



**COMMISSION MEMORANDUM**

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: March 19, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND ADOPTING THE CITY OF MIAMI BEACH LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM FOR FY 2025/2026, 2026/2027 AND 2027/2028, AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, CODIFIED IN SECTIONS 420.907 - 420.9079, FLORIDA STATUTES; AND AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE ANY NECESSARY CERTIFICATIONS; AND FURTHER AUTHORIZING THE ADMINISTRATION TO TRANSMIT THE LHAP TO THE FLORIDA HOUSING FINANCE CORPORATION FOR ITS REVIEW AND APPROVAL.

**RECOMMENDATION**

The Administration recommends adopting the Resolution.

**BACKGROUND/HISTORY**

The State Housing Initiatives Partnership Program (SHIP), administered through the Florida Housing Finance Corporation (FHFC), was established in 1992 by the William E. Sadowski Affordable Housing Act to stimulate the production of affordable housing statewide. SHIP Program funds are derived from documentary stamp levies on real estate transactions and held in the SHIP Program Trust Fund. Annually, FHFC allocates SHIP program funds among entitlement communities on a formula basis. SHIP program funds serve to increase access to affordable housing for income-eligible participants. Before any SHIP funds can be expended, the entitlement community must have an approved Local Housing Assistance Plan (LHAP).

The Plan is intended to increase the availability of affordable residential units by combining local resources and cost-saving measures into a local housing partnership using public and private funds to reduce the cost of housing. SHIP funds are leveraged with or used to supplement other funding sources such as HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) Programs to assist income-eligible households obtain access to affordable housing.

Furthermore, the LHAP includes policies, regulations, ordinances or resolutions adopted by the City in conjunction with the Affordable Housing Advisory Committee (AHAC), to encourage or facilitate affordable housing.

On April 6, 2022, the Mayor and City Commission approved the 22-25 LHAP for submission to the FHFC via Resolution No. 2022-32096. Subsequently, the City submitted the LHAP for review and approval to the FHFC's SHIP Review Committee. The Administration further reviewed various sections in the Plan for consistency, including the New Construction housing strategy and the current equity sharing policy for first time homebuyers. On June 6, 2022, the City Commission approved an amendment to the FY 22-25 LHAP via Resolution No. 2022-32187. The FY 22-25

LHAP expires June 30, 2025.

The Administration has drafted the 2025-2028 LHAP, a copy of which is attached hereto, to align with updated housing strategies and funding priorities. To secure future funding, the final draft must be submitted to the FHFC for approval by May 2, 2025, to ensure implementation of new strategies by October 1, 2025. SHIP funds will not be released until the LHAP receives full approval from the FHFC.

### **ANALYSIS**

The LHAP describes the housing goals that will be achieved per funding year with an estimated allocation amount based on the most recent allocation on FY 24/25. The activities funded must meet the statutory program requirements:

- At least 75% of the overall funds must be used for construction, rehabilitation or emergency repairs of affordable, eligible housing;
- At least 65% of the overall funds must be used for homeownership activities (homebuyer activities or owner-occupied rehabilitation projects);
- At least 30% of the overall funds must be reserved for activities that benefit low-income households;
- At least 30% of the overall funds must be reserved for activities that benefit very-low income households;
- At least 20% of overall funds must be utilized to assist households with a disabled member; and
- Up to 10% of funds can be allocated towards administrative costs such as salaries, advertisement, reports, appraisals.

The Administration is proposing to continue utilizing strategies for the broadest range of income-eligible households as prescribed annually by the US Department of Housing and Urban Development (HUD). The Administration is proposing the adoption of the strategies listed below.

- A. Purchase Assistance with Rehabilitation
- B. Owner-Occupied Rehabilitation
- C. Foreclosure Prevention
- D. Disaster Assistance
- E. Rental Development for Multi-Family Residential Properties with Income-eligible Tenants
- F. Rental Assistance (Tenant)

To promote the available programs/activities, the Administration continues working with local area mortgage companies and lenders to leverage resources and serve households seeking homeownership. The Office of Housing and Community Services (HCS) has collaborated with the Office of Marketing and Communications to promote the existing programs to prospective homeowners, including City employees, essential services personnel, and the public-at-large. Additionally, HCS collaborates with local housing counseling agencies to financially empower prospective homebuyers in their path to mortgage readiness.

The draft LHAP was presented to the AHAC for review on January 21, 2025. Following the review, the AHAC passed a motion in support of submitting the LHAP to the FHFC.

Additionally, the Administration published a notice announcing a 30-day public comment period from February 10, 2025, to March 11, 2025, to gather public input on the draft LHAP. No comments have been received to date.

### **FISCAL IMPACT STATEMENT**

All LHAP strategies are funded with SHIP funds.

### **Does this Ordinance require a Business Impact Estimate?**

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

## **FINANCIAL INFORMATION**

## **CONCLUSION**

The Administration recommends approval and adoption of the City of Miami Beach Local Housing Assistance Plan (LHAP) for the State Housing Initiatives Partnership (SHIP) Program for FY 25/26, 26/27 and 27/28, as required by the SHIP Program Act, subsections 420.907 - 420.9079; authorizing execution of any necessary certifications by the City Manager and the City Clerk; and further authorizing the Administration to submit the LHAP to the Florida Housing Finance Corporation (FHFC) for its review and approval.

## **Applicable Area**

Citywide

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

No

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

## **Department**

Housing and Community Services

## **Sponsor(s)**

## **Co-sponsor(s)**

## **Condensed Title**

Approval of LHAP for SHIP Program. HCS

## **Previous Action (For City Clerk Use Only)**