

THE HENDRICKSON COMPANY

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To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: August 24, 2023, HFA of Leon County Board Meeting
Date: August 14, 2023

I. Financial Reports—Action

1. July 31, 2023, Financial Statement is attached. Total assets as of July 31, 2023, are \$2,148,633.45, with \$1,820,235.88 in cash (\$477,535.95 restricted for housing programs), and no liabilities.
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 July 21, 2023:
 - ✓ Total revenues from property sales: \$868,278.95 (through 8-11-23)
 - ✓ Emergency Repair expenditures since August 2016: \$370,080
 - ✓ 9/11 Day of Service: \$6,000
 - ✓ Home Expo: \$2,500
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$477,535.95
3. An Expenditure Approval list and bank/SBA statements are attached.
4. **Recommendation:** None.

II. Proposed Budget for FY 2023-2024—Action

1. A proposed FY 23-24 budget is attached. It is based upon previous Board decisions related to funding County programs/activities, and upon projected income and expenses for other items. The proposed budget is very conservative in revenue estimates.
2. The budget:
 - Continues Florida ALHFA Membership: Active Issuer (\$1,000) & Gold Conference Sponsor (2,500) and SEE Contribution (\$2,500)
 - Expenses with anticipated increases
 - No bond closing fees (even though Lake Bradford could close and generate fees)
 - Reduction in Land Parcel Sales to level between FY 21-22 and FY 22-23 levels
3. **Recommendation:** Approve proposed FY 2023-2024 budget.

III. Bond Update—Informational

1. **Ridge Road** closed March 8, 2023, and is under construction.
2. **Magnolia Family** is 54% complete. The **Tallahassee Affordable Housing Portfolio** is 65% complete.
3. The **Tallahassee Affordable Housing Portfolio (TAHP)** has provided a Plan to remedy outstanding compliance issues. The progress will be monitored by bond counsel and staff. Compliance with required features and amenities as required by the LURA may become an issue.
4. **Recommendations:** None.

IV. Bond-SAIL Application and Local Government Support NOFA & Application—Action

1. The Board authorized publication of a NOFA and Application with a due date of July 18. The Board authorized the Chairman to sign forms required for an FHFC SAIL application for any complete application and to commit HFA funds for the required local contribution (with advice of the Administrator).
2. One application was received, for Lake Bradford Apartments. The application met all threshold criteria. Details on the proposed development are below. The applicant applied for SAIL funds, and if received, the bond transaction will then move forward. The bond inducement is on this agenda—needed to move forward with a TEFRA hearing, TEFRA approval, and application for a bond allocation.
3. **Recommendation:** Approve Inducement Resolution for Lake Bradford Apartments, as prepared by bond counsel, which includes authorization of counsel and staff to move forward with publication of a TEFRA notice, request BOCC approval, and apply for bond allocation.

	Lake Bradford
Developer/ Location	Elmington Capital Group Nashville, TN
Development Location	1131 & 1139 Kissimmee Street City of Tallahassee
County Commission District	Bill Proctor
Type	New Construction Mid-Rise 4-story with elevator
Demographic	Family
HFA Bond Request	\$30,000,000
TEFRA Hearing TEFRA Approval Preliminary Agreement Expiration	TBD
Credit Enhancement	TBD
Credit Underwriter	TBD
Closing Date	April 2024

Units	156
Permanent 1 st Mortgage Estimate	\$4,755,036
SAIL & ELI (FHFC)	\$7,088,999
City Loan	\$0
HFA Loan Request	\$57,000
Housing Credits	TBD \$22,838,487 \$146,401/unit
TDC	\$55,236,244
TDC per unit	\$354,078
Land Cost	\$2,300,000 14,744/unit
Hard Construction Cost	\$37,905,000 \$242,981/unit
Set Aside Period	50 years
Set Aside Levels	9.615% (15 units) < 80% AMI 55.769% (87 units) < 70% AMI 9.615% (15 units) < 60% AMI 25.000% (39 units) < 30% AMI

V. 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 22-23 is \$88,864.53 Through June, \$80,700.75 is encumbered for eight cases.
3. **Recommendation:** None.

VI. 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. Twenty-two sales have occurred in 2023, with \$211,345.24 received.
2. Sales of seven properties by the Real Estate Division generated total revenues to the HFA of \$107,102. As of August 11, 2023, sales of 115 properties by Ketcham Realty have generated \$723,576.35 paid to the HFA. The total is \$868,278.95.
3. A spreadsheet is attached.
4. **Recommendation:** None.

VII. Legal Update—Action

1. At the June meeting, the Board appointed Nabors Giblin as bond counsel (following the lead of the County) and Bryant Miller Olive as HFA general and disclosure.
2. Contracts have been drafted for Board consideration.
3. **Recommendations:** (1) Approve Nabors Giblin bond counsel contract and (2) Approve Bryant Miller Olive HFA general and disclosure counsel contract.

VIII. 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. Mr. Lamy to reschedule	

IX. State Legislative Update—Informational

1. In the 2023 legislative session, record levels of housing appropriations were made. Our community will receive an estimated \$3,427,786 of SHIP funds for FY 23-24, with the City of Tallahassee receiving \$2,295,246 and Leon County \$1,131,540. The SHIP funding level is up from \$2,841,590 this year, \$1,999,017 in FY 21-22 and \$0 the year before. This is almost entirely from the work of the Sadowski Education Effort funded by local HFA's. It is important to note that Senate staff fully analyzed SHIP as part of their work on SB 102 and recommended full funding and no changes to the program.
2. Work on the 2024 legislative session has begun.
3. **Recommendation:** None.