

Supporting Local Developers by Building Miami's Affordable Housing Pipeline

Project Partner: Miami Homes For All



**A Final Presentation for the UM Community Scholars in Affordable Housing Program
June 27, 2025**

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Agenda

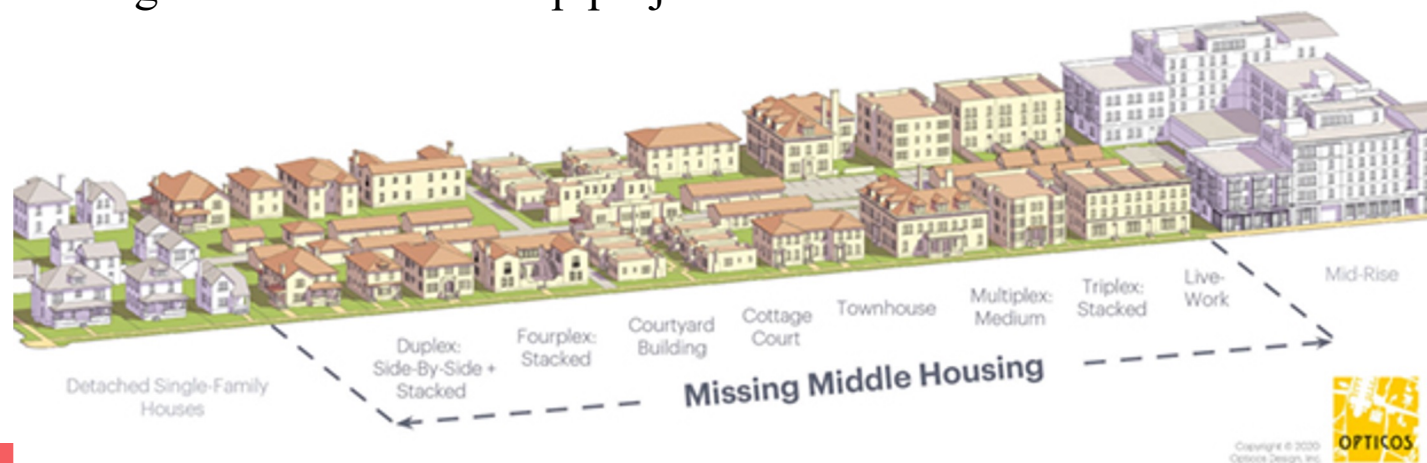
- Problem statement and project goals
- Survey results
- Case study highlight #1
- Case study highlight #2
- Marketing strategy
- Conclusion and next steps



