

# Memorandum

## Housing Finance Authority

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Clearwater, FL 33759  
Phone: 727.223.6418



**TO:** The Honorable Chairperson and Members of the Board of County Commissioners, in your Capacity as the Housing Finance Authority of Pinellas County

**THROUGH:**  Mark S. Woodard, Interim County Administrator 

**FROM:** Kathryn Driver, Executive Director, Housing Finance Authority of Pinellas County

**SUBJECT:** Housing Finance Authority of Pinellas County Annual Report

**DATE:** May 20, 2014

### Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS, SITTING AS THE HOUSING FINANCE AUTHORITY, RECEIVE AND FILE THE 2013 ANNUAL REPORT FROM THE HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY.

### Summary Explanation/Background:

The Housing Finance Authority of Pinellas County (HFA) was established in 1982 under Part IV of Chapter 159, Florida Statutes and Pinellas County Code Section 2-386. The Housing Finance Authority's mission is to assure that financing for affordable housing remains available to the residents of Pinellas County. This report covers calendar year 2013.

### Fiscal Impact/Cost/Revenue Summary:

No County General Funds are required.

### Exhibits/Attachments Attached:

2013 Housing Finance Authority of Pinellas County Annual Report



**HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY**

**BOARD MEMBERS**

Rodney S. Fischer, Chairman  
Tasker Beal, Jr., Vice-Chairman  
Norris E. Counts, Secretary/Treasurer  
Robyn Fiel, Assistant Secretary  
Roger B. Broderick, Assistant Secretary



**Kathryn Driver**  
**Executive Director**

May 20, 2014

Ms. Karen Seel, Chairperson and  
Members of the Pinellas County Board of County Commissioners  
315 Court Street  
Clearwater, FL 33756

RE: 2013 Housing Finance Authority of Pinellas County Year in Review

Dear Honorable Chair and Commissioners:

The past year brought changes to Pinellas County (the "County") and to the Housing Finance Authority of Pinellas County (the "HFA"). The HFA continues its' mission to put keys in the hands of people, be they home owners or renters, and to improve the lives of Pinellas County citizens. The HFA works with the County and many partners to accomplish this mission.

A brief overview of the HFA's 2013 initiatives and accomplishments follow in this report.

## **SINGLE FAMILY INITIATIVES**

### **First-Time Homebuyer Program**

During 2013, the HFA First-time Homebuyer Program served 148 families in Pinellas, Pasco, and Polk Counties. 143 of those families utilized the down payment assistance provided through the program. Leveraging a combination of HFA General Funds and HFA Housing Trust Funds with Florida Housing Finance Corporation funds we were able to provide \$934,929 in down payment/closing costs assistance. Average assistance was approximately \$6,538. The HFA participated in creating a Universal Mortgage Origination Agreement in conjunction with other Local Housing Finance Authorities in Florida to use that will enable lenders to quickly and obtain approval to participate in multiple first-time homebuyer programs. Currently Pinellas, Hillsborough and Miami Dade are participating. We are reaching out to other Local Housing Finance Authorities to encourage them to work with this group.

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## Neighborhood Stabilization Program



The HFA continued administration of the federally funded Neighborhood Stabilization Programs (NSP) 1 and 3 under contract with Pinellas County, and the NSP2 program directly as a member of the Florida Suncoast Housing Partners, Inc. consortium. In 2013, 26 single-family foreclosed properties were purchased and conveyed into the Community Land Trust, bringing the total of single-family properties in the Community Land Trust to 80 in various stages of renovation and construction. NSP1 census tracts include the Lealman area, a community that is designated as one of the five at-risk communities that Pinellas County is focusing resources in. Currently there are 5 vacant lots in the Lealman area that will have new homes constructed on them.



