

THE HENDRICKSON COMPANY

1404 Alban Avenue ☞ Tallahassee, Florida 32301
Telephone: 850-671-5601
mark@thehendricksoncompany.com

To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: January 12, 2023, HFA of Leon County Board Meeting
Date: January 6, 2023

I. Financial Reports—Action

1. The December 31, 2022, Financial Statement is attached. Total assets as of December 31, 2022, are \$1,781,363.66, with \$1,443,336.09 in cash (\$268,690.71 restricted for housing programs and \$25,000 offset by liability—good faith deposits).
2. All Emergency Repair and CDBG expenditures are booked against the restricted assets from the property sales (they meet the test as direct housing expenditures). As of December 31, 2022:
 - ✓ Total revenues from property sales: \$656,933.71
 - ✓ Emergency Repair expenditures since August 2016: \$370,080
 - ✓ 9/11 Day of Service: \$6,000
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$268,690.71
3. An Expenditure Approval list and bank/SBA statements are attached.
4. The Auditor (The Nichols Group) has completed their work for FY 21-22 and will present their report at the meeting (copy attached).
5. **Recommendations:** (1) Adopt Audited Financial Statements, and (2) Approve Financials and Expenditures

II. Bond Update & Local Government Contribution Application—Action

1. **Ridge Road** applied for bonds and has a SAIL commitment from FHFC. A bond closing is anticipated in February 2023. Bond allocation has been secured.
2. **Tallahassee Affordable Housing Portfolio:** This is the 470-unit acquisition/rehabilitation of three older student housing complexes that are being converted to affordable rentals. As of the January draw, the rehabilitation was 91% complete.
3. The City and County asked the HFA to administer their application process for selecting a local preference (Local Government Area of Opportunity Funding or LGAOF) development for a 9% Housing Credit application to FHFC. The HFA agreed and a NOFA was issued. **Lakeside Flats** was recommended by the HFA for LGAOF designation by the County and

applied to FHFC after the BOCC approved the contribution and LGAOF designation.

4. **Recommendations:** None.

Name	Ridge Road	Lakeside Flats
Owner Entity*	ECG Ridge Road, LP	Citrus Gardens Apartments, LLC
Developer/Location	Elmington Capital Group Nashville, Tennessee	Archway Partners Orlando, Florida
Street Address	Ridge Road WSW of intersection of Ridge Road & Ridge Haven Road	2120 Mahan Drive
Type	New Construction	New Construction
Demographic	Family	Family
County Commission District	District 1, Bill Proctor	District 5, Kristin Dozier
Units	250	66
Bedrooms	535	96
# of Buildings	7 residential buildings (garden)	3 residential buildings (garden)
# of Stories	3	3
Credit Underwriter	First Housing	TBD
Estimated Closing Date	February 2023	December 2023
Bond Request Permanent Loan Bond Amount Private Placement	\$49,500,000 or \$198,000/unit \$23,905,000 R4 Private Placement	None
SAIL & ELI Funding & NHTF	\$9,800,000	\$9,800,000
Housing Credit Investor Housing Credits	US Bank \$33,278,899	TBD \$22,130,422
City//County/HFA Funding	\$37,500	\$460,000
TEFRA Approval	4-12-22	NA
Total Cost	\$78,901,214	\$22,130,422
Total Cost Per Unit	\$315,605	\$335,309
Land Cost	\$695,000	\$1,050,000
Acquisition of Building Cost	NA	NA
Hard Construction Cost	\$54,930,724 \$219,723/unit	\$13,770,205 \$208,639/unit
General Contractor	Elmington Construction, LLC	TBD
Credit Enhancement	NA- Private Placement	NA
Set-Aside Period	50 years	Perpetuity
Set-Aside Levels	16.4% (41 units) <30% AMI 34.4% (86 units) <60% AMI 49.2% (123 units) < 70% AMI	15.2% (10 units) <30% AMI 39.4% (26 units) < 60% AMI 45.5% (30 units) <70% AMI

III. Emergency Repair Program—Informational

1. The HFA authorized an emergency repair program, for minor repairs that need immediate attention—and are not covered by the County’s SHIP Program. Individual repairs are limited to \$1,650 per home (\$7,500 for seniors or persons with special needs that reside in mobile homes).
2. The total available for FY 21-22 was \$132,045 (\$125,000 new allocation and carryforward of \$7,045). For the year, \$130,180.75 was encumbered for 20 cases, with \$12,000 of that encumbered but not spent. The remaining \$13,864.53 has been carried forward for use in FY 22-23 (\$75,000 new allocation plus \$13,864.53). Through December, the \$12,000 remains encumbered.

3. New applications opened November 14, and several are in process.
4. **Recommendation:** None.

IV. Real Estate—Informational

1. The Real Estate Division is responsible for selling surplus properties designated for affordable housing, with proceeds of the sale coming to the HFA. Four sales netting \$30,468.25 occurred this fiscal year.
2. Sales of seven properties by the Real Estate Division generated total revenues to the HFA of \$107,102. As of December 5, 2022, sales of 95 properties by Ketcham Realty have generated \$549,831.71 paid to the HFA. The total is \$656,933.71. This month, payments for three new sales will be received (\$27,000)—not included in totals until payment received.
3. A spreadsheet is attached.
4. **Recommendation:** None.

V. Legal Update—Informational

1. HFA Counsel will report on their activities.
2. **Recommendation:** None.

VI. Occupancy Reports (Quarterly)—Informational

1. Lakes at San Marcos is 95% occupied, down 2% from last quarter. Magnolia Terrace is 98% occupied, down 2% in the last quarter. Kenwood Place occupancy is 96%, no change from last quarter. Tallahassee Affordable portfolio is 73% occupied and under rehabilitation.
2. **Recommendation:** None.

VII. To-Do List—Informational

To-Do Item	HFA	Admin	County	NGN	Status	Completed
Meeting Date:						
April 26, 2022						
HFA to invite County MWSBE representative to HFA meeting for presentation on program		X	X		Darryl Jones scheduled to attend November 10 HFA meeting but did not appear	

VIII. State Legislative Update—Informational

1. Work has begun for the 2023 Legislative Session. The P5 Group and Bascom Communications have been engaged.
2. Estimated trust funds available for appropriation in 2023 are \$403 million.
3. In the Special Session on insurance, \$150 million of General Revenue was appropriated for housing hurricane relief. Of that, \$90 million is for the Rental Recovery Loan Program, which is essentially SAIL targeted to hurricane impacted counties. The remaining \$60 million is for the Hurricane Housing Recovery Program, which is essentially SHIP targeted to hurricane impacted counties.
4. **On December 30, the HFA received a \$55 million allocation from a lottery for Ridge Road, which was carried forward.**
5. A major housing bill is expected. The substance is not yet known.
6. **Recommendation:** None.

IX. New Business: Annual Report—Informational

1. The HFA is required to submit an annual report to the BOCC. The report was submitted as required before December 31, 2022.
2. **Recommendation:** None.

X. New Business: 2023 HFA Meeting Calendar—Action

1. A proposed 2023 HFA meeting calendar is attached. While generally keeping to the 2nd Thursday, some meetings are proposed for Friday's due to availability of the meeting room.
2. **Recommendation:** Adopt proposed 2023 meeting calendar.

XI. New Business: Annual Election of Officers—Action

1. The HFA's bylaws call for the annual election of officers at any regularly scheduled meeting. The bylaws call for this to be the last item on the agenda. The Chair is limited to two consecutive terms—therefore, **Dr. Sharkey is eligible for re-election** to the Chair.
2. The term of the officers will be calendar year 2023. In addition to the Chair, the other officers are currently Vice-Chair (Mr. Rogers), Secretary (Mr. White) and Treasurer (Mr. Gay). Ms. Milon serves a Chair of the Audit Committee
3. **Recommendation:** Elect officers.