

Leadership Project

Preserving Affordable and Accessible Housing Along The **U**nderline

Team 6

Corion DeLaine
Aaron Hirschl
Kristofer Machado
Andrea Rowe
David Zorrilla

Presented to:
The Underline
August 5, 2021

Executive Summary

Objective

The Underline is interested in creating and preserving affordable housing through the identification of equitable land use incentives as The Underline is realized. It was requested that the West Brickell and West Grove neighborhoods be the focus of this report.

Context

The Underline will create a 120-acre, 10-mile linear park below Miami's Metrorail. As investment occurs in a community, residents in the surrounding area are often displaced because the cost of housing rises with new development and it becomes a financial hardship to stay put.

The West Brickell and West Grove are neighborhoods that have not seen much investment in the past years. With household median incomes and rents well below the more historically popular areas surrounding them, current residents are at risk of displacement as new market rate development comes in. To avoid displacing these residents, affordable housing options must be made available for the 4,700 low-income households with a median rent ranging from \$460 to \$825 in these neighborhoods. This is not likely to happen on its own. A plan must be developed to allow these residents to remain in their homes and in their neighborhoods.

Recommendations

Following diligent analysis of The Underline's development program and overall vision and mission, and in conjunction with a study of the existing market conditions, conversations with relevant stakeholders, and case studies of similar pursuits around the country, below are the recommendations identified to create and preserve affordable housing in the West Brickell and West Grove neighborhoods along The Underline. The multi-pronged approach we recommend outlines programs that will encourage affordable housing development of different size and scale in these neighborhoods.

1. Government-Led Incentives
 - a. Inclusionary Zoning
 - b. Comprehensive / Expedited Permitting
 - c. Fee Waivers
 - d. Affordable Housing Transferrable Development Rights
 - e. Utilization of Publicly-Owned Land
2. Local Stakeholder-Led Change
 - a. Community Group Activism
 - b. The Underline's Role

Table of Contents

Objective	1
General Information	1
Conclusions	4
Neighborhood Summaries	6
Current Land Use & Development Permitted.....	10
Neighborhood Priorities.....	16
CRA Status	17
The Underline's Influence	18
Publicly Owned Land	18
Affordable Housing	21
Case Study: Atlanta Beltline.....	23
Recommendations	26
Team Biographies	37

Objective

The Underline and its funding partners are interested in creating and preserving affordable and accessible housing and workforce opportunities through the identification of equitable land use incentives as The Underline is realized in the West Brickell and West Grove neighborhoods. Our objective is as follows:

What actions can be taken to encourage the creation and preservation of affordable housing in the West Brickell and West Grove neighborhoods as The Underline continues its development and completion?

General Information

The Underline requested that the ULI investigate this important topic through a Leadership Project. The Leadership Project is designed to harness the strength, experience, and leadership of the ULI Leadership Institute participants to partner with a local non-profit entity and address a tangible land use or real estate challenge.

The impetus for The Underline arose when, in 2013, Friends of The Underline founder Meg Daly had a bike accident, breaking both her arms. Unable to drive herself to physical therapy, Daly began taking the Miami Metrorail, an often-overlooked means of transportation in the car-centric region. In doing so, Daly would walk to and from the Metrorail stations under the shade of the tracks and noticed how underutilized that area was. Since its founding, Friends of The Underline has been committed to transforming the underutilized land below Miami's Metrorail, from the Miami River to Dadeland South Station. Through a partnership with Miami-Dade County, a vibrant and engaged board of directors, public and private donors and hundreds of volunteers, The Underline – today – is an example of repurposing unused public land into a park, community space, and asset. And so, The Underline mission was born:

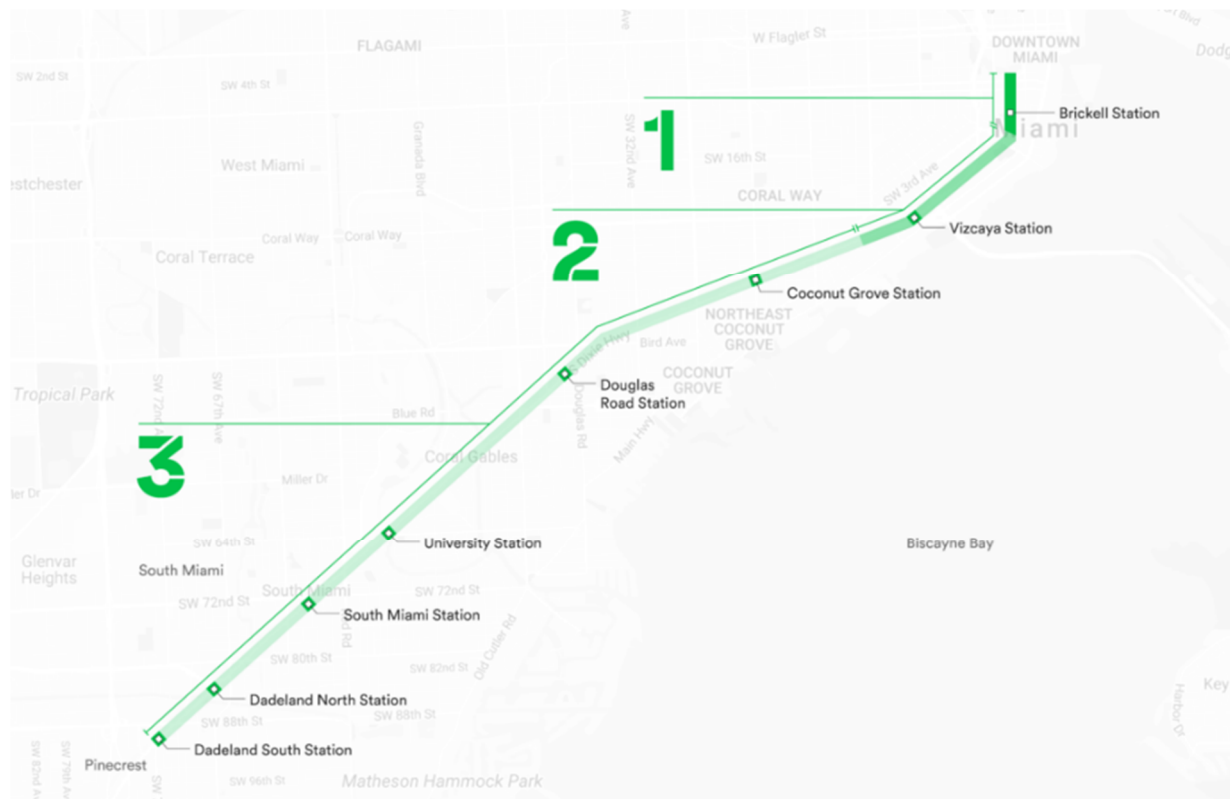
To deliver and activate a 120-acre, world-class linear park spanning 10 miles below Miami's Metrorail that will transform regional mobility and celebrate diversity, culture and lifelong learning.

When completed, the innovative 10-mile linear park and urban trail will transform the space beneath the Miami Metrorail into a pollinator park, an urban reforestation, a platform for health and wellness programs, a destination for public art, and a place to connect with your neighborhood

With its sheer scale of 120 acres, The Underline is Miami's most ambitious public space project and will change the way our city moves, connects and plays.

The park aims to beautify underutilized land and offer a safe haven for pedestrians and cyclists to get outside, enjoy the scenery and exercise.

At a projected cost of \$155 million, it is expected to be completed in 2027. Funding for the project is committed from Miami, Coral Gables, Miami-Dade and the state of Florida, including funds from road and park impact fees paid by developers and state funds earmarked for trail construction, according to the Miami Herald.



The Underline, Phased Plan

The reality of land development is that as investment occurs in a community, residents in the surrounding area are often displaced because it becomes a financial hardship to stay put.

Gentrification has many causes, but it results primarily from the entry of higher-income households into a historically lower-income neighborhood, either as a result of or as a precursor to new development and investment in the area. The newly arriving higher-income residents can afford much higher housing costs than the neighborhood historically could support, which spurs more and more development of higher-cost housing to suit the demand generated by the more affluent residents. This, in turn, drives land values and development costs higher, which increases the cost of new housing, and, with it, property taxes and the general cost of living in the community. As lower-income and blue-collar wages remain flat or depressed relative to higher earners, and housing costs, property taxes, and the overall cost of living increasing significantly in response to a more affluent resident base, many long-term residents can no longer keep pace with rising costs and are forced to abandon their neighborhoods for more affordable areas. Gentrification thus produces a pronounced *physical* and *social* change in the character and fabric of a neighborhood.

The West Brickell and West Grove neighborhoods of the City of Miami have historically been left behind in the boom cycles of South Florida development and have remained stable pockets of affordable housing in an increasingly unaffordable city. Due to a combination of factors, including the new development of The Underline, the scarcity of urban land for new development, and increased population growth, these neighborhoods are prime targets for redevelopment, gentrification, and the elimination of existing affordable housing stock.

Conclusions

Amidst The Underline's continued development and completion, this study identifies and recommends a variety of actionable routes to encourage the creation and preservation of affordable housing in the West Brickell and West Grove neighborhoods. Given the complexities associated with the preservation and development of affordable housing – particularly in one of the fastest growing regions in the Country – there is no “catch-all” solution; not to mention, the geographical and contextual differences between the two subject neighborhoods.

As detailed herein, the multi-pronged approach – led by local government and residents/constituents – including code-based reforms, economic incentives, and/or the use of municipally owned land, would be most impactful. Having said that, this study concluded that Inclusionary Zoning is the most critical single tool at stakeholders' disposal.

Inclusionary zoning policies encourage the development of affordable housing (particularly in low-income neighborhoods), thereby helping foster greater social and economic mobility and integration. Inclusionary zoning requires or encourages the creation of affordable housing units when market-rate housing is developed, with the primary goal of providing opportunities for disadvantaged families to move to low-poverty areas. To maximize their effectiveness, inclusionary zoning policies must be tailored to local housing markets and economic environments and integrated into comprehensive affordable housing plans.