## Proud Pinellas



Proud Pinellas is in its second year and continues to be a strong program providing home ownership opportunities for veterans. In 2013, 17 homes were added to the Community Land Trust and sold to veterans earning below 120% of the Area Median Income. Each home had been renovated and was turnkey ready for the new owner. This program continues to be successful with the purchase price of the homes significantly reduced because the cost of the land is removed. The homeowner enjoys the same benefits as traditional homeownership while paying a modest land lease fee. By using a resale formula that provides a fair return on investment when the homeowner sells the property to a qualified buyer, the homes will remain affordable for future generations. With assistance from the late Congressman C. W. Bill Young, the Veterans Administration approved a master land lease that can be utilized rather than seeking approval of a new lease for every transaction allowing the program to serve more veterans, surviving spouses, and active duty military personnel.

## MULTI-FAMILY HOUSING INITIATIVES

Two new projects were presented this past year and one, Boca Ciega Townhomes, is moving forward. The project should proceed with the issuance of multi-family housing revenue bonds in 2014. This project encompasses the rehabilitation of 109 two and three bedroom units located at two separate sites in St. Petersburg.

Proposed funding on this project would include a tax-exempt bond and 4% tax credit program in combination with a Housing and Urban Development (HUD) 223(f) loan structure to provide both cash equity for the project in the form of tax credits while taking advantage of the historically low mortgage rates available today. Boca Ciega Partners TC, LC plan to use a new pilot program which allows the bonds and the HUD loan to close simultaneously, with the HUD loan serving as the collateral for the bonds. The bonds will be utilized during construction for a period of approximately one year at which time the HUD loan will retire the bonds, leaving the property with both tax credits by virtue of the bond issuance and the advantage of the lower HUD mortgage rate. This program is being utilized across the country today targeted specifically at projects like the Boca Ciega Townhomes.

The project was originally developed as a market rate property and will operate as a low income community, supported by a project based Section 8 Housing Assistance Payments (HAP) contract. Once complete the renovated property will be operated with 100% of the property affordable at the 60% level and maintain the current HAP contract which has 17 years left on it.

**Project Updates**

Existing projects of the HFA continue to operate well and have excellent occupancy rates, as shown by the table below.

<u>PROJECT</u>	<u>UNITS</u>	<u>ACTUAL OCCUPANCY</u>	<u>CHANGE</u>
Alta Largo	288	95%	+1%
Bayside Court	144	97%	+3%
Booker Creek	156	97%	+1%
James Park	82	99%	+1%
Palmetto Park	179	89%	-3%
Lexington	240	99%	+1%
Viridian	188	96%	-3%
Tarpon Village (Sunrise Place Apartments)	36	99%	-1%

Numbers are as of December 2013



**EcoVillage at Dunedin**, Martin Luther King, Jr. Ave and Lorraine Leland Street, Dunedin

Eco Village, after some delays, has broken ground. Delays were due to lack of first mortgage financing available for this project. 1<sup>st</sup> Guaranty Mortgage Corporation stepped up to provide financing for the first mortgage and is working with prospective buyers to pre-qualify them. This project of 25

townhomes is the nation's first, affordable LEED certified net zero energy townhome community.

**Pinellas Heights, 11479 Ulmerton Road, Largo**

This 154-unit affordable senior housing development, managed by the Pinellas County Housing Authority, is schedule to have a grand opening ceremony in May 2014. All units are being rented to household having an annual income less than 60% of the Area Median Income (AMI). Sixty percent are set-aside for households earning less than 50% AMI and 10% are reserved for households having an annual income less than 33% AMI.



This hurricane resistant development features numerous green building and energy efficient elements. Amenities include a dining room, community center, library, laundry facilities and outdoor picnic and recreation areas.

## COMMUNITY LAND TRUST

Currently there are 17 distinct Community Land Trusts (CLT) totaling 482 units of permanently affordable housing. The housing options for residents include single-family, townhomes and apartment communities. In 2013 17 new properties were added to the CLT including a rental development named Cypress Point.

