsidized/NOAH properties in key geographies with nonprofit developers. |  |
| <b>ACTIONS TO IMPLEMENT</b>  | <ul style="list-style-type: none"> <li>• Activate the Preservation Matrix and Database. (Chicago's CIC Example)</li> </ul> |

## 2.2 INCREASE DEVELOPMENT AND PROPERTY MANAGEMENT CAPACITY OF NON-PROFIT AND SMALLER PROPERTY OWNERS

### PROBLEM(S) TO SOLVE

Nonprofit developers will not pursue a preservation deal unless they have the know-how and confidence that it can be successful.

|  |  |
|--|--|
| <b>TACTIC:</b> Develop workshops, toolkits, training, templates, case studies and peer-to-peer learning on how to successfully develop and manage affordable properties. |  |
| <b>ACTIONS TO IMPLEMENT</b>  | <ul style="list-style-type: none"> <li>• Create a preservation toolkit for the region that includes case studies of successful acquisition/ preservation deals.</li> </ul> |

### PROBLEM(S) TO SOLVE

Even if they are able to complete development, many nonprofit owners do not have the capacity or experience to successfully manage affordable properties over the long-term.

|  |  |
|--|--|
| <b>TACTIC:</b> Identify mission-oriented property managers with experience in affordable housing properties who can be relied upon when developers cannot self-manage. |  |
| <b>ACTIONS TO IMPLEMENT</b>  | <ul style="list-style-type: none"> <li>• Develop and share list of current property managers with positive references from mission-aligned owners</li> </ul> |

## 2.3 INFORM AND IDENTIFY PRESERVATION OPPORTUNITIES FOR NON-MISSION ALIGNED DEVELOPERS

### PROBLEM(S) TO SOLVE

Many nonprofit developers do not have the prior experience or staff capacity required to pursue NOAH or subsidized preservation deals, and for-profit/non-mission focused developers need joint-venture partners to guide them through the mission-related challenges that preservation work entails.

|   |  |
|---|--|
| <b>TACTIC:</b> Facilitate joint-venture "match-making" between for-profit, non-mission focused developers with nonprofits or mission-aligned for-profit developers. |  |
| <b>ACTIONS TO IMPLEMENT</b>   | <ul style="list-style-type: none"> <li>• Assemble list of nonprofit developers interested in joint venturing on NOAH and subsidized preservation deals.</li> <li>• Facilitate "match-making" between potential JV partners.</li> <li>• Facilitate access to technical and legal assistance during joint venture negotiations to ensure equitable terms.</li> </ul> |



**POLICY CHANGES**  
strategy

To achieve our goals, we must make existing affordable buildings viable according to code, make interfacing with the public sector more efficient, and reduce the cost of preserving affordable properties.

# Solutions

## 3. MODIFY LOCAL BUILDING AND ZONING CODES TO ALLOW FOR SOME NON-CONFORMING USES AND MODERATELY INCREASED DENSITY.



### **3.1 AMEND CODES TO MAKE SOME NONCONFORMING BUILDINGS LEGAL**

Many of Miami-Dade's affordable properties, especially smaller multifamily rentals, exist with density configurations that are greater than current building and zoning codes allow, putting them at risk of loss. These properties are also older, and most of them are in need of significant repair. Yet rehabbing a nonconforming property is difficult to finance and permit without reducing the number of units in order to conform to current code, as rehab work can trigger a loss of grandfathered-in status, creating a catch-22 for hundreds if not thousands of units across the County.

Local municipal governments should amend building and zoning code laws to encourage small and medium-sized affordable properties to be rehabilitated and retained in the affordable supply. Those nonconforming properties that commit to covenant or deed affordability restrictions could remain non-conforming (with the parts of the code that are not related to life-safety) and still be considered legally compliant. It is not enough to simply provide rule exemptions for these properties, as financial institutions may not be able to underwrite projects if code states that non-conforming properties are illegal. The exact affordability restrictions should be considered carefully and in partnership with real estate professionals so as not to stymie potential projects.

### **3.2 MODERATELY INCREASE ALLOWABLE DENSITY AND REDUCE PARKING REQUIREMENTS IN CERTAIN NEIGHBORHOODS TO ENCOURAGE MORE SUPPLY.**

Local zoning codes should be modified in some geographic areas where there is neighborhood support to allow for moderately increased density and reduced parking requirements in exchange for affordable rents. Possible adjustments could include increasing the allowable density of a given zoning transect instead of changing a neighborhood's transect designation altogether.

