

**ST. PETERSBURG CITY COUNCIL
Committee Report
Council Meeting of August 6, 2009**

TO: The Honorable Jeff Danner, Chair, and Members of City Council

FROM: Housing Services Committee: Leslie Curran, Council Vice-Chair, Herb Polson, Councilmember, Karl Nurse, Committee Vice Chair, Jeff Danner, Council Chair, Wengay Newton, Councilmember, Bill Dudley, Councilmember

RE: **Housing Services Committee Meeting of July 30, 2009**

New Business:

Neighborhood Stabilization Program Update (Stephanie Lampe, Mike Psarakis and Raul Quintana)

Ms. Lampe provided a brief update as to what has taken place to date in the NSP, how many units have been acquired, how many more are in the process of coming back to Council for approval to acquire and where we were with respect to additional acquisitions and how it is conducted. Ms. Lampe also provided a status report of acquisitions of multi-family proposals (proposals are due to be received by the City on August 18, 2009, with Project Review to be held shortly thereafter).

Mr. Mike Psarakis discussed 13 properties that will be brought forward for Council to approve shortly, and that he had four of the thirteen that are ready to be added to the next City Council Agenda for the meeting of August 6, 2009.

Mr. Raul Quintana, City Architect, began his discussion by discussing the procedures for evaluating properties in which the City has an interest to acquire and the site assessment. He provided an overview of the Acquisition/Rehabilitation process:

- This is where the age, soundness and condition of existing structure is evaluated
- Size of home meeting market criteria and functionality
- Relationship of the design or style of the house to that of the adjoining neighborhood
- Initial feasibility assessment based on anticipated cost effectiveness
- Security issues of property/geographic proximity to commercial areas

A summary report is issued recommending either rehabilitation, or new construction.

Mr. Quintana further discussed a case study of potential rehabilitation which discussed the cost of rehabilitation versus the cost of constructing new and the potential for amount of subsidies needed from the City. He said that existing properties that will not result in major rehabilitation are those that can be conducted by City Rehabilitation Staff, those that require substantial rehabilitation and the creation of additional living space require the services of an architect to design the plans. Contractors that have been selected to work to implement the Neighborhood Stabilization Program ("NSP") will be asked to submit their plans, and a review of those plans will be conducted to determine if they fit the needs of the NSP.

Ms. Lampe disclosed that properties that do not require substantial rehabilitations could begin the process within the next thirty days, and those that require substantial rehabilitations with creation of additional living space may take as much as 90-120 days before work can begin to rehabilitate the units.

Action: The Committee approved a motion to take the four properties submitted by Mr. Psarakis for acquisition to Full Council for approval.

Florida Homebuyer Opportunity Program (Tom de Yampert and Jill Cotten)

Ms. Cotton discussed that funding to be received by the City from the Florida Homebuyer Opportunity Program ("FHOP") requires the City to amend its Local Housing Assistance Plan to include the new strategy. The City expects to receive \$221,910 after August 1, 2009, after which time applications will be taken to assist households. Eligible applicants for assistance will be persons who have not owned a home 1-year prior to the award of funding for the program. Mr. de Yampert discussed that the language for the program is currently being developed at the Florida Housing Finance Corporation. He further discussed that funding provided to assist the homeowner must be paid back within 60-days after closing.

The Committee was advised that this item will be brought forward during the month of August to Full Council.

Action: No action taken.

Update on Local Housing Trust Fund (Joshua Johnson)

Mr. Johnson began his discussion by stating that the discussion of this issue might be a moot point. However, Pinellas County Housing Finance Authority has submitted information to the City advising that they intend to take a revision of its Ordinance which implemented the Local Housing Trust Fund that allocates funding for affordable housing to the Cities of St. Petersburg, Largo, and Clearwater will be amended to allow Pinellas County to do the following:

- Eliminate indirect formula allocations of housing trust fund proceeds to multiple local governments.
- Provision of land acquisitions.
- Modification of affordability period requirements.

The County believes that to improve program efficiency, and to reduce administrative cost and eliminate duplicative planning and reporting it would be best to eliminate indirect allocations. However, the Housing Finance Authority will award funds directly to eligible entities for affordable housing development, preservation and program activities.

The submitted request for Housing Finance Authority Trust Funds was not approved in the FY 2010 Pinellas County Budget.

Action: No action taken.

Homeowner Rehabilitation Application Process (Tom de Yampert)

Mr. de Yampert began by displaying copies of current applications on a projector and discussing the process by which assistance is provided. He stated that he has to follow the State and Federal regulations that come with the funding allocations. He discussed that the payment of child support as part of the income that is eligible to be applied to households who receive rehabilitation assistance.

Mr. de Yampert further discussed that of the items on the forms, the applicant is required to print their names, address, social security number, and sign the document. Filling the remaining sections of the documents is done by staff. He has reduced the length of the application and have reviewed it with Caring and Sharing who agreed that substantial improvements were made.

Action: No action taken.

St. Petersburg Housing Authority Informational Item (Deputy Mayor Metz)

Deputy Mayor Metz discussed that the City received a letter from the St. Petersburg Housing Authority ("SPHA") requesting the City to make a contribution of \$650,000 toward its application for \$2.6 million in Capital Fund Recovery offered by HUD to demolish the Graham Park building. The Notice of Funding Availability ("NOFA") requires SPHA to provide a 25% leverage which they are asking the City to provide. Deputy Mayor Metz discussed that all of the City's multi-family housing dollars are committed, and that the City may obtain some multi-family dollars if NSP2 is approved.

Action: No action taken.

Update on Pinellas Hope (Tom de Yampert)

Mr. de Yampert discussed the need to award funding to Pinellas Hope so that they may close on the property to begin construction during mid August, and to authorize Pinellas County to administer the funding to assist in the development to be provided by the City. The Committee was advised that an item will be included on Adds and Deletes for the August 6, Council Agenda.

Action: No action taken.

Information on Universal Cycle (Stephanie Lampe)

Ms. Lampe discussed that developers will submit applications to the State of Florida for funding without City financial support, and that she wanted to let the Committee know that we will track what has been approved for funding and bring that information back to the Committee. However, at the present time the City has no multi-family housing funding to assist developers, as all funding have been committed to developments that are in progress, or about to begin shortly.

Action: No action taken.

Follow-up (information only)

Provide a list of projects that are under development, or scheduled for redevelopment.
Provide spreadsheet of funding available for the production of multi-family developments.

Next Meeting:

Next meeting: August 27, 2009

Topics:

Update of the Neighborhood Stabilization Program 1& 2
Other items as they become available.

Committee Members

Leslie Curran, Chair
Karl Nurse, Vice-Chair
Herb Polson, Councilmember
Jeff Danner, Council Chair
Bill Dudley, Councilmember
Wengay Newton, Alternate