



# FLORIDA ASSOCIATION OF LOCAL HOUSING FINANCE AUTHORITIES



A JOURNAL OF  
INNOVATIVE ACTIVITIES  
OF LOCAL HFA'S  
STATEWIDE

Issue No. 2: 2016

#39873767





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FINANCE AUTHORITIES

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**2016  
ISSUE TWO**



The HFA's that chose to participate in the first journal are those that are included. It does not represent all HFA's in Florida. It does represent a good sampling of the types of activities that occur because of these organizations. All HFA's were asked to participate and Florida ALHFA assumes that as the journal progresses with future issues, all HFA's will choose to be represented.

These innovative activities represent those that go beyond everyone's tax exempt bond programs. They have been listed in alphabetical order.



**Florida ALHFA** came into being as an organization in 1982, and local HFA's have been operating since the late 1970's. Within only a few years the need to work together became evident—to both learn from each other and to work together on state issues.

Since that time, local HFA's have been an integral part of their local communities. HFA's were created to take advantage of a federal tax program directed at states and local governments allowing them to sell tax exempt bonds to provide mortgages for affordable housing.

Through the evolution of federal tax law, constantly changing economic cycles, and financial product development, the HFA model has survived. Not only have the local HFA's survived and grown; they have evolved to meet the ever growing need in their communities for affordable housing.

This journal will be the first that Florida ALHFA has published to highlight the activities of local HFA's statewide.

The intent is to use this documentation to assist with the education of both legislators and local governments about the unique and thoughtful way that local HFA's have found to partner to solve affordable housing issues in their communities.

After looking at these highlights, it is clear that local HFA Boards of Directors are ever mindful of their responsibilities and look for opportunities to provide help where and when they can.

It is also important to remember that most local HFA's are not large organizations with funding and support from their local governments. They are self-funded and must use their resources carefully. They fund themselves through fees generated on financing multi-family and single family sales of tax exempt bonds. These federally created tax programs can be very effective, or like today somewhat problematic due to the current economic environment. Many local HFA's do not have permanent staff and may even contract out their staffing functions. Some local governments may provide some staffing assistance by assigning attorney's or financial expertise to assist them. All local HFA Board members are appointed by the local city or county commission and are unpaid volunteers.

Local HFA's have increasingly reached out to partner with other local entities and programs. They use their resources wisely. They leverage what they have earned through the years to create opportunities for the families in their county.

Florida ALHFA has been in existence for 34 years. But like our member HFA's, the organization and our members are increasingly creative, cooperative, and less dependent upon a "bonds only" approach.





## FLORIDA ALHFA: THE ORGANIZATION

Florida ALHFA was founded in 1982 as a Florida nonprofit corporation consisting of private and public professionals dedicated to financing affordable single-family and multi-family housing in the State of Florida.

### Florida ALHFA's Mission

- To provide learning and networking opportunities in an environment for local municipal bond issuers and related professionals to share ideas and strategies for providing safe and affordable housing in our communities.
- To evaluate, advocate, and support the enactment of State and Federal housing legislation and regulatory policies which enhance local agency efforts to provide affordable housing opportunities for our citizens.
- To establish the importance of local housing finance authorities as equity participants and lenders and as brokers between available resources and sponsors of affordable housing

In the current environment, Florida ALHFA takes a more aggressive approach to legislative advocacy, and well as helping members build better relationships with the governmental and private sectors players with which they work.

Florida ALHFA is an advocate before the legislature and state agencies on legislative and regulatory issues affecting affordable housing, and provides technical assistance and educational opportunities to its members and the public. Members include County and City HFA's, developers (for-profit, non-profit, and public), and firms who provide services to local HFA's, such as investment bankers, credit underwriters, consultants, financial advisers, and bond counsel.

Florida ALHFA advocates for the various programs such as tax exempt bonds, SAIL, SHIP, and provides educational opportunities for the boards and staff of local HFA's and other members.

### Florida ALHFA membership opportunities include:

- To provide learning and networking opportunities, including an annual conference local HFA's and related professionals share ideas and strategies for providing affordable housing in our communities.
- To evaluate, advocate, and support the enactment of State and Federal housing legislation and regulatory policies which enhance local agency efforts to provide affordable housing opportunities for our citizens.
- To establish the importance of local HFA's as both providers of finance and organizations that should be at the table when state and community policy is decided.

Our legislative lobbying team works year-round with state legislators and state agencies to remove the obstacles that prevent local HFA's and developers from providing affordable housing. Florida ALHFA not only serves as a positive voice for affordable housing statewide, but also teaches members how to be effective housing advocates.





## **HFA NAME: BREVARD COUNTY HOUSING FINANCE AUTHORITY**

### **Programs Supporting Habitat for Humanity**

#### **Loan Program**

The Brevard County Housing Finance Authority (the "Authority") has established an interest free line of credit with Habitat for Humanity of South Brevard, Inc. ("Habitat"). The Authority has agreed to provide loan advances totaling up to \$525,000 for the purpose of funding land acquisition and/or construction costs for single family residences. The residences are to be sold to lower income families who might not otherwise be able to purchase a home. The terms of the loan are as follows:

- Maximum loan for new construction \$75,000
- Maximum loan for land acquisition \$25,000
- Repayment of principal of the loan due upon the sale of the home to the family, or two years from the date of the loan, whichever occurs first.
- No more than \$262,500 may be utilized for land acquisition at any time.

As of May 7, 2016, thirteen homes have been constructed and sold to lower income families, and twenty one lots have been acquired for future development.

