



We build **strength, stability, self-reliance** and **shelter**.

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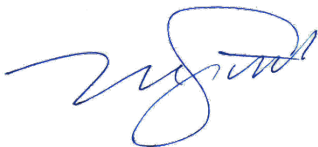
April 8, 2022

Re: Notice of Intent to Dispose of City-Owned Real Estate – 1805 18<sup>TH</sup> Avenue South (ID# 25-31-16-68760-000-023 and 25-31-16-68760-000-0250)

Dear Mr. Weber,

Please find enclosed our responses to the additional information requested by the administration in reference to the development proposal for 1805 18<sup>TH</sup> Avenue South (ID# 25-31-16-68760-000-023 and 25-31-16-68760-000-0250). We have answered all questions earnestly and look forward to the continued dialog.

Respectfully submitted,



Mike Sutton  
President and Chief Executive Officer

## Additional Information Requested

1805 18<sup>TH</sup> Avenue South

(ID# 25-31-16-68760-000-023 and 25-31-16-68760-000-0250)

### **1. How long is the current waiting list for interested homebuyers?**

We do not operate a waitlist and accept applications into the program on a rolling basis. We field about 250 inquiries monthly and generally accept in the range of 10 to 15 homeowner candidates into our program per month. We currently have 103 qualified and approved homeowners in our program. Fifty-eight have already been matched with a property, leaving Forty-Five qualified homeowners awaiting properties to be matched.

### **2. What will be the process for determining who would have first access for consideration of the these units?**

The first step for consideration is when a single-adult household reaches 100 hours of sweat equity worked, and is in good standing with other program requirement or when a multiple-adult household reach 150 hours of sweat equity and is in good standing with other program requirements. The second step includes a financial review to determine affordability and loan readiness. If the first two steps are successful, homeowner services will contact the homeowner candidate to complete an area preference form. Based on preferences and household size the homeowner candidate is provided a list of available properties/lots. The last step, the homeowner selects the property and officially signs a property offer form.

### **3. How does the “sweat equity” model work with multi-family units?**

Sweat Equity is an exciting cornerstone to the Habitat program and is designed to meet three important goals: 1) Partnership – Provides meaningful interaction between, Habitat staff, Habitat volunteers, sponsors/donors, and the community. 2) Pride in homeownership – Investing sweat equity hours helps families transition to homeownership. 3) Development of skills and knowledge – On the worksite, HOC members gain an understanding of home construction and the maintenance issues they will face.

Our sweat equity policy will not change based on multi-family units. Single adults will still be required to complete 350 hours and a multiple adult household 450 hours. However, the construction activities may change in scope based. Activities may still include; cabinet installation, interior/exterior painting, window and door installation, interior trim, and landscaping, just to name a few. That being said, not all hours must be direct construction activities. Homeowners can earn sweat equity by volunteering at local community events, our ReStore and even children can get involved by making good grades in school.

**4. Who are your construction contractors and how would Habitat affirmatively market to increase the level of SBE/MBE's utilization?**

It is Habitat's policy to award a fair share of contracts to small, minority, and women's business firms. Affirmative steps must be taken to assure that small, minority, and women's businesses are utilized where possible as a source or supplies, equipment, Including the above businesses on solicitation lists. Assuring that the above businesses are solicited whenever they are potential sources. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum participation by the above businesses. Where the requirement permits, establishing delivery schedules which will encourage participation by the above businesses. Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise, of the Department of Commerce and the Community Services Administration as required. All procurement transactions entered into by the Affiliate regardless of whether negotiated or advertised and without regard to dollar value shall be conducted in a manner so as to provide maximum open and free competition.

Habitat subcontracts various construction-related activities and maintains active business relationships with about 40 subcontractors as a general contractor. Currently, 95% of our subcontractors meet Pinellas County SBE program definition of not exceeding 50 full-time employees and having less than \$8,000,000 in gross revenues for construction services. Additionally, 60% of our subcontractors are with Minority-Owned or Women-Owned businesses.

**5. If you are unsuccessful in acquiring city funds (CRA & ARPA), do you have another strategy for raising the capital required to complete this project?**

As highlighted in the proforma, this project necessitates subsidies to make the development financially feasible. Yet, we believe we have a competitive advantage with our ability to sell homes with 0% interest mortgages. Eliminating the interest component of the mortgage means homeowners can increase their purchasing power affording a higher purchase price, while still reaming in their monthly payment affordability. However, if unsuccessful in receiving gap funding from the City, we would attempt to request Penny for Pinellas affordable housing funding. Yet it must be noted that such funding request would be unattractive without finical support from the municipality in which the development is located in.

**6. Is Habitat expecting the City's financial contribution to be made prior to the start of construction?**

No, the financial contribution is not conditioned prior to construction commencing. We seek to utilize the funding to close the gap between the development costs and ultimate proceeds from sales. However, we would necessitate a funding agreement prior to any significant upfront costs being incurred.

**7. Are any of the units designed to be wheelchair accessible?**

In an effort to maximize density not only to meet the immense affordable housing needs, but to also reduce the per unit development costs, the site plan is designed for three-story townhome design with a garage on the bottom floor. Unfortunately, due to this design the units will not be wheelchair accessible. However, we will make other ADA accommodations as needed for the families we serve. We always strive to design housing in such a way that it can be lived in or visited by individuals who have trouble with steps or utilize wheelchair/walkers, yet the limitations of the site does not afford the amenity of visitability standards.

**8. Please provide details on contractors and subcontractors for the proposal. Will Habitat contract with Small Business Enterprises (SBEs)?**

Yes. As stated in the related question above, it is Habitat's policy to award a fair share of contracts to small, minority, and women's business firms. Currently, 95% of our subcontractors meet Pinellas County SBE program definition of not exceeding 50 full-time employees and having less than \$8,000,000 in gross revenues for construction services. Additionally, 60% of our subcontractor are with Minority Owned Business or Women Owned Business.

**9. Please elaborate on any sustainable and resilient design process and/or features.**

Balancing affordable housing and sustainable/resilient design can be difficult as costs play a large factor in what can be accomplished. However, many different things can be achieved. The livable conditioned space begins on the second floor within this development, which mitigates future sea-level rise concerns. Additionally, when intend to utilize sustainable building materials such as structural insulated panels (SIPs) or pre cast concrete walls or CMU block as a primary building material. The manufacturing and material utilized in these processes have demonstrated exceptional insulation and airtightness, which reduces energy costs over the building's lifetime. Lastly, we intend to utilize building products that meet or exceed Miami Dade hurricane specifications to maximize and ensure these homes' sustainability for years to come.