

ST. PETERSBURG CITY COUNCIL
Consent Agenda
Meeting of December 1, 2022

TO: The Honorable Gina Driscoll, Chair, and Members of City Council

SUBJECT: A resolution superseding Resolution No. 2022-531; authorizing the Mayor or his Designee to execute and provide the local government verification of contribution loan form for the amount of \$610,000 to Archway Partners, LLC, (“Archway”) which is requesting Local Government Area of Opportunity (“LGAO”) funding as part of its application under the Florida Housing Finance Corporation’s (“FHFC”) request for application (“RFA”) number 2022-202; providing that closing on the City’s loan by October 1, 2023 is subject to Archway: 1) Designating the Flats on 4TH Development as its priority one application under FHFC’S RFA 2022-202 2) Obtaining the recommendation for approval of FHFC Administered 9% Low Income Housing Tax Credit Funding, 3) Receiving final site plan approval, and 4) Providing all of the standard underwriting due diligence documents to the City; providing that Archway may use the same city contribution in the amount of \$610,000 for its Alternative FHFC Administered SAIL Application under FHFC RFA Number 2022-205 subject to the same conditions identified above, provided that if Archway is successful in obtaining an award of 9% Housing Credits under RFA 2022-202, it will withdraw its application under 2022-205; approving a supplemental appropriation in the amount of \$610,000 from the unappropriated balance of the Housing Capital Improvements Fund (“HCIF”) (3000) to the Flats on 4TH Project (19144); authorizing the Mayor or his designee to execute all closing documents and any other documents necessary to effectuate this transaction; and providing an effective date.

EXPLANATION: In response to the Housing and Community Development Department’s (HCD) Request for Proposals (RFP) issued on June 3, 2022, for the production of new affordable multi-family housing units, Archway Partners, LLC submitted a response requesting Local Government Area of Opportunity (LGAO) funding contribution for its application under RFA 2022-202 for the Flats on 4th project. The Flats on 4th project will be a 64-unit affordable apartment complex located at 106th Ave North and is expected to cost \$23,246,509.

On October 20, 2022, City Council approved Resolution 2022-531 appropriating \$610,000 from the Housing Capital Improvement Fund (HCIF) (3000) to the Flats on 4th Project (19144) for LGAO funding as part of its application under FHFC RFA 2022-202 for competitive 9% low-income housing tax credits due December 29, 2022. Archway Partners, LLC is requesting to use the same local contribution to simultaneously submit an alternative application for FHFC administered SAIL funding, non-competitive housing credits, and tax-exempt bond financing issued under FHFC RFA 2022-205 also due December 29, 2022. In the event Archway Developer, LLC is successful in obtaining an award of 9% housing credits under RFA 2022-202, it will withdraw its application under RFA 2022-205.

RECOMMENDATION: The Administration recommends adoption of the attached resolution superseding Resolution No. 2022-531; authorizing the Mayor or his Designee to execute and provide the local government verification of contribution loan form for the amount of \$610,000 to Archway

Partners, LLC, (“Archway”) which is requesting Local Government Area of Opportunity (“LGAO”) funding as part of its application under the Florida Housing Finance Corporation’s (“FHFC”) request for application (“RFA”) number 2022-202; providing that closing on the City’s loan by October 1, 2023 is subject to Archway: 1) Designating the Flats on 4TH Development as its priority one application under FHFC’S RFA 2022-202 2) Obtaining the recommendation for approval of FHFC Administered 9% Low Income Housing Tax Credit Funding, 3) Receiving final site plan approval, and 4) Providing all of the standard underwriting due diligence documents to the City; providing that Archway may use the same city contribution in the amount of \$610,000 for its Alternative FHFC Administered SAIL Application under FHFC RFA Number 2022-205 subject to the same conditions identified above, provided that if Archway is successful in obtaining an award of 9% Housing Credits under RFA 2022-202, it will withdraw its application under 2022-205; approving a supplemental appropriation in the amount of \$610,000 from the unappropriated balance of the Housing Capital Improvements Fund (“HCIF”) (3000) to the Flats on 4TH Project (19144); authorizing the Mayor or his designee to execute all closing documents and any other documents necessary to effectuate this transaction; and providing an effective date.

COST/FUNDING/ASSESSMENT INFORMATION: Funding will be available after the approval of a supplemental appropriation in the amount of \$610,000 from the unappropriated balance of the HCIF (3000) to the Flats on 4th Project (19144).