#### **Grant Program**

The Authority provided the initial funding to start the Critical Home Repair Program ("CHRP"). The purpose of CHRP is to provide funding for critical repairs to correct code violations, improve weatherization, increase energy efficiency, overcome accessibility barriers, and/or upgrade the exterior of the residences. The goal of CHRP is to preserve homeownership and housing stock for lower income residents. A grant of \$200,000 was provided to Habitat pursuant to a Grant Agreement. The terms of the agreement are as follows:

- Maximum income person/family is 50% of area gross median
- Maximum of \$15,000 per residence
- Maximum of \$50,000 toward administrative expenses at any given time
- Habitat administers CHRP and provides quarterly compliance certifications

### **Program Supporting Coalition for the Hungry and Homeless**

In September 2010, the Authority entered into a loan agreement with the Coalition for the Hungry and Homeless of Brevard County, Inc. ("Coalition"). The Authority agreed to provide loan advances totaling up to \$500,000 for the purpose of funding the acquisition, construction, and/or rehabilitation of single family and multi-family housing in Brevard County to provide transitional or permanent housing to low income persons and families (the "Project" or "Projects"). The loan provided interest free bridge financing to allow the Coalition to continue to function while it was awaiting reimbursement under various grant programs (NSP, CHDO and FEMA). This loan agreement ended on December 31, 2013. It provided funding for the acquisition and/or rehabilitation of fourteen homes. The terms of the loan were as follows:



- Maximum draw of \$100,000 per project
- Repayment of principal due upon receipt of grant funds or one year from disbursement, whichever occurred first

In February 2015, the Authority entered into a new loan agreement with the Coalition to provide interest free funds to refinance its interest bearing debt in the amount of approximately \$250,000. The refinancing has resulted in debt service savings to the Coalition of approximately \$40,000. This loan is being repaid in equal monthly installments of principal over a ten year term.

### **Program Supporting Crosswinds Youth Services, Inc.**

In April, 2016, the Authority made a loan/grant to Crosswinds Youth Services, a not for profit organization that provides emergency shelter and services to youth under the age of 18 who have been abused or neglected or are endangered. The loan/grant in the amount of \$45,000 was made for the purpose replacing the HVAC system for the shelter.

### **Single Family Loan Program**

The Authority entered an interlocal agreement with the Housing Finance Authority of Hillsborough County, Florida ("Hillsborough HFA"). Pursuant to the interlocal agreement, the Hillsborough HFA is authorized to operate its 2012 MBS Origination Program (aka, the TBA Program or Continuous Funding Program) within Brevard County, Florida. The Authority's intent is to provide financing for homes to persons whose family annual income does not exceed certain limits and who might not otherwise be able to purchase a home. The Brevard HFA agreed to fund a revolving pool of funds of up to \$1,250,000 to finance first mortgages to be used by homebuyers in Brevard County. With existing private activity bond allocation, the Authority agreed to secure mortgage credit certificate authority in an amount of not less than \$2,500,000 and to take such steps and enter into such agreements necessary to enable loans made under the 2012 MBS Origination Program in Brevard County to receive such credits in lieu of tax-exempt bond financing ("Mortgage Credit Certificate Program"). The Authority also agreed to provide up to \$250,000 (subsequently increased to \$400,000) for a down payment and closing cost assistance program, in connection with the above mentioned 2012 MBS Origination Program, to be used by buyers of homes in Brevard County. The down payment and closing cost assistance was structured to provide non-amortizing second mortgage loans of \$10,000 for each borrower. As of May 7, 2016, the number of loan originated totaled 43.



## **HFA NAME: HOUSING FINANCE AUTHORITY OF CLAY COUNTY**

### **Summary**

The Housing Finance Authority of Clay County continues to create innovative strategies and implement effective programs through community partnerships and affordable financing, including:

- The Purchase and Renovation of Foreclosed Homes
- Transition of Mobile Homes to Construction of Permanent Homes
- Development of a Drug Free Living Facility
- Providing Rental Homes at Below Local Market Rental Rates
- Special Needs Housing for the Developmentally Disabled
- Construction of Wheel Chair Ramps
- Special Needs Housing to Transition People Out of Homeless
- SHIP Program Administration
- Support for Habitat for Humanity

### **Purchase of Foreclosed Homes Program**

In January of 2010, the HFA of Clay County partnered with the first builder in the Foreclosed Homes Program. The Program began when local foreclosures were at a peak in the local housing market, coupled with record highs in the unemployment rate, especially in the building industry. The program provided much needed work and as a result, quite a few area builders survived, including the subcontractors – the backbone that undergirds our economy. In addition, allowing these properties to be rehabilitated and returned to the market kept them as an asset to the area neighborhoods, instead of becoming an eyesore or potential danger to the community. The program also helped to preserve the affordable housing stock in Clay County. Currently, three local builders actively participate in the program.

### **Special Needs Housing – Developmentally Disabled**

The Clay HFA has partnered with both BASCA, Inc. and Challenge Enterprises of North Florida, Inc., not-for-profit organizations who provide housing to persons with developmental disabilities. Over the years, the Clay HFA provided five (5) loans to BASCA for the construction of group homes. Those group homes are still operational today and continue to serve people with developmental disabilities. The Clay HFA has provided financing for three (3) group homes for Challenge Enterprises, which are still operational today. Three mortgages were made available to three separate developmentally disabled individuals associated with Challenge Enterprises so they could purchase their own homes.

### **Special Needs Housing – Homeless**

On February 12, 2013, the Clay HFA began a partnership with Mercy Support Services, Inc., a 501(c)(3) entity, to provide scattered site housing for the homeless in an effort to promote and support individual self-sufficiency. In 2013, the Clay HFA allocated \$520,000 to Mercy Support Services to purchase scattered



site housing for the homeless. Mercy Support Services purchased three (3) quadrplex buildings and one (1) single family dwelling with these funds.

