

Related Group wins \$307M FL affordable housing redevelopment project

By [Kim Slowey](#) | July 11, 2016  print



Dive Brief:

- The Miami-Dade County Commission has selected Miami-based Related Urban Development Group to spearhead the five-year, \$307 million redevelopment of the county's Liberty Square housing project, the South Florida Business Journal reported.

- Related's two 75-year lease agreements with the county will see the company develop a mixed-use community with more than 1,500 affordable and public housing units at Liberty Square and nearby development, Lincoln Gardens, as well as a 40,000-square-foot grocery store, 15,000 square feet of retail space, a YMCA, community and youth centers and various medical facilities.
- County officials said the project will create 6,100 construction jobs, with 30% going to Liberty Square or public housing residents. Those same residents will make up 70% of the post-development workforce, and 50% of the construction contracts will go to local small businesses.

Dive Insight:

A portion of Related 's profit on the redevelopment will be used to invest in community programs, as well as return the \$46 million Miami-Dade investment.

The project, which still must gain U.S. Department of Housing and Urban Development and Florida Housing Finance Corp. approval, is the subject of an investigation by Miami-Dade Inspector General Mary Cagle's office regarding the procedure used to select Related as the developer. Critics said that some parts of the community were left out of the decision-making process while, on the other hand, there were "overzealous promises made by paid advocates and self-appointed community leaders," according to Commissioner Audrey Edmonson.

Related beat out several other developers to win the project, including Atlantic Pacific Communities, which was under investigation by the Miami-Dade County public housing office last year in regard to a \$3.3 million grant that county officials said the company did not need. The public housing office said Atlantic claimed it needed the money to complete a housing project underway but did not disclose that it already had more than \$4 million on hand.

The lack of affordable housing has plagued cities across the U.S. A recent National Low Income Housing Coalition report found that despite the efforts of the federal government, 10 million low-income U.S. families are in need of housing. In one of the most high-profile instances of the affordable housing shortage, Los Angeles has proposed several remedies for the problem, such as additional developer fees, city funding and even conversion of a future Olympic Village.

Related, responsible for the Hudson Yards project in Manhattan, recently won approval from the Santa Clara (CA) City Council to move forward with its plans for a 240-acre, \$6 billion, 9-million-square-foot mixed-use development on a city landfill. If all goes well for Related, residents will soon see construction underway on a 40-acre "village" of retail and residential space, as well as a few hundred acres of office campus space.