Inclusionary Zoning policies and programs can have meaningful impacts on the development of new affordable housing units; however, they need to be tailored to the particular needs and characteristics of the targeted neighborhood or community and combined with other affordable housing strategies.

State	Number of programs	Percent of all programs
US total	1,379	100.00
California	144	10.44
Colorado	17	1.23
Connecticut	2	0.15
Delaware	2	0.15
District of Columbia	2	0.15
Florida	2	0.15
Georgia	1	0.07
Hawaii	2	0.15
Illinois	7	0.51
Maine	1	0.07
Maryland	7	0.51
Massachusetts	360	26.11
New Jersey	760	55.11
New Mexico	1	0.07
New York	8	0.58
North Carolina	11	0.80
Oregon	4	0.29
Pennsylvania	4	0.29
Rhode Island	9	0.65
Tennessee	2	0.15
Texas	5	0.36
Utah	1	0.07
Vermont	3	0.22
Virginia	7	0.51
Washington	17	1.23

Number of Inclusionary Housing Programs by State, 2016¹

¹ E. Thaden and R. Wang. Inclusionary Housing in the United States: Prevalence, Impact, and Practices. Lincoln Institute of Land Policy Working Paper WP17ET1, 2017. Used with permission of the Lincoln Institute of Land Policy.

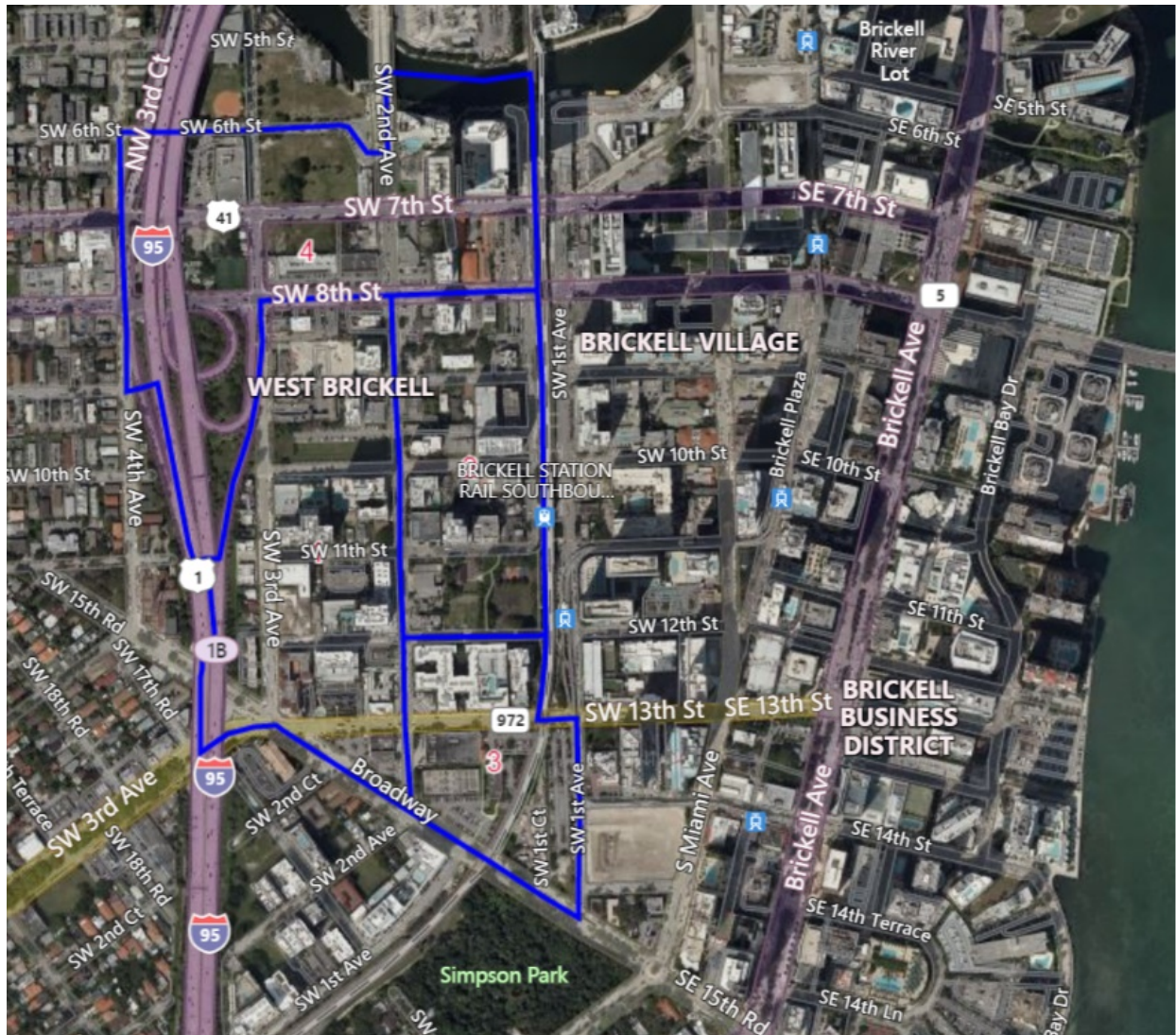
Neighborhood Summaries

West Brickell

West Brickell is a small neighborhood, approximately 101 acres, that is defined by I-95 to the west and the Metrorail and The Underline to the east. The northern boundary is the Miami River, which leads directly into the heart of Brickell along Biscayne Bay, and the southern boundary is Broadway/SE 15th Road, a cross street that divides the denser, urban Brickell area from the single-family Roads and Coral Way neighborhoods. Across the tracks, east of the Metrorail, is the booming Brickell corridor, which is almost completely built out with high-rise luxury apartments, condominiums, hotel and office uses.

As a sub-neighborhood of Brickell, West Brickell is primarily a residential neighborhood, made up mostly of low to mid-rise apartment buildings. In the 2010s, a combination of factors, primarily the new Miami 21 zoning code and the funding process for Low Income Housing Tax Credits, generated new affordable housing towers within the neighborhood. In this boom, senior affordable housing towers were developed. Additionally, with the City's development focus on the Miami River, new condominium high-rise towers were developed along the waterfront. Even with this new development, the bulk of West Brickell to this day remains as mid-century and pre-war buildings.

There are four census blocks that make up the West Brickell defined area, and a population of 4,206 reside here (Jan 2019, Landvision). The median household income in three of the census blocks ranges from \$29,138 to \$31,835, which is lower than the Area Median Income (AMI) of Miami Dade County of \$61,000 (4/1/2021 HUD data) and qualify them as low-income. Low-income is generally defined as 60% of AMI or less, and workforce- or moderate-income is between 80%-140% of AMI. The northern most census block appears to be the outlier, with a median household income of \$68,989, likely skewed due to higher end condos along the river. Focusing in on the southern three census blocks, the neighborhood consists mainly of rental apartments, with 91% of the households currently renting. The median rent in the three southern blocks ranges from \$683- \$788 per month, which is below the 60% AMI calculation to qualify as low income.



West Brickell Census Blocks

West Brickell Census Blocks	1-Southwest	2-East	3-Southeast	4 - North
Population	1,393	1,047	120	1,646
Number of Households	663	544	83	1,068
Median Household Income	\$29,138	\$31,835	\$29,375	\$68,989
Renter Occupied Units	589	456	59	832
Renter Occupied % of Total	89%	84%	71%	66%
Median Rent	\$788	\$705	\$683	\$1,454

West Grove

West Grove is a larger, less dense neighborhood than West Brickell, covering over 400 acres, and defined by five census blocks. US-1/South Dixie Highway forms the western boundary of the area, separating the neighborhood from the Metrorail, The Underline, and the high-end Merrick Park area of Coral Gables. Grand Avenue, a major commercial thoroughfare that has not seen much recent reinvestment, divides the neighborhood in half and serves as a main hub for commercial activity. To the south and east, the West Grove includes single family and low-rise residential apartments, before gradually meeting up with the higher end single-family estate neighborhoods closer to Biscayne Bay.



West Grove Census Blocks

For more than a century, households of the West Grove have experienced the acute, compounded, and persistent hardship of severe disinvestment. West Grove served as a home to Miami's early black Bahamian settlers and later as a sociocultural space for African Americans fleeing the racial violence of the Deep South. During the 1940s, small businesses along once-thriving Grand Avenue closed down and houses fell into disrepair. In the late 1950s, swaths of single-family homes were demolished and replaced with concrete public housing projects that soon suffered from serious deferred maintenance. By the 1960s, integration led to

the exodus of many black middle-class families, tearing apart the rich social fabric of the community. Despite years of promises to revitalize Grand Avenue, today the West Grove remains a distressed community. The landscape of the West Grove has devolved from a Bahamian Village offering mixed-use facilities and affordable housing to abandoned buildings and vacant lots.

A population of 3,707 people reside in the West Grove neighborhood. The median household income ranges from \$21,346 within the south block to \$45,417 in the northeast block, still well below the Miami Dade County AMI and meeting the definition of low-income (below 60% AMI). The southeast block appears to be an outlier, with higher median household income and rents comparatively. Out of 1,442 households, 71% are renters. The median rent ranges from \$460 to \$1,032 per month.

Census Block	1- Northwest	2- Southwest	3- South	4- Northeast	5 - Southeast
Population	751	752	664	1,014	526
Number of Households	329	276	357	393	234
Median Household Income	\$37,778	\$40,745	\$21,346	\$45,417	\$79,032
Renter Occupied Units	177	180	226	271	168
Renter Occupied % of Total	54%	65%	63%	61%	55%
Median Rent	\$460	\$629	\$825	\$953	\$1,032

With both the West Brickell and West Grove neighborhoods composed of a high concentration of renter households at comparatively affordable rents, redevelopment in these areas could have serious negative impacts on existing households. As shown in the tables below, Class A market-rate rental apartments in the surrounding neighborhoods average over \$2,700 per month, which is completely unattainable for the existing renter households in these neighborhoods. Displacement as a result of new development is a real threat for these households as the areas gain more developer interest and activity.