The Clay HFA also made an \$8,000 grant available to Mercy Support Services to provide for rental and utility deposits for those persons participating in Mercy Support Service's Self-Sufficiency Program who are ready to move into rental housing.

### **Rental Program Providing Below Market Rate Rental Housing**

In 2013, the HFA of Clay County partnered with the St. Johns Housing Partnership, a 501(c)(3) entity, to provide workforce rental housing at below market value rental rates. The HFA provides financing for the purchase and rehabilitation of distressed homes which results in a safe and sanitary home at a rental rate below market rates. This partnership provides affordable rental housing that is being heavily utilized by the non-profit organization to assist the homeless in either homeless prevention or self-sufficiency. These properties were primarily foreclosed/REO properties or vacant "short-sale" properties. There are currently 10 properties under this program.

### **Mobile Homes to Permanent Construction**

In February of 2015, the Clay HFA partnered with the first area builder to purchase foreclosed mobile homes and build new construction homes on the sites where the mobile homes stood previously. Two more area builders quickly joined this partnership. To date, three unsightly, foreclosed mobile homes have been removed and new construction homes were added in their place. This is a win-win for the community. It not only provides affordable permanent housing to the area, but also adds to the county's tax base.

### **SHIP Program Administration**

In November of 2012, the Clay HFA and the Clay County Board of County Commissioners entered into an Interlocal Agreement which authorizes the Clay HFA to provide administrative services and implementation of the County's State Housing Initiatives Partnership Program.

### **Habitat for Humanity**

In October of 2015, the Clay HFA entered into an agreement with the Clay County Habitat for Humanity to provide construction loans to build three homes in the Green Cove Springs area. Clay County Habitat for Humanity also participates in the Foreclosed Homes Program. They have recently purchased a foreclosed home under this program and are very near to the completion of this home. The home will be sold to an income eligible person as affordable housing.

### **Drug Free Living Facility**

When the area judges came to the Authority and asked for a drug free living facility for persons involved in "Drug Court" and "Veteran's Court", the HFA was excited to help. The judges explained that sometimes there are case specific reasons the court cannot release a young first time offender to go back home, primarily due to the prevalence of illegal drug use in the home. The alternatives for these first time offenders are either jail or return to a drug filled environment and likely failure. The Clay HFA partnered with the St. Johns Housing Partnership to purchase and renovate a five bedroom home in Green Cove



Springs to be used just for that purpose – to provide a drug and alcohol free environment. One of the HFA members was credited with getting donations from area lenders in order to furnish the home with furniture, linens and a well-stocked kitchen.

### **Down Payment Assistance Program**

The HFA has been involved with many down payment assistance programs over the years, usually in conjunction with a bond program. The Clay HFA joined the Hillsborough “Home Sweet Home” Program in 2012 in order to provide down payment assistance for first time homebuyers. Through this program, the HFA has helped more than 50 families to purchase their own homes.

### **Wheel Chair Ramps**

In 2010, the HFA provided a grant to a group who call themselves “The James Boys.” This is a group of men who are retired carpenters and have spent untold hours of their time building wheel chair ramps for those in need. The HFA recently renewed their support to this group by increasing their grant.

Innovative Partnerships: Past and Present

BASCA and Challenge Enterprises: Both are not-for-profit groups that serve persons with developmental disabilities providing mortgages for their group homes

Quigley House: The HFA provided a mortgage for transition housing for a not-for-profit serving abused women and their children

Mercy Support Services: The HFA provided mortgages for scattered site housing to a not-for-profit serving homeless while assisting them back to self-sufficiency

Dream Finders Homes/Wiggins Construction/Bernard Development: The HFA provided loans to area builders who were building affordable housing

Habitat for Humanity: Provided a grant to Clay County Habitat for Humanity to assist them in moving homes constructed through the Clay County School Partnership Program onto Habitat lots. The HFA has also provided construction loans to Habitat to build affordable housing.

Clay County SHIP Program: The HFA provided a grant to the Clay County SHIP Program for the payment of administrative expenses during the previous years when there was no funding for SHIP from the legislature.

SHIP Owner Occupied Rehab Program: The HFA partnered with the SHIP Program, St. Johns Housing Partnership, Habitat for Humanity and the James Boys by providing funds to provide for the rehabilitation of a home for a veteran. The Veteran was a two-time purple heart recipient. The year before that, the HFA partnered with that same group to provide structural repairs to the floor of a 90 year old lady with a developmentally disabled son. If not for the help, she surely would have fallen through the floor and been severely injured or killed.

The James Boys: The HFA provided a grant to a group of carpenters who volunteer their time constructing wheel chair ramps for those in need. The HFA has just renewed its commitment to the James Boys for their construction of wheel chair ramps.





## **HFA NAME: ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY**

### **Summary**

In 2015, The Escambia County Housing Finance Authority (“Authority”) Board, Executive Director and staff began discussing effective, proactive steps that could be taken by the ECHFA to foster urban/neighborhood revitalization through the development of quality, affordable housing available for homeownership. After some deliberation, in the spring of 2015, the ECHFA Board approved allocation of \$500,000 to capitalize the Urban Infill Housing Development Revolving Loan Initiative (“Initiative”), effectively the start of the ECHFA’s venture into this arena.