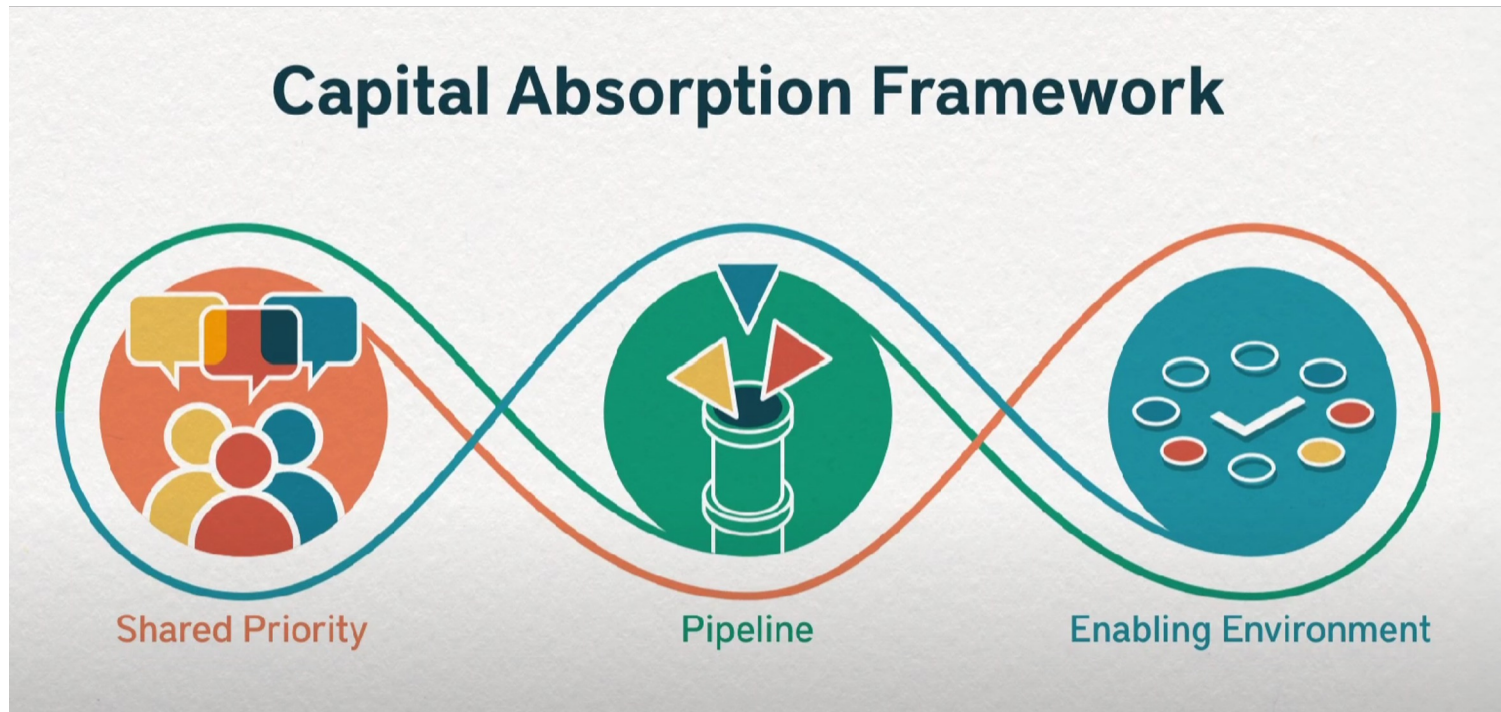
Problem Statement (revised)

As Miami-Dade County's housing crisis festers, financing options remain limited for small and emerging developers to address the critical “missing middle”. To date, barriers include limited upfront capital, rigid underwriting standards and fragmented public funding sources. For Black and Brown legacy landowners, there is insufficient resources and partners to leverage opportunities as they arise.

In a high-cost, dynamic, and rapidly gentrifying market, financial mechanisms, partners and resources need to better align with unique timelines, risk profiles, and social impact priorities of affordable housing and land stewardship projects.



What is the Connecting Community + Capital (3C) Initiative?



For more information, view the YouTube Video:

<https://www.youtube.com/watch?v=uNNN0ziCNTs&t=86s>

Project Goals

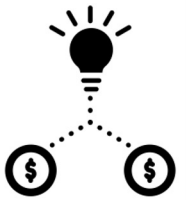
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1. **Develop and distribute survey to identify and assess needs of small / emerging affordable housing developers + community land owners**