Brickell/Downtown Miami Area: Class A Market Rate Rentals						
Project Name		Occ. %	Leased %	Units	Avg SF	Market Rent
Monarc at Met3		96.3%	92.8%	462	896	\$3,217
Solitaire Brickell		96.0%	99.7%	438	855	\$2,768
Maizon		99.0%	100.0%	262	789	\$2,706
Caoba		92.8%	95.2%	442	828	\$2,595
Park-Line Miami		68.0%	77.0%	840	1052	\$3,322
Muze at Met		94.8%	99.7%	391	942	\$2,546
Total/Weighted Averages		91.1%	94.1%	473	894	\$2,859

Grove Area: Class A Market Rate Rentals						
<i>Project Name</i>	<i>Occ. %</i>	<i>Leased %</i>	<i>Units</i>	<i>Avg SF</i>		<i>Market Rent</i>
Modera Douglas Station	88.9%	92.8%	262	932		\$2,478
Modera Douglas Station Phase II	94.5%	98.3%	181	914		\$2,441
Berkshire Coral Gables	93.8%	98.2%	275	902		\$2,556
Gables Grand Plaza Apartments	99.5%	100.0%	195	1061		\$2,965
Gables Ponce I & II	93.0%	98.1%	396	1052		\$2,925
Grove Station Tower Apartment Homes	97.8%	96.2%	184	1006		\$2,665
Milagro Coral Gables Apartments	95.8%	92.4%	237	851		\$2,599
The Henry	94.2%	96.0%	120	1052		\$3,455
Life Time Coral Gables Preview Center	0.0%	24.0%	486	947		\$3,279
Link At Douglas	0.0%	18.6%	312	630		\$2,089
Total/Weighted Averages	65.9%	74.0%	265	926		\$2,756

Source: Radix, Axiometrics, July 2021

Current Land Use & Development Permitted

West Brickell

West Brickell is predominated by low- and mid-rise multifamily apartment buildings near the Metrorail corridor, with pockets of affordable housing developments and single-family homes scattered throughout the neighborhood. Some ground-floor restaurants and commercial uses exist, but they are far less prevalent than in the more established neighborhoods to the east of The Underline. Recent development trends have seen numerous multifamily rental projects completed in West Brickell within the past several years, including Aloft Brickell, Brickell Ten, Brickell View Terrace, City Crossings, City Heights, Vista Grande, West Brickell Tower, and West Brickell View, among others.

Current Zoning

The majority of West Brickell is currently zoned T6-24A-O, with portions zoned T6-12-O or T6-8-O. T6 is an urban transect zone in which additional density and intensity of development is encouraged. The “O” or “Open” designation that applies to each of these zones means that a multiplicity of uses are permitted by right, including multifamily housing, hotels, commercial uses, and offices.

Generally, the T6 transect zone allows for dense and intense development within the urban core, at heights and intensities that vary depending on the precise subdistrict.

- T6-24A-O generally allows 150 dwelling units (300 hotel rooms) per acre, a Floor Lot Ratio of 7.0 (or 9.1 with public benefit bonus), and a maximum height of 24 stories (or 48 stories with public benefit bonus).²
- T6-12-O designation generally allows 150 dwelling units (300 hotel rooms) per acre, a Floor Lot Ratio of 8.0 (or 10.4 with public benefit bonus), and a maximum height of 12 stories (or 20 stories with public benefit bonus).
- T6-8-O generally allows 150 dwelling units (300 hotel rooms) per acre, with a maximum Floor Lot Ratio of 5.0 (or 6.25 with public benefit bonus), and a maximum height of 8 stories (or 12 stories with public benefit bonus).

In addition, a portion of West Brickell, from the Miami River south to SE 15th Road, and from the Metrorail corridor west to I-95, is located in the Little Havana Residential Density Increase Area. This is a special area established by the Miami Comprehensive Neighborhood Plan in which a maximum density of 200 dwelling units (400 hotel rooms) per acre is permitted.

Anticipated Development

In the past decade, some developers were able to acquire land and obtain Low Income Housing Tax Credits (LIHTCs) to build affordable housing units. These high-rise buildings include West Brickell View, a 64-unit development serving low income seniors, and Brickell View Terrace, a 176-unit mixed-income high-rise, with 100 affordable units, 76 market rate units, and 7,000 square feet (sf) of ground floor retail. However, due to the limited land available in the waterfront eastern Brickell area and the opening of The Underline, West Brickell is now a prime target for gentrification. Privately held parcels that come to market for sale are looking to maximize the intended use in order to maximize sales proceeds, which means land prices are increasing greatly, making affordable housing developments not financially feasible.

² The bonus Height and FLR require a contribution to the City through one or more of the following public benefit programs: affordable/workforce housing, public parks and open space, green buildings, brownfields, and civic space or civil support space. Certain of these programs provide additional development flexibilities and incentives. For example, T6 properties that participate in the Affordable and Attainable Mixed-Income Housing Special Benefit Program are allowed a maximum building height of 125 feet (T6-8) or 240 feet (T6-12) with no limitation on the number of stories. [Reference links: Public Benefits Program ([here](#)); General Criteria ([here](#)); Affordable and Attainable Mixed-Income Housing Special Benefit Program ([here](#)); Workforce Housing Special Benefit Program ([here](#)).

West Grove

West Grove is an historic community that was settled in the 1870s by Bahamian migrants. The neighborhood is home to a number of “shotgun houses,” or narrow, rectangular, one-story, wood-frame homes introduced more than 140 years ago. Focal points of the community include Grand Avenue, Douglas Road, and Charles Avenue, originally known as Evangelist Street for the many local churches that line its frontages.

Miami 21 identifies the West Grove as an area of “unique Caribbean and Bahamian character and heritage,” and one that “illustrate[s] the incomparable legacy of the African-American community” in the City of Miami. Miami 21, Appendix A, Sec. A.2, 2.2.

There are several important historic sites in the West Grove, among them, the Mariah Brown House, the Historic Charlotte Jane Memorial Park Cemetery, the E.W.F. Stirrup House, and several historical churches. Through the years, West Grove has been degraded through demolition, abandonment, and disinvestment. Recent governmental efforts have centered on ensuring the West Grove’s preservation and restoration. These include the creation of the West Grove CRA and the establishment of a Neighborhood Conservation District overlay in the city’s zoning code.

Current Zoning

Most of West Grove is currently zoned T3-R, with portions zoned T4-L. Generally, these transect designations permit the following types of development:

- T3-R is a Sub-Urban Transect Zone that generally allows a maximum of 9 du/ac, a maximum building height of 2 stories (25’), maximum lot coverage of 50%, and minimum open space of 30%. The “R” in T3-R is a “Restricted” classification, meaning that allowed uses generally are limited to single-family homes, community residences, and home offices.
- T4-L generally allows a maximum of 36 du/ac, a maximum building height of 3 stories (40’), maximum lot coverage of 60%, and minimum open space of 15%. T4-L allows numerous additional uses that are not presently permitted in T4-R, including ancillary units, two-family residence, multi-family housing, and live-work residential uses, bed & breakfast, office, food service establishments, general commercial, and research facility.

Notably, all of the West Grove is located within the Village West Island District and Charles Avenue Neighborhood Conservation District (NCD-2). The NCD-2 is a

zoning overlay that seeks to identify and recognize the historical significance of the West Grove; to promote gateways, gathering places and activities corresponding to its culture and heritage; to complement the character of the entire community and promote the history of the neighborhood; and to promote its successful revitalization and restoration. Ultimately, the NCD-2 designation is intended to encourage appropriate infill to preserve the neighborhood's important historic context. For this reason, development within the West Grove must be consistent with and advance the principles of the city's Village Island West and Grand Avenue Architectural and Urban Design Guidelines.

Generally, the NCD-2 is geared toward the preservation of the historic and primarily residential character of the West Grove. Building height is limited to 25 feet in the residential district, consistent with the underlying T3-R standards, but heights of between 50 and 62 feet (5 stories) are allowed along Grand Avenue and Douglas Road to encourage appropriate infill development. The NCD-2 regulations also promote retail and commercial uses along Grand Avenue and Douglas Road that reflect the Caribbean heritage of the neighborhood, including straw markets, farmer's markets, and other craft and food markets. To preserve the density, intensity, and character of existing development, sites within the residential district that consist of multiple platted lots with an existing single-family residence are treated as a single development site and can only be redeveloped with one building unless the city approves a Warrant (a special zoning permit) for additional buildings. Similarly, all new construction, major alterations, and additions on Charles Avenue must be approved by a Waiver (another type of special zoning permit) and with recommendations provided by the Urban Development Review Board as to compatibility of scale, materials, roof slope, general form, massing, and ornamental details. The proposed demolition of structures older than 50 years requires historical significance review by the city's Historic Preservation Officer.

Anticipated Development

West Grove is already starting to see some examples of private-public partnerships coming to fruition in order to preserve and develop new affordable housing in the neighborhood. In April 2021, construction broke ground on Platform 3750, a mixed-use, mixed-income new development on County-owned land in the northwest corner of the West Grove (3750 S Dixie Hwy). The project will include 191 apartments, 78 for low- and moderate-income households, 400 parking spaces, 21,000 sf of retail space, and 29,500 sf of office space. An Aldi grocery store and Starbucks have already signed on as tenants. In addition, the County's

Community Action and Human Services Division and City Commissioner Raquel Regalado will also lease office space.