These increases in allowed unit density and reduction in parking requirements are part of the solution for making currently non-conforming uses in older affordable housing properties compliant. However, density increases and parking reductions may also help add more units to preservation projects of older properties. This would increase the affordable housing stock and bring more revenue to the project, making it more financially viable.

### **3.3 ALLOW FOR ACCESSORY DWELLING UNITS (ADUS) IN MORE SINGLE FAMILY NEIGHBORHOODS.**

The preservation of affordable single-family homes that are owned or available for sale can further be supported through zoning code amendments that allow for Accessory Dwelling Units (ADUs) or other forms of income-producing rental units to be added to single-family home properties. The cities of Miami and Miami Beach have policies that allow for these in some neighborhoods, but broader coverage in other cities and neighborhoods is needed.



# Solutions

## 4. STREAMLINE AND REDUCE THE COST OF PERMITTING FOR AFFORDABLE HOUSING PRESERVATION PROJECTS

Across the country, the public sector and real estate development industries are cooperating to reduce the time and cost of permitting processes. In South Florida, a market where real estate and construction costs are already high, long municipal project review and permitting processes delay revenue and increase the costs of holding land, construction, and professional services. These effects can make preservation and other affordable housing deals more difficult or even impossible.

### 4.1 COORDINATE DIFFERENT GOVERNMENT ENTITIES' PERMITTING PROCESSES TO SUPPORT PRESERVATION PROJECTS.

Local government agencies, including municipal, utility, and state authorities, should coordinate and align permitting and plan reviews so that processing times are shorter and more reliable. Additionally, they should offer a fast-tracked permitting process for housing preservation projects, either by giving them quicker review processes or by bringing them to the front of the line for normal review and permitting. The PIC and its third-party administrator can help convene and design solutions with these agencies, including the City of Miami and Miami-Dade County's building permitting departments, Miami-Dade Department of Environmental Resource Management (DERM), Miami-Dade Water & Sewer Department (WASD), Florida Department of Transportation (FDOT), and other municipal planning agencies.

### 4.2 COORDINATE PERMITTING PROCESSES WITH PUBLIC FUNDING TIMELINES.

Additionally, local government agencies can reduce the lead time, and thus carrying costs, of preservation deals by coordinating permitting processes with affordable housing subsidy timelines. As much as possible, permitting should not create obstacles to qualifying for funding. As cited above, local agencies should convene and identify solutions to reduce barriers for housing preservation projects.





### 4.3 MAKE PUBLIC INFRASTRUCTURE AND UTILITY IMPACT FEES PROGRESSIVE ACCORDING TO THE SIZE OF THE REAL ESTATE PROJECT

There are many areas within Miami-Dade County where existing utilities and public infrastructure capacities are outdated and unable to support future development. Currently, under many of the municipalities' and the County's permitting processes, real estate projects (no matter the size) must bear the brunt if not the entirety of infrastructure upgrade costs. This is a significant expense that makes many projects financially infeasible.

Local governments should consider making these fees progressive according to the size and projected impact of the development project. This would help incentivize projects of mixed type and size, including rehabilitation of small, multifamily affordable housing. If a progressive fee payment is insufficient to cover the true costs of connections, utilities and infrastructure upgrades, the County should consider using general obligation bonds to invest in this critical infrastructure development instead of requiring development projects to bear the brunt.

# Solutions

## 5. PROVIDE LOCAL PROPERTY TAX INCENTIVES IN EXCHANGE FOR AFFORDABILITY



Property tax relief is a challenging solution to navigate, as the revenue generated by the ad valorem tax directly supports many government budgets and the services that they provide. However, the savings and financing capacity that result from a reduction in property taxes can be structured to incentivize new projects.

The cost reduction that tax incentives bring to owners and developers help make projects more feasible in both the underwriting and operations phases, by making operations budgets easier to support despite the lower cash flow from affordable housing units.

## **5.1 CREATE STATE LEGISLATION THAT REDUCES PROPERTY TAXES FOR AFFORDABLE HOUSING PROJECTS**

Cross-sector stakeholders should advocate for state legislation that explicitly allows local property appraisers to assess values of affordable residential properties (that have affordability covenants in place) based on the income and costs of the properties alone, and not through the highest and best use method, so long as they comply with certain upgrades and quality standards. This would result in lower assessed property values and thus lower property taxes.

