



HUMAN SERVICES AND COMMUNITY PARTNERSHIP

DATE: February 14, 2019

TO: Chairman Tom Lewis and the Housing Finance Authority of Leon County

FROM: Shington Lamy, Director of Human Services and Community Partnerships
Matthew G. Wyman, Housing Services Manager

SUBJECT: County Staff Report for February 2019

This County staff report is provided by the Leon County Division of Housing Services to the Housing Finance Authority of Leon County (HFA) for the February 14, 2019 HFA meeting. The items presented in this report include the following:

- The Habitat for Humanity Request for the Donation of an Affordable Housing Property
- Update on the Request for Qualification for a Community Land Trust (Informational Only)

Habitat for Humanity Request for the Donation of an Affordable Housing Property

On February 1, 2019, the Big Bend Habitat for Humanity (Habitat) submitted a letter to the County requesting donation of a County-owned property located at 1340 Connecticut Street (Attachment #1). The property is included on the Certified Affordable Housing List that was approved by the County Commission in June 2018.

Habitat intends to build a single-family home between 1,200 – 1,400 square feet on the property beginning in March 2019 and complete it within six months. Habitat has already identified the potential homeowner that would reside in the newly constructed home. Additionally, Habitat will build two additional homes on the Connecticut Street (just south of the County property) that are owned by the City of Tallahassee (City). The City is donating the two properties to Habitat.

According to Habitat, affordability will be preserved on the properties through three approaches: (1) a five-year restriction on the sale of the home by the homeowner; (2) a shared appreciation clause that provides the homeowner 1/30 share equity for each year of making payments; and (3) a first right of refusal to Habitat for the sale of the home.

In accordance with the Leon County Real Estate Policy, County staff intends to negotiate with Habitat regarding the conveyance to Habitat of the 1340 Connecticut Street County-owned property for the construction of permanent affordable housing. This project reflects County and HFA's mutual goal of increasing the inventory of affordable housing in the community through coordination and collaboration with community partners. It also aligns with the County's Strategic Priority of building and supporting strong neighborhoods. The negotiations will exhaust all County options on the conveyance of the property including sale, donation, or property exchange.

Negotiations with Habitat is expected to be completed by the end of February. The conveyance of the property to Habitat is expected to incur closing costs and fees that would also be negotiated with Habitat. As with past conveyances to Habitat, Habitat will be expected to pay any closing costs and fees associated if the property is donated by the County.

The Real Estate Policy provides the HFA the right of first refusal to cooperate with the County in the sale or lease of affordable housing properties. It also requires that the County provide the HFA the opportunity to contribute to the costs associated with preparing properties on the certified affordable housing list for sale or lease. This would include the closing costs, appraisals, and other fees. Should the HFA choose to partner or cooperate with the County on the conveyance of the property with Habitat, any proceeds from a potential sale or lease would be paid to the HFA for the use of affordable housing. **As a result, County staff recommends that the HFA cooperate with the County on the conveyance of the property to Habitat.**

Update on the Request for Qualification for a Community Land Trust (Informational Only)

On November 5, 2018, Leon County and the City of Tallahassee released a request for qualification (RFQ) to identify local organizations that are interested and have the capacity to serve as a community land trust. The deadline to submit bids was November 27, 2018. There were three bids submitted from the following organizations:

- Farwest Helping Foundation Corp
- Graceful Solutions, Inc.
- Tallahassee Lender's Consortium

An RFQ Committee has been formed to review the responses that includes Mr. Jeffery Sharkey who was appointed by the HFA at its June 20, 2018 meeting, County staff, City staff, and representatives from the Tallahassee Housing Authority and Big Bend Habitat for Humanity. The Committee will evaluate the bids and make a recommendation in late February which would be presented to the County and City Commissions respectively later in the Spring.

In a community land trust model, a home and the land it sits on are separated which allows the sell and transfer of title of a home without selling the land. This allows the cost of the home to be more affordable. A non-profit organization, which serves as the community land trust entity, holds title to the land and manages the ground lease which sets limitations on the resale of the home. This allows the property and home to remain affordable in perpetuity.

On January 10, 2019, the HFA invited the Florida Housing Coalition to provide a comprehensive presentation on community land trust to gain a greater understanding of its impact to affordable housing. County staff will continue to provide updates to the HFA regarding the community land trust process.

CC: Mark Hendrickson, Financial Advisor to the Housing Finance Authority of Leon County



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January 24, 2019

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Mr. Shington Lamy
Office of Human Services and Community Partnerships
918 Railroad Avenue
Tallahassee, FL 32310

Re: Donation of Vacant Lot located at 1340 CONNECTICUT

Director Lamy,

Big Bend Habitat for Humanity builds high quality, energy efficient, affordable housing for hardworking families. Our families purchase their homes with a 0% mortgage, complete 400 Sweat Equity hours and enjoy the full benefits of homeownership. Our mission is only possible through partnerships, sponsorships, and donations.

The Project

In partnership with the City of Tallahassee and other community partners, we are currently building a series of five new infill homes located on Connecticut Street. This project will include the site for our Women Build 2019 home. The site is within a one block walk to Riley Elementary, and has great access to public transportation, retail & employment. All partner families have been identified and are ready to build. We will break ground this month, and have all homes complete in six months.

Donation Request

ADDRESS: 1340 CONNECTICUT

TAX ID: 212664 H0290

BBHH would like to invite Leon County to be a partner in an amazing project this spring. Big Bend Habitat for Humanity humbly request a donation of vacant lot located at 1340 Connecticut Street. The donation would allow Leon County to continue its commitment to catalyze the development of high quality affordable housing for our community.

We truly appreciate the continued support of Leon County in our mission to provide safe, decent housing for everyone.

In His Service,

Antoine Wright

