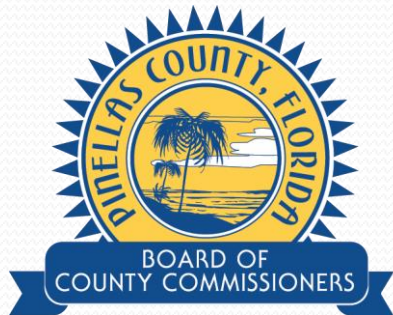


# Addressing Affordable Housing In Pinellas County



# Role of the HFA

- HFA administers the County's Community Housing Program on behalf of the County
- Interlocal Agreement established between HFA and County
- HFA has ability to issue bonds for financing
  - Single Family Bonds to assist first-time homebuyers
    - Down payment and closing cost assistance
  - Multifamily Bonds to assist low to moderate income renters

# Pinellas County Community Housing Program

- The Pinellas County Community Housing Program consists of:
  - Community Housing Trust Fund
  - Affordable Housing Land Assembly Fund
- The HFA administers the Community Housing Trust Fund and the Affordable Housing Land Assembly Fund through an interlocal agreement with the BCC.

# Community Housing Trust Fund

- Broad range of eligible housing activities
- Restrictions – 80% Loans – 15% toward Special Needs
- To date, over 2,000 units of affordable housing have been provided under this program.
- Program funds have been leveraged with over \$211,000,000 of other resources.

# Land Assembly Fund

- Source of Revenue – Infrastructure Surtax – Penny For Pinellas
- Eligible use of funds: Acquisition only
- Ownership – County owned with HFA as Trustee
- Current Portfolio
  - 54 Scattered Site Housing Units – Lealman
  - 193 New Construction Units Funded

# Lealman Heights

- 7.2 acre property located within the CRA
- Purchased with Land Assembly Funds 2/29/16
- 53 units total
  - Includes two non-residential buildings
- Funding included \$4.5 Million for Acquisition
- \$600,000 Housing Trust Fund – Renovations & Operations
  - \$168,500 Rehab (as of June 30, 2016)
  - \$83,000 Operations (as of June 30, 2016)

# Lealman Heights

- 51 units of residential housing acquired:
  - 5 vacant units were demolished
  - 2 vacant units are awaiting demolition
  - 31 units are leased to renters
  - 13 units are in various stages of rehab
- 3 additional units were acquired within the footprint

# Lealman Heights

- As of June 30, 2016:
  - 4 units @ <30% AMI (13%)
  - 14 units @ <60% AMI (45%)
  - 7 units @ <80% AMI (23%)
  - 4 units @ <120% AMI (13%)
  - 2 units @ 120%+ AMI (6%)
- Information as of June 30, 2016



# Case Study – Garden Trail Apt.

- 609 Seminole St., Clearwater
- Developed by Southport Development, Inc.
- 76 total units
  - 71 units at <60% AMI
  - 5 units at <50% AMI

# Case Study – Garden Trail Apt.

## Project Financing:

Tax-Exempt Loan from Citi	\$6,750,000
FHFC – SAIL	4,100,000
FHC – ELI	185,700
City of Clearwater HOME/SHIP	350,000
LIHTC Equity	5,627,290
Pinellas County Land Assembly Fund	<u>1,000,000</u>
TOTAL	\$18,012,990

# HFA Multifamily Bonds

- Tax-exempt Bonds provide lower interest rates than conventional loans.
- Use of “private activity” tax-exempt bonds can result in automatic access to federal low-income housing tax credits.

# HFA Multifamily Bonds

- Developers must choose –
  - Minimum of 20% of units must be affordable to persons within 50% of AMI; OR
  - Minimum of 40% of units must be affordable to persons within 60% of AMI
  - Incomes are adjusted for household size

# The Cost of Affordable Housing

- Building affordable housing is not affordable.
- The cost to construct affordable housing exceeds the revenue produced from rents creating a funding gap.
- Subsidies are needed to help create, preserve and operate affordable housing