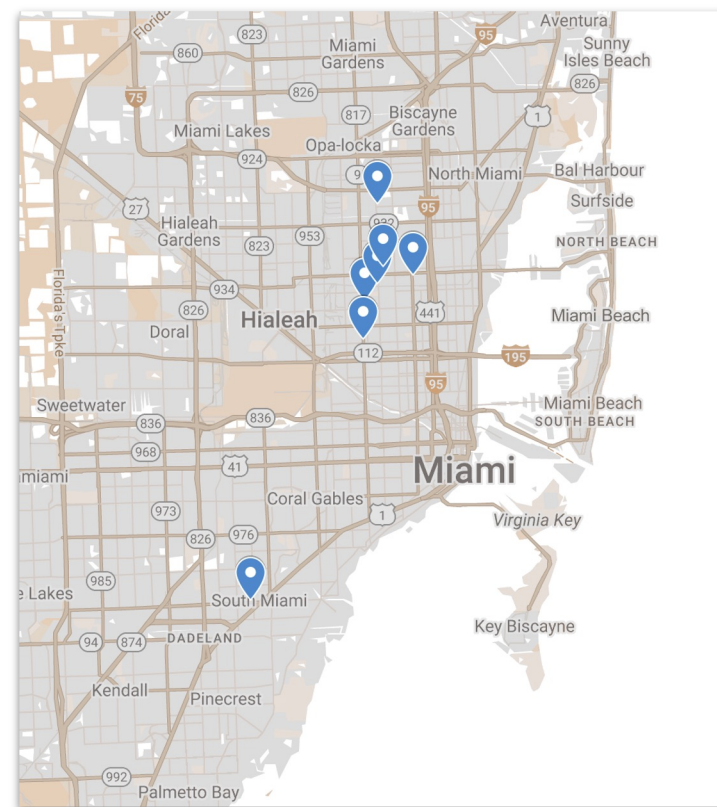
1. **Investigate at least two project case studies to inform survey + marketing strategy evolution**



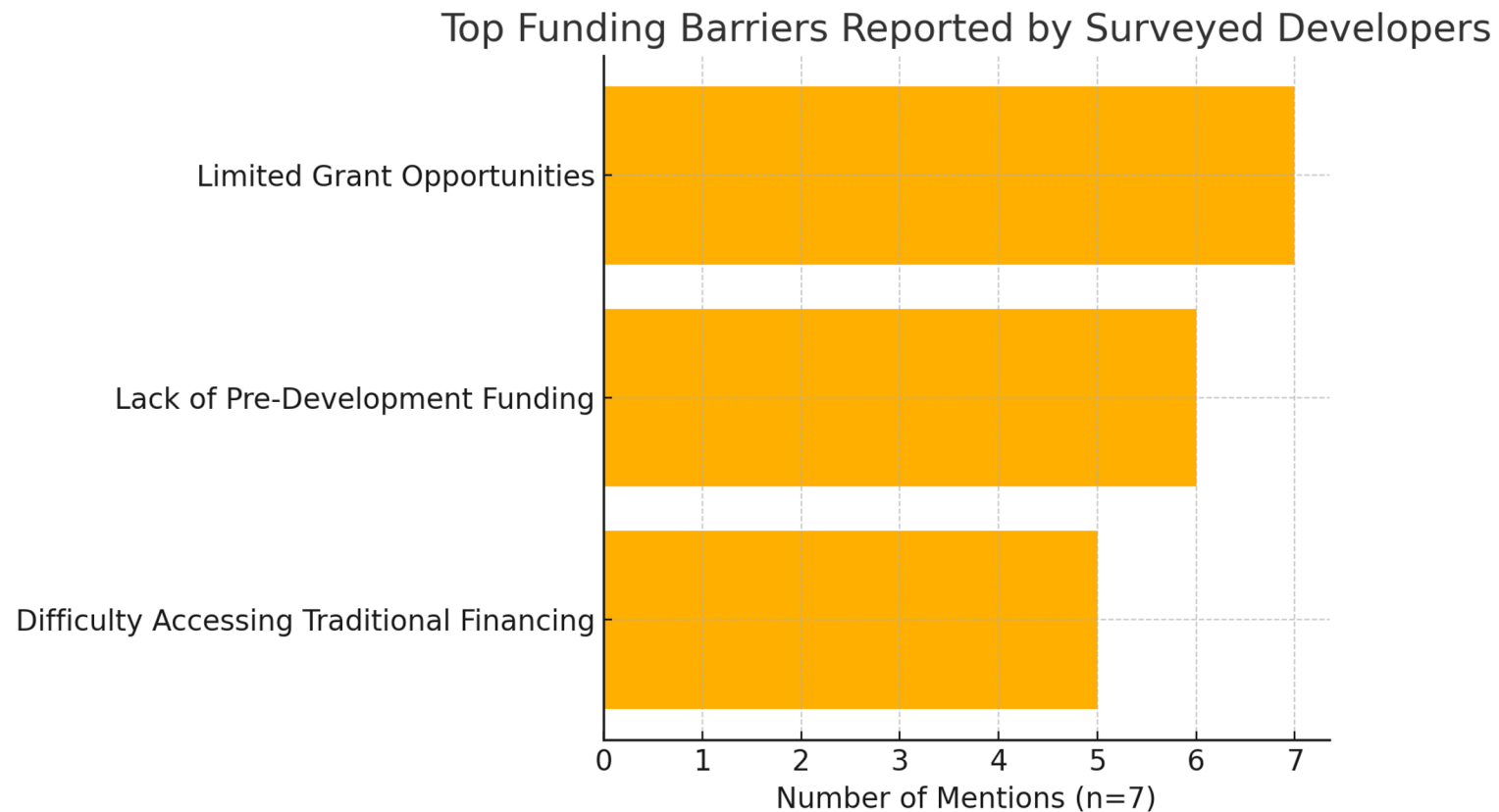
1. **Develop marketing strategy for target audiences in Miami-Dade**
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Survey Development and Results Summary

