



Pinellas County

Staff Report

File #: 21-2584A, Version: 1

Subject:

Affordable housing project funding recommendation for Seminole Square Apartments by Archway Partners.

Recommended Action:

Recommend conditional approval of affordable housing funding for the Seminole Square Apartments project by Archway Partners.

It is further recommended that the County Administrator be authorized to negotiate and approve terms, conditions, and the final funding amount not to exceed the Board of County Commissioners (Board) approved amount.

- The funding recommendation for Seminole Square Apartments by Archway Partners is \$4M, for land acquisition and construction costs.
- Seminole Square is a new construction project of 96 multi-family affordable apartment units serving households earning at or below 80.0% of Area Median Income (AMI). 34 of the units will be further restricted to 30.0% of AMI and 11 of the units further restricted to 60.0% AMI.
- The project location is 2075 Seminole Boulevard in Largo.
- The total development cost is estimated to be \$27,553,517.00. Other sources of funding include Multi-Family Mortgage Revenue Bonds (\$10,758,140.00), JP Morgan Private Mortgage (\$10,200,000.00), the City of Largo (\$610,000.00), and Deferred Developer Fee (\$1,985,377.00).
- Next steps: The County and Housing Finance Authority staff will complete additional due diligence activities including, but not limited to, property appraisals, title searches, loan underwriting and financial analysis. Funding agreements, leases, loan documents, and affordability restrictions will be prepared, negotiated, and executed.
- Board funding approval is conditioned upon satisfactory completion of all due diligence review as determined by the County Administrator.
- The County has previously committed \$23.4M of Penny IV funding toward 1,197 housing units that include 884 affordable homes. A summary table showing project status is attached.
- Eight applications are currently under review by staff for future recommendations to the Board.

Strategic Plan:

Ensure Public Health, Safety, and Welfare

2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

Foster Continual Economic Growth and Vitality
4.2 Invest in communities that need the most

Deliver First Class Services to the Public and Our Customers
5.1 Maximize partner relationships and public outreach
5.2 Be responsible stewards of the public's resources

Summary:

Archway Partners has applied for \$4M of affordable housing funding assistance for the Seminole Square Apartments project. Staff recommends the Board approve funding in an amount not to exceed \$4M for land acquisition and capital improvement construction costs of the planned 96-unit affordable housing development project and authorize the County Administrator to negotiate and approve the final terms, conditions, and funding amount.

Background Information:

County Housing and Community Development staff have evaluated and scored the project application and found it to be eligible for funding assistance. The project is 100% affordable to households earning at or below 80.0% of AMI. Eight (8) units will be reserved for Veteran households.

The project is in a prime location in Largo, located directly on primary and secondary transit corridors. The primary funding source for the project is Tax-Exempt Bonds through Pinellas County Housing Finance Authority and the issuance of 4.0% Tax Credits. In addition, the City of Largo has committed local government assistance of \$610,000.00, and the developer has secured 45 Project Based Vouchers from the St. Petersburg Housing Authority. The developer also commits to deferring \$1,985,377.00 in Developer Fee to close the funding gap. The \$4.0M of County funds will be split between land and capital improvements costs based on additional financial analysis of the project. The land will be placed in the County Land Trust ensuring permanent affordability of the project.

Fiscal Impact:

Total maximum expenditure: \$4,000,000.00

Funding to support land acquisition and construction of affordable housing is available from the FY22 Penny IV budget of \$18,100,000.00 (project 004150A).

Staff Member Responsible:

Carol Stricklin, Director, Housing and Community Development

Partners:

Housing Finance Authority of Pinellas County
City of Largo
St. Petersburg Housing Authority

Attachments:

Project Application Evaluation Summary Sheets
Project Scoring Criteria

Penny IV Affordable Housing and Economic Development Program Guidelines