



BOARD OF COUNTY COMMISSIONERS

DATE: April 1, 2014
AGENDA ITEM NO. 10

Consent Agenda

Regular Agenda

Public Hearing

County Administrator's Signature: *[Handwritten Signature]*
for *RSV*

Subject:

Approval and Execution of the Amendment terminating the Administrative Services Agreement with the Pinellas County Housing Finance Authority (HFA).

Department:

Health and Community Services (HCS)

Staff Member Responsible:

Gwendolyn C. Warren, Executive Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE AND EXECUTE THE AMENDMENT TERMINATING THE ADMINISTRATIVE SERVICES AGREEMENT WITH THE PINELLAS COUNTY HOUSING FINANCE AUTHORITY.

Summary Explanation/Background:

The Housing Finance Authority of Pinellas was created by the Board pursuant to Ordinance 82-32, enacted on October 26, 1982, declaring the need for a housing finance authority and creating a housing finance authority as a separate public body corporate and politic which was empowered to alleviate the shortage of affordable housing for County residents and capital for investment in the County. Since the inception of the Housing Finance Authority, the County has provided administrative support to the Authority.

The County's provision of administrative support was memorialized in an Administrative Services Agreement (Agreement) with the Housing Finance Authority of Pinellas in 2003. Pursuant to the original Agreement and its amendments, the County provides premises, personnel, equipment, resources and program services to the Housing Finance Authority and is reimbursed by the Housing Finance Authority, consistent with County policy.

The Housing Finance Authority will independently staff the agency for the day-to-day operation of the Authority and to secure its own office space for its staff. The County supports the decision of the Housing Finance Authority to become operationally independent and will assist with a smooth transition.

The County Attorney's Office has discussed this request with the Housing Finance Authority attorney and has agreed to a recommended termination date of the Administrative Services Agreement of March 31, 2014. The parties have agreed that a full transition may take longer and agree to cooperate until all obligations are fulfilled.

An amendment to the Ordinance will be brought to the Board at a future meeting to further clarify and memorialize the following:

- 1) The HFA's direct dependent district relationship with the Board; and
- 2) Formally require the provision of written quarterly status reports and an annual presentation to the Board.

Fiscal Impact/Cost/Revenue Summary:

The annual fiscal impact is approximately \$875,000 in staff related costs which were previously paid by the HFA. In FY14, revenue for expenses reimbursed by the HFA is approximately \$165,000, resulting in a deficit of \$755,340. To address this deficit for the remainder of FY14, the following sources have been identified:

- a) Lapse \$310,750 of the budgeted transfer from the General Fund to the Community Development Fund. This is a non-recurring event and even without the termination of the Agreement may have been available as additional General Fund fund balance.
- b) Apply \$140,000 in savings due to staff retirements and unfilled vacancies. This is a non-recurring event and even without the termination of the Agreement may have been available as additional General Fund fund balance.
- c) Potential revenues of \$304,590 from grants currently awarded to the BCC as HCS staff previously engaged in supporting the HFA can shift attention to grant reimbursable activities. These reimburseable revenues will depend upon the staff's ability to do project delivery pursuant to the grants.

FY 2015

To address the loss of revenue in FY15, HCS is undergoing a reorganization to maximize services with the available resources. The FY15 budget as submitted by HCS does not anticipate ASA revenue from the HFA.

Exhibits/Attachments Attached:

Amendment Terminating Administrative Services Agreement

**AMENDMENT TERMINATING ADMINISTRATIVE
SERVICES AGREEMENT**

THIS AMENDMENT TO AGREEMENT is made and entered into as of the _____ day of _____, 2014 (the "Effective Date"), by and between Pinellas County, a political subdivision of the State of Florida ("County"), and the Housing Finance Authority of Pinellas County, a Florida Special District created pursuant to Chapter 159, Florida Statutes ("HFA").

W I T N E S S E T H :

WHEREAS, pursuant to Chapter 159, Part IV, Florida Statutes, the Board of County Commissioners established the Housing Finance Authority of Pinellas County to support the financing, acquisition, construction, reconstruction, and rehabilitation of affordable housing as provided in Sections 2-386 through 2-410, Pinellas County Code; and

WHEREAS, the County and the HFA previously entered into an Administrative Services Agreement dated September 20, 2003, as amended ("Agreement") relating to provision of certain administrative and support services, facilities and equipment to the HFA by the County to support the programs operated and administered by the HFA; and

WHEREAS, the County and the HFA mutually agree to terminate the Agreement in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. The Agreement shall terminate and be of no further force and effect as of March 31, 2014 ("Termination Date").

2. The parties agree to cooperate to transition and/or transfer responsibility for administrative and support services, as well as, for value, transfer, lease, license or assign (as may be assignable) any tangible personal property, facilities, equipment, and operating systems from the County to the HFA, as have been paid for or exclusively used for the benefit of the HFA. The HFA shall provide, or cooperate in directing the provision of, such information as is necessary to complete the transition, including inventories, financial accountings and information, and supporting ongoing records maintenance responsibilities. After the Termination Date, the County may continue to provide such transitional support, and/or facilities as mutually agreed to in writing by the HFA and the County Administrator, on behalf of the County.

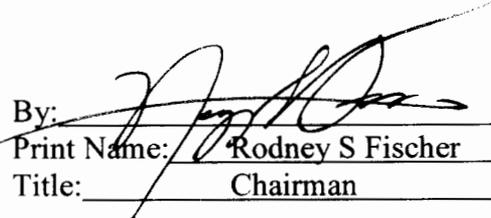
3. Notwithstanding any other provision of the Agreement, the HFA shall have full power and authority to provide its own personnel, facilities, and operations as it deems appropriate in its discretion, and at its sole cost and expense, prior to the Termination Date.

IN WITNESS WHEREOF, this Amendment is executed and effective as of the date first written above.

PINELLAS COUNTY, FLORIDA, by and through
its Board of County Commissioners

HOUSING FINANCE AUTHORITY

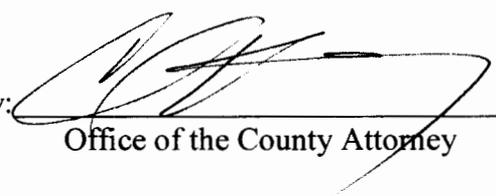
By: _____
Chair

By: 
Print Name: Rodney S Fischer
Title: Chairman

ATTEST:
KEN BURKE, CLERK

By: _____
Deputy Clerk

APPROVED AS TO FORM

By: 
Office of the County Attorney