The developer, Cornerstone Group, put together the financing required through a complex network of sources, including a \$60.5 million Section 220 loan from HUD, \$5 million from the LIHTC program. Miami Dade County contributed \$8 million in Surtax funding and \$1.4 million from the economic development fund. The City of Miami invested \$3.5 million in general obligation bond funds and a \$1.95 million HOME loan (government subsidized loan). Each of these funding sources require competitive applications and an experienced developer to do a significant amount of upfront work with the state and local agencies in order to fill in all of the financing gaps. Each funding source has its own program requirements, constraints, and ongoing regulatory compliance, making it very challenging to navigate.

One of the challenges of developing more projects similar to Platform 3750 is the restrictions of the current zoning code. In West Grove, current zoning allows for higher density uses only along the northwestern edge of the neighborhood. Along US-1, the area is zoned T6-12-0, which allows for up to 12 stories, but this area is very limited, and the zoning steps back dramatically to T6-8-0, then T5-O and T5-L, which allow only 8 and 5 stories, respectively. The remainder of the entire West Grove neighborhood is low density suburban zoning and includes the NCD-2 in order to preserve the historical character of the area, as noted above. These areas are only allowed 9-18 units per acre and a maximum of two stories. Unfortunately, many of the affordable housing funding sources are not conducive to smaller deal sizes. In order to build approximately 100 units, which is typically the range that is competitive for LIHTC and other affordable housing funding sources, a developer would need to assemble a large parcel of over five acres, which is a difficult task in a small neighborhood consisting primarily of single-family lots.

RAPID TRANSIT ZONE

Due to its proximity to the Metrorail, those parts of West Brickell and the West Grove adjacent to the Metrorail corridor may be eligible for inclusion in the County's Rapid Transit Zone, codified in Section 33C of the Miami-Dade County Code. The RTZ consists of "all land area" designated by the Board of County Commissioners "as necessary . . . to support the continued operation and expansion of the metropolitan mass transit system." Properties within the RTZ benefit from additional density and greater permitting flexibility that is intended

to encourage transit-oriented development and increased ridership within and along the urban core.

Generally, the Brickell subzone of the RTZ allows density of up to 500 units per gross acre, and does not specifically restrict building height (other than by Miami-Dade Aviation Department standards), floor area, lot coverage, or the maximum square footage of buildings. In the West Grove, the RTZ currently includes only the rail right-of-way and the County-owned property adjacent to the Grove Station, located along S. Dixie Highway and SW 27th Avenue.

According to County planning officials, the Grove Station is regulated by Section 33C-8 of the Miami-Dade County Code as an RTZ within the City of Miami. RTZ development along this corridor is eligible for density of 125 to 250 units per acre, with a 12.5% to 25% density bonus available to LEED-certified residential buildings. Building heights of 15 to 25 stories are permitted, with the possibility of building up to 20 to 30 stories with LEED certification. Notably, all residential or mixed-use developments with more than four residential units must provide a minimum of 12.5% of their units as workforce housing units. A “workforce housing unit” is a dwelling unit rented or sold to a household earning between 65% and 140% of the area median income.

Portions of West Brickell are within the Brickell Subzone of the RTZ, which is regulated by Section 33C-10 of the Miami-Dade County Code. Currently, the Brickell Subzone consists of the Brickell Station, the fixed guideway right-of-way, and two parcel assemblies. One of the land assemblies is the County’s Galleria at Brickell and a new middle school development. Unlike in the West Grove, RTZ developments in the Brickell Subzone are not currently required to comply with any workforce housing requirement, but the County is encouraging it.

Ultimately, while the RTZ requires the provision of workforce housing in the West Grove, there have not been very many RTZ projects in that area of the city, with most RTZ developments confined to Brickell or Downtown where available densities are greater and there is no workforce housing requirement. Also, the RTZ works only if developers “opt in” to the program or if the County takes it upon itself to designate additional properties as part of the RTZ and divest the City of Miami of its land use jurisdiction. To this point, the County has not appeared willing to impose the RTZ on property owners, preferring instead to let the market dictate when and where RTZ projects occur. It is also unlikely that the RTZ’s current workforce housing requirement for the West Grove (of up to 140% AMI) would deliver the appropriate affordability needed to prevent the displacement of area residents.

Neighborhood Priorities

West Brickell is sandwiched between high rise luxury development to the east and low to moderate income development to the west, which leads to the area being a transitional zone containing Naturally Occurring Affordable Housing (NOAH). At present, the affordable housing availability is limited but encouraged as many of the existing residents are employed in the Brickell/Downtown area and commute to work via pedestrian means (Bike, Walk, and Metrorail). There does not appear to be any organized community groups with a significant presence that advocate for affordable housing specifically for this area.

The community of West Groves' response to lack of organized community involvement was the creation of GRACE. GRACE (Grove Rights and Community Equity, Inc.) is a fair and affordable housing coalition of a dozen Coconut Grove churches, civic associations, nonprofit organizations, small businesses, tenants, and homeowners who represent and advocate for Historic Coconut Grove Village West. Incorporated in August 2019, GRACE was born out of the Coconut Grove Ministerial Alliance Housing and Community Development Task Force, with a mission of not only halting and remedying the mass eviction, displacement, and resegregation of vulnerable black tenants and homeowners, but also to:

- Negotiate community benefits agreements in defense of vulnerable black tenants and homeowners which provides:
 - Cash contributions to assist in repairs and improvements
 - Declaration of Restrictive Covenants
 - Job creation and employment opportunities
 - Minimum set asides for affordable housing
 - Traffic mitigation studies when required
- Reform municipal land use and zoning policies that imperil at-risk tenants and homeowners.
- Promote thoughtful and equitable economic development.

CRA Status

On July 21, 2020, the Miami-Dade County Board of County Commissioners declared West Grove to be a slum or blighted area, and delegated the power to create a CRA for this approximately 960 acre neighborhood to the City of Miami for the purposes of adopting a redevelopment plan to present to the County Commission for review and approval. The area met two of the three criteria for a slum designation and eight of fourteen criteria for blight designation as described in Chapter 163, Florida Statutes. The Miami City Commission acted on these delegations in March 2021, and officially formed the West Grove CRA, declared the rehabilitation, conservation, and redevelopment of the West Grove Area to be in the public interest, and authorized the CRA to prepare and adopt a plan of redevelopment for the West Grove. Once prepared, the redevelopment plan will be submitted to the County Commission for final approval after a public hearing.

Commissioner Ken Russell, whose district includes the West Grove, will chair the West Grove CRA. Commissioner Russell has said the CRA "could help fund affordable housing projects in West Grove, assist low-income homeowners in repairing their homes, and encourage small-business growth."³

³ https://www.miamitimesonline.com/news/activists-celebrate-west-grove-cra-approval/article_467dec48-918d-11eb-81a3-f772c0828acd.html

The Underline's Influence

The Underline's Brickell phase was recently completed. Brickell is both a central transportation hub and a rapidly growing high-density urban neighborhood. Its diverse character encourages a program that can balance open space for commuters during rush hour and a park-like natural setting that can provide the local community with a much-needed backyard. The Underline's contribution to Brickell will accelerate the development of West Brickell due to combination of land that is more financially feasible to develop (lower property values due to vacant land, low density and/or older buildings) and now has an added outdoor amenity that comes at no additional cost (other than what land sellers add into their land cost).

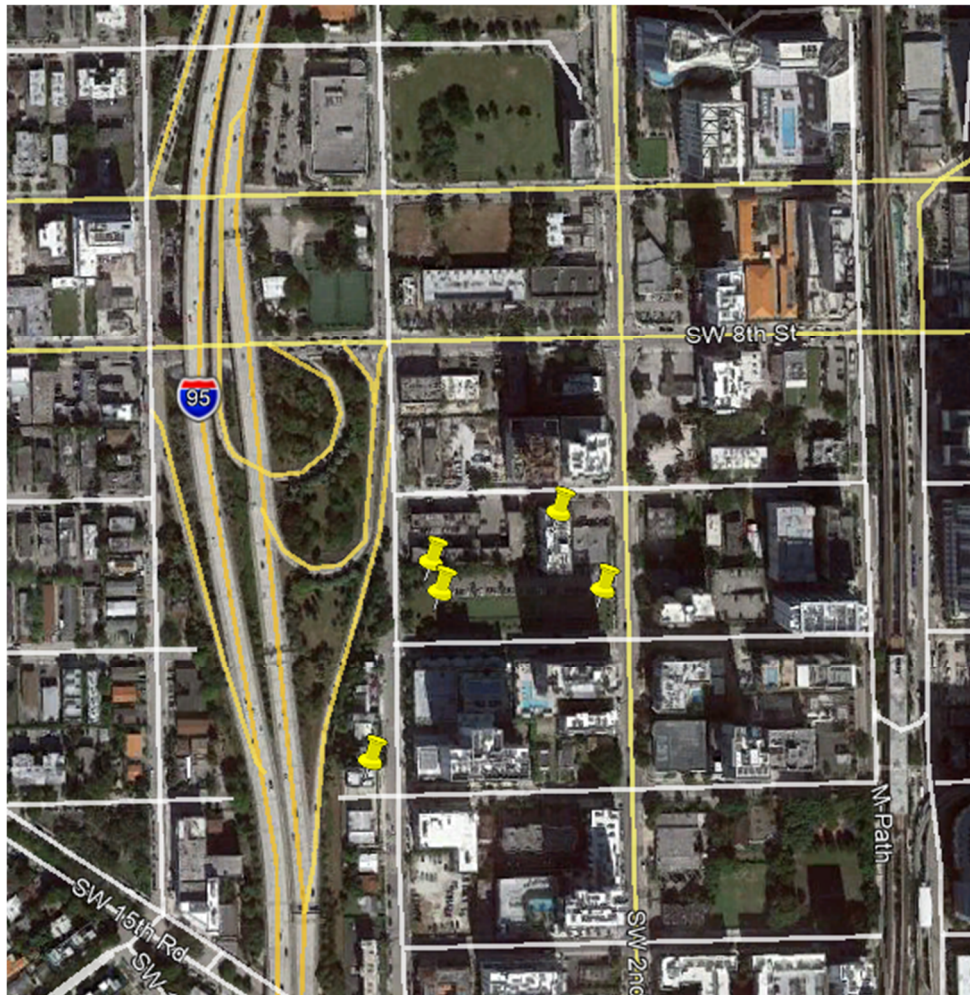
West Grove falls within Phase 3 of The Underline's linear park, which is still in procurement, with some portions being added as adjacent parcels are being developed. The Underline will have a similar effect of encouraging development in all neighborhoods adjacent to it. A key difference between West Brickell and West Grove is accessibility and density. West Grove residents will have to cross US-1 (a six-lane highway) that is gridlocked with traffic the majority of daylight hours. The amenity of the outdoors space still exists nearby, but will take more time and stress to get to it. West Grove is also more of a single-family neighborhood for those areas closest to The Underline. Development will be drawn to the Coral Gables neighborhood that is more urban with better access to The Underline. This is evidenced by the amount of development under construction and in the planning stages just west and north of the West Grove neighborhood.

