

**2100 18<sup>th</sup> Avenue South- Additional Information Request**

- 1) How does the developer propose to build 25 more units than allowed by the CCT-1 zoning district and the process and time period for so doing?

**The city owned site is approximately 95,185 square feet which based on CCT-1 zoning code and understanding that the proposed development is eligible for the “workforce housing density bonus”, the site, by code can produce approximately 70 dwelling units.**

**In our site analysis and conceptual design, we understand that the site has the potential to produce up to 95 units. This can be achieved by a rezoning of higher density for workforce housing and successfully utilizing legislation HB 1339 which grants local governments the authority to establish criteria that would allow developers to apply to build affordable housing in zoning districts. The expectation is to have approval of this rezoning process completed as quickly as possible, estimated timing is 6-12 months from official site control notice to Sugar Hill Group, LLC.**

**It is important to note that while the priority reason for the request for up-zoning is that it will produce additional affordable housing units for residents of the community, it is also important to mention that to apply and successfully utilize competitive state funding from the Florida Housing Finance Corporation, historically there is a minimum unit count that is required (typically 75 units or more). Therefore, the request for up zoning is a mutually beneficial request for both the project financing and community impact.**

- 2) If you are unable to get the site rezoned for higher density, will you adjust your development program? How will this impact your financial offer?

**Yes, we will need to adjust the development program to meet the current zoning regulations, the development would maintain the amount of the financial offer for the ground lease or purchase option. Final financial considerations will be confirmed during the underwriting closing process after site allocation.**

- 3) Will project require a special exception or variances?

**A parking variance could be required with the approval of the rezoning for higher density.**

- 4) More refined breakdown of unit and income mix – remove Tangerine Plaza proposal from the calculations

**Proposed Unit Mix**

	<b>1BD</b>	<b>2BD</b>	<b>3BR</b>	<b>Total</b>
<b>18<sup>th</sup> Avenue South Unit Mix</b>	<b>39</b>	<b>38</b>	<b>18</b>	<b>95</b>

**Proposed Rents Based on Current Average Median Income levels.**

	<b>1BD</b>	<b>2BD</b>	<b>3BR</b>	<b>Number of Units</b>
<b>60% AMI</b>	<b>\$831</b>	<b>\$997</b>	<b>\$1,152</b>	<b>85</b>
<b>30%AMI</b>	<b>\$415</b>	<b>\$498</b>	<b>\$576</b>	<b>10</b>

5) Provide financing details for subject site only – remove Tangerine

**95 Residential Units**

<b>Sources</b>	<b>Amount</b>
Permanent Debt	\$5,400,000
State/ City Funding	\$10,250,000
Private Equity (LIHTC)	11,587,000
Developers Equity	\$2,240,805
<b>Total</b>	<b>\$29,477,805</b>

<b>Uses</b>	<b>Amount</b>
Hard Cost	\$18,553,500
Soft Cost	\$9,424,305
Acquisition	\$1,500,000
<b>Total</b>	<b>\$29,477,805</b>

6) In what cycle will you apply for LITHCs? If you are unsuccessful, will you terminate the project?

**Sugar Hill Group, LLC is assuming a 4% Tax Exempt Bond financing scenario, as it relates to the Low-Income Housing Tax Credits (LIHTC). The housing credits associated with the 4% Tax Exempt Bond transaction are non-competitive, therefore the housing credits will be award automatically with the bonds.**

**Sugar Hill Group, LLC would like to mention again that based on the previous State subsidy and LIHTC programs issued by Florida Housing Finance Corporation, eligible developments must have a minimum unit count above the current allowable density in the CCT-1 zoning code.**

**18th Street South - St. Petersburg FL**  
**Sources & Uses**

95 # of Units

<u>Sources</u>	<b>Construction Phase</b>		
	<u>Total</u>	<u>%</u>	<u>Per Unit</u>
Permanent Tax Exempt Bond	5,400,000	18.32%	56,842
Short Term Tax Exempt Bond	6,800,000	23.07%	71,579
Pennys 4 Pinellas	6,650,000	22.56%	70,000
SAIL Funding/ SAIL ELI	3,600,000	12.21%	37,895
Limited Partner Equity (Federal)	3,476,100	11.79%	36,591
Deferred Developer Fee	3,551,705	12.05%	37,386
<b>Total Sources</b>	<b>29,477,805</b>	<b>100.00%</b>	<b>310,293</b>

