

City of Clearwater Property Disposition Program for City-Owned Parcels Suitable for Construction of Affordable Single-Family Homes

This procedure shall only apply to residential properties that are in the process of being acquired by the City or have already been acquired by the City and have been included on the City of Clearwater's List of City-Owned Properties that May be Available for Affordable Housing (Affordable Housing Inventory List). City Council shall approve any property added to the Affordable Housing Inventory List. Parcels on the Affordable Housing Inventory List that are suitable for a single-family home may be donated or sold at the discretion of City Council.

CRITERIA FOR DEVELOPERS

1. The City shall develop a List of Interested Developers ("LID") for this program. "Interested Developer" shall be defined as any prospective developer who is approved for addition to the LID. Interested Developers shall be evaluated by city staff and may be added to the LID at any time. The City shall conduct public outreach to attract developers to take part in this program. To be added to the LID, a prospective developer shall be required to submit proof of the following minimum qualifications:
 - a. Solvency
 - b. Legally entitled to own/operate a business in Florida
 - c. Financial ability to build homes
 - d. Demonstrated experience and business acumen necessary to successfully manage home construction from start to finish, including but not limited to obtaining the proper permits, hiring appropriate professionals, and managing accompanying liability or willingness to partner with someone who has such experience and acumen.
 - e. Ability to sell homes to income-qualifying households.
 - f. A developer may be removed from the LID if the City, at its sole discretion, determines that the developer's performance under this program does not meet expectations.
2. Compliance with these criteria and approval of, and any amendments to, the LID shall be determined by Economic Development and Housing Department staff with input from the Property Disposition Committee ("PDC").
 - a. The PDC shall consist of one representative of the Planning & Development Department, one representative of the Economic Development & Housing Department and the Chair of the Neighborhood & Affordable Housing Advisory Board (NAHAB). If the Chair poses a potential conflict of interest, the Vice Chair of NAHAB shall serve in this role. If a conflict of interest exists with the Chair and Vice Chair, the NAHAB shall appoint a member of the NAHAB to serve this role.
 - b. PDC meetings may be held virtually or in person and shall be conducted as Interested Developers are considered for inclusion on the LID and as property disposition opportunities become available.
 - c. The PDC shall evaluate parcels proposed for disposition and determine the optimum future use of each property.

- i. If the PDC determines the optimum future use of a city-owned property is a single-family home, then staff will recommend City Council add the property to the Affordable Housing Inventory List.
 - ii. If the PDC determines that the optimum future use of the property is something other than a single-family home, then the property shall be excluded from this program.
 - d. The PDC shall make recommendations to the NAHAB as to whether the property shall be restricted to a household earning up to 80% of Area Median Income (AMI) as determined by the United States Department of Housing & Urban Development or if the property shall be restricted to a household earning more than 80% of AMI but not more than 120% of AMI.
 - e. The PDC shall evaluate each application from the LID for acquisition of surplus property, calculate the scoring criteria, and make a recommendation to the NAHAB as to which developer shall acquire the property. If the PDC recommends a developer that did not have the highest number of points in the scoring criteria, the PDC shall provide an explanation along with its recommendation.
 - f. The NAHAB shall consider the PDC's recommendation and subsequently make a recommendation to City Council. The NAHAB may choose to endorse the LID's recommendation or create its own recommendation.
 - g. City staff shall present the NAHAB's recommendation to City Council with an accompanying recommendation to approve a contract to transfer the property to the successful applicant.
 - h. All PDC meetings shall be noticed and open to the public.
3. The PDC may also from time-to-time request other information from an Interested Developer, including but not limited to, information related to the Relevant Considerations, as set forth below.