### **Urban Infill Housing Development Revolving Loan Initiative**

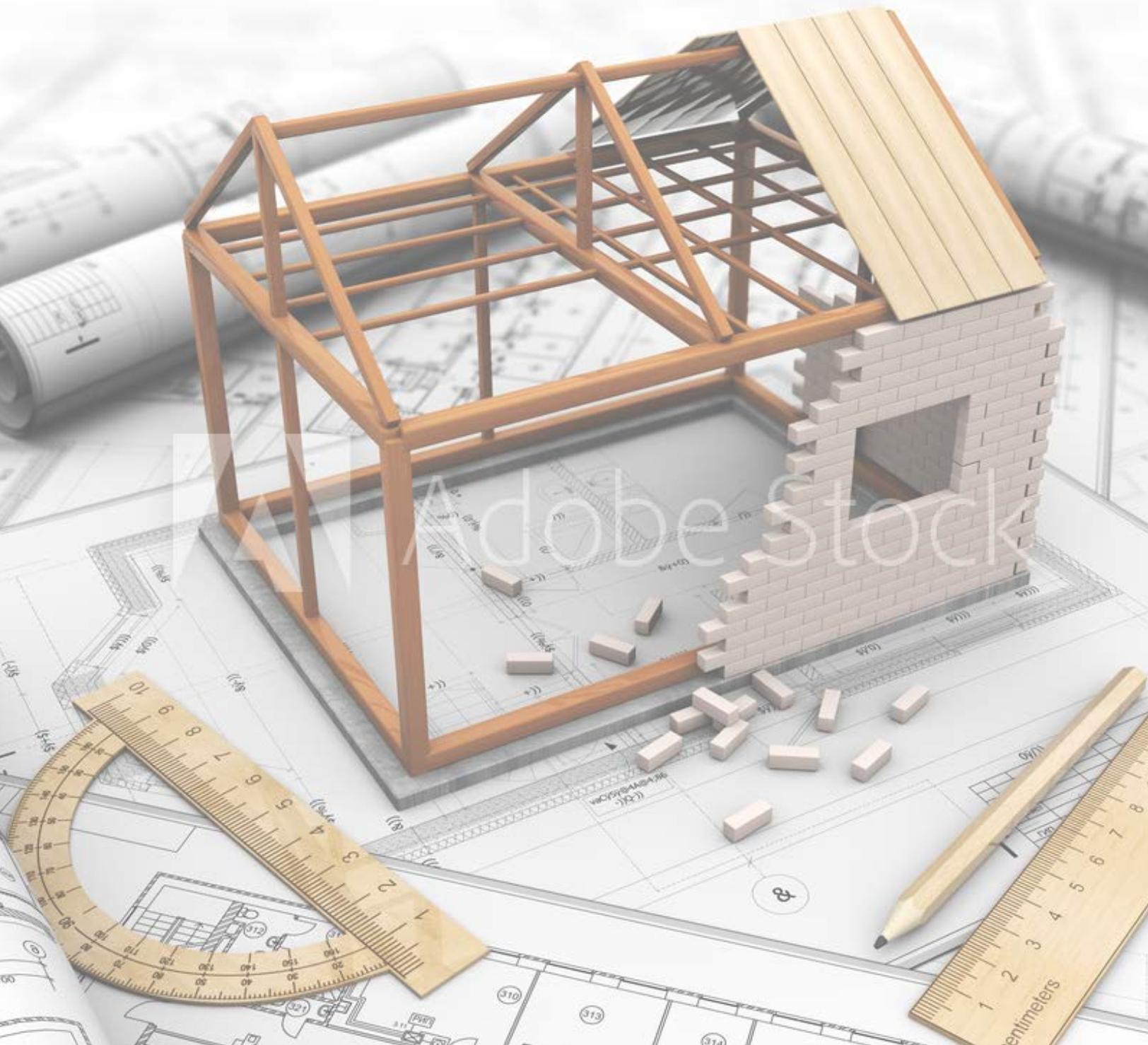
Upon approval of funding for the Initiative, the Authority issued a Request for Proposals (“RFP”) soliciting interest from small single family builders and/or housing oriented non-profits in the community. The Board ultimately approved an initial group of five builders (“Participating Builders”) and 2 non-profits (“Participating Non-Profits”). The Authority entered into a contractual relationship with the various Participating Builders and Participating Non-profits specifically for the purpose of producing quality, affordable housing units for sale to and occupancy by eligible low, moderate and middle income families within Escambia County and the City of Pensacola.

Through this Initiative, the Authority targets development of vacant urban “infill” properties with affordable housing for sale to and occupancy by income eligible persons or families (based on Authority income limits and homeownership program requirements). The Initiative’s primary focus is upon production of quality, new affordable housing. The Initiative has an equally important secondary purpose, which is to help reinvigorate typically older, blighted neighborhoods through reinvestment in the housing sector, increasing the homeownership rate, and aligning our Authority Initiative with other external enhancements taking place in the neighborhoods (for example SHIP, HOME or CDBG assisted home repair/rehabilitation/replacement or improvements undertaken by the Escambia County or Pensacola Community Redevelopment Agency).

Authority funds are provided to Participating Builders and Non-Profits in the form of a zero percent interest loan. This loan is secured by a mortgage, which is payable at closing on the sale of the home to an eligible buyer. Participating Builders are afforded 180 days to construct and sell each home, though extensions can be requested where warranted. The maximum sales price allowed under the Initiative is \$189,000, with the actual sales price controlled by appraised value. Homebuyers are encouraged to utilize the local Escambia HFA and/or Escambia/Pensacola SHIP Homebuyers Program for first and second mortgage (down payment) financing for the purchase of these homes.

