



2005 CONFERENCE

SUCCESS STORIES

On the opening day of the Florida Housing Coalition's statewide annual conference each year, we highlight no more than three affordable housing success stories and initiatives from around the state. The following pages will give you a glimpse into two of the exemplary stories that will be more fully shared on September 12, 2005. The Art in Architecture initiative was featured in the Fall 2004 issue of the Housing News Network.



Preserving Affordable Housing: The Success Story of Villa Maria

When Roberto Datorre first saw the Villa Maria apartments in January of 2004 he knew it was the kind of affordable project that would be perfect to preserve. The 1924 building is a classic three-story Mediterranean structure with 34 one-bedroom and studio units located at 2800 Collins Avenue in Miami Beach. This beautiful historic property sits one block from the ocean in an urban setting among upscale condominiums. What the president of the Miami Beach Community Development Corporation (MBCDC) did not know was the battle he was about to encounter to acquire the site.

During the next 12 months Datorre and his band of preservationists used every means possible to keep Villa Maria from being demolished by the initial buyer of the property who planned to construct a six-story luxury condominium complex. Along the way he gained political support from the Miami Beach City Commission, its Historic Preservation Board and Housing Authority Commission, as well as the Miami-Dade County Unsafe Structures Board to keep the wrecking ball off the building and set up the MBCDC to eventually purchase the property.



THE SPONSOR

Founded in 1981 by the Miami Design Preservation League, MBCDC encouraged the economic revitalization of the Art Deco District, the reinvestment of private capital with public funding and the resulting transformation of South Beach into a world-class tourist destination. The nonprofit organization works throughout Miami Beach to help rehabilitate affordable housing while working to preserve the extraordinary architecture found in many of the now distressed neighborhoods. MBCDC's success with other apartment projects in balancing historic preservation with the maintenance of affordable elderly housing provided the impetus to tackle Villa Maria.

MARKET FORCES VS. LOW-INCOME ELDERLY HOUSING

As Datorre universally states: “Rising property values make it difficult to maintain affordable housing” but in South Florida, and particularly Miami Beach, it is painfully acute. The market area of Miami Beach, a 10-mile long barrier island, holds a population of 87,933, of which over 28 percent is 55 years or older. Households that are 65 and older total in excess of 6,800 in the Miami Beach market area. The unprecedented revival of the South Beach submarket in the late 1980s has affected land values throughout Miami Beach. As real estate prices have dramatically risen for existing properties in the past decade, many commercial and residential buildings have either been rehabilitated or razed to make way for more expensive developments, especially condominiums. This market trend has swept north into the Villa Maria neighborhood in recent years and continues to reduce the number of low-income elderly units.

Unlike many properties for the elderly, Villa Maria is currently under a project-based Section 8 contract with the Housing and Urban Development (HUD) and the Miami Beach Housing Authority that is not scheduled to expire until 2012. Without the rent subsidies provided by the Section 8 program, the elderly tenants who occupy 100 percent of the units could not afford the increased housing costs. As many of these tenants have been living in Villa Maria for over 20 years, their ability to find alternative housing is nearly impossible. “When you live 23 years in the same place, you have an affection for it,” said 102-year-old Maria Rodriquez, who has resided at the complex since 1982.

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CONDEMNATION BATTLE

About the time that MBCDC became interested in Villa Maria, the seller was reviewing an engineering report obtained by the initial purchaser stating that there was substantial deterioration in the building and that it should be condemned. Although this report cited some structural weakness that could be repaired by the owner, it was evidently clear that the expedient solution for both parties was demolition. If it was accepted by the city and county boards, Villa Maria would be demolished to make way for a six-story luxury condominium development. Without the funds or access to purchase the property, Datorre turned to the Florida Housing Coalition for assistance. Soon he began working with the

Legal Services of Greater Miami, Inc., as well as attorney Chuck Elsesser of Florida Legal Services, to build a case in support of saving Villa Maria.