ATTACHMENTS: Resolution ____
Local Government Verification of Contribution Loan Form

APPROVALS:

Administration: McFator

Budget: myz

Resolution No. 2022-_____

A RESOLUTION SUPERSEDING RESOLUTION NO. 2022-531; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE AND PROVIDE THE LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION LOAN FORM FOR THE AMOUNT OF \$610,000 TO ARCHWAY PARTNERS, LLC, (“ARCHWAY”) WHICH IS REQUESTING LOCAL GOVERNMENT AREA OF OPPORTUNITY (“LGAO”) FUNDING AS PART OF ITS APPLICATION UNDER THE FLORIDA HOUSING FINANCE CORPORATION’S (“FHFC”) REQUEST FOR APPLICATION (“RFA”) NUMBER 2022-202; PROVIDING THAT CLOSING ON THE CITY’S LOAN BY OCTOBER 1, 2023 IS SUBJECT TO ARCHWAY: 1) DESIGNATING THE FLATS ON 4TH DEVELOPMENT AS ITS PRIORITY ONE APPLICATION UNDER FHFC’S RFA 2022-202 2) OBTAINING THE RECOMMENDATION FOR APPROVAL OF FHFC ADMINISTERED 9% LOW INCOME HOUSING TAX CREDIT FUNDING, 3) RECEIVING FINAL SITE PLAN APPROVAL, AND 4) PROVIDING ALL OF THE STANDARD UNDERWRITING DUE DILIGENCE DOCUMENTS TO THE CITY; PROVIDING THAT ARCHWAY MAY USE THE SAME CITY CONTRIBUTION IN THE AMOUNT OF \$610,000 FOR ITS ALTERNATIVE FHFC ADMINISTERED SAIL APPLICATION UNDER FHFC RFA NUMBER 2022-205 SUBJECT TO THE SAME CONDITIONS IDENTIFIED ABOVE, PROVIDED THAT IF ARCHWAY IS SUCCESSFUL IN OBTAINING AN AWARD OF 9% HOUSING CREDITS UNDER RFA 2022-202, IT WILL WITHDRAW ITS APPLICATION UNDER 2022-205; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$610,000 FROM THE UNAPPROPRIATED BALANCE OF THE HOUSING CAPITAL IMPROVEMENTS FUND (“HCIF”) (3000) TO THE FLATS ON 4TH PROJECT (19144); AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE ALL CLOSING DOCUMENTS AND ANY OTHER DOCUMENTS NECESSARY TO EFFECTUATE THIS TRANSACTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of St. Petersburg, Florida (“City”) has established the need for additional affordable rental housing units as a priority in its 2021-2026 Consolidated Plan; and

WHEREAS, the Housing & Community Development Department (HCD) issued a Request for Proposals (RFP) for the production of new affordable multi-family housing units on June 3, 2022; and

WHEREAS, Archway submitted a response to the RFP requesting a local government area of opportunity (“LGAO”) funding contribution for its application; and

WHEREAS, on November 10, 2022, the Florida Housing Finance Corporation (“FHFC”) issued a Request for Application (“RFA”) 2022-202 for the award of Low-Income Housing Tax Credits (“LIHTC”) with an application due date of December 29, 2022; and

WHEREAS, Archway represented in its response to the City’s RFP that it has the requisite affordable housing developer experience to qualify its development to obtain sufficient scoring related to the developer experience requirements of the FHFC administered LIHTC under the FHFC’s RFA 2022-202; and

WHEREAS, on August 9, 2022, a cross-functional team from HCD, and the departments of Economic & Workforce Development, Community Services, Planning & Development Services, and Finance reviewed the merits of the proposed development, the developer entities, and their management companies and recommended approval of LGAO funding to Archway for the development of Flats on 4th as a 64 -unit affordable apartment complex to be located at 106th Ave North; and

WHEREAS, the units proposed would be 1- and 2-bedroom units reserved for households with average incomes at or below 60% of the area median income and will be required to remain affordable for the CHDF program’s minimum 30-year compliance period or the term of the loan whichever is longer; and

WHEREAS, Archway has agreed that the City loan will be a non-recourse 0% interest subordinate loan of \$610,000 payable from the first 25% of cash flow after payment of the developer’s first mortgage; and

WHEREAS, the City receives deposits from the payments in lieu of producing a Workforce Housing Density Bonus unit on site and must be used for affordable housing purposes in accordance with Chapter 16 Land Development Regulations; and

WHEREAS, on October 20, 2022, City Council approved Resolution 2022-531 appropriating \$610,000 from the Housing Capital Improvement Fund (HCIF) (3000) to the Flats on 4th Project (19144) for local government area of opportunity (LGAO”) funding as part of Archway’s application under FHFC RFA 2022-202 for competitive 9% low-income housing tax credits; and

WHEREAS, after City Council’s approval of Resolution 2022-531, Archway also requested that it be allowed to use the same City contribution of \$610,000 to simultaneously submit an alternative SAIL application for FHFC administered SAIL funding, non-competitive housing credits, and tax-exempt bond financing under FHFC RFA number 2022-205 subject to the same conditions identified above, provided that in the event it is successful in obtaining an award of 9% housing credits under RFA 2022-202, it will withdraw its application under RFA 2022-205; and

WHEREAS, Administration recommends that the City Council supersede in its entirety Resolution No. 2022-531 and adopt this Resolution; and

WHEREAS, funding will be available after a supplemental appropriation in the amount of \$610,000 from HCIF (3000) to the Flats on 4th Project (19144).

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that Resolution No. 2022-531 is hereby superseded in its entirety by this Resolution.