## **5.2 CREATE LOCAL TAX ADJUSTMENT POLICIES FOR AFFORDABLE HOUSING**

Local municipalities should explore providing tax exemption or abatement options to subsidized and NOAH affordable housing properties that go through an affordability preservation process. Owners that elect to “preserve” a property’s affordability would qualify for a set time period of tax abatement or exemption if they agree to commit their property to an affordability restriction and comply with certain upgrades and quality standards. Providing property tax reductions for NOAH properties in exchange for affordability through a covenant is an efficient strategy to incentivize the preservation of NOAH.

## **CAPITAL SOURCES** strategy

Enterprise Community Partners conducted an analysis of the local gaps in affordable housing finance for affordable housing preservation.

The analysis shows that our most critical need is a local lower cost, medium-term (or “mini-perm”) fund for acquisition and rehabilitation. (A mini-permanent loan is short-term financing that is used to help a property transition from its acquisition and rehabilitation phase to its permanent financing and operations phase).

It should be fast-acting to facilitate competitive acquisition, and it should offer low-interest debt with higher loan-to-value (LTV) ratios. This kind of fund will help to fill financing gaps while lessening the need for public subsidy.



# Solutions

6.

## **CREATE A FAST-ACTING, LOCAL ACQUISITION AND REHABILITATION FUND WITH LOW-COST DEBT OR IMPACT EQUITY**

The public sector should seed this fund with top-loss debt and also subsidy. Across the country, communities are starting these financing vehicles with catalytic investments from the public sector. For example, in the San Francisco Bay Area, Metropolitan Transportation Commission funds are providing \$10 million in subordinate debt to help capitalize a preservation pilot fund that will enable quick acquisition and stabilization of affordable properties for up to 10 years. In Chicago, public funds as part of the Opportunity Investment Preservation Fund are used as credit enhancement to drive a lower, blended rate to borrowers. This mezzanine debt tool addresses equity gaps enabling developers to acquire affordable properties in strong markets. With a \$10 million investment from the Los Angeles Housing + Community Investment Department, The New Generation fund offers higher LTV ratios to enable acquisition and moderate rehabilitation of properties which may be higher cost. This tool also lessens the equity burden.

While the financing tool could provide low interest debt or low return equity, we recommend that subsidy also be contributed by the public sector to preserve deeper levels of affordability. A portion of the existing sources of subsidy in Miami-Dade should be committed to preservation, especially of small, multifamily housing, which represents the majority of the housing at risk. Fortunately, we know that the City of Miami, Miami-Dade County, and the Florida Housing Finance Corporation are already contemplating how to contribute subsidy to preservation. These public sector investments should be used to attract private and philanthropic debt and equity to the fund. These can take the shape of program-related investments or financial institution investments to meet regulatory obligations. To ensure that funding sources developed meet the unique needs of the Miami market, business planning including market analysis and financial modeling should be completed.

## 6.1 INVEST PUBLIC RESOURCES TO SEED A MEDIUM-TERM (MINI-PERM) LOCAL ACQUISITION/ REHAB LOAN FUND THAT CAN MOVE NIMBLY AND OFFER HIGHER LTV AND BELOW MARKET INTEREST RATES.

### PROBLEM(S) TO SOLVE

Competitive acquisition environment with numerous offers and quick closing pressures.

Higher LTV ratio needed for smaller developers and nonprofits who have limited access to affordable equity.

Process of accessing public funds is cumbersome, as required processes are time-consuming and out of alignment with the speed of the private market.

### EXAMPLES

Los Angeles' MATCH funds and New Generation Fund; Bay Area Preservation Pilot (BAPP); Chicago's CIC 1-4 Unit Program.

|  |  |
|--|--|
| <p><b>TACTIC:</b> Layer public and private funds together to create a new financial product:</p> <ul style="list-style-type: none"> <li>• Public sector commitment should be the first, in the form of top-loss funds with 7-10 year terms.</li> <li>• Philanthropic PRI (program-related investment): low-interest loan or grant funding</li> <li>• CDFI and Bank debt should come in a senior position.</li> </ul> |  |
| <b>POSSIBLE SOURCES</b>  | Possible sources for seed funding: Miami-Dade County Affordable Housing Trust Fund; Miami-Dade County Surtax; Miami Forever Bond; CRA funds. |

## 6.2 ENGAGE THE SOCIAL-IMPACT FOCUSED PRIVATE SECTOR TO CREATE LOW-COST EQUITY FUNDS.

### PROBLEM(S) TO SOLVE

Normal market return expectations for equity investments are not compatible with elevated acquisition costs and high rehab costs associated with affordable stock that is usually older.

