



Pinellas County

Staff Report

File #: 21-1499A, **Version:** 1

Subject:

Local government funding in support of an affordable housing development application to the Florida Housing Finance Corporation for housing credit financing.

Recommended Action:

Approval to provide a local government area of opportunity funding commitment to the highest ranked affordable housing development application for submission to the Florida Housing Finance Corporation (FHFC) for housing credit financing.

It is further recommended that the Board of County Commissioners authorize the County Administrator to execute the Local Government Verification of Contribution grant form and any other such agreements and documentation associated with the FHFC application.

- FHFC issued a Request for Applications for housing credit financing for Affordable Housing Developments located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties on July 20, 2021. The estimated amount of funding is \$18.8M.
- Applicants that demonstrate local government support receive additional scoring points. A minimum amount of \$610,000.00 is required to receive Local Government Area of Opportunity (LGAO) points.
- Pinellas County solicited applications for housing credit support between July 12th and July 26th. All applications received were evaluated and ranked based on the published scoring criteria. The top scoring project is recommended for a funding commitment in the LGAO minimum amount.
- The highest ranked project is Heritage Oaks Apartments with a score of 89 out of a possible 100 points. The proposed project will consist of 80 newly constructed senior housing units. This project will replace 48 units on the existing Rainbow Village Apartments site, which includes approximately 24 buildings to be demolished. The development is located at Washington Avenue and 130th Avenue North in the Greater Ridgecrest Area. The total development cost of the project is estimated to be \$21.7M. The project is being developed in partnership between Norstar and the Pinellas County Housing Authority.
- The second ranked project is Lealman Heights with a score of 72 points, a planned 86-unit development in the Lealman CRA located at 57th Ave. North and 40th Street. The total development cost is estimated to be \$19.9M.
- The third ranked project is Gavin Point with a score of 68 points, a proposed 68-unit, mid-rise apartment community to be located at 1800 S. Pinellas Ave. in unincorporated Tarpon Springs. The total development cost is estimated to be \$20.9M.

Strategic Plan:

Ensure Public Health, Safety, and Welfare

2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

Foster Continual Economic Growth and Vitality

4.2 Invest in communities that need the most

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

5.2 Be responsible stewards of the public's resources

Summary:

A Pinellas County notice of funding availability was published on July 12, 2021 soliciting applications for affordable housing development projects requesting local funding assistance in support of low-income housing credits applications to FHFC. The application deadline was July 26, 2021. Three applications received by the deadline will be completed by July 29, 2021. All applications were evaluated and ranked based on the published scoring criteria.

The highest ranked project is Heritage Oaks Apartments. The proposed project will consist of 80 newly constructed senior housing units to be contained in one three-story garden apartment building and either eight duplexes or four quadplexes. This project will replace 48 units on the existing Rainbow Village Apartments site, which includes approximately 24 buildings to be demolished. The units will consist of 74 one-bedroom and 6 two-bedroom units. Pinellas County funds will be used for hard construction costs.

The development is located at Washington Avenue and 130th Avenue North in the Greater Ridgcrest Area. The total development cost of the project is estimated to be \$21,700,000. The project is being developed in partnership between Norstar and the Pinellas County Housing Authority.

The minimum amount to qualify a project for Local Government Area of Opportunity Funding (LGAO) is \$610,000.00. In accordance with FHFC application rules, only one project may be funded at this level by a local government.

The deadline for submission to FHFC in response to RFA 2021-202 is August 31, 2021.

Background Information:

Florida Housing Finance Corporation issued RFA 2021-202 for housing credit applications to provide funding for the new construction of affordable housing units on July 20, 2021 with a submission deadline of August 31, 2021. The RFA includes Broward, Orange, Palm Beach, Pinellas, Duval, and Hillsborough counties and typically there is one award for each county. The link to the FHFC RFA 2021-202 is: <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-202>

Pinellas County issued a Notice of Funding Availability for the 2021 Local Contribution Match Application. The Notice included information on the minimum local contribution of a \$75,000.00 grant as well as information for the Local Government Area of Opportunity using Pinellas Affordable Housing Development Program funding. The Notice included the local scoring criteria to be used in

the ranking of applications for the LGAO.

The FHFC application process is highly competitive. Applicants may apply for LGAO which demonstrates a high level of local government support for the project. Projects that receive an LGAO commitment are awarded additional points in the FHFC scoring evaluation. Applicants may also request a minimum financial contribution of \$75,000.00 from the local government. The minimum funding amount may be awarded to multiple projects.

The minimum LGAO contribution amount is \$610,000.00. A local jurisdiction may only contribute funds to one proposed development applying for the LGAO funds. Based on communication with city staff, the Cities of St. Petersburg, Clearwater Largo and Dunedin are also planning to provide LGAO funding this year. A Clearwater supported project received funding in 2020.

Fiscal Impact:

Total maximum expenditure: \$610,000.00. The funding source is the State Housing Initiatives Partnership Program and is included in the FY22 Proposed Budget. Local match funding provided by Pinellas County will be in the form of a grant.

Staff Member Responsible:

Carol Stricklin, Director, Housing and Community Development

Partners:

Pinellas County Housing Authority
Norstar Development

Attachments:

Pinellas County Notice of Funding Availability Application and Scoring Criteria
Local Government Verification of Contribution Grant Form - Heritage Oaks
Applications Evaluation and Scoring Summary