### **Success**

The Initiative was formally inaugurated in 2015, and through April 30, 2016, the Authority has provided \$473,530 in interest free revolving loan funds to Participating Builders under the Initiative. As of late April, six new homes were complete and sold to income eligible, mostly first time homebuyers. Home selling prices ranged from \$124,900 to \$162,700, with buyer income ranging from \$34,400 to \$54,240. The typical 1,150-1,300 sf home has three bedrooms and many energy saving features. One home, designed and constructed to meet Florida Green Building and EarthCents standards, is located in an HFA Target Area (Census Tract 4), which is also a high priority area for reinvestment by the City of Pensacola CRA (locally known as the Westside Community Redevelopment Area). A second home in this same neighborhood will begin construction in May 2016. As of May 2016, an additional four homes are under construction or in the Authority review/approval stage.





## **HFA NAME: HOUSING FINANCE AUTHORITY OF HILLSBOROUGH COUNTY**

### **Summary**

The HFA of Hillsborough County Board of Directors decided ten years ago to begin invest some of their available funds in community programs. The concept was: where can limited HFA funds really make a difference? Where is there a “hole” in the delivery system that the HFA could fill? What program really could not take place if not for HFA funds? The HFA realizes that its mission is to promote the construction, rehabilitation, and sale of affordable housing—and help those struggling to find affordable housing. The HFA isn’t a bank hoarding money to pay to non-existent stockholders. The HFA doesn’t throw away funds either.

Additionally, the HFA has opened up partnerships with the City of Tampa and Hillsborough County. This has been a particularly effective method of combining SHIP funds with HFA resources.

### **SHIP Down Payment Assistance Program**

Beginning in 2014, the HFA and Hillsborough County began a cooperative program wherein the County uses SHIP funds to reimburse the HFA for DPA loans made to SHIP eligible borrowers within the HFA’s home ownership loan program. To date, the County has provided \$1.1 million to the HFA, and has committed another \$1 million of SHIP funds for FY 16-17.

The program is totally transparent to HFA borrowers and lenders. Borrowers receive their DPA loan from the HFA, and lenders process first mortgages within the program in exactly the same manner as for any other loan. The HFA delivers SHIP compliant loan packages to the County, who then reimburses the HFA. This is a win-win situation, as it allows the HFA to recycle its funds, while giving the County an extremely effective method of distributing their SHIP monies.

### **Up and Out Homeless Program**

Beginning in 2008, the HFA asked homeless providers: Who in your system could benefit from limited HFA funding—but no other organization is funding? The answer was that families that had moved from homelessness to temporary housing and were now employed and ready to move back into the conventional rental market “fell through the cracks” of funding. They needed rental assistance to help them move “up and out” of the homeless system back to employment and eventually paying all of their rent themselves.

The program provides \$286 per month for a one-bedroom or \$403 per month for a two or larger bedroom unit as rental assistance to families in the program. All families have someone who is employed and all still receive case management from the HFA’s partner—Metropolitan Ministries. The rental assistance is limited to a two-year period. During this time the family is able to stabilize its finances and is ready to take over the full rent when they exit the program. To avoid any “slum lord” subsidization problems, the program works with developments financed by either the HFA or FHFC—therefore ensuring that every property is inspected, monitored, and provides safe and decent shelter.

At any given time, the program is limited to 25 families. Over its life, 84 families have participated, with 110 adults and 140 children housed. The average family income is \$22,245 , and over 75% of



the participants have successfully “graduated”—meaning they stayed in their unit and paid the full rent themselves. To date, the HFA has invested \$590,000 in the Up and Out Homeless Program.

### **New Construction Veteran’s Homeless Program**

The HFA realized that there is a shortage of housing that is affordable to extremely low income persons, and that a rent subsidy program is not the only “tool in the box”. The HFA worked with Volunteers of America to finance the new construction Kaylee Bay Village in East Tampa.

Kaylee Bay is currently nearing completion. The design is a mix of single family homes and duplexes—all of which will be rental housing targeted to formerly homeless veterans. Persons living at Kaylee Bay will pay \$325-\$700 per month in rent.

The HFA is the first mortgage lender for this development—with the HFA investing \$1 million in the form of a loan. The remainder of the \$4.8 million cost will be funded by FHFC, Home Depot Foundation, and developer equity.

### **Youth Aging Out of Foster Care Program**

Working with its community partner Camelot Community Care, the HFA has also launched a new program designed to help youth aging out of foster care. The program recognizes that a significant number of these youth end up homeless within a short period after turning 18. This program is budgeted for \$100,000 per year.

The program is currently funding a full time transition specialist to work with the youth. The current system has far too many youth dependents upon far too few specialists, and this will help alleviate that problem. The program is also providing rent subsidies of \$200 per month for 15 youth, and will also pay their rental application fees. Additionally, the program will fund the additional security deposits required from tenants such as these youth who do not have a credit history.



## **HFA NAME: JACKSONVILLE HOUSING FINANCE AUTHORITY**

### **Summary**

#### **Local Government Preference for 9% Housing Credit Deals**

The JHFA worked with the Florida Housing Finance Corporation to implement a pilot program for the selection of 9% Housing Credit developments in Duval County. Rather than the “winner” being determined by lottery, the JHFA selected a development which was consistent with City goals and strategies for the redevelopment of the Central Business District—with that development receiving the Housing Credits from FHFC.

For several years, the City of Jacksonville advocated to FHFC that it would like to play a role in the selection of the developments that received 9% Housing Credits within its jurisdiction. Initial concerns were raised about the potential “politicization” of the process; however, FHFC and the JHFA worked together to create a pilot program that could be studied after one year of operation. One part of the program is that to exercise this “preference” option, the local government had to provide a higher level of financial support to the development than the level required for lottery applicants.

