

TALLAHASSEE
1500 Mahan Drive
Suite 200
Tallahassee, Florida 32308
(850) 224-4070 Tel
(850) 224-4073 Fax

Nabors
Giblin &
Nickerson P.A.
ATTORNEYS AT LAW

TAMPA
2502 Rocky Point Drive
Suite 1060
Tampa, Florida 33607
(813) 281-2222 Tel
(813) 281-0129 Fax
FORT LAUDERDALE
110 East Broward Boulevard
Suite 1700
Fort Lauderdale, Florida 33301
(954) 315-3852 Tel

MEMORANDUM

DATE: DECEMBER 2, 2019
TO: HOUSING FINANCE AUTHORITY OF LEON COUNTY
FROM: MARK T. MUSTIAN *MTM*
RE: COMMUNITY LAND TRUST QUESTIONS

Board Members:

Please accept the following in terms of the questions raised at the November 14, 2019 meeting.

Question 1: Would anything in the HFA's Procurement Policy impact or prohibit a contribution (either by loan or grant) to a community land trust ("CLT") for payment of the CLT's administrative expenses?

Response: The HFA's Procurement Policy, adopted January 11, 2018, provides that all purchases of \$5,000 or greater require the approval of the HFA Board. The Policy goes on to say that the HFA will endeavor to provide written solicitations, but at the recommendation of the HFA Administrator and approval of the Board, such selection may be made without competitive solicitations if circumstances so demand it, or the Board otherwise deems it in the best interest of the HFA. As such, assuming the Administrator makes such recommendation, the CLT contribution to a requesting entity could be made under the HFA's Procurement Policy.

Question 2: Does state law prohibit the HFA from using proceeds derived from the sale of property designated for affordable housing by Leon County for a contribution to a CLT as described above?

Response: Section 125.379(2), Florida Statutes, reads as follows:

The properties identified as appropriate for use as affordable housing on the inventory list adopted by the county may be offered for sale and the proceeds used to purchase land for the

development of affordable housing or to increase the local government fund earmarked for affordable housing, or may be sold with a restriction that requires the development of the property as permanent affordable housing, or may be donated to a nonprofit housing organization for the construction of permanent affordable housing. Alternatively, the county may otherwise make the property available for use for the production and preservation of permanent affordable housing. For purposes of this section, the term "affordable" has the same meaning as in s. 420.0004(3).

Our reading of the language above is that the monies derived from the sale of real property designated for affordable housing by Leon County must be used for actual physical development or costs directly associated therewith, and not strictly for administrative costs.