### EXAMPLES

Minnesota's NOAH Impact Fund; Enterprise Preservation Fund

|  |   |
|--|---|
| <p><b>TACTIC:</b> Engage impact investors (philanthropy, corporate) to provide equity to deals at below market returns, with a 7-10 year term.</p> |   |
| <b>POSSIBLE SOURCES</b>  | Philanthropic Foundations; Corporations; Financial Institutions |

The affordability terms for units preserved with these new locally-focused, patient and lower-cost financing tools should be for at least 15 years for low-income families, individuals, and seniors. Lower-cost funds should lead to longer restriction terms and deeper affordability. This will help ensure that mission-driven developers can easily close deals that will maintain affordability, while still not being as conservative as the years of restriction that larger public subsidies require.



# Solutions

## 7.

### **PROMOTE THE DEDICATION OF EXISTING LOCAL AND STATE HOUSING FUNDS TO PRESERVATION**

#### **7.1 SUPPORT FHFC'S RECAPITALIZATION FUNDING PROGRAMS**

The Florida Housing Finance Corporation (FHFC) has been actively working to modify its existing programs to allow for more refinancing of subsidized affordable housing. Owners of existing multi-family affordable housing have publicly expressed the difficulties that they encounter paying for building maintenance and repairs after the first 15 years of their affordability covenants, and the challenges they face in trying to refinance or recapitalize these properties. Many of these property owners are thus either initiating the sale of the property through a Qualified Contract process, or they are requesting permission to terminate their property's affordability restrictions. Both of these outcomes seriously jeopardize the property's affordability.

FHFC has responded to these concerns by creating a series of immediately effective modifications to their policies that make it easier for existing or future owners to refinance their properties. It is important that Miami-Dade's PIC and PAG stay actively involved in tracking these changes, expressing their support, and supporting other future FHFC funding policy efforts.

#### **7.2 SUPPORT LOCAL PRESERVATION FUNDING AND POLICY EFFORTS**

Miami-Dade County government is actively exploring ways to dedicate funding for preservation-specific efforts. The City of Miami will also use a portion of its Miami Forever Bond funds for preservation work. Both the County and City's efforts with these preservation funds is to focus on preservation of existing subsidized multi-family affordable housing, NOAH housing, and single-family homes owned by households facing affordability challenges. The County's Public Housing and Community Development Department is also planning on rehabilitating thousands of existing public housing units through the Rental Assistance Demonstration project (RAD), which will also provide additional units of affordable and market-rate housing.

The PIC and PAG should continue to engage with these funding policy discussions and with those occurring within other local municipal governments, to help ensure that the subsidies being developed and leveraged correspond with this Preservation Plan's recommendations.



## CONCLUSION

The preservation of affordable housing has to be a key component of Miami-Dade County's efforts to increase the region's affordable housing stock. Combining strategies of preservation and new housing creation are the only way to ensure that a net gain of affordable housing units is obtained.

Miami-Dade County's large stock of small multi-family rental NOAH and the significant amount of subsidized housing with affordability restrictions that can terminate both represent affordable housing units that can be successfully preserved through the strategies outlined in this Preservation Plan.

This Plan's solutions will be challenging to get off the ground, but through an increased collaboration of public and non-public sector housing stakeholders, they can be enacted.

- The PIC and the PAG are the foundation for any effective preservation strategy, policy and capital coordination and implementation process. It is crucial to strategically include more organizations in the PIC and PAG, and to provide the PIC with more financial and operations support.
- The Policy and Capital Sources solutions outlined in the Plan are new processes and financial resources that need to be created, which will require a lot of effort to pull together. However, once made active, their return on investment value will be high as they will allow for the more efficient process of housing preservation to flow effectively.

Miami Homes for All and Enterprise Community Partners are excited to work with the PIC, the PAG, and other stakeholders to bring these solutions into action.

## CITATIONS & SOURCES

<sup>1</sup>Florida International University Metropolitan Center. 2012-2017 5-Year ACS estimates.