The CLT is operated by Bright Community Trust, formerly Pinellas Community Housing Foundation, Inc., a non-profit organization created by the HFA in 2008 to provide administrative support for the CLT.

Community Land Trust	Project	Status
EcoVillage at Dunedin	Proposed 25 Net Zero Ownership Units	Under Construction
31 <sup>st</sup> Street	18 Rental Units	Complete
Lakeview Villas	83 Rental Units	Complete
Ashley Place	55 Rental Units	Complete
Boardwalk Apartments	36 Renovated Rental Units	Complete
162 <sup>nd</sup> Avenue	2 Habitat Single-family Homeownership	Complete
Haven Ridge Townhomes	18 Habitat Single-family Homeownership	6 Complete
Sunrise Place Apartments	36 Rental Units	Complete
Proud Ground Pinellas	80 Single-family Homes and Land	20 Homes Sold
Bayside Court Apartments	144 Rental Units	Complete
Norton Apartments	48 Renovated Rental Units	Complete
Redwood Apartments	10 Renovated Rental Units	Complete
Leafland Townhomes	27 Rental Units	9 Complete
Magnolia Court	26 Rental Units	Complete
Cypress Point	26 Rental Units	Under Construction

## HOUSING TRUST FUND

The Pinellas Community Housing Trust Fund, approved by the Board of County Commissioners in 2006, supports the development and preservation of affordable housing. The HFA administers the program to sub-recipients including Pinellas County and the cities of Clearwater, Largo and St. Petersburg. No new funds have been added to the Housing Trust Fund since FY08/09. In 2013 the HFA utilized these funds to promote homeownership by providing down payment assistance through the HFA's First-time Homebuyer Program.

## GENERAL OPERATIONS

In 2013, following recommendations made in the 2010 Audit of Community Development that there be a clear separation between Community Development and the HFA, the HFA updated the Strategic Plan, at a retreat in February, and began implementing the recommended changes. The HFA recognized that to achieve the mission of the HFA they needed to hire an Executive Director and staff that reported to the HFA Board of Directors. This process is expected to be completed in 2014.

### **Bright Community Trust (formerly Pinellas Community Housing Foundation)**

In 2008, when the HFA formed this non-profit organization, the HFA planned to eventually make it independent of the HFA. On September 30, 2013 the Pinellas Community Housing Foundation became a standalone non-profit agency and changed the name to Bright Community Trust (BCT). Bright Community Trust continues to support community housing programs including homebuyer education and foreclosure prevention counseling services, ongoing stewardship relations with CLT property owners, and oversight of the Proud Pinellas Program. Being independent allows BCT to actively pursue grant opportunities previously not available to them because of their association with an instrumentality of government. The HFA entered into an agreement with BCT to provide financial support for up to five years to help ensure the success of this organization.



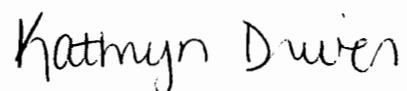
The HFA is proud to continue its sponsorship for the **Certificate in Community Real Estate Development** program at the University of South Florida's Florida Institute of Government. A wide range of professionals, who promote affordable housing, benefit from this program concentrating on real-life projects participants bring to class to evaluate. Many of the projects presented and evaluated have been completed after the conclusion of the class.

The **Florida Association of Local Housing Finance Authorities (FLALHFA)** continues educating new Florida legislators on the value of housing finance and programs to constituents and the economy through its Sadowski Education Effort. HFA supports this effort and pledged \$10,000 to the 2013-2014 Sadowski Education Effort.

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Ms. Karen Seel

In conclusion, the changes in 2013 have been positive and the HFA will continue its' mission to put keys in the hands of people seeking safe, decent, affordable housing. Thank you for your support.

Sincerely,

A handwritten signature in black ink that reads "Kathryn Driver". The script is cursive and fluid.

Kathryn Driver, Executive Director

cc: Pinellas County Legislative Delegation