

Office of School Board Members
Board Meeting of April 18, 2007

April 18, 2007

Ms. Evelyn Langlieb Greer, Board Member

**SUBJECT: RESOLUTION OF THE TASK FORCE ON AFFORDABLE
HOUSING AND COMPENSATION TRUST**

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

**LINK TO DISTRICT
STRATEGIC PLAN: INCREASE EFFICIENCY OF RECRUITING AND HIRING
PROCESSES**

The Task Force on Affordable Housing and Compensation Trust (Task Force) was created by the Board on April 18, 2006, and the members of the Task Force were appointed on May 31, 2006. The Task Force met on June 20, 2006, on July 10, 2006, on November 9, 2006 and on March 26, 2007, the Board held a Workshop on Affordable Housing on October 16, 2006 and the Board received and discussed interim Reports submitted by the Task Force to the Board at the August 2, 2006 and the November 22, 2006 meeting.

At the Board meeting on November 22, 2006, the Board authorized the creation of a Blue Ribbon Committee, composed of prominent citizens appointed by the Board and the Superintendent, to organize and operate a 501c entity known as the Miami-Dade Schools Workforce Housing Foundation. Such Foundation would be authorized to enter into a lease agreement with the Board to lease one or more underutilized properties owned by the Board, such as a downtown parking lot. The Foundation would then use the Lease as collateral for credit enhancement securing a Lease Bond issue. The Lease Bond issue would not rely on the credit or millage of the Board, but would be backed only by the lease.

Further, based upon the discussions at the Board meetings, the Task Force met on March 26, 2007 and reviewed and approved a set of recommendations to guide the Blue Ribbon Committee in creating an Employee Home Loan Program. The purpose of the adoption of such recommendations is to provide the Blue Ribbon Committee with a more specific sense of the intent of the Board in creating such a program, but to allow the Blue Ribbon Committee sufficient flexibility to adapt the program to the needs of MDCPS employees. Attached hereto is the suggested Employee Loan Program criteria. (Attachment A)

**REVISED
H-13**

The Task Force on Affordable Housing and Compensation Trust has completed the tasks assigned to it by this Board, and, unless the Board requires further recommendations or work on this issue, requests that the Board thank the members of the Task Force and discharge them from further duties.

**ACTION PROPOSED BY
EVELYN LANGLIEB GREER:**

That the School Board of Miami-Dade County, Florida, authorizes the Superintendent (or the Task Force) to prepare the documents as follows:

1. To recommend that the Blue Ribbon Committee consider the creation of an Employee Loan Program with the attached Employee Loan Program as a guideline as a part of the mission of the Miami-Dade Schools Workforce Housing Foundation for the purpose of facilitating the acquisition of affordable housing for the employees of the District. } REVISED
2. To thank the members of the Task Force on Affordable Housing and Compensation Trust and discharge them from further duties and dissolve the Task Force.

Miami-Dade Schools Workforce Housing Foundation Employee Loan Program

- The purpose of the Miami-Dade Schools Workforce Housing Foundation Employee Loan Program is to assist M-DCPS employees to purchase homes in Miami-Dade County. The Program will enable M-DCPS to recruit and retain professional staff and employees and reduce turnover of employees while enhancing the stability and standard of living of the workforce in Miami-Dade County.
- The Blue Ribbon Committee will undertake to create a financial model to determine the minimum and maximum amount of the employee loan, the anticipated repayment schedule, interest earned and cost of administration for approval by the administration.
- Blue Ribbon Committee will create and oversee the Employee Loan Program on the following general terms, subject to further detailed terms and conditions adopted by the Foundation and approved by the Superintendent:
 - Full time M-DCPS employees shall be eligible for the Loan Program no sooner than the first anniversary of their employment.
 - Employees may borrow up to \$25,000 solely for the purpose of buying a place to live.
 - The Loan may be at low interest, interest only, have a grace period of six months before interest payments begin or have no interest for up to the term of the Loan, depending on the incentives created by the foundation in cooperation with the Superintendent for recruiting and retaining employees.
 - In the event that employees are no longer employed by M-DCPS, they shall have a period of two years/three years to repay the Loan.
 - The Loan shall be for the term of five years/ten years at which time it shall be due in full.
 - The Loan shall be only for first time home buyers/any buyer.
 - The Loan shall be only for Employees earning up to \$75,000 and/or with total household income up to \$100,000.
 - The Loan shall be a second or third mortgage on the home, so long as the total loan payments, plus real estate taxes and insurance, do not exceed 50% of the employee's net disposable household income.
 - In the event that the employee sells the home within three years of purchase, the employee shall be required to pay the principal balance of the Loan plus market interest on the Loan instead of low or no interest as may have been charged on the Loan.
- The Foundation would seek additional housing assistance for employees from the development and business community, as well as partner with the School Board, private/public entities, county and state governments in coordinating efforts related to services to assist M-DCPS employees to purchase and retain home ownership.
- The Foundation will try to match the needs of the School Systems employees so that the Employee Loan Program assists the largest group of employees to purchase and retain home ownership.