<sup>2</sup>Brennan, Maya; Deora, Amy; Heegaard, Anker; Lee, Albert; Lubell, Jeffrey; Wilkins, Charlie. "Comparing the Costs of New Construction and Acquisition-Rehab in Affordable Multifamily Rental Housing: Applying a New Methodology for Estimating Lifecycle Costs." Center for Housing Policy; 2013. <https://pdfs.semanticscholar.org/5337/abc2544ae5820a1bc92e52ce3d8f6d5fb8f9.pdf> (last accessed May 15, 2019).

<sup>3</sup>This report utilizes the Urban Institute methodology, which identifies NOAH as properties built before 1980, with gross rents below \$1000. This methodology can be found at [https://www.urban.org/sites/default/files/publication/89311/miami\\_lmi\\_2.pdf](https://www.urban.org/sites/default/files/publication/89311/miami_lmi_2.pdf).

<sup>4</sup>Miami Homes For All, Inc.; National Housing Trust; and, University of Florida Shimberg Center for Housing Studies. "A Pathway to Greater Preservation: Strategies to Preserve the Assisted Housing Stock of Miami-Dade County and the City of Miami." February 2018. <http://www.miamihomesforall.org/preservation.html> (last accessed May 15, 2019).

<sup>5</sup>Id. at p 2

<sup>6</sup>Urban Land Institute's Terwilliger Center on Housing; CoStar; <https://urbanland.uli.org/economy-markets-trends/new-costar-data-reveal-vast-national-inventory-naturally-occurring-affordable-housing-untapped-opportunity/>; 2016.

<sup>7</sup>Small to Medium Multifamily is defined as 4-49 units for the purposes of this report.

<sup>8</sup>Jakabovics, Andrew; An, Yeokwang; Bostic, Raphael W; Orlando, Anthony W; Rodnyansky, Seva; Small and Medium Multifamily Housing Units:Affordability, Distribution, and Trends, 2015.

<sup>9</sup>Jakabovics, Andrew; An, Yeokwang; Bostic, Raphael W; Orlando, Anthony W; Rodnyansky, Seva; Small and Medium Multifamily Housing Units:Affordability, Distribution, and Trends, 2015.



<sup>10</sup>Carpenter, Ann; Immergluck, Dan; Lueders, Abraham, Declines in Low-Cost Rented Housing Units in Eight Large Southeastern Cities, 2016.

<sup>11</sup>Miami Homes For All, Inc. and City of Miami. "Connect Capital Miami Report." <http://www.miamihomesforall.org> (last accessed May 15, 2019).<sup>12</sup>It is critical to note that these actions will require funding to support the development of this infrastructure; in addition, the potential managers and partners noted are recommendations of the authors. These do not represent commitments by those noted.

<sup>12</sup>It is critical to note that these actions will require funding to support the development of this infrastructure; in addition, the potential managers and partners noted are recommendations of the authors. These do not represent commitments by those noted.

<sup>13</sup>[https://www.enterprisecommunity.org/sites/default/files/media-library/where-we-work/northern-california/bapp\\_brochure.pdf](https://www.enterprisecommunity.org/sites/default/files/media-library/where-we-work/northern-california/bapp_brochure.pdf)

<sup>14</sup><http://www.preservationcompact.org/our-activities/opportunity-investment-fund/>

<sup>15</sup>To review these examples and others in more detail, see Appendix A.

### FUND EXAMPLES:

- Bay Area Preservation Pilot
- CIC Opportunity Investment Fund
- NOAH Impact Fund

