



Pinellas County

Staff Report

File #: 23-0308A, Version: 1

Subject:

Affordable Housing Program project funding recommendation for Skyway Lofts 2 by Blue Sky Communities, LLC.

Recommended Action:

Recommend approval of affordable housing funding for Skyway Lofts 2 by Blue Sky Communities, LLC.

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 approved amount.

- The funding recommendation for Skyway Lofts 2 is an amount not to exceed \$3.4M for land acquisition and construction costs.
- Funding is budgeted in the Penny IV Affordable Housing Program.
- Skyway Lofts 2 is a new construction project consisting of 66 multi-family affordable apartment units serving households earning at or below 80.0% of Area Median Income.
- The total development cost is estimated to be \$22,998,407.00. Other sources of funding include Housing Finance Authority 4.0% tax credit equity (\$12,834,020.00), \$264,387.00 of Deferred Developer Fee and the City of St Petersburg American Rescue Plan Act funds (\$6.5M).
- The project is located at 3800 34th Street South, St. Petersburg, FL 33711.
- A summary sheet is attached with additional project information.
- Next steps: County 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.

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:

Blue Sky has applied for \$3.4M of affordable housing funding assistance for the Skyway Lofts 2 project for land acquisition and capital improvement construction costs. Skyway Lofts 2 is a planned new 66-unit affordable housing development project, with all of the units affordable to households earning at or below 80.0% AMI. The housing development will be located at 3800 34th Street S, St. Petersburg, FL 33711. The project is in a prime location in the Skyway Marina District of St. Petersburg, located directly on a primary transit corridor and within the St. Petersburg CRA.

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 primary funding source for the project is Tax-Exempt Bonds through the HFA and the issuance of 4.0% Tax Credits. In addition, the City of St. Petersburg has committed local government assistance of \$6.5M. The developer has also committed to deferring \$264,387.00 in developer fees to close the funding gap. The \$3.4M of County funds will be split between land acquisition and capital improvements costs. The land will be placed in the County Land Trust ensuring permanent affordability of the project.

Fiscal Impact:

Total maximum expenditure: \$3.4M

Funding is budgeted in the County's Capital Improvement Program, funded by the Local Infrastructure Surtax (Penny for Pinellas) in project 004150A Penny IV Affordable Housing Program. This funding is from the Penny for Pinellas countywide investment for Economic Development Capital Projects and Housing.

Staff Member Responsible:

Carol Stricklin, Director, Housing and Community Development

Partners:

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

Attachments:

Project Application Evaluation Summary Sheet