



## Housing Finance Authority

**Kathryn Driver**  
Executive Director

February 28, 2023

The Honorable Janet Long, Chairman and  
Members of the Pinellas County Board of County Commissioners  
315 Court Street  
Clearwater, FL 33756

RE: 2022 Housing Finance Authority of Pinellas County Year in Review

Dear Honorable Chairman and Commissioners:

During the past year, the Housing Finance Authority of Pinellas County (the "HFA") has worked to continue strengthening our relationships with our many partners as we continue our mission to put keys in the hands of people, be they homeowners or renters, and to improve the lives of Pinellas County citizens. A brief overview of the HFA's 2022 initiatives and accomplishments follow in this report.

### **SINGLE FAMILY**

During the most recent year, the HFA's Home Key First-Time Homebuyer Program served 60 households. Of those, 35 were in Pinellas County, 14 were in Pasco County, and 11 were in Polk County. All households utilized the HFA's down payment assistance provided through the program. The HFA's down payment and closing costs assistance program is a deferred, non-amortizing 0% interest, second mortgage that is repayable when borrowers sell or refinance the property, satisfy the first mortgage, The down payment assistance provided by the HFA was \$10,000 - \$15,000 for Pinellas County homebuyers and \$7,500 - \$10,000 for Pasco County and Polk County homebuyers. For the down payment assistance that was provided, the HFA leveraged a combination of:

- HFA General Funds in the amount of \$287,500; and
- Housing Trust Fund in the amount of \$385,000

The down payment assistance was leveraged with over \$12,469,733 in other funding for the first-time homebuyers. The HFA continues to originate its Home Key first mortgage loans and Home Key down payment/closing costs assistance second mortgage loans through its participating lenders via a continuous lending program. The continuous lending program will remain ongoing with plans that those loan pools will ultimately be delivered into another bond issue or sold in the To Be Announced (TBA) market.

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**Demographic information regarding the First-Time Homebuyer Home Key Program:**

**Household income – Area Median Income (AMI):**

<30% AMI	0
<60% AMI	13
<80% AMI	27
<100% AMI	20
<120% AMI	0

**Household size:**

1 person household	36
2-person household	11
3-person household	6
4-person household	3
5+ person household	4

**Loan size:**

\$0 - \$75,000	0
\$75,001 - \$100,000	2
\$100,001 – \$125,000	2
\$125,001 - \$150,000	9
\$150,000 - \$175,000	5
\$175,000 - \$200,000	9
\$200,000+	33

## Single Family Housing Revenue Bonds

In December 2022, the HFA issued \$15,000,000 Single Family Housing Revenue Bonds, Series 2022A. The bond proceeds will be used to fully fund newly originated mortgage loans currently being warehoused and reserved by the HFA through its Home Key program; generate an ongoing revenue stream to the HFA over the life of the newly originated mortgage-backed securities (MBS), raise additional bond proceeds by issuing a portion of the 2022A bonds at a premium to fund accrued interest on the MBS, pay any premium due on the MBS as purchased and reimburse the HFA for a portion of its upfront contribution towards capitalized interest and the costs of issuance. This transaction will participate MBS with the HFA's 2021A bond issue, thus transferring "excess spread" for IRS tax purposes to the HFA's 2022A bond issue to participate with a future transaction. The 2022A bond issue will implement a traditional bond structure that provides an origination period beyond the closing date of the bonds, providing the HFA with greater flexibility as to when it purchases the MBS pools. The bond structure will include semi-annual serial bonds, term bonds and a structured bond known as a premium PAC bond.

## Neighborhood Stabilization Program

The HFA continued administration of the federally funded Neighborhood Stabilization Program 2 (NSP2) program directly as a member of the Florida Suncoast Housing Partners, Inc. consortium. In 2019, the HFA was appointed Successor Trustee of the Pinellas County Community Housing Program Land Trust-Single Family I, originally dated June 8, 2011, which was amended pursuant to a Master Amendment to Land Trust Agreement, dated September 4, 2013, and a Second Master Amendment to Land Trust Agreement, dated August 19, 2015. The Land Trust is comprised of 79 properties funded by Pinellas County under the NSP1 and NSP3 programs and by the HFA under the NSP2 program.

## MULTI-FAMILY HOUSING

**In 2022 the HFA closed on three multifamily housing bond issues producing 376 new and acquisition/rehab units of affordable housing.**

<b>Development</b>	<b>&lt;50% AMI</b>	<b>&lt;60% AMI</b>	<b>&lt;80% AMI</b>	<b>Manager Unit</b>	<b>TOTAL</b>
Palmetto Park	0	179	0	0	179
Clear Bay Terrace	20	80	0	1	101
Seminole Square	34	11	51	0	96
<b>TOTAL</b>	<b>54</b>	<b>270</b>	<b>51</b>	<b>1</b>	<b>376</b>

In January 2022, the HFA closed on the Palmetto Park Apartments bond issue. Palmetto Park Apartments is located at 1003 West Avenue, Clearwater, FL. This is an acquisition/rehabilitation of 179 existing multifamily units. Income levels to be served include 100% of the units for households at or below 60% AMI. The financing was a public-private partnership between the HFA, Systema, Greenwood Apartments, LLC, the City of Clearwater, Pinellas County, Red Stone Equity Partners and HK Palmetto Developer, LLC.

In June 2022, the HFA closed on the Clear Bay Terrace Apartments bond issue. Clear Bay Terrace Apartments is located at 1770 N. Betty Lane, Clearwater, FL. This is an acquisition/rehabilitation of 101 existing senior multifamily units. 20 units are set-aside for households at or below 50% AMI and 80 units will be set-aside for households at or below 80% AMI. 1 unit will be set-aside for on-site manager. There is a Project-Based Housing Assistance Payments contract with HUD which restricts the residents' portion of the rent to 30% of their income. The financing was a public-private partnership between the HFA, Boston Capital, Florida Housing Finance Corporation, NHT Equity, LLC, Volunteers of America, and HUD.

In November 2022, the HFA closed on the Seminole Square Apartments bond issue. Seminole Square Apartments is located 2005 Seminole Blvd., Largo, FL. This is a new construction development of 96 units. 100% of the units are set-aside for households at or below 80% AMI. This development also has 45 project-based Section 8 vouchers provided from HUD through the St. Petersburg Housing Authority. The financing was a public-private partnership between the HFA, Bank OZK, Citi, Pinellas County, City of Largo, Raymond James, Seminole Square Developer, LLC, St. Petersburg Housing Authority and HUD.

Existing multifamily developments of the HFA continue to operate well and their occupancy rates as of October 2022, are shown in the table below.

<b><u>PROJECT</u></b>	<b><u>UNITS</u></b>	<b><u>OCCUPANCY</u></b>
Bayside Court	144	98%
Boca Ciega Townhomes	109	100%
Booker Creek	156	98%
Clearwater Apartments	90	100%
James Park	82	99%
Jordan Park	266	67% (in rehab)
Lexington Club	240	99%
Lutheran Apartments	225	95%
Oceanside Estates	104	100%
Palmetto Pointe	82	93%
Palmetto Park	179	72% (in rehab)
Pinellas Heights	153	99%
Viridian	188	100%
Woodlawn Trail	80	99%

## **MULTI-FAMILY LAND TRUSTS**

The following multi-family rental developments included land acquisition funded by the Penny for Pinellas Fund through partnership with Pinellas County in 2022. The HFA serves as Trustee of the land trusts. There are 11 additional Penny for Pinellas funded land trusts from prior years where the HFA serves as Trustee of the land trusts.

- Skyway Lofts, St. Petersburg
- Seminole Square Apartments, Largo

The following multi-family rental development included land acquisition funded by the Penny for Pinellas Fund through partnership with the City of St. Petersburg in 2022. The HFA serves as Trustee of the land trust.

- Bear Creek Commons, St. Petersburg

## **HOUSING TRUST FUND**

The BCC has allocated a total of just over \$20,000,000 to the housing trust fund since program inception. Annual general fund budget allocations were made in the following amounts:

- \$10 million in FY 06/07
- \$5 million in FY 07/08
- \$4.2 million in FY 08/09

In accordance with the implementing ordinance, eligible participating jurisdictions include Pinellas County and the cities of St. Petersburg, Clearwater and Largo. Funds were distributed by the HFA to participating jurisdictions based on a population ratio formula. The BCC allocated the following new funding to the Housing Trust Fund:

- FY 2015/16 a total of \$200,000
- FY 2016/17 a total of \$400,000
- FY 2017/18 a total of \$500,000
- FY 2018/19 no new funding was allocated.
- FY 2019/20 no new funding was allocated.
- FY 2020/21 no new funding was allocated.
- FY 2021/22 no new funding was allocated.

## GENERAL OPERATIONS

The HFA is proud to continue its sponsorship of 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 program.

The **Florida Association of Local Housing Finance Authorities (FLALHFA)** continues educating new and current Florida legislators on the value of housing finance and programs to constituents and the economy through its Sadowski Education Effort (SEE). This year SEE was the leader in the effort that resulted in the highest appropriation for housing in 16 years - \$337,725,000 of Sadowski funds and \$25,000,000 of general revenue funds. Without SEE, the Housing Trust Funds would no longer exist, there would be no dedicated revenue for housing and housing programs would have received no funds. In the last nine years, over \$1.7 billion was appropriated for housing due to SEE. The HFA supports this effort and pledged \$20,000 to the 2022-2023 SEE. The mission of SEE is to seek full funding of the state's Housing Trust Fund for its intended purpose of affordable housing through the SHIP and SAIL programs. The HFA's Executive Director serves as President of FLALHFA and leads their Legislative Committee along with FLALHFA's Executive Director and former Senate President Ken Pruitt and Bascom Communications.

The HFA is very proud of their "**Youth Aging Out of Foster Care Program**". Working with its community partner Ready for Life, Inc., the HFA has continued this program designed to assist youth aging out of foster care with housing needs. The program recognizes that a significant number of these youth end up homeless within a short period after turning 18.

In conclusion, 2022 was a very successful year for HFA-financed affordable housing and the HFA will continue its mission to put keys in the hands of people seeking safe, decent and affordable housing. Thank you for your support.

Sincerely,



Kathryn Driver, Executive Director

cc: Pinellas County Legislative Delegation