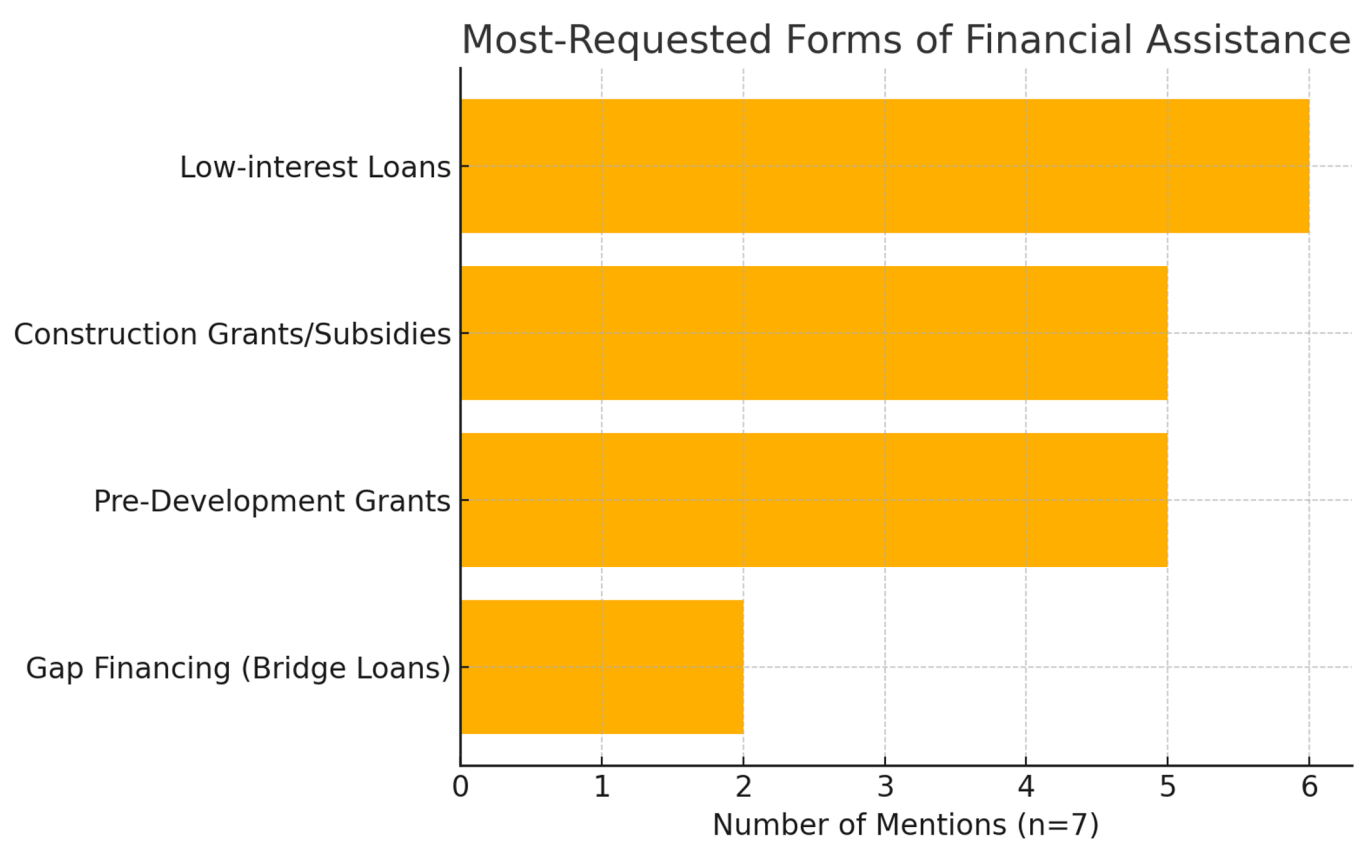
Respondents	7 emerging / small-scale affordable-housing developers in Miami-Dade
Property Type	4 Multi-Family (57 %), 3 Single-Family (43 %)
Project budgets	5 of 7 (71 %) sit in the \$1 M – \$5 M total-cost band; only one is <\$500 k
Development Stage	All are planning new builds ; most still in early pre-development



