

Amended Affordable Housing Funding Recommendation

Developer	Archway Partners
Development	Seminole Square Apartments
Location	2075 Seminole Blvd., Largo, FL 33778
Use of Penny IV Funds	Land Acquisition and Construction Costs
Location (CRA, Transit)	Primary and Secondary Transit
Mixed Use	No
Estimated Construction Start	January 2023

	Original Budget	Revised Budget
Total Project Cost	\$27,553,517.00	\$30,757,794.00
Per Unit Cost	\$287,016.00	\$320,393.69
Penny IV Funds Requested	\$4,000,000.00 (\$1.875M Land, \$2.125M Construction)	\$5,560,000.00 (\$1.875M Land, \$3.685M Construction)
Per Unit Subsidy	\$41,667.00	\$57,916.67
Per Affordable Unit Subsidy	\$41,667.00	\$57,916.67
County Funds as % of Project Cost	15%	18%
Leverage	6.89	5.55
Developer Fee	\$3,552,300.00 (Amount deferred-\$1,985,377.00)	\$3,552,300.00 (Amount deferred-\$1,910,633.00)
Developer Fee as % of Project Cost	13%	11.5%

Households Served – The development consists of 96 units that will serve families that have incomes in the following categories:

- 0-30% - 34 households
- 51-60% AMI - 11 households
- 61-80% AMI - 51 households

Staff Recommendation – HCD Staff recommend approval of the funding request for Seminole Square Apartments. Land value as indicated in an appraisal dated August 2020 prepared by Hemisphere Real Estate is \$3,500,000.00.

Conditions - Success in securing all funding sources, and satisfactory results from due diligence process, including review by a third party to verify all calculations and assumptions and confirm the need for subsidy funding to make the project feasible for the developer.

Scoring – The project scored 143 out of 220 available points. Strengths include non-competitive funding commitments from 4% tax credit equity, JP Morgan private lending, and Local Government Support from the City of Largo, project location, and the proposed incomes to be served.

Narrative – Seminole Square Apartments is a new construction 96-unit, garden-style, affordable housing community located at 2075 Seminole Boulevard in Largo, FL. The project will consist of 48 1-bedroom/1-bathroom units and 48 2-bedroom/2-bathroom units. This development will serve residents at or below three income levels: 30%, 60%, and 80% of the Area Median Income (AMI). Eight units will be reserved specifically for veterans.

Financing

Source	Amount	Use	Status
Raymond James 4% Tax Credit Equity	\$ 12,212,161.00	Construction/Permanent Financing	LOI
Citibank Permanent 1 st Mortgage	\$ 9,625,000.00	Permanent Financing	LOI
City of Largo	\$ 1,450,000.00	Construction	Committed
Deferred Developer Fee	\$ 1,910,633.00	Construction	Committed
Pinellas County Penny IV	\$ 5,560,000.00	Land Acquisition & Construction	Requested
Total Cost	\$30,757,794.00		