### CASE STUDIES:

- Omni CRA, Vagabond
- Metropolitan Towers, Aeon

## BAY AREA Preservation Pilot – San Francisco

|                                  |   |
|----------------------------------|---|
| <b>Tool:</b>                     | Mini-permanent loan product with a 10-year term loan and a quick execution to allow mission-driven developers to compete for market-rate properties.<br>A minimum of 75% of the units to be restricted to tenants earning no more than 80% Area Median Income on a going-forward basis.   |
| <b>Amount</b>                    | \$49 M  |
| <b>Eligible Uses</b>             | Acquisition and immediate health/safety repairs.  |
| <b>Target Geography</b>          | Transit Priority Areas (TPAs) and Priority Development Areas (PDAs)   |
| <b>Target Property Profile</b>   | Occupied properties (100% housing, at least 80% occupied at the time of acquisition; and potentially mixed-use properties) that are deemed “affordable” to low income households - i.e., with rents affordable to households at 80% Area Median Income (AMI). A minimum of 4 units.<br><br>Eligible properties must satisfy minimum standards for safe, decent, and sanitary housing and might require some level of repair and rehabilitation as part of acquisition, at a minimum addressing health and safety concerns raised in Property Condition Report (see requirements). |
| <b>Capital Sources</b>           | Metropolitan Transit Commission - \$10M Subordinate debt. CDFI Capital - the Low Income Investment Fund, Enterprise Community Loan Fund. MTC funds - interest only. MTC funds - 0%.   |
| <b>Return Profile/Debt Terms</b> | The CDFI-funded financing will be limited to 85% Loan to Value (LTV); An amount satisfying a minimum 5:1 leverage ratio on the MTC investment. 10 Year term.  |
| <b>Sponsor Type</b>              | Non-profit developers acting solely or in joint-venture with for-profit developers  |
| <b>“But For” Case</b>            | 1. Nimble, patient acquisition capital.<br>2. Bridge to longer-term permanent financing.  |

## NOAH IMPACT FUND – MINNEAPOLIS

|                                  |   |
|----------------------------------|---|
| <b>Tool:</b>                     | Equity offering a 6.5% return to preserve NOAH properties.  |
| <b>Amount</b>                    | \$25M   |
| <b>Affordability</b>             | 15 year affordability; Minimum threshold for affordability is that 75% of the units must be rented at 80% AMI incomes and rents. Additionally, owners must accept Housing Choice Vouchers |
| <b>Target Geography</b>          | Twin Cities   |
| <b>Target Property Profile</b>   | Naturally Occurring Affordable Housing (NOAH)   |
| <b>Capital Sources</b>           | Investment types include Private Institutional Capital, Social Impact Capital, and Public Agency Capital each with different required rates of return and other terms.                    |
| <b>Return Profile/Debt Terms</b> | 10 year term / 6.5% with preferred lending partner / Equity Split: 90% Equity Partner / 10% Operating Partner   |
| <b>Sponsor Type</b>              | Mission-aligned for-profit or non-profit developers   |
| <b>“But For” Case</b>            | Properties in strong markets would be otherwise out of reach. Lower cost equity.  |

## CIC – OPPORTUNITY INVESTMENT FUND

|                                  |   |
|----------------------------------|---|
| <b>Tool:</b>                     | The Opportunity Investment Fund (the Fund) encourages encourage the creation and preservation of affordable units in strong markets. This creates more opportunities and choices for low income residents. The fund provides low-cost mezzanine debt to developers who purchase existing, functioning rental buildings in strong markets. |
| <b>Amount</b>                    | \$36.5M   |
| <b>Affordability</b>             | Must keep 20% of units affordable for at least 15 years.  |
| <b>Target Geography</b>          | Targeted community areas and census tracts  |
| <b>Target Property Profile</b>   | Existing properties in strong markets.  |
| <b>Capital Sources</b>           | Capital Magnet Fund (U.S. Treasury); City of Chicago; Illinois Housing Development Authority; Benefit Chicago; CDFI Capital; Bank Capital. Project Based vouchers.<br>The public dollars are used as credit enhancement, and help drive a lower, blended rate to borrowers.   |
| <b>Return Profile/Debt Terms</b> | After securing a first mortgage, developers can access the Fund to cover up to half of their remaining equity requirement, or go up to 90% loan to value (LTV).<br>10 year term / 7.5% with preferred lending partner / 90% LTV / 1.1 DCR   |
| <b>Sponsor Type</b>              | Mission-aligned for-profit or non-profit developers   |
| <b>“But For” Case</b>            | Properties in strong markets would be otherwise out of reach. Mezz debt to take on risk and lessen equity requirements.   |

# Omni CRA

MiMo/Biscayne Boulevard Historic District | Miami, Florida



## STRATEGY & DEAL STRUCTURE

This landmark project was the first issuance of Tax Increment Financing (TIF) funding from the Omni CRA towards their affordable housing mandate.

A case study project, several important factors were critical to the success of the development as a true community-wide benefit:

- no off-site displacement of existing residents during construction,
- no increase of rent to existing tenants over the 30-year commitment,
- improved quality of life for existing residents,
- a true historic restoration of the properties including all major system upgrades,
- utilization of local construction crews,
- and community outreach and involvement.