The JHFA worked with the City to establish criteria that would be used in the process, including location within the Central Business District, targeting to families (meaning primarily lower wage downtown workers), location on the City’s light rail system, and leveraging of other resources. An application was issued and the JHFA implemented a transparent review of the developments.

One development, the Lofts at LaVilla, hit all the marks. It was a 130 unit mid-rise family development located within the CBD directly on a light rail stop. The development also received funding from the Downtown Investment Authority. Additionally, the development had the lowest total development cost per unit of the applications that met the threshold of being within the CBD.

One potential issue is that if the development selected for the funding preference failed threshold, a County might not receive any Housing Credit deals. To alleviate that potential concern, the JHFA provided one other development within the CBD the minimum local government contribution needed to meet lottery threshold.

Lofts at LaVilla submitted a complete application to FHFC which met all threshold requirements. As a result, rather than the luck of a lottery number determine which deal would be funded within Jacksonville, the JHFA and FHFC made sure that the winning development met City goals and strategies. What did this cost? The JHFA made a 0%, 20 year loan of \$265,000. The Downtown Investment Authority committed another \$325,000.

The program was so successful that FHFC is proposing its expansion to other large counties. As HFA’s are the only housing entity whose jurisdiction is truly countywide—meaning that HFA’s work in both the incorporated cities and the unincorporated county—we are the logical entity to organize the process by which the preference is decided within each County.





## **HFA NAME: HOUSING FINANCE AUTHORITY OF MANATEE COUNTY**

### **Summary**

Developed a program with participating local lenders to make first mortgage loans for qualified home buyers.

### **Single Family Loan Program**

In early 2009, the Housing Finance Authority of Manatee County, Florida (“the Authority”) was one of the first authorities in the state to structure a loan program to make new mortgage loans to low and moderate income families or persons when bond programs became unfeasible. The program was available through participating local lenders to make first mortgage loans for the acquisition of qualified single family residences by qualified borrowers. The loan program concluded in early 2010 and resulted in \$2,582,878 being provided for first mortgage loans to 23 eligible families or persons. The Authority also funded \$102,971.00 for a down payment assistance program to fund the difference between the principal amount of a first mortgage and the total purchase price for a particular single family residence, together with the costs of any required appraisal, closing agent, recording, survey, termite inspection or other required closing costs not to exceed 4% of the principal amount of the first mortgage in connection with the loan program. The initial \$36,193 of down payment assistance was provided to borrowers under the loan program as a grant. The remaining \$66,778.00 of the down payment assistance was an interest free second mortgage to the Authority in the amount of such down payment assistance that becomes due and payable if the first mortgage is paid off, refinanced or assumed by a new borrower, or the mortgage property is sold, leased, transferred or foreclosed.

Following the NIBP, the Authority established another Loan Program to make new mortgage loans to low and moderate income families or persons on a continuous basis. This program launched in March, 2013, through participating local lenders to make first mortgage loans for the acquisition of qualified single family residences by qualified borrowers. The program also offers down payment assistance to fund the difference between the principal amount of a first mortgage and the total purchase price for a particular single family residence, together with the costs of any required appraisal, closing agent, recording, survey, termite inspection or other required closing costs. Initially, the maximum assistance loan has fluctuated between \$7,500 and \$10,000. The down payment assistance loan is evidenced by an interest free promissory note and secured by a second mortgage to the Authority that becomes due and payable if the first mortgage is paid off, refinanced or assumed by a new borrower, or the mortgaged property is sold, leased, transferred or foreclosed. The program also makes available Mortgage Credit Certificates which allows borrowers to receive a Federal Income Tax Credit of up to \$2,000 per year for as long as the loan is outstanding and the borrower resides in the property. To date, the Loan Program has funded approximately \$17,200,000 in first mortgage loans and provided \$1,220,000 in down payment assistance loans to 130 eligible families and persons.



## **HFA NAME: HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY**

### **Summary**

The HFA works with renters to set-aside a portion of their rent to assist with their move to homeownership.

### **Southern Anchor Rent to Save Program for First Time Homebuyers**

The program is the result of an unusual housing opportunity in Miami-Dade County. The property consists of a gated community of 72 units of housing on the grounds of a former United States Coast Guard base. It sits next to Zoo Miami in a bustling family-oriented community of Southwest Miami-Dade. The federal government gave the property to the local government and plans were made to convert the land into a waterpark. Commissioner Moss (District 9) pushed to allow potential homebuyers to rent the existing units while they prepared to buy their first home. With the vision of Miami-Dade Commissioner Dennis Moss and the cooperation of the Housing Finance Authority of Miami-Dade, the local Public Housing agency, the General Services Administration and the Community Action Agency, the Southern Anchor Rent To Save Program was created.

The program features a savings program, a homeownership educational component and onsite property management by Royal American. Southern Anchor's target market consists of working families earning at least \$43,000 annually who desire to save money for the down payment and closing costs needed to purchase their first home.

Here is how the program works. Interested families complete a rental and homebuyer club application and agree to a standard credit and background check. Upon approval, the residents are contacted to complete the rental lease, select their unit and make the initial deposit of two month's rent. Approved families pay 80% of the fair market value for a 3 or 4 bedroom unit. Fair market rent for a three bedroom and a four bedroom is \$1,542.00 and \$1803.00, respectively. At Southern Anchor, the rent is \$1,212.00 and \$1,416.00 for a three and four bedroom unit, respectively. Residents are responsible for utilities.

The on-site property manager collects the rent each month. Every month, 40% of the resident's rent is set aside in a saving account for use toward the down payment and closing costs they will need when they purchase their first home. Residents are expected to purchase their first home within the 36 month program period. Residents can participate in the Southern Anchor up to 36 months; however, residents are encouraged to purchase a home after renting for 12 or 18 months. If residents do not purchase a home by the end of the program, they will forfeit the 40% savings which accumulated during their participation.