Publicly-Owned Land

As land owners, municipalities have the opportunity to utilize existing land holdings in order to further public necessity for affordable housing. West Brickell and West Grove both have considerable amounts of land currently owned by either the City of Miami or Miami Dade County. These publicly owned properties could be considered a resource for the preservation of affordable housing within these

neighborhoods, as private land owners are more likely to seek monetary gains offered by developers as these neighborhoods gentrify.

In West Brickell, approximately 4.66 acres are municipally owned and operated, which if fully constructed under the prevalent T6-24 zoning in the area, could be developed with approximately 700 new units. The City of Miami owns 2.63 acres, over half of which is currently a public park and historical center enjoyed by the neighborhood, but remaining smaller parcels are vacant and could be utilized, but would require rezoning to accommodate residential uses.



West Brickell - County Owned Land

Miami Dade County owns approximately two acres of contiguous land in West Brickell. The majority of the County-owned land is vacant or surface parking, with the exception of one small 15,000 sf parcel that currently houses 116 units of public housing. The land is already zoned for high density uses and could be redeveloped into high-rise housing.

The West Grove has over 24 acres of municipally held land. Two of the largest municipally-owned assemblages are already designated as large-scale affordable housing developments, including Stirrup Plaza, a 100-unit public housing development that recently completed a substantial rehabilitation, and a newly constructed second phase of 68 senior housing units, completed with the assistance of the Related Group, a private developer. Across the street, a new private-public partnership has gained approval to build a mixed-use development on County owned land called Platform 3750. With the exception of the Water and Sewer Department building, the remaining municipal owned land in the West Grove consists of small, non-contiguous parcels and are zoned for low density residential uses.

Affordable Housing

Miami-Dade County has set a goal of building 30,000 affordable units to help meet the incredible demand within the County. There are several types of affordable housing, each with its unique challenges.

Naturally Occurring Affordable Housing (NOAH)

Naturally Occurring Affordable Housing typically happens because of the effects of time. It was not built to be affordable housing at the time it was constructed, but as the housing aged and no longer contained the latest finishes and amenities, it became the more affordable alternative to the newest, state-of-the-art apartments and houses.

While NOAH often suffers from deferred maintenance, its residents typically do not want to relocate without good reason as they have a sense of community with their neighbors. If forced to relocate, it might mean dramatically increased rent or moving to a different community with less expensing housing, but without the neighborhood support system residents are used to having.

Multifamily properties can apply for government incentives to preserve their affordable rents, but there are virtually no similar programs for single family properties. Single family property owners would need non-traditional funding sources, such as from a CRA or non-profit, that would provide funds in exchange for remaining rental property at affordable rental rates. Both neighborhoods appear to have single family NOAH, with West Grove having much more than West Brickell. It would likely take door to door interviews and/or mailings to find out how these properties are being used and if they are in need of assistance in order to remain or become affordable housing.

The challenge to preserving NOAH in West Brickell is that the zoning and land value encourages redevelopment and financial models to develop the property lean toward building housing that will be significantly more expensive (apartments or condominiums) or other uses entirely (hotel/office), as those uses are able to pay considerably higher land costs than affordable housing developments.

Publicly Owned Affordable Housing

Government run housing developments exist in these neighborhoods and were the original way to provide affordable housing to those that need it. The challenges to this model are that low-income residents are restricted to certain developments and the government involvement in the construction and maintenance of these projects is not necessarily the most cost-effective way for them to be built and managed.

These properties will remain affordable in perpetuity because the public owner has a mission to provide affordable housing in the face of economic conditions that put upward pressure on rents.

The challenge to developing this type of affordable housing project is the expense of construction and maintenance. There are funding and political challenges to overcome to make new projects a reality. The alternative is doing Public Private Partnerships (P3) and allowing the public sector to take on some of the financial risk in exchange for the financial reward of income streams and/or adding other uses (market rate housing, retail, hotel, office, etc.) to projects to make them more successful and increase the potential revenue stream.

There are several government owned single family properties in West Grove. Further discussions with government officials might provide background on how and why these were obtained and if they are serving as affordable housing and what are the plans for them over the next five, 10, and 20 years.

Privately Owned Affordable Housing

Privately run affordable housing does not typically happen on its own because the lower rents limit profitability. Through incentives at the national, state and local levels, companies can develop affordable housing and still make a reasonable and fair profit. Examples of these programs can be through mandates or subsidies, such as tax savings, grants, zoning variances, density bonuses, etc., or through funding programs like the 9% LIHTC Program.

These types of affordable housing developments are difficult to put together. They require competitive applications and often a multitude of different funding sources. The challenge to developing this type of affordable housing project is the necessity for government involvement and political support. Elected and government officials need to create policy and stand behind these projects in order for more of them to happen.

Case Study: Atlanta Beltline

In addition to being an urban trail and multimodal corridor, The Underline will be a linear park. From New York City's High Line to Atlanta's Beltline, linear parks have a proven track record of creating value. As a well-connected and unique site along a transit corridor, The Underline presents an extraordinary opportunity to generate a significant amount of economic development in the region by increasing property values along the corridor and thus stimulating new and unique developments that can reinforce The Underline's vision as a new sector of the region.

The Atlanta Beltline is a great example of what could happen as the development of The Underline nears its completion. Atlanta's Beltline has undoubtedly spurred much development and created a stronger, more attractive place to live, actively shaping a new and improved public infrastructure that will positively impact residents' quality of life for generations to come.

However, Atlanta continues to lead the nation in income inequality.⁴ The completed Eastside Trail section of the Beltline appeals primarily to the middle and upper classes. A visual observation of the population that utilizes the trail, along with the surrounding multifamily and retail development reinforces this statement.

On the Eastside Trail, for example, apartment rents and housing prices rose significantly, which drove many to other neighborhoods. The introduction of streetcars or light-rail, as has been proposed, that link with bus transit or Metropolitan Atlanta Rapid Transit Authority (MARTA) would aid in the effort to appeal to a lower-income population. However, the inventory of available opportunities is limited.

Even though community leaders and activists have long advocated for fair housing guarantees ever since the Beltline began taking shape, a July 2017 report

⁴ <https://www.cbsnews.com/media/9-american-cities-with-the-worst-income-inequality/>

by the Atlanta Journal-Constitution outlined just how far the initiative was from meeting its own benchmarks for affordability:

- As of the July 2017 report, the Beltline only delivered 785 affordable units, a fraction of the 5,600 affordable homes and apartments it is required to deliver, according to a law passed by the Atlanta City Council.⁵
 - In her book, *The Death and Life of Great American Cities*, Jane Jacobs makes the point that a great deal of diversity at the neighborhood level is needed so that people can remain in their local area even as their housing needs, jobs, and lifestyles change.⁶
- Lower income Beltline residents have been pushed out of their homes due to rising rents.
- Since then, various efforts to boost affordable housing have been announced, but the impact is yet to be realized.⁷

To that point, lower-income Atlantans have every right to fear displacement and gentrification as a result of the Beltline. In order to generate diversity, the Beltline needs to be easily accessible to all socioeconomic populations and “mingle buildings that vary in age and condition.”⁸ Lastly, it is an incredibly expensive development and significant debate remains around whether those funding the Beltline, via their tax base, are actually benefitting from it. While the project has relied largely on federal grants and philanthropists and foundations, debate continues over the Tax Allocation Districts (“TAD”), which are funded by school, county, and municipal taxes. Proponents of the TAD believe that as the Beltline attracts new residents and development, the tax base will rise, and eventually that momentum will help the schools. Opponents of TAD have argued that schools and poor people of color are paying for amenities enjoyed by white homeowners. Debate over funding will continue for years to come and, for now, Atlanta’s future and the Beltline’s completion remain uncertain despite the fact that in the short term, the Beltline has contributed greatly to Atlanta’s overall feeling of being “full of potential, hype and hope.”⁹

The original Atlanta beltline was developed as a means to connect industry to the Southeast United States by rail. Today’s Beltline, however, aims to re-connect

⁵ The Tax Allocation District (“TAD”) was set up so that 15 percent of all bond proceeds go to pay for affordable housing near the Beltline, with a goal of 5,600 units by 2030.