To create a more equitable community, providing safe and quality affordable housing through public-private partnerships is a key factor to improving residential health and financial stability.

## PROJECT FINANCING & DEVELOPMENT COSTS

The proposed project will be developed in partnership with the Omni CRA with a \$3.8 million forgivable loan after satisfying the 30-year Affordable Housing Covenant. The property was purchased for \$3.7MM (~\$83,000/unit) and allocated \$2MM (~\$45,000/unit) for renovation costs, with a total development cost of \$6.6MM (~\$150,000/unit). On the \$3.8MM investment, the Omni CRA will achieve an approximate \$8MM rental subsidy (monthly savings of \$320/unit) for existing residents compared to the allowable AMI rents. The local partner, Mt. Zion Community Development Corporation, will have a 7.5% ownership interest in the value of the improved and maintained property at the end of its 30-year

cycle. This project demonstrates the importance of providing an efficient means of public-private funding while improving community-wide social benefits.

| USES                    |                 |
|-------------------------|-----------------|
| Purchase Price          | \$ 3,700,000.00 |
| Renovation*             | \$ 2,000,000.00 |
| Developer Fee (Donated) | \$ 550,000.00   |
| Carry Costs             | \$ 350,000.00   |
| Total Sources           | \$ 6,600,000.00 |

| SOURCES                             |                 |
|-------------------------------------|-----------------|
| Public (Omni CRA)** Forgivable Loan | \$ 3,800,000.00 |
| Private (Bank Financing)            | \$ 1,800,000.00 |
| Private (Developer Equity)          | \$ 450,000.00   |
| Private (Donated Developer Fee)     | \$ 550,000.00   |
| Total Development Cost              | \$ 6,600,000.00 |

| OMNI CRA RENT SUBSIDY              |                 |
|------------------------------------|-----------------|
| Omni CRA Forgivable Loan           | \$ 3,800,000.00 |
| Average current rent (per unit)    | \$ 581.48       |
| Average allowable rent (per unit)  | \$ 1,102.50     |
| Monthly approx. savings (per unit) | \$ 321.82       |
| Projected savings (30-years)***    | \$ 8,084,109.79 |
| Return on Investment (annualized)  | Approx. 5.75%   |

## DEVELOPER

Based in the MiMo/Biscayne Boulevard Historic District, Vagabond Group Consulting is focused on enhancing communities through adaptive reuse of historic resources, place-making, and innovative private and public partnerships. Led by Avra Jain, an in-house team of architects and project managers have developed a successful balance between art and commerce to engage in projects which range from affordable housing to boutique restorations. We strive to keep the history of Miami relevant to present and future generations.



The development will consist of forty-four affordable and workforce rental apartments over five buildings located in the Historic Overtown neighborhood.



GEOGRAPHIC REACH:  
Miami, Florida



|   |  |
|---|--|
| 6<br>THREE-BEDROOM,<br>TWO-BATHROOM UNITS | 20<br>ONE-BEDROOM,<br>ONE-BATHROOM UNITS |
| 6<br>TWO-BEDROOM,<br>ONE-BATHROOM UNITS   | 12<br>STUDIO UNITS                       |





# METROPOLITAN TOWERS

2324 East Old Shakopee Road | Bloomington, Hennepin County, Minnesota



## STRATEGY & DEAL STRUCTURE

Metropolitan Towers is a 108-unit multi-family property located in Bloomington, MN. The property is an example of what is commonly referred to as Naturally Occurring Affordable Housing (“NOAH”), and in 2017 the property was put up for sale as part of a 10-property, 768-unit portfolio. As has been the case with thousands of other NOAH units throughout the Twin Cities Metro, the residential units within Metropolitan Towers were at risk of being sold to a “value-add” investor who would immediately increase rents for the existing residents and in the process, displace hundreds of people.

Aeon has taken an active role in preserving NOAH properties and keeping rents affordable at 60% of the area median income or less. Through a model that combines low-cost equity and debt with public partner investment, Aeon was able to acquire a total of 11 properties and 1,190 units in 2017.

Metropolitan Towers was acquired using a Freddie Mac First Mortgage and investment equity from Enterprise, BMO Harris Bank, and Aeon. A deferred loan was also provided by Hennepin County which allowed Aeon to apply for the 4d property tax classification, which essentially provides a 40% discount on property taxes in exchange for long-term affordability. The business strategy for this investment includes continuing physical improvements and interior renovations of the apartment property, addressing significant deferred maintenance and upgrades to the townhomes, and implementing new management and streamlining property performance.

