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To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: January 17, 2025, HFA of Leon County Board Meeting
Date: January 9, 2025

I. Financial Reports—Informational

1. December 31, 2024, Financial Statement is attached. Total assets as of December 31, 2024, are \$2,686,518.21, with \$2,370,397.98 in cash (\$539,191.44 restricted for housing programs), and \$50,000 in liabilities (good-faith deposit).
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 January 9, 2025:
 - ✓ Total revenues from property sales: \$1,086,434.44 (through 1-9-25)
 - ✓ Emergency Repair expenditures since August 2016: \$520,080
 - ✓ 9/11 Day of Service: \$9,000
 - ✓ Home Expo: \$6,000
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$539,191.44
3. A list of January expenditures approved and paid, and bank/SBA statements are attached.
4. **Recommendation:** None.

II. FY 23-24 Audit—Action

1. The Nichols Group has completed the HFA Audit for FY 23-24. Ms. Esther Nichols will be at the meeting to present the Audit.
2. **Recommendation:** Accept the FY 23-24 Audit.

III. Bond Update & Construction Reports—Informational

1. **Lake Bradford** is closed December 17, with HFA fees received of \$92,500.
2. Occupancy and Construction status reports will now be on a spreadsheet and distributed quarterly. The quarterly report from December is attached (sent this month as we did not meet in December).

3. The **Tallahassee Affordable Housing Portfolio (TAHP)** provided a Plan to remedy outstanding compliance issues. Compliance with required features and amenities as required by the LURA became an issue. The compliance monitor and counsel are following up with the owner as the issues have not been fully resolved.
4. **Recommendation:** None.

	Lake Bradford
Developer/ Location	Elmington Capital Group & Tallahassee Housing Authority Nashville, TN & Tallahassee, FL
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	\$35,000,000
TEFRA Hearing	9-25-23/8-26-24
TEFRA Approval	10-10-23/10-8-24
Credit Enhancement	Private Placement to R4
Credit Underwriter	Seltzer
Closing Date	12-17-24
Units	158
Permanent 1st Mortgage Estimate	\$19,678,000
SAIL & ELI (FHFC)	\$6,184,700
City of Tallahassee Loan	\$961,300
HFA Loan Request	\$57,000
Housing Credits	R4 \$21,798,000 \$137,962/unit
TDC	\$55,321,460
TDC per unit	\$350,136
Land Cost	\$2,445,750 or 15,479/unit
Hard Construction Cost	\$35,327,396 \$223,591/unit
Set Aside Period	50 years
Set Aside Levels	9.5% (15 units) < 80% AMI 55.1% (87 units) < 70% AMI 10.8% (17 units) < 60% AMI 24.7% (39 units) < 30% AMI

IV. Emergency Repair Program—Informational

1. The HFA funds an emergency repair program, for minor repairs that need immediate attention—and are not covered by the County’s SHIP Program. The current limits are:
 - Maximum award \$3,000 for regular homeowners
 - Maximum award \$15,000 for elderly or persons with special needs
2. The FY 24-25 new funding was \$75,000, with \$39,899.60 carried forward, making the balance available for FY 24-25 \$114,899.60. This year, two households have completed repairs (\$27,960.24) and two are in progress with funds encumbered (\$10,000). Remaining available funds are \$76,939.36.
3. **Recommendation:** None.

V. Real Estate—Informational

1. The Real Estate Division is responsible for selling surplus properties designated for affordable housing, with sale proceeds coming to the HFA. Two sales have occurred in FY 24-25, with \$18,400 received. There is one sale pending with net to HFA of \$11,700, closing estimated January 31, 2025.
2. To date, sales of 145 properties (by the Real Estate Division, Ketcham Realty and Hamilton Realty) generated total revenues to the HFA \$1,086,434.44.
3. A spreadsheet is attached.
4. **Recommendation:** None.