<b>Permanent Phase</b>		
<u>Total</u>	<u>%</u>	<u>Per Unit</u>
5,400,000	18.32%	56,842
0	0.00%	0
6,650,000	22.56%	70,000
3,600,000	12.21%	37,895
11,587,000	39.31%	121,968
2,240,805	7.60%	23,587
<b>29,477,805</b>	<b>100.00%</b>	<b>310,293</b>

<u>Uses</u>	<b>Construction Phase</b>		
	<u>Total</u>	<u>%</u>	<u>Per Unit</u>
Hard Construction Costs	15,367,475	52.13%	161,763
GC Profit	930,000	3.15%	9,789
GC General Requirements	930,000	3.15%	9,789
GC Overhead	310,000	1.05%	3,263
P&P Bonds	132,525	0.45%	1,395
Hard Cost Contingency @:	883,500	3.00%	9,300
Construction Period LOC Commitment Fee	61,000	0.21%	642
Construction Interest Carry Expense	798,000	2.71%	8,400
Construction Loan Origination Fee	244,000	0.83%	2,568
Insurance and Taxes Escrow	104,500	0.35%	1,100
Application Fees	32,025	0.11%	337
HFA Underwriter Fee	65,000	0.22%	684
HFA Compliance Set up Fee	2,850	0.01%	30
HFA Administrative Fee	30,500	0.10%	321
HFA Financial Advisor fee	18,300	0.06%	193
HFA Isser Fee/ Trustee fee	37,500	0.13%	395
Local Subsidy Closing Cost	50,000	0.17%	526
Bond Counsel Fees	95,000	0.32%	1,000
Accounting Fees, Cost Cert. 8609	45,000	0.15%	474
Reserves - 6 months DS + Op Ex	404,186	1.37%	4,255
Appraisal & Market Study	26,000	0.09%	274
Architect Fee-Design	550,000	1.87%	5,789
Architect Fee-Supervision	100,000	0.34%	1,053
Permit and Tap Fees	475,000	1.61%	5,000
Environmental Report	75,000	0.25%	789
Testing services	285,000	0.97%	3,000
Site Engineering	150,000	0.51%	1,579
Survey (including as-built)	30,000	0.10%	316
Marketing & Advertising	42,750	0.15%	450
FFE	161,500	0.55%	1,700
Title Insurance & Recording	150,000	0.51%	1,579
Insurance - Builders Risk / P&L slip and falls	118,750	0.40%	1,250
Legal Fees - Bond Counsel	75,000	0.25%	789
Legal Fees- Partnership	200,000	0.68%	2,105
Legal Fees Syndicator	50,000	0.17%	526
Legal Fees - Lender	50,000	0.17%	526
Legal Fees - HFA County Bond Counsel Fee	75,000	0.25%	789
Low Voltage Installment	200,000	0.68%	2,105
Cost of Issuance	150,000	0.51%	1,579
Contingency (Soft Cost)	204,643	0.69%	2,154
<b>Sub-Total</b>	<b>23,710,005</b>		
Land, To be Acquired	1,500,000	5.09%	15,789
Developers Fee	4,267,801	14.48%	44,924
<b>Total Project Cost</b>	<b>29,477,805</b>	<b>100.00%</b>	<b>310,293</b>

<b>Permanent Phase</b>		
<u>Total</u>	<u>%</u>	<u>Per Unit</u>
15,367,475	52.13%	161,763
930,000	3.15%	9,789
930,000	3.15%	9,789
310,000	1.05%	3,263
132,525	0.45%	1,395
883,500	3.00%	9,300
61,000	0.21%	642
798,000	2.71%	8,400
244,000	0.83%	2,568
104,500	0.35%	1,100
32,025	0.11%	49
65,000	0.22%	0
2,850	0.01%	23
30,500	0.10%	365
18,300	0.06%	333
37,500	0.13%	333
50,000	0.17%	458
95,000	0.32%	458
45,000	0.15%	474
404,186	1.37%	4,255
26,000	0.09%	274
550,000	1.87%	5,789
100,000	0.34%	1,053
475,000	1.61%	5,000
75,000	0.25%	789
285,000	0.97%	3,000
150,000	0.51%	1,579
30,000	0.10%	316
42,750	0.15%	450
161,500	0.55%	1,700
150,000	0.51%	1,579
118,750	0.40%	1,250
75,000	0.25%	789
200,000	0.68%	2,105
50,000	0.17%	526
50,000	0.17%	526
75,000	0.25%	789
200,000	0.68%	2,105
150,000	0.51%	1,579
204,643	0.69%	2,154
<b>23,710,005</b>		
1,500,000	5.09%	15,789
4,267,801	14.48%	44,924
<b>29,477,805</b>	<b>100.00%</b>	<b>310,159</b>