

**St. Petersburg Neighborhood Housing Services, Inc.
Community Land Trust Program**

Operation KickStart Letter of Interest

Submitted August 22, 2006

ATTACHMENT A

Project Description

St. Petersburg Neighborhood Housing Services, Inc. (SPNHS) has been awarded a forgivable loan from the Florida Housing Finance Corporation (FHFC) for the development of ten (10) single-family homes to be placed under a Community Land Trust (CLT). The homes will be available for purchase only by families at or below 80% of the area median income. The funding from FHFC is to be used for the acquisition of vacant lots. All of the homes developed under this project will be in-fill located within the Operation KickStart boundaries of St. Petersburg.

Agency Background

St. Petersburg Neighborhood Housing Services, Incorporated (NHS) is a private, nonprofit neighborhood revitalization and community housing development organization chartered in 1980. It was established to stimulate reinvestment in economically depressed areas of St. Petersburg by building a working partnership between low-to-moderate income residents, representatives from local government, the business community, lending institutions and national partners such as NeighborWorks® America, Neighborhood Housing Services of America, Bank of America, and Allstate Insurance Company.

St. Petersburg NHS is a member of the NeighborWorks® network – consisting of 240 private nonprofit affiliates that work in 3000 communities nationwide – and the national Campaign for Homeownership.

SPNHS provides a wide array of services to thousands of residents and families in St. Petersburg. Through the NeighborWorks® HomeOwnership Center and Full-Cycle Lending Service delivery model, SPNHS uses an innovative approach to providing, in one physical location, all the services and training that customers need to shop for, purchase, rehabilitate, insure, and maintain a home. Our customers include renters and first-time homebuyers as well as homeowners in need of affordable financing for housing renovation and repairs.

SPNHS serves low- to moderate-income families who reside within or seek to purchase home anywhere within lower Pinellas County, including the entire city limits of St. Petersburg. SPNHS also targets economically distressed neighborhoods and census tracts to achieve impact and foster revitalization. Examples of this approach include the

organizations sustained focus on the Bartlett Park neighborhood and its participation with the Midtown economic redevelopment initiative.

SPNHS has developed dozens of single family residences during our history. One notable project was 35 new construction homes developed in 2004-05 in conjunction with the St. Petersburg Housing Authority's HOPE VI redevelopment project. Our trained and certified staff has provided over ten thousand hours of homebuyer education, pre- and post-purchase counseling services, and financial fitness training to families and individual heads-of-household.

SPNHS works closely with other community development corporations in St. Petersburg in an effort to build organizational capacity, nurture collaborative relationships, and promote viable initiatives that will impact the long-term vitality and well-being of our City's residents and neighborhoods.

State of Florida's Contractor License:

SPNHS develops affordable homes, but is not a licensed contractor. For the construction of homes in the CLT, SPNHS will utilize one or more of the following homebuilders, all of which have been approved by the City of St. Petersburg's WIN program:

General Home Development

13924 7th Street
Dade City, FL 33525
(727) 323-7739
License: CG C005695

New Millennial Homes, LC

7303 N. Nebraska Avenue
Tampa, FL 33604
(813) 231-9501
License: CR C057242

Gateway Builders

3201 28th Street North
St. Petersburg, FL 33713
(727) 322-1915
License: I-CB-C012196

IROK Constructional Services

755 38th Avenue South
St. Petersburg, FL 33705
(727) 821-7107
License: CB C1250249

Anamuah Construction, Inc.

1480 Young Avenue

Clearwater, FL 33756
(727) 445-1629
License: CG C1505151

Federal ID Number

59-2026381

Copy of Liability Insurance Declarations Page

(Included in Attachment A)

Background of Company Including Financial Strength

The current fiscal year budget for the agency is \$721,000. Agency revenue is derived from various sources:

- Donations from local businesses and financial institutions
- Grants from various foundations
- Operating funds received through the City of St. Petersburg HOME CHDO set-aside
- Fees earned from mortgage counseling, financial fitness training, pre-purchase and post-purchase homebuyer education services
- Fees earned from housing development activities
- Fees earned from second mortgage lending
- Special fundraising events

Financial resources on hand:

SPNHS currently has approximately \$400,000 in a HOME CHDO proceeds account. The funds are used for housing development activity, down payment assistance, and administrative overhead. It is expected that funding support for the CLT program may come from future HOME funding applications and proceeds.

An additional \$300,000 is available through a capital account funded by NeighborWorks® America, a national non-profit organization that works to revitalize communities through affordable housing opportunities, training, and technical assistance.

Length of Time in Business

St. Petersburg Neighborhood Housing Services, Inc. was incorporated in 1980.

Professional Associations, Ratings, and Professional Certifications

SPNHS is a private nonprofit organization formed in 1980. In 1985 SPNHS was chartered by the Congressionally-chartered Neighborhood Reinvestment Corporation (dba NeighborWorks® America) as a member of the national NeighborWorks network. SPNHS has maintained its certification by the City of St. Petersburg as a Community Housing Development Organization (CHDO) since 1993. The Florida Housing Finance Corporation pre-designated SPNHS as a CHDO in 2006. SPNHS is also a certified as a housing counseling agency by the U.S. Department of Housing and Urban Development.

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ATTACHMENTS B AND C

Included in this section are the plans for three homes that are typical of the type to be built under the SPNHS Community Land Trust. In addition to the specifications and standards attached, all of the homes to be built under the CLT will be certified to meet Energy Star standards.

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ATTACHMENT D

References

Credit References

Home Depot
PO Box 6029
The Lakes, NV
(800) 685-6691

Office Depot
PO Box 9020
Des Moines, IA
(800) 729-7744

GE Capital
PO Box 740441
Atlanta, GA
(888) 652-2271

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The homes to be constructed through this program will be under a Community Land Trust, with the buyer purchasing only the improvements, and SPNHS retaining ownership of the land. The buyer will sign a 99-year Ground Lease (draft available upon request) which details the conditions of the agreement including the resale restrictions. The CLT model is made possible by the financing of the acquisition of the lots through the Florida Housing Finance Corporation's CLT program. Certain conditions must be met in order for the 0% interest loan from FHFC to be forgiven. The following are the loan terms as stated in the FHFC RFP:

***Interest Rates/Loan Terms:** The interest rate on the loan will be 0%. Repayment of the loan principal will be deferred until two (2) years following loan closing (the "maturity date") at which time the loan shall be due and payable. However, provided construction or rehabilitation of the home(s) is commenced within twelve (12) months following loan closing, the loan will be forgiven and the mortgage evidencing same will be satisfied or released if the following conditions have been met on or before the maturity date: (i) construction or rehabilitation of the home(s) has been completed and a certificate of occupancy issued and (ii) the land comprising the homesite(s) has been leased to a qualified purchaser pursuant to the Ground Lease Agreement. Failure to commence construction or rehabilitation within twelve (12) months following loan closing will constitute a default under the terms and conditions of the loan and the loan shall become due and payable in full.*

SPNHS will be requesting from the Pinellas County Community Development Department's Operation KickStart Program construction financing for the ten (10) homes to be built simultaneously in order to comply with the terms detailed by FHFC to have the loans forgiven .

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ATTACHMENT F

Contact Information

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