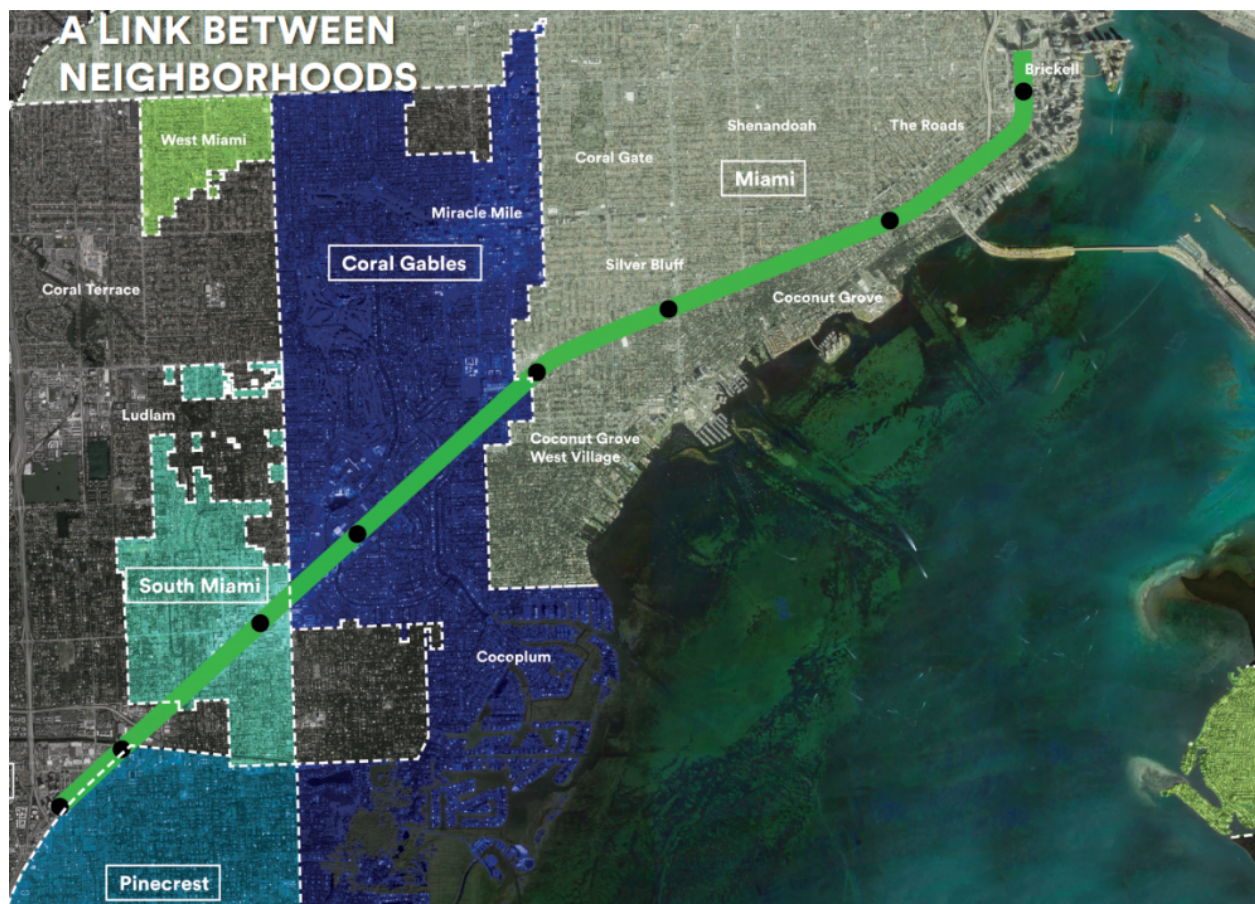
⁶ Jacobs, Jane. (1992) *The Death And Life Of Great American Cities* (New York): Vintage Books

⁷ <https://atlanta.curbed.com/2017/3/14/14922274/Beltline-unveils-80m-eastside-trail-development-with-affordable-housing>

⁸ Jacobs, Jane. (1992) *The Death And Life Of Great American Cities* (New York): Vintage Books

⁹ *City on the Verge: Atlanta and the Fight for America's Urban Future*, Mark Pendergrast

Atlantans to one another by reimagining the community. Embracing the area's physical limitations, building infrastructure and public amenities, and offering citizens an aspirational vision, Atlanta is hoping to redeem its past and save its future. The Beltline has reshaped the urban landscape of one of America's largest cities and will serve as a quintessential infill redevelopment case study for our country, and the world, moving forward. Like the Atlanta Beltline, The Underline serves a community purpose, via tapping into the unique identities of each adjoining neighborhood by providing distinctive places for programs relevant to each community; further, like Atlanta's Beltline, The Underline is quite literally a physical manifestation of a gateway to adjacent population centers, improving physical access from north to south, as well as across US-1 / South Dixie Highway.



The Underline with Municipalities Identified

While signature parks generate value premiums on existing building stock, they can also catalyze new development – as was observed in Atlanta's Beltline – and redevelopment in surrounding neighborhoods with vacant land or aging building stock poised for redevelopment to integrate new or higher uses. The lessons learned through analysis of Atlanta's Beltline helped shape our recommendations

for The Underline, specifically as it relates to affordable housing and concerns about displacement. Several factors will influence the level of impact The Underline will likely have on surrounding real estate, including property ownership, land-use, zoning, physical characteristics and connections as well as existing and future nodes of activity along the corridor.

Recommendations

Given the complexities of preserving and developing affordable housing, as well as the geographical and contextual differences between the two subject neighborhoods, there is no "silver bullet" solution. Instead, there are several levers that the local government could utilize to help encourage the development of affordable housing as these areas begin to gentrify, including code-based reforms, economic incentives, and/or the use of municipally owned land. Additionally, and importantly, local stakeholders, including The Underline, can leverage their community presence to promote affordable housing.

Government-Led Incentives

Inclusionary Zoning

Cities and towns throughout the country have attempted to alleviate the housing affordability crisis by requiring new projects to include a certain number of affordable dwelling units that are restricted (typically for a period of at least 30 years, if not longer) to occupants of a certain income level, usually paired to a percentage of AMI. These so-called "inclusionary zoning" ordinances seek to generate affordable housing through and in sequence with new private development, rather than through public subsidies or government-built low-income housing.

Inclusionary development-driven affordable housing is cyclical and directly proportional to market-rate housing construction, which means that inclusionary zoning will produce more affordable units in "hot" housing markets and fewer affordable units in downturns. Likewise, the rigidity of the inclusionary development policy and the prevalence or absence of similar regulations in neighboring cities affect the policy's ability to produce additional affordable housing. If the policy is too rigid or onerous, or if neighboring cities do not have any such requirements, developers likely will choose to build elsewhere where more favorable development conditions or incentives can be had.

Overall, inclusionary zoning policies, particularly in their most rigid and prescriptive forms, have produced mixed results. Some studies have found that inclusionary zoning policies generally succeed in producing additional affordable housing. Yet, many other studies have found that inclusionary zoning reduces housing supply and increases the housing costs. The discrepancy in outlooks is due largely to the wide disparity in the form, substance, and implementation of inclusionary development policies.

To date, the City of Miami and Miami-Dade County have not adopted mandatory inclusionary zoning ordinances, preferring instead to induce developers into building affordable units in exchange for zoning bonuses or additional development rights, such as additional floor area, greater height, or increased density.¹⁰ As an additional constraint, Sections 125.01055 and 166.04151, *Florida Statutes*, permit counties and cities to adopt inclusionary zoning policies only if they provide “incentives to fully offset all costs to the developer of its affordable housing contribution or linkage fee.” These statutes greatly limit the power of counties and cities to require developers and market-rate end-users to absorb the cost of building affordable housing.

As an alternative approach to mandatory inclusionary zoning, some cities have adopted a more moderated approach, requiring developers to provide affordable units only if they seek a rezoning, special permit, or other deviations from the land development code. One such example is the City of Boston’s Inclusionary Development Policy (“IDP”), adopted in 2000, and refined most recently in 2019. Boston’s IDP requires that development projects of 10 or more dwelling units which obtain “zoning relief” (such as variances, rezonings, planned development approvals, or similar deviations) must contribute to affordable housing either by (i) providing affordable units onsite within their building (typically 13% of a development’s units); (ii) providing affordable units offsite within a certain

¹⁰ Perhaps the closest regulation to inclusionary zoning in the county is the City of Miami’s recently enacted affordable housing initiative within the OMNI CRA. Adopted in December 2018, the regulation allows projects zoned T6-24b within the OMNI CRA to make use of bonus height and floor area available under Miami 21 only through the provision of workforce or affordable housing, in amounts ranging from 5% to 14% of the project’s units. The greatest zoning bonuses are available only to projects that agree to set aside their affordable units at no more than 80% AML. This policy is elective (rather than mandatory), since it applies only to those projects that seek to make use of bonus height and floor area. It is uncertain how successful this policy will be, as the T6-24b transect is narrowly confined to a select few properties within the OMNI CRA, and the city modified the Miami 21 code to allow other properties that could be rezoned to T6-24b to instead be rezoned to T6-36a to avoid application of the policy. See City of Miami Ordinance No. 13817, adopted December 13, 2018. Miami 21 contains many other affordable and workforce housing programs, including the recently implemented Wynwood Attainable Mixed Income Program, but all rely on zoning bonuses to induce the construction of affordable and workforce housing.

radius; or (iii) making a payment to the city's inclusionary housing trust fund, which are then used by the City of Boston Department of Neighborhood Development to fund the creation of affordable/income restricted housing across Boston. According to the city, Boston's IDP program has created 2,599 affordable dwelling units, and IDP funds have built an additional 1,414 affordable dwelling units over the life of the program, which equates to about 200 affordable units per year.¹¹

Boston's IDP may serve as a useful model in the effort to generate additional affordable housing in the West Grove and West Brickell. In fact, because IDP applies only to projects that require zoning relief, and does not affect projects that can be built "by right" under current zoning, the IDP approach would be much less susceptible to scrutiny under Sections 125.01055 and 166.04151, *Florida Statutes*, since the ability to obtain zoning relief (i.e. benefits not allowed by current zoning) would be the incentive through which the city offsets developers' cost of providing affordable housing.¹²

Numerous possible implementation strategies can be devised, including the following:

1. Requiring developers to restrict a certain percentage of their units (e.g. 5%) as affordable if the project requires zoning relief, such as one or more waivers, warrants, exceptions, variances, or is entitled

¹¹ <http://www.bostonplans.org/planning/planning-initiatives/inclusionary-development-policy-2019-update>

¹² It is important to note that, while Boston's IDP has been successful in creating affordable housing, it is but one tool that the city has employed to assist in the affordable housing crisis. Other tools either adopted or under consideration include imposing a "transfer fee" up to 2% on the purchase price of any private real estate sale over \$2 million in the city; the creation of a Housing Advisory Task Force, an Office of Housing Stability, and an Interagency Fair Housing Development Committee; and issuing low-interest loans to at-need residents through the ONE+ Boston program. Most recently, in January 2021, the City of Boston adopted a "fair housing" zoning amendment that is aimed at increasing affordable housing and decreasing displacement and gentrification in some of the city's most affected neighborhoods. As part of the new "fair housing" zoning requirement, developers who propose large-scale projects subject to heightened planning review or within certain planned development areas must undertake a displacement risk analysis and employ one or more approved displacement "mitigation" tools, which vary from constructing more affordable units than IDP requires, to lowering the rental or sale prices of the affordable units provided, to giving rental preferences to at-risk families who have suffered no-fault evictions, to offering tenants a right of first refusal to purchase their units upon conversion, along with numerous others strategies. See *Boston Zoning Code and Affirmatively Furthering Fair Housing Review Procedures and Submittal Requirements* (December 2020), available at <http://www.bostonplans.org/getattachment/a5911687-386d-4c39-86bf-5c20874b7319>. Many of these tools could be much harder to implement in Miami due to state statutory restrictions and potential public or political skepticism of tools that are seen as confiscatory of private property rights.

- through approval of a special area plan, similar to Boston's IDP. The affordability requirements could be paired to the number of items of zoning relief requested, so that projects that obtain special area plan approval or require multiple waivers, warrants, exceptions, or variances are required to provide a greater number of affordable units or must comply with a more stringent AMI requirement than projects seeking lesser relief.
2. Requiring developers to restrict a certain percentage of their units as affordable if the project requires certain specific types of zoning relief that would have the effect of permitting the developer to construct more market-rate dwelling units than would otherwise be allowed by zoning (e.g., waivers from the lot coverage or open space standards, warrants to authorize micro dwelling units, etc.), but not including zoning relief unrelated to residential uses (e.g., a warrant to allow a sidewalk café).
 3. Requiring developers to restrict units as affordable incrementally in direct proportion to the number of waivers, warrants, exceptions, or variances required to build the project. For example, projects that require between 1 and 5 items of zoning relief must restrict 5% of their units as affordable, projects that require 5 or more items of zoning relief must dedicate 10% of their units as affordable, etc.

Issues for regulators and stakeholders to consider:

1. What percentage of units must be restricted as affordable? 5%? 10%
2. What level of affordability should be required? 80% AMI??
3. Must the affordable units be built onsite or should there be an offsite or payment-in-lieu option?

Comprehensive / Expedited Permitting

Another possible solution, either in place of or alongside others, is to offer developers who provide affordable housing in West Brickell or the West Grove with streamlined, expedited permitting for their development projects. This has been done in Massachusetts through the adoption of Chapter 40B, which allows developers of affordable housing projects to obtain one comprehensive permit for all required entitlements (zoning, planning, historic, subdivision, etc.) if their project meets the affordability requirements of the statute. The ability to obtain expedited permitting provides certainty to developers and allows them to better time the market and the development cycle, which could be a significant benefit.

In 2018, the Florida House of Representatives considered, but did not act on, a proposal that would have required government agencies to expedite permits and approvals for affordable housing projects. The bill, HB 987 (2018), would have required local governments to approve or deny an application for a development permit, construction permit, or certificate of occupancy for affordable housing within 60 days after receipt of a completed application. If the local government failed to act within the 60-day period, the application would be deemed approved and the local government would have been required to issue the development permit, construction permit, or certificate of occupancy requested, with reasonable conditions authorized by law.¹³

Though HB 987 (2018) did not succeed at the state level, it nonetheless provides a model for the city to consider in its pursuit of affordable housing. Realistically, an expedited permitting program would likely require the participation of Miami-Dade County to be successful, since many of the development approvals that take the longest to obtain are county permits (e.g. DERM, WASD, etc.). Currently, Miami-Dade County expedites applications for affordable housing and workforce housing projects in certain cases upon the request of the applicant. The County's regulations provide for administrative site plan approval to be issued in as quickly as 21 days, if the application is submitted with all required documentation, but the County maintains discretion to extend the deadline beyond 21 days if it deems that additional information is needed. See Sec. 33-193.10, Miami-Dade County Code. However, even with this regulation on the books, it still takes between six to nine months for an affordable housing development to get permits approved.

Some jurisdictions, most notably in California, have gone as far as establishing "one-stop" permitting offices where developers can obtain all required approvals for their project (and at times are even assigned one plans reviewer to manage the entire process from start to finish), thereby greatly expediting the time it takes to obtain required approvals while also reducing costs and the frustrations inherent in routing and rerouting plans to obtain approvals from several reviewers across numerous departments. A separate but related option would be to assign a city official to act as a permit "liaison" for each project that provides a certain number of affordable housing units. The liaison would be responsible for coordinating with the developer and all city and county departments on the status of outstanding permits and approvals for the project, and would be tasked with ensuring the expeditious and prioritized review of the project over other projects that do not provide affordable housing. These benefits are unlikely, by themselves, to induce developers to provide affordable housing, but they could

¹³ <https://www.flsenate.gov/Session/Bill/2018/987/?Tab=BillText>

be deployed successfully alongside other programs discussed in this report to provide a suitable incentive package.

Fee Waivers

Another possible solution is to waive impact fee payments, permit fees, and other costs for developments that include a certain amount of affordable housing. As with the expedited permitting incentive above, a permit fee waiver program would be strongest if Miami-Dade County were to participate and agree to waive their fees for eligible projects in West Brickell or the West Grove. Currently, the City of Miami allows affordable housing and workforce housing projects to “defer” payment of certain impacts fees. This is codified in Section 13-8 of the city code. The deferrals apply only to the affordable and workforce housing units and do not benefit any market-rate aspects of the project. Impact fees due for the market-rate units must be paid in full prior to issuance of a building permit.

To encourage affordable housing in the West Grove or West Brickell, the city should consider expanding and enhancing the impact fee deferral program to apply to a significant portion of the development project if not the entire building, rather than just to the affordable or workforce housing components, and should also consider expanding the deferred fees to include portions of building permit fees and other charges paid to the city to obtain development approvals required to construct and operate the project.

Affordable Housing Transferrable Development Rights

Yet another possible tool to induce additional affordable housing is the establishment of a transfer of development rights (TDR) program through which developers of affordable housing within the West Grove or West Brickell neighborhoods can sell density or floor area credits to developers of property in other areas of the city that desire bonus floor area, density, height, or other zoning allowances. Such a program would borrow from the City of Miami's existing transfer of development rights for historic preservation, and could be implemented by allowing developers of affordable housing within West Brickell or the West Grove to sell to other developers elsewhere in the city the right to build a market-rate dwelling unit for every affordable dwelling unit that the developer builds in its project, or, if consistent with applicable law, to allow affordable housing developers to sell two or more unit credits for every one (1) affordable dwelling unit constructed in the West Grove or West Brickell. If needed, the city can be divided into eligible “sending” sites (all within West Brickell or the West Grove) which would be eligible to sell credits, and eligible “receiving” sites, those

allowed to purchase credits from the sending sites within West Brickell or the West Grove.

The price of each Affordable Housing TDR would be determined by the market based on available supply and demand, and the transaction between eligible sending and receiving sites would be entirely private. This program would provide developments within the West Grove and West Brickell with an opportunity to “outsource” a portion of their cost involved in constructing affordable units to developers of projects elsewhere in the city. Any such density sale or transfer program would require a planning analysis to ensure that the levels of service established in the city's Comprehensive Neighborhood Plan are maintained.

Utilization of Publicly-Owned Land

The consolidation and redevelopment of publicly-owned land can help transform target areas along The Underline, unlocking untapped real estate value and better activating key stretches of land.

- Particularly where land exists in urban centers and near planned or existing activity nodes, a targeted approach will not only create individual new developments on these public sites, but also shape and spur adjacent development.
- These development projects are also an important source of revenue for the County through ground lease payments, an increased tax base, and station area improvements.
- Existing uses on publicly owned parcels should be further assessed against potential redevelopment and activation opportunities.
- Public entities may consider relocating services such as mail-sorting facilities or storage facilities in instances where land holding values and adjacent parcels stand to gain significant value by freeing up higher value land for more beneficial uses. Rezoning to more flexible uses should be considered to increase density and activation-oriented uses along the corridor, as is explored further in subsequent recommendations.
- As the largest single public landowner of adjacent real estate properties within The Underline's potential opportunity zone, the County should start by assessing broader areas surrounding Metrorail stations and establish coordinated actions to rezone sections to allow for increased density and activation-oriented uses that will be enhanced by the construction of The Underline.

As discussed previously, both West Grove and West Brickell have a substantial amount of land owned by either the City or County. As proven by the partnership

with the Cornerstone Group in West Grove, these lands can be utilized in partnership with private developers to achieve the goals of new affordable housing. Municipalities can issue Requests for Proposals (RFPs) with specific requirements for developers to construct on public land, including the level of affordability requirements, duration of affordability, required programs and amenities to serve the residents, etc. These lands can continue to be held in perpetuity by the municipality and leased to the private development entities for their operation.

Both the City of Miami and Miami Dade County have plans in place to address affordable housing concerns, however these are broad programs and not specific to West Brickell or West Grove.