NOTIFICATION OF AVAILABLE PROPERTY

1. Once the City has acquired a property and City Council has added it to the Affordable Housing Inventory List, City staff may notify, via email, all Interested Developers on the LID that a property is available.
 - a. This notification shall include the address and Parcel Identification Number of the property.
 - b. The notification shall also be posted on the City's affordable housing real estate disposition webpage and any other appropriate medium as determined by city staff.
 - c. The notification shall also inform as to whether staff will recommend to City Council donation or sale of a property. If the staff recommendation is to sell, the notification shall include the staff-recommended sale price.
 - d. The notice shall also include whether the property will be restricted to a household up to 80% of AMI or greater than 80% of AMI but not to exceed 120% of AMI.
2. City staff shall also advertise the disposition of Properties in compliance with Florida Statute 163.380, governing property within a CRA, whether the property is owned by a CRA or the City.

AFFORDABLE HOUSING PROPERTY DISPOSITION PROGRAM PROCEDURES - SELECTION OF DEVELOPER

1. Any Interested Developer shall have 15 days to respond, in writing, to the notice to be considered for any individual property.
 - a. This "Response" shall affirmatively state the Interested Developer's interest in acquiring the property and shall include appropriate information on all Relevant Considerations described below. Failure to address all Relevant Considerations in the Response shall result in a score of zero for any non-response in addressing the Relevant Considerations.
2. The PDC shall review each Response submitted for each property to determine the order of preference among all Interested Developers.
3. The order of preference of Interested Developers shall be determined by a point system, with points assigned by the PDC according to the following "Relevant Considerations":
 - a. Are you a registered Non-profit Organization?
 - b. Have you received a parcel through the City of Clearwater's Property Disposition Program within the past 12 months?
 - c. From the date of acquisition, how many months do you anticipate commencing vertical construction? The clock begins on the date your organization acquires the property.
 - d. From the date of acquisition, how many months do you anticipate selling the completed home to a qualifying homebuyer? The clock begins on the date your organization acquires the property.
 - e. Do you have experience assisting borrowers to obtain financing in sales limited by income eligibility?
 - f. Do you have experience providing future/existing homeowners with homebuyer/homeowner education?
 - g. Does your organization work specifically within, or own any other property within 2 miles of the subject parcel?
 - h. Has your organization constructed any other homes within 2 miles of the subject parcel within the last 2 years?
 - i. Does your organization own other property within the incorporated limits of Clearwater that it will commit to develop concurrently with the development of the site offered for disposition (commencement or completion, respectively, within six months)?
 - j. Does your organization own or control property adjacent to the site offered for disposition that you are willing to combine with the site to provide for a more desirable development opportunity?
 - k. Will you include rooftop solar panels or other features to substantially reduce energy costs for the homeowner?
 - l. Will you install an electrical vehicle charger or rough wiring for an electric vehicle charger?
4. The PDC shall, at its sole discretion, determine compliance with Relevant Considerations and assign points as it sees fit to determine an order of preference.
 - a. The PDC may, but is not obligated to, request staff to contact any Interested Developer who sent a Response to ask further questions, or seek more information or assurances.
 - b. The PDC shall resolve any ties and determine the final order of preference by considering any other relevant factors.

5. The PDC shall notify the preferred successful Interested Developer and, if appropriate, the second preference.
6. Upon receiving notification from the City that an Interested Developer has preference, the Interested Developer shall respond within ten (3) business days of their intent to accept the property or the PDC, at its sole discretion, may remove the Interested Developer from consideration for the property.
7. If there is no response from an Interested Developer on a specific property, the City may dispose of the property in accordance with the Clearwater City Charter.