Survey Development and Initial Results Summary



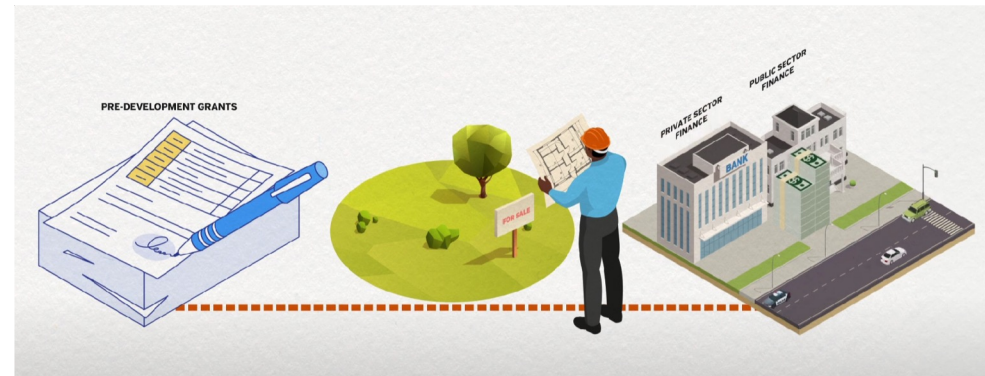
Survey Development and Initial Results Summary



Survey Development and Results Summary

Heavy-hitting takeaways

- 100 % of respondents say the grant pipeline is too thin, and 86 % cite missing pre-dev dollars—which is required to make a deal bankable.
- Cheap, flexible debt is the single most in-demand tool; even a small revolving loan fund would unlock multiple projects.
- Traditional lenders are perceived as out of reach until significant subsidy or early-stage equity is in place—validating the need for a bespoke, mission-aligned capital solution highlighted elsewhere in the deck



Case Study #1 – New Development



S'HAJ[©] RESIDENCES



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N2M
NEW NEIGHBOR MODULAR



RJS
RJ Spencer Construction
General & Roofing Contractors

Development Team

Due Diligence

Attorney/legal/Title/Environmental Consultant/Market Study/Appraisal/Surveyor

Financing Partners

Construction Lender/Permanent Lender/Equity Investor/Local Government

Design

Architect/Civil Engineer/Green Building Certification/SmartTech Designer/Interior Designer

Construction

Monthly Requisitions/Draws/Project Management/General Contractor/Subcontractors/Inspectors

Operations

Property Management/Compliance/Certified Public Accountant/Construction Accountant/Auditors/Insurance

S'HAJ© RESIDENCES “ReDefining Modern Living”

Owners: Haynes Harbour Group, Inc. | Cu'ture Xclusive Holdings, LLC.