Southern Anchor residents are required to complete an 8-hour homebuyer education course and obtain a certificate. The HFA offers an online homebuyer course and also coordinates the home buyer's club through a HUD-certified housing counseling agency to work with each family on credit issues, savings plans and the process of purchasing their first home.

We are pleased to announce that 23 Southern Anchor families have completed the program. They purchased their first home using savings from the Southern Anchor program. The average amount of savings accumulated was \$13,000.00. The average home purchase price was \$200,000, with a low purchase price of \$85,000 and a high of \$327,000.

The Southern Anchor program remains active today as plans for a waterpark have not been finalized. A total of 50 residents remain in the program and new applications are not being accepted at this time.



## **HFA NAME: ORANGE COUNTY HOUSING FINANCE AUTHORITY**

### **Summary**

Public/private partnerships are an essential component of local Affordable Housing initiatives. To that end, the Orange County Housing Finance Authority (“OCHFA” / “the Authority”/ “Orange County HFA”) has leveraged financial resources to address financial gaps and ensure the production or preservation of Affordable Housing (Single & Multi Family). To support these initiatives the board has established policies that will ensure that the Authority’s limited financial resources are efficiently invested. To date, we have utilized available agency financing, to develop over 500 affordable housing units. The following summary reflects some of the projects that have been completed through partnerships with other stakeholders in the community.

### **Mable Glen/Butlers Preserve**

Approximately twenty years ago, the Orange County Board of County Commissioners purchased a 38-acre site, for a proposed single-family affordable housing development called “Mable Glen”. The County’s intentions were to develop this property into a thriving community of safe, decent and affordable housing units that would serve as a catalyst for neighborhood revitalization. After several unsuccessful attempts to develop this site, the property unofficially became a community dump. The downturn in the economy, and adverse real estate market conditions also impeded efforts to develop the site.

In 2015, Habitat for Humanity of Greater Orlando, solicited our support to construct a 59-unit, single-family affordable housing development on the site. All of the constructed homes are available to families that earn less than sixty percent (60%) of the Area Median Income, at a sales price not-to-exceed \$100K. Habitat requested that we consider providing a \$2MM Non-Revolver Line of Credit (NRLOC) to assist with financing the building of the homes. The proposed terms of the NRLOC is an 18-month draw period, with monthly “interest only” payments, at 1.5% interest rate. When homes are sold, Habitat will make a 3% reduction in the outstanding loan amount at the sale of each home. Additionally, the land was be donated by the County, and the Housing and Community Development Division provided \$590K in down payment assistance.

The development is in line with OCHFA’s mission and objective of providing zero and/or low cost financing to support nonprofit organizations; which in turn provides affordable housing opportunities for our low income families. To date, 29 single-family units have been constructed; 14 homes are under construction and the program currently has 73-families on its waiting list.

### **Goldenrod Pointe Apartments**

Homelessness is a growing concern for many communities across the United States (deemed as “situational/episodic”). Families categorized as “situational/episodic” homeless, usually experience homelessness due to a job loss, health issues, domestic violence or other uncontrollable events; and unable to maintain suitable, stable housing. More often, this population includes families living in non-traditional, residential housing (motels – weekly/monthly); or living in tents, cars or couch surfing with friends or relatives.

To assist in addressing the need for multi-family units, targeted to “situational/episodic” homeless families, Atlantic Housing Partners, LLLP, submitted a proposed multi-family development project, consisting of



70- affordable housing units; to include six 1-bd/1-ba; eighteen 2-bd/ 2-ba; thirty-five 3-bd/2-ba and eleven 4-bd/ 3-ba. The rental range will be \$282 – \$871 per month (which reflects set-asides of 80% at 60% and 20% at 60% Area Median Income). The developer agreed to set-aside fourteen (14) of the units for “situational/episodic” homeless families. Rental range for these 14-units will be \$282 (1-bd/1-ba) \$344 (2-bd/2-ba) and \$436 (4-bd/3-ba).

The tax-exempt bonds amount is \$6.6MM; with a total development cost (tdc)of \$15,163,495; to include: Tax-Exempt Bonds, HOME, SHIP, Tax Credit Equity and Deferred Developer’s Fees with a \$1.68MM payment of the bonds at permanent financing; reducing the total bond amount to \$4.92MM; and a tdc of \$13,483,495. OCHFA supported this development via waiving 20% of the developments annual administration fees.

### **The Villages West Lakes Apartments**

LIFT Orlando, Inc. (LIFT), inspired by the opportunity to leverage the redevelopment of Orlando’s Citrus Bowl and create pathways of opportunity for its low-income families. LIFT was founded as a partnership between Florida Citrus Sports and the leadership of CNL Financial Group, Florida Hospital, Orlando Health, the law firm of Lowndes, Drosdick, Doster, Kantor & Reed, Boyd Development Corporation, CNL Bank, BAGS, Zero Chaos and SeaWorld Orlando, The Hope Church and OCHFA.

The proposed development community, consists of two phases; Phase-I includes 200-units of affordable multi-family housing; and Phase-II includes 120-units of affordable multi-family senior housing, in downtown Orlando. This is a major re-development reflecting the level of re-investment in this community; having a total development cost of more than \$36MM, OCHFA provided a \$750K loan in support of this initiative.