AFFORDABLE HOUSING PROPERTY DISPOSITION PROGRAM PROCEDURES - DISPOSITION PROCESS

1. Following the PDC's selection, staff will prepare an agenda item for the NAHAB; NAHAB may endorse the PDC's recommendation or make an alternative recommendation for City Council.
2. Following action taken by the NAHAB, city staff shall prepare a City Council agenda item with a staff recommendation and will inform Council of the PDC's scoring determination and the NAHAB recommendation to sell or donate the property to the selected developer.
3. The property shall be conveyed under the following terms:
 - a. The property shall be conveyed by special warranty deed as a donation or sale as determined by City Council.
 - b. The deed shall contain a reverter clause whereby the property shall be conveyed back to the City if the following requirements are not met:
 - i. The Selected Developer shall gain all necessary permits and approvals and commence construction within six (6) months of conveyance of the property.
 - ii. The Selected Developer shall complete construction and obtain a certificate of occupancy within twelve (12) months of conveyance of the property.
 - iii. The Selected Developer shall sell the property to a qualified household within eighteen (18) months of conveyance of the property.
 - iv. If the property is conveyed back to the City, it shall be conveyed back to the City via special warranty deed.
 - v. City staff, at its sole discretion, may extend the timeframes above should unforeseen circumstances cause delay.
 - c. When the property is sold by the Selected Developer to a qualifying household, the parties shall execute and record as public record, a Land Use Restriction Agreement (LURA) to encumber the property.
 - i. The LURA shall require that any sale of property, over the following fifteen (15) years, is restricted to an income qualifying household.
 - ii. Prior to the sale of the property to a qualifying household, the Selected Developer shall provide the information necessary for City staff to prepare the LURA.
 - iii. The LURA shall expire after fifteen (15) years.

Properties suitable for development of workforce or affordable multi-family housing are not subject to this procedure. If you are interested in multi-family development opportunities, please contact Chuck Lane, Assistant Director of the Economic Development & Housing Department at (727) 562-4023 or via email at Charles.Lane@MyClearwater.com.

City of Clearwater Property Disposition Program Scoring Criteria

- 1. Are you a registered Non-profit Organization?**
 - a. YES x 2
 - b. NO x 0

- 2. Have you received a lot through the City of Clearwater's Lot Disposition Program within the past 12 months?**
 - a. YES x 0
 - b. NO x 2

- 3. From date of acquisition, within how many months do you anticipate commencing vertical construction?**
 - a. 9 MONTHS x 2
 - b. 6 MONTHS x 3

- 4. From date of acquisition, within how many months do you anticipate selling the completed home to a qualifying homebuyer?**
 - a. 18 MONTHS x 0
 - b. 15 MONTHS x 1.5
 - c. 12 MONTHS x 3

- 5. Do you have experience assisting homebuyers in obtaining financing for homes limited by income eligibility?**
 - a. YES x 2
 - b. NO x 0

- 6. Do you have experience providing future/existing homeowners with homebuyer/homeowner education?**
 - a. YES x 2
 - b. NO x 0

- 7. Does your organization work specifically within, or own any other property within 2 miles of the subject lot?**
 - a. YES x 1
 - b. NO x 0

- 8. Has your organization constructed any other homes within 2 miles of the subject lot within the last 2 years? (When answering this question, do not include a project supported by this Property Disposition Program)**
 - a. YES x 1
 - b. NO x 0

9. Does your organization own other property within the incorporated limits of Clearwater that it will commit to develop concurrently with the development of the site offered for disposition (commencement or completion, respectively, within six months)? The additional site cannot be one acquired through the City of Clearwater's Lot Disposition Program; however, acquisition or construction may be assisted by the City through other means.

- a. YES x 2
- b. NO x 0

10. Does your organization own or control property adjacent to the site offered for disposition that you are willing to combine with the site to provide for a more desirable development opportunity?

- a. The Property Disposition Committee and Neighborhood & Affordable Housing Advisory Board will evaluate this criterion, and each will determine the appropriate number of points.

11. Will you include rooftop solar panels or other features to substantially reduce energy costs for the homeowner?

- a. Yes, solar x 2
- b. Yes, other features to substantially reduce energy costs for the homeowner x 1
- c. No x 0

12. Will you install an electrical vehicle charger or rough wiring for an electric vehicle charger?

- a. YES x 1
- b. NO x 0

Note: If you are the successful applicant and you fail to comply with your answers to questions 3, 4, 9, 10, 11 and 12 above, your organization will be disqualified from this program for twelve (12) months beginning on the date of sale of the subject property to a qualifying homebuyer. Staff may consider mitigating circumstances for failure to comply with your answers to questions 3 & 4.