Developers: h2g Techno Design & Development | RJ Spencer Construction

Project Executive/Management: The Hardmon Company, Inc.

Location: City of Miami 14 (1/1) Furnished Units

Project Concept: New Modular Design-Permanent Supportive Housing (PSH)

Design Concept/Designer: N2M Modular (Shipping Container/Tiny Home)

Urban Planner/Designer: Kestrid Estil, CNU-A,AICP

S'HAJ© RESIDENCES “ReDefining Modern Living”

Target Population: Young Adults (18-24)

2025 Fair Market Rates (FMRs):

(4) units at 80% AMI (\$1,859)

(6) units at \$2,556.00 Tenant Based Vouchers (TBVs), and

(4) units at \$2,278.00 Housing Choice Voucher (HCVs)/Section 8

Specialized Population: EFC/PESS Youth

Land Equity: \$1.5 Million

Total Project Cost: \$4.2 Million

Funding Capacity:

Capital Stack (CRA[Community Redevelopment Agency], U.S. Housing and Urban Development [HUD] , CDBG[Community Development Block Grant], & Private Equity)

Projected Start Date: Aug. 2025

Projected Completion Date: Feb. 2026

New Developers' Challenges

- **Lack of Track Record / Experience**
Lenders and investors often require proof of successful past developments.
New developers struggle to build credibility without previous projects
 - **Limited Access to Capital**
Traditional lenders see small projects as higher risk.
Less likely to attract institutional investors or large banks.
 - **High Per-Unit Development Costs**
Smaller projects don't benefit from economies of scale.
Costs like permitting, design, and infrastructure are not spread out as efficiently.
 - **Difficulty Accessing Subsidies**
Programs like Low-Income Housing Tax Credits (LIHTC) often prioritize larger developments.
Grant funding may not justify administrative burden for small unit counts.
 - **Zoning and Regulatory Hurdles**
Entitlement processes are equally complex for small and large projects.
Delay costs impact smaller developers more acutely.
 - **High Land and Construction Costs**
Small developers often can't compete with large developers for land or negotiate bulk discounts for construction.
 - **Equity Gap**
Limited personal or investor equity to meet lender down payment requirements.
May require mezzanine or alternative financing, which is expensive or unavailable.
 - **Risk-Averse Lending Environment** Especially in uncertain markets, lenders shy away from new entrants and small-scale projects.
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New Developers' Opportunities

Flexibility & Speed

- Smaller projects can be approved and completed faster than large ones.
- More agile in responding to community and market needs.

Lower Total Capital Need

- Although cost per unit may be higher, the total project budget is smaller, making it more feasible for small teams.

Neighborhood Integration

- Easier to fit into existing urban fabric without triggering community opposition.
- Can serve as infill housing or “missing middle” housing.

Potential for Innovation

- More room to pilot new models (e.g., modular, prefab, co-living).
 - Localized solutions tailored to specific populations or needs.
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New Developers' Opportunities

Access to Community Lenders

- Community Development Financial Institutions (CDFIs) or credit unions may offer more flexible funding terms.
- Easier to get local support or grants from municipalities.

Scalable Entry Point

- Starting with small developments helps build a portfolio and credibility.
- Paves the way for larger future developments.

Lower Risk Exposure

- Smaller developments may have less financial risk in the event of market downturns.
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Case Study #2 - Preservation / Retrofit

Lynda has owned an existing building for over 20 years. The majority of the occupants are working class individuals at the 50%-80% AMI and housing voucher recipients. The insurance company is requiring a new roof and impact windows in order to maintain insurance. Energy efficient appliances, water heaters and HVAC systems are needed to keep utility costs down for the tenants. This will cost approximately \$280,000 which most small apartment building owners do not have.

Many of the small apartment owners live, worship and are part of their communities. Grant funding in exchange for maintaining low rents is one way to keep working class families from being displaced and owners to continue serving their communities.