### **City View Apartments**

The Orlando Neighborhood Improvement Corporation (ONIC), recently financed City View Apartments, a 266-mixed income development. ONIC refinanced the community through the Department of Housing and Urban Development (DHUD), by using Section 223(f) Program. This refinancing would transfer ownership to ONIC, ensuring long-term affordability by a local, non-profit organization. OCHFA provided a more than \$881K loan to facilitate the transaction, ensuring the preservation of quality, affordable housing through the year 2050.



## **HFA NAME: HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY**

### **Summary**

The HFA of Palm Beach County Board established a revolving loan pool in 2009 to utilize some of their available surplus to promote the construction and rehabilitation of affordable housing by both for-profit and not-for-profit developers including local public housing authorities. The not-for-profit community had expressed a need for bridge funding where a grant provider released funding on a reimbursement-only basis, as well as for project construction. The loan program provides for a term of up to 36 months at interest rates between 1% and 3%, and secured by a mortgage or pledge of receipts.

### **Revolving Bridge Loans**

Beginning with the first loan to the Community Land Trust of Palm Beach County in 2010 the Authority has entered into a total of six separate loan agreements with the both Habitat for Humanity organizations in Palm Beach County, the City of West Palm Beach Housing Authority, the Westgate/Belvedere Community Redevelopment Agency, and the NOAH Development Corporation. In all but the CRA loan the borrower had been awarded funding under a federal or state grant that required the grantee to expend their own monies for improvements and then request reimbursement. The loan with the Westgate/Belvedere CRA allowed them to acquire and rehab a number of existing homes which they later resold with the loan secured by and repaid from receipt of tax increment receipts.

### **New Construction Loans**

The Authority has entered into two construction loans for the development of single family homes. The most recent is with the CLT of PBC for their 24-home Davis Landings West subdivision. This \$3.4M loan will provide the funds for both off-site and on site land development as well as vertical construction of 16 single family detached homes and 8 townhomes. The site was donated to the CLT by the county which will also provide up to \$79K of purchase assistance to home buyers depending upon household income not to exceed 120% of area median income. The CLT obtained a Florida Housing Finance Corporation PLP loan of \$350K for pre-development costs which was repaid from the first loan draw. Under the national community land trust model buyers acquire title to the home improvements but lease the underlying home site for a nominal fee. The ground lease contains the home resale terms which shares any future appreciation between the seller and the CLT helping to maintain future affordability. The first mortgage loans for the purchase of homes under a community land trust is therefore a special portfolio product offered by only a few regional banks and not offered under the Authority's single family loan program.





## **HFA NAME: HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY**

### **Summary**

The HFA of Pinellas County administers Pinellas County's Affordable Housing Land Assembly Fund. The source of revenue is an infrastructure surtax known as Penny for Pinellas. Land Assembly Funds are utilized for the acquisition of land for affordable workforce housing. The acquisition must meet the definition of Section 212.055(2)(3)(1) Florida Statutes which ensures that it will be utilized and stay in control of the HFA or the County. It also includes long-term ground lease provisions as part of the Land Trust that is established for each transaction. The total funding available is approximately \$15,000,000 over a three year period.

### **Affordable Housing Land Assembly Fund – Penny for Pinellas**

Beginning in July 2015, the HFA released a Notice of Funding Availability/Request for Applications for New Construction/Acquisition & Rehabilitation of Multifamily Development and the County released a Request for Letters of Interest for Purchase of Land for Affordable Housing. To date six transactions have been funded using a total of over \$6.8 million. The transactions funded include:

- **Garden Trail Apartments:** This transaction was financed with SAIL and ELI proceeds received from Florida Housing Finance Corporation through a competitive process. The City of Clearwater also provided subsidy funds of \$350,000. This new construction, multifamily development is located at 609 Seminole Street in Clearwater and consists of 76 units with 71 units set-aside for households at or below 60% AMI and 5 units set-aside for households at or below 50% AMI. The transaction closed on December 18, 2015.
- **Palms of Pinellas Apartments:** This new construction multifamily development is located at 13101 Belcher Road S. in Largo and consists of 92 units with 20% of the units set-aside for households at or below 50% AMI and the remaining units set-aside for households at or below 120% AMI. The transaction closed on February 29, 2016.
- **Lealman Heights:** The campus (formerly owned by D&D Missionary Homes) encompasses 7.2 acres located just south of the Lealman Avenue Elementary School is the County's Lealman CRA. The campus includes 53 existing housing units which will be maintained and leased through the Pinellas Property Management Company, Inc. 40% of the units will be set-aside for households at or below 60% AMI. The transaction closed on February 29, 2016.
- **Lealman Heights – scattered sites:** Three additional single family homes were purchased through the County's RLI. These homes are located within the footprint of Lealman Heights and will be maintained and leased through the Pinellas Property Management Company, Inc. The transactions closed in March and April, 2016.

The Notice of Funding Availability is still ongoing and has no expiration date at this time. The HFA continues to accept applications for funding and looks forward to providing additional affordable workforce housing in 2016. Information is located on the HFA website.



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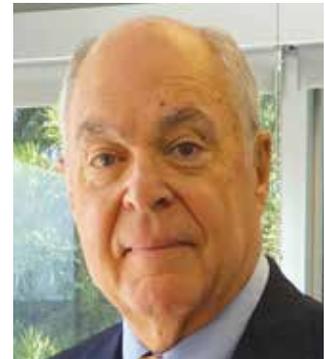
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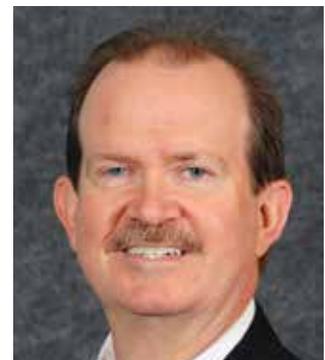
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