

Ms. Evelyn Langlieb Greer, Board Member

**SUBJECT: BLUE RIBBON COMMITTEE WORKFORCE HOUSING
PROGRESS REPORT FROM COMMITTEE CHAIR**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL
RELATIONS**

**LINK TO DISTRICT STRATEGIC PLAN: REFORM BUSINESS PRACTICES TO ENSURE
EFFICIENCY, EFFECTIVENESS AND HIGH ETHICAL
STANDARDS**

The Blue Ribbon Committee Workforce Housing was created by the Board on November 21, 2006 and has met every month since August 24, 2007. At the last Committee meeting on March 26, 2008 the Committee agreed with the Chair of the Committee to provide a Progress Report of the work performed to date and to request guidance and direction from the Board as to the future efforts of the Committee, see Attachment A.

**ACTION PROPOSED BY
MS. EVELYN LANGLIEB GREER:**

That The School Board of Miami-Dade County, Florida accept the Blue Ribbon Committee Workforce Housing Progress Report letter from the Committee Chair



Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Rudolph F. Crew, Ed.D.

Miami-Dade County School Board

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Blue Ribbon Committee Workforce Housing

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Ms. Sara Herald
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April 7, 2008

The Honorable Chair and Members of
The School Board of Miami-Dade County, Florida
School Board Administration Building
1450 NE 2nd Avenue
Miami, FL. 33132

Dear Chair Barrera and School Board Members:

Subject: Blue Ribbon Committee Workforce Housing Progress Report

Background on the formation of the Committee:

In 2006, the Miami-Dade County School Board created a task force to address the pressing issue of affordable workforce housing. The housing climate is especially troubling for new teachers (one to three year experience) who often cite the inability to purchase a home as a reason for seeking professional opportunities elsewhere. M-DCPS needs to strengthen its competitive edge to counter attractive offers teachers receive from other school districts.

It was determined that there was a large inventory of more than 20,000 unsold condos in a slowing economy here in Miami-Dade County and perhaps as a result of this slowdown, prices on these condos could drop to a level low enough to make their purchase cost effective for teachers in this one to three year experience category. Use of a subsidy in the form of a soft second mortgage was explored so these teachers can qualify for conventional financing.

Led by Board member Ms. Evelyn Greer, the task force considered the possibility of setting up a loan program and providing financing guidelines for possible teacher loans. Discussions were held with a number of banks to explore a variety of bond issue financing proposals to fund the soft second mortgages. Among the banks offering meaningful proposals were Citibank and Bank of America.

At the end of 2006 the formation of a Blue Ribbon Committee Workforce Housing to continue the work started by the task force was approved by the School Board. Each School Board Member, the Superintendent and the union coalition were asked to assign a representative to the Committee which began operation in August 2007.

Progress of the Blue Ribbon Committee Workforce Housing (BRCWH):

1. Initially, the Committee decided to focus on developing a teacher survey to determine if teachers were open to the idea of creating workforce housing through the vehicle of affordably priced condos. A comprehensive survey was created with the help of School Board staff and a Sub Committee of the BRCWH. The survey identified demographic issues, salary levels, and other important data. The survey was a great success with more than 12,000 teachers responding.
2. A Request for Information/Qualification (RFI/Q), pursuant to standard procedures, was sent out and several developers who had projects with many unsold units, responded. Information relating to price points, discounts, number of units available, location of the unsold units and other pertinent information was requested from the developers.
3. Discussions with some developers who responded to our RFI/Q (developers with unsold condos) have shown that many are willing to provide considerable incentives to sell many of their unsold units including down payment assistance and significant price reductions. In some cases these incentives may obviate the need for subsidy for many teachers interested in purchasing one of these units.
4. Bankers and non-profits involved in first time home buyer training were interviewed by the Committee as well as representatives from some of the major banks, including Bank of America and Citicorp. The objective was to explore the feasibility of a bond issue and creation of a subsidy pool for soft second mortgages. The Committee also met with representatives of the Florida Housing Coalition to look at programs other school districts around the state and nation were doing to solve their respective teacher retention situations. Many school districts had some type of subsidy program for soft second mortgages financed in various ways.
5. It was determined after meetings with representatives of several of the large commercial banks in Miami that bond financing would not in the present economic climate be feasible to fund the soft second subsidies the program would need to be successful.
6. The Committee then considered a strategy of seeking grants from major foundations as a way to create a second mortgage pool of funds. The Committee explored with the Donors Forum and other organizations the ability to identify foundations with a focus on reducing teacher turnover and helping solve critical teacher issues, including workforce housing needs. M-DCPS Grants Administration representatives indicated that they would also be willing to help identify foundations.

At this point in the progress of the Blue Ribbon Committee we feel there is a need for guidance from the School Board on how to proceed. There is concern that given the serious issues facing the School District including possible reduction in state funding and potential staff reductions, perhaps the Board would rather not focus on teacher retention and work force housing issues. We are therefore requesting guidance and direction as to how and whether the School Board wants the Committee to continue with this effort.

Sincerely,



A. "Buster" Castiglia
Committee Chair

cc: Blue Ribbon Committee