### ENTERPRISE

|         |        |             |
|---------|--------|-------------|
| PRIVATE | EQUITY | \$1,816,514 |
|---------|--------|-------------|

### BMO HARRIS BANK

|         |        |             |
|---------|--------|-------------|
| PRIVATE | EQUITY | \$ 839, 985 |
|---------|--------|-------------|

### AEON

|           |        |           |
|-----------|--------|-----------|
| NONPROFIT | EQUITY | \$295,167 |
|-----------|--------|-----------|

### FREDDIE MAC FIRST MORTGAGE

|         |      |             |
|---------|------|-------------|
| PRIVATE | DEBT | \$9,872,000 |
|---------|------|-------------|

### CITY OF BLOOMINGTON HRA

|        |               |          |
|--------|---------------|----------|
| PUBLIC | DEFERRED LOAN | \$12,500 |
|--------|---------------|----------|

|              |  |                     |
|--------------|--|---------------------|
| <b>TOTAL</b> |  | <b>\$12,836,166</b> |
|--------------|--|---------------------|

## OTHER PRESERVATION DEALS

### Carrington Drive Apartments – 128 total units

Partnered with Hennepin County, the City of Brooklyn Center, Housing Partnership Network and Community Housing Capital

### Golden Star and Sun Place Apartments – 139 total units

Partnered with Citi on debt, Housing Partnership Equity Trust for equity, Ramsey County for local contribution

### Seasons Park Apartments – 422 units

Partnered with Walker & Dunlop on debt, Community Development Trust on equity, and City of Richfield for local contribution

### The Provinces – 128 units

Partnered with NorthMarq on debt, NOAH Impact Fund on equity, and Ramsey County on local contribution

### Towers Portfolio – 768 total units in 10 properties (including Met Towers)

Partnered with Enterprise, BMO Harris, and NOAH Impact Fund on equity, Bellwether Enterprise on debt, City of Bloomington, City of St. Paul, and Hennepin County on local contributions

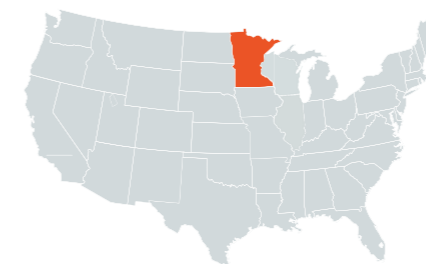


**DEVELOPER:**  
Aeon Development

**SECTOR:**  
Nonprofit

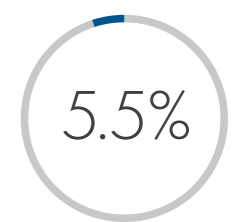
**PORTFOLIO SIZE:**  
4,155 APARTMENTS AND TOWNHOMES

**GEOGRAPHIC REACH:**  
State of Minnesota



**SELF-MANAGED:**  
3,387

**NEIGHBORHOOD CAP RATE:**

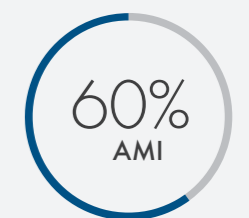


**THIRD-PARTY:**  
768

## IMPACT

Aeon has agreed to restrict the property to those making at or below the 60% AMI level and has also restricted rents at or below 60% AMI. The enforcement mechanism is a recorded land use covenant that accompanied a financial contribution from the City of Bloomington HRA. In exchange for this restriction, the property receives a property tax reduction of approximately 40% which helps to stabilize the rents.

NOAH affordability is significantly threatened. Dramatic post-sale rent increases affect families, children, educational opportunities and health outcomes. The residents of NOAH properties are mostly on fixed incomes or work minimum-wage or low-wage jobs. They are former teachers with small pensions, coffee shop baristas and grocery store cashiers. They wait tables, clean office buildings and work as nurse’s aides. And they are being pushed out of their homes. Aeon, with the help of our supporters and partners, will continue to act boldly to preserve existing affordable homes before thousands of families are forced out.



↓  
**PROPERTY TAX REDUCTION**  
≈ 40%





[www.miamihomesforall.org](http://www.miamihomesforall.org)  
[www.enterprisecommunity.org](http://www.enterprisecommunity.org)

All Rights Reserved.

Copyright 2019