City of Miami – Affordable Housing Master Plan¹⁴

Creating ample affordable housing for Miamians is a key priority for the City and critical to the Magic City's long-term sustainability. In partnership with FIU's Jorge M. Perez Metropolitan Center, the City of Miami has spent the past year (2019) putting together the Miami Affordable Housing Master Plan, a detailed roadmap that will help the City and its partners in the private and nonprofit sectors achieve the goal of creating more affordable housing for its residents. Importantly, the plan incorporates the feedback of residents from across the Magic City, ensuring that it reflects the input of the very people it aims to serve. Within the Plan, the City has outlined its five-point program and incentives to entice development of affordable housing:

- **Affordable Housing Development Focus** – enhancing focus on specific Affordable Housing development practices.
- **The Miami Affordable Housing Finance Corporation** Provides low cost loans, grants, and tax incentives to anyone seeking to develop, acquire, or rehabilitate affordable housing utilizing local entities to increase the affordable housing stock.
- **The Miami Affordable Housing Innovation Fund** - will offer a wide variety of funding assistance and low cost financing opportunities.
- **Streamlining Affordable Housing Development for All Residents** – The City will launch programs that make affordable housing development faster and less costly.
- **Creating New Businesses and Jobs** – The MAHMP is the state's largest economic development initiative with a goal of creating 14,000 new jobs and \$11 Billion in total investment in the City of Miami. The Plan is an

¹⁴ <https://www.miamigov.com/Notices/News-Media/Miami-Affordable-Housing-Draft-Master-Plan>

opportunity to create new businesses and good paying jobs utilizing the Miami Affordable Housing Innovation Fund.

Miami-Dade County Programs¹⁵

The Miami Dade County Public Housing & Community Development (PHCD) department administers County's Community Development Block Grant (CDBG) Program and Home Investment Partnerships (HOME) Program, and on an annual basis advertises a Request for Applications (RFA) for various local entities to support housing and community development activities that meet HUD national objectives. PHCD also uses the RFA process to solicit applications for its Documentary Stamp Surtax (Surtax) and State Housing Initiative Partnership (SHIP) funding programs.

A Request for Proposals (RFP) process may be used by PHCD to solicit vendors to develop housing and/or commercial developments on county-owned land to benefit low- and moderate-income individuals. Grant funds or loan funds may be provided, depending upon the specific requirements of each project being solicited.

All of these plans and programs led by the City and County can be useful in the development of affordable housing, and when combined with other more specifically targeted measures, can make a difference in preventing displacement in the West Brickell and West Grove neighborhoods.

Local Stakeholder Led Change

As was evidenced through the Atlanta Beltline redevelopment effort, the conception and support for the Beltline at a grassroots level was critical to the Beltline's eventual success. Initially conceived as part of a graduate thesis paper by Ryan Gravel, the Beltline is proof that citizens and constituents can have a major impact in the City in which they live. Outreach garnered public support for the project and proponents engaged thousands of community members through meetings, events, the project website, an e-newsletter, and social media. Conversations centered around critical topics, such as transit implementation, environmental justice, and the Atlanta Beltline Implementation Plan. The grassroots campaign to inform the citizens, engage corporations, and request input from many sources was integral to the success of the project.

The West Brickell community is facing real risks of residents being displaced due to new large-scale development. The area currently serves many working-class professionals and low-income service employees who occupy the existing low

¹⁵ <https://www8.miamidade.gov/global/housing/requests.page>

rise/low rent housing, which are next in line to be demolished for new luxury high-rise condominiums and apartments. The challenge is to not displace current residents of these existing units and arrange for inclusion of current residents in new mixed income developments. Community involvement and inclusion is absolutely integral to making such requests. At present, there does not appear to be any organized community groups with a significant presence that advocate for affordable housing specifically for the West Brickell neighborhood. Without a voice speaking on behalf of the area, it is only a matter of time before new development replaces the existing affordable housing.

In order to put together a cohesive, active neighborhood campaign, West Brickell needs a leader or an organizer to raise awareness of the potential issues among residents and speak on their behalf. The Underline, as a local stakeholder, can utilize the power of its popularity and assist with this by:

- Providing gathering space for West Brickell-focused community meetings
- Social media outreach about the issues
- Popularizing the appreciation of West Brickell as its own neighborhood – through historical education, walking tours, or branding efforts.

In West Grove, there is a long history of grassroots calls for change. These actions have ushered in the formation a large pool of community activists, including GRACE, one of the widest networks of community members. GRACE's approach is to hold developers accountable for delivering benefits to the community in exchange for development zoning changes. They are delivering on this after working tirelessly over the past two years to negotiate successful Community Benefits Agreements between community-based organizations and developers. GRACE and other West Grove community groups should continue to make their voices heard in other ways as well, including putting forth their vision of the neighborhood and being precise about their goals. This could include identifying specific housing targeted for preservation, quantifying the number of new affordable housing units created, etc. GRACE can make a larger, long-term impact on the West Grove and prevent the displacements of its constituents.

By partnering with, promoting and engaging local residents and community groups, The Underline can help enable residents to make their voices heard. The Underline has an incredible amount of political support and goodwill, which can be leveraged on behalf of the neighborhoods it serves. The Underline, as a main driver of the increased interest in these neighborhoods, has a responsibility to ensure their continued success. The Underline can align with existing local groups, like GRACE, as well as utilize its relationships with local government agencies to advance the awareness of the issues in these neighborhoods.

In summary, addressing the preservation and creation of affordable housing anywhere is a complex issue that many municipalities across the country have long struggled to address. There is no “silver bullet” solution that can prevent displacement and gentrification. While it is extremely likely that West Brickell and West Grove will see increased new development as a result of attention generated by The Underline, it is still possible to preserve the affordable housing and current neighborhood character within these communities. A multi-faceted approach is needed for such a complex problem. Different solutions may work for different sizes and scopes of projects with each neighborhood. With engagement of the local government, local community groups, and with The Underline’s support, it is possible to make a real difference and preserve affordability within both West Brickell and West Grove.

Team Biographies



Corion DeLaine
Interim CRA Manager / City Planner
Opa-locka CRA / City of Opa Locka
305-953-2868
Cdelaine@opalockafl.gov

As a seasoned planner, I am always seeking ways to expand my knowledge as well as my expertise in revitalizing urban communities which are steeped in challenges. My role has always been to redirect the narrative of communities that have long been forgotten and left to deteriorate due to lack of consideration for those who still live in these communities who need the support to repair their infrastructure. The purpose of my participation is not only gain knowledge but also connect with other planning and development professionals to not only assist my community and communities in need but to expand my reach to assist in any way I can to achieve a common goal to enrich and improve the lives of others.



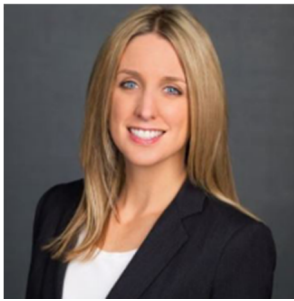
Aaron Hirschl
Vice President
Bridge Industrial
305-753-4339
ahirschl@bridgeindustrial.com

Aaron Hirschl, Vice President, joined Bridge in 2019 and is responsible for assisting in Bridge's development and acquisition activities throughout South Florida. He is actively involved in all aspects of the development process, specifically including acquisition, leasing, and disposition. Prior to joining Bridge, Aaron worked at CBRE and Cushman & Wakefeld in corporate real estate consulting, specifically focused on site selection and business incentive negotiation. Aaron is a graduate of Washington University in St. Louis and holds a Bachelor of Science degree with a major in Political Science and minor in Business. He is a candidate for Master of Real Estate Development and Urbanism at the University of Miami. Aaron is a member of NAIOP South Florida, United Way Miami-Dade Young Leaders, and sits on the executive board of the JCS Alliance.



Kristofer Machado
Attorney
Akerman
305-773-8093
kristofer.machado@akerman.com

Kristofer David Machado is a real estate development attorney with Akerman LLP. He represents clients in all aspects of real estate development, with an emphasis on providing strategic land use advice and advancing complex projects through the process of obtaining site control and securing zoning, planning, historic, environmental, and other local, state, and federal regulatory approvals. As part of his practice, Kristofer routinely appears before municipal zoning and planning boards and other quasi-judicial bodies, negotiates agreements with stakeholders and regulators, helps clients develop novel and effective entitlement strategies, and, when needed, engages in appeals and litigation. Kristofer graduated with honors from Duke University and Yale Law School. Most recently, Kristofer was included in the 2021 edition of The Best Lawyers in America among the "Ones to Watch" in Florida Real Estate law.



Andrea Rowe
Managing Director
Mill Creek Residential
786-457-0278
arowe@mcrtrust.com

Andrea Rowe is Managing Director of Development for the Mill Creek Residential, South Florida division. Her responsibilities include managing all aspects of the development process, from site acquisition through design, entitlements, financing, construction, leasing and disposition of assets. Since 2004, Andrea has developed and financed over 4,000 apartment homes throughout Florida and Connecticut. Her experience includes multifamily new construction and rehabilitation, historic preservation, and asset repositioning. Andrea graduated from the University of Michigan with a BA in Economics and has a MBA from the University of Florida.



David Zorrilla
VP of Preconstruction Services
KAST Construction
561-603-9306
dzorrilla@kastbuild.com

David attended the University of Florida where he received a BS in Construction Management and a BS in Finance. David was around the construction industry from a young age with his father starting his own fire sprinkler installation company when David was 11. David often visited construction sites when he was a child and later worked on design and installation of fire sprinkler systems. David worked in various roles at Suffolk Construction in South Florida from 2005 to 2011 prior to deciding on preconstruction with KAST. David took the preconstruction department from 3 to 22 employees and developed their SOPs. During the 9 years that David has been with KAST, its annual revenues increased from under \$50 million to over \$500 million. David has been involved with construction projects ranging from \$100,000 to \$250,000,000 in value. These projects include renovations, offices, apartments, condominiums, clubhouses, schools, fire stations and mixed-use projects. David spends most of his time at KAST looking at conceptual projects to provide cost and design input in hopes they will be built by KAST. David is involved with Scouting and is a Board Member for AEC Trendsetters, an industry group for Architects, Engineers and Contractors to come together and collaborate.