VI. Legal Update—Informational

1. Bond and General Counsel will present any updates.
2. **Recommendations:** None.

VII. To-Do List—Informational

To-Do Item	HFA	Admin	County	BMO	Status	Completed
Meeting Date:						
August 24, 2023						
Board requested update on Tallahassee Affordable Housing Portfolio non-compliance issues		X		X	Ongoing	
December 8, 2023						
Board discussed how the HFA could work in alignment with MWSBE goals. Ms. Henry and Ms. Milon volunteered to work with Mr. Hendrickson on the issue with the	X	X			Work not completed	

goal of bringing specific recommendations to changes in the HFA process to a future HFA meeting.						
November 15, 2024						
Board the proposed Homeless Program for a two-year period, contingent upon identification of a provider of the services and a requirement that the program be brought back for final HFA action in January	X	X	X		Staff reaching out to potential providers	
Board scheduled a reevaluation of the potential Single Family DPA Program in January,	X	X			Originally scheduled for January, 2025, postponed	

VIII. State Legislative Update—Informational

1. Work on the 2025 session has begun.
2. Beginning in 2025, Leon County will be in a multi-county region with Escambia, Santa Rosa, Okaloosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Gadsden, Liberty, Franklin, Wakulla, Jefferson, Madison, Taylor, Hamilton, Suwannee, Lafayette, Dixie, Columbia and Gilchrest counties. Only Escambia has an active HFA. The upside—the new Region has a \$119.933 million allocation compared to the current \$28.4 million. The flip side—the HFA of Leon County would need to cooperate with the Escambia County HFA to make sure both receive a fair share of the regional allocation.
3. Staff reached out to Escambia County concerning 2025 bond allocation. As the HFA of Leon County had no pending transactions, Escambia reserved the entire regional allocation of \$119.933 million. They reserved the entire amount for single-family bonds, which they will not use. This is a device used to carryforward current year allocation to 2026.
4. The HFA of Leon County will move forward with TEFRA approval for a single-family Plan of Finance, which would allow the HFA to request allocation in the same manner that Escambia HFA did. In theory, if the HFA of Leon County had a deal which could close this year, Escambia could return its allocation, allow Leon to reserve, and then reapply for the balance. The more likely scenario is that Leon would receive an application for a deal that would close in 2026.
5. **Recommendation:** None.

IX. Homeless Program—Action

1. The Board requested that staff present program options for a homeless program with a potential budget of \$100,000 per year. Research on other HFAs revealed only one successful program—the HFA of Hillsborough County Up and Out Program.
2. The Up and Out Program provides monthly rental assistance to families leaving the homeless system into affordable housing for a two-year period. The assistance is equal to approximately 50% of the tax credit rent. The program is limited to apartments that are HFA or FHFC financed or are approved by HFA staff (to avoid giving assistance to families moving to substandard housing).
3. The program works through an intermediary organization that provides case management to the families and assists them in finding housing. The HFA funds the organization, who in turn provide the rental payments to the apartment owners.
4. The cost to the HFA would be approximately \$600 per month per client, or \$7,200 per year. There could possibly be additional assistance for security deposits needed. A program with 10 clients could fit within a \$100,000 budget.
5. The Board approved the program, contingent upon finding a provider of services. Staff reached out to potential providers, utilizing Leon County staff as an intermediary.
6. Currently, Assistant County Administrator Shington Lamy has requested that the HFA focus on housing production rather than social service programs. He believes there are other providers of services to the homeless but that the HFA is uniquely situated for housing production. Mr. Lamy will be at the HFA meeting to discuss a gap financing proposal being presented to the BOCC which would require a commitment of HFA funds.
7. **Recommendation:** Consider Proposal from County.

X. New Business—Escambia HFA Single Family Program—Informational

1. The homeownership program with Escambia County is producing very few loans. In the last fiscal year, only four loans were made in Leon County.
2. The primary reason is that the downpayment assistance provided by Escambia is only \$10,000. Staff have reached out to Escambia HFA to and determined that they would be interested in a program that would increase the DPA amount using additional funds from the HFA of Leon County.
3. An investment of \$100,000 per year could increase loan volume, with 10-20 families served.
4. This has been tabled pending the discussion/decisions related to a gap financing program being proposed by County staff.
5. **Recommendation:** None.