The legal services lawyers successfully helped the tenants to oppose this condemnation plan. As part of their advocacy the attorneys participated in a July 2004 meeting between HUD and the owner, during which they convinced HUD not to approve the owner's request to cancel the Section 8 contract. The alternative plan laid out to HUD involved MBCDC purchasing Villa Maria so that it could be substantially rehabilitated and preserved as affordable for the tenants.

While HUD agreed to this preservation option, the owner and initial buyer pursued a hardball strategy with the City of Miami Beach's Building Department and the Miami-Dade County Unsafe Structures Board, whose approval was necessary before demolition could occur. Armed with another engineering report stating that the building met the definition of an unsafe structure, Villa Maria was posted by a Miami Beach building inspector on Aug. 30, 2004—officially commencing the County's Unsafe Structures Board process.

THE TENANT'S ROLE

After the City declared the building unsafe the attorneys appeared before the Unsafe Structures Board on behalf of the tenants to argue for additional time for MBCDC to purchase the property. Amid a lawsuit by the initial purchaser to enforce his contract and HUD determining that the building's condition was the owner's fault, a reprieve was granted by the County Board. From the tenants' perspective the additional time gave them hope despite all the threats of losing their

home. As if these uncertain legal proceedings were not a sufficient test of their resolve, the tenants were moved twice to temporary shelters and back again due to hurricane evacuation orders. As Datorre would state many times, “the tenants are the key to preserving Villa Maria.”

By this time MBCDC was able to secure HOME funding from the city of Miami Beach to assist with the purchase of Villa Maria in the event the initial purchaser was unable to close. An additional deferral of 30 days was granted by the county and by the end of December the initial purchaser had withdrawn its lawsuit and an amicable resolution for

transferring the property to MBCDC was negotiated with the owner. In fact, MBCDC was able to work out seller financing of Villa Maria for several years until the original owner is taken out with additional city, county and state funding. Once the majority of the financing is in place, a temporary relocation plan will be implemented for the tenants to allow the rehabilitation of the building to be completed over the next 18 months. This time the move will not be such a surprise and will provide a safer shelter at the right price until they can move back to their rehabilitated historic home.



Revitalizing A Winter Park Neighborhood: The Success Story of Hannibal Square Community Land Trust

In 1990 the City Commission of the City of Winter Park determined that the public, health, safety and general welfare required the implementation of an Affordable Housing Program in the City of Winter Park. To fund this effort, the City implemented a linkage fee program, assessing a modest one-time fee at the time of permitting for all proposed commercial and residential developments. Fees collected are deposited into the Affordable Housing Trust Fund to further affordable housing and community development activities.

Since 1994, the Affordable Housing Program fee has generated \$1,230,075 for the city’s affordable housing development initiatives, which include developing 40 affordable single-family homes and 22 units of affordable rental housing. The city was able to assemble the financing and forge the partnerships necessary to provide these homes. Among those partners are the Habitat for Humanity, Orlando Neighborhood Improvement Corporation, the Orange County Housing Finance Authority, Florida Community Partners, Florida Community Capital Corporation, the Orange County Housing and Community



Development Department and the Winter Park Housing Authority.

In addition to providing the financing for the construction of the new homes, city staff and neighborhood residents developed architectural guidelines for the project, and worked with the Art in Architecture team (consisting of local architectural firms committed to traditional neighborhood design) to further refine the housing design. These guidelines were ultimately adopted into the city’s land development code.

The Canton Park Redevelopment Committee was established by the Community Redevelopment Agency for the purpose of deciding how best to develop a city-owned property and to explore mechanisms for fostering affordable homeownership opportunities for current and former residents of this westside Winter Park neighborhood. With extensive input from area residents, and with the support of the city of Winter Park, the committee decided to establish the Hannibal Square Community Land Trust and to develop 10 high-quality, for sale homes to be offered to low and moderate income buyers.