



Pinellas County

Staff Report

File #: 18-601A, Version: 1

Subject:

Resolution approving the issuance by the Housing Finance Authority of Pinellas County of its Multifamily Housing Revenue Bonds to finance a multifamily residential rental housing project.

Recommended Action:

Adopt the proposed resolution allowing the Housing Finance Authority (HFA) to issue Multifamily Housing Revenue Bonds in a principal amount not to exceed \$8,200,000.00 for the benefit of SP Trail, LLC, a Florida limited liability company, duly organized and existing under the laws of the State of Florida.

Strategic Plan:

Ensure Public Health, Safety and Welfare

2.2 Be a facilitator, convener and purchaser of services for those in need

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

Summary:

Adoption of the Resolution will permit a transaction to be financed with HFA issued tax-exempt private activity revenue bond proceeds, which will convert from a construction loan to a permanent debt financing upon construction completion through the Citi Bank direct placement program, 4% low-income housing tax credit equity, funding from the City of Clearwater, Penny for Pinellas Affordable Housing Land Assembly Fund (LAF) as well as the deferral of developer fee by Southport Development Services (Developer). The financing will allow the Developer to construct an 80-unit new construction affordable housing community that will target the family demographic in the City of Clearwater.

Background Information:

The Board of County Commissioners approved a similar Resolution on May 9, 2017. The approval was good for a one-year period. That approval period will expire just before the tentatively scheduled closing date for the bond issue so a new approval is needed. The HFA conducted a public hearing (Tax Equity Fiscal Responsibility Act hearing) on April 20, 2018, for considering the issuance of the Notes by the Authority in conformance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

The development will offer 2BR and 3BR units configured in five buildings with 100% of the units rented as affordable housing (and the Developer will commit to do so for the term of the Ground Lease associated with the LAF. Ninety (90%) of the units will be rented to households with incomes at or below the 60% of the Area Median Income for Pinellas County with the 10% remaining of the units to be rented to households with incomes at or below 40% of the Area Median Income for Pinellas County.

Fiscal Impact:

No County General Funds are required. All lendable funds are generated from the sale of tax-exempt housing bonds.

The Developer has made application and it is anticipated that Penny for Pinellas Affordable Housing LAF will be used to acquire the property.

Staff Member Responsible:

Kathryn Driver, Executive Director, Housing Finance Authority of Pinellas County

Partners:

Housing Finance Authority of Pinellas County

City of Clearwater

Attachments:

Proposed Resolution

Resolution 2017-02