FRONT OF SUBJECT PROPERTY



REAR OF SUBJECT PROPERTY



STREET SCENE

Marketing Strategy: Pollinate, Nurture, Grow

Objectives:

1. Gain deeper understanding of small / emerging developer needs
2. Share resources and opportunities tailored to identified needs
3. Build and nurture authentic relationships among developers and supporting entities

Primary Audience:

- Existing property owners
- Emerging developers



Source: Youtube Video "Resilient Communities: The Miami Connecting Capital and Community Team's Approach"

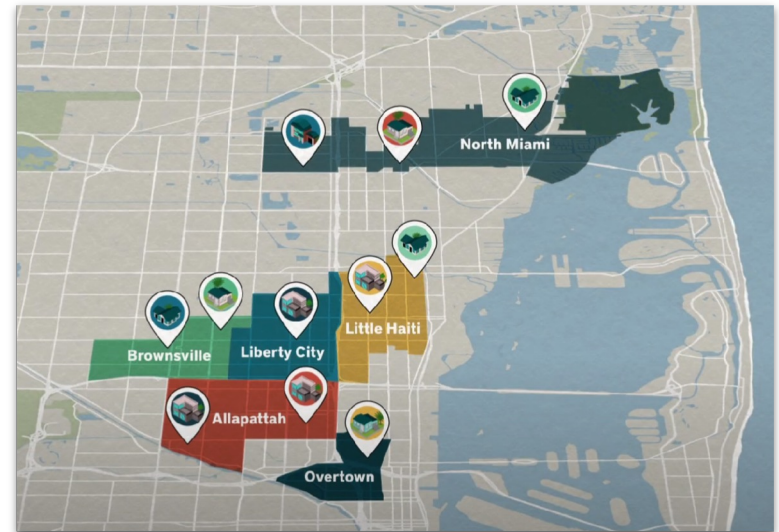
Marketing Strategy: Pollinate, Nurture, Grow

Objective	Strategy (Pollinate = P, Nurture = N, Grow = G)	Potential stakeholder groups
1) Gain deeper understanding of small / emerging developer needs	<ul style="list-style-type: none">● (P) Cross-promote needs survey with value-aligned groups to deepen understanding of needs	<ul style="list-style-type: none">● Miami-Dade Chamber of Commerce● Miami-Dade County RER Workforce Housing Developers Forum● Faith-based organizations - e.g., Miami People Acting for Community Together (PACT)● The Miami Foundation● Regional and national CDFIs
2) Share resources and opportunities tailored to identified needs	<ul style="list-style-type: none">● (P + N) Develop 1-pager,● (P + N) Deliver brief presentation at existing forums	
3) Build authentic relationships among developers and supporting entities	<ul style="list-style-type: none">● (P + N + G) Host “Mind the Gap” rotating series of 2-3 regional themed in-person gatherings inviting existing and new developers to connect with financial insts.● (P + N + G) Facilitate pairing of emerging developers and more experience ones	

Marketing Strategies: Pollinate, Nurture, Grow

Mind-the-Gap Regional Gatherings

- Plan three community-oriented events in priority areas co-hosted by grass roots neighborhood organization or collaborative, philanthropic organization, CDFI and well-respected mid-large developer
- Challenge survey participants to invite 1 additional known peer and seek to invite 1 new partner
- Each gathering theme should address at least one key need identified from the final survey



Source: Youtube Video "Resilient Communities: The Miami Connecting Capital and Community Team's Approach"

Conclusions and Next Steps

By implementing these multifaceted strategies, organizations can assist developers to enhance their ability to secure funding, navigate challenges and successfully execute their projects.

- **Identify land owners, assess their needs, and host technical assistance workshops**
 - **Explore innovative project planning with experienced developers**
 - **Explore Innovative Financing Options**
 - **Create a combined affordable housing project proposal (Joint Venture Agreements-JVAs)**
 - **Finalize and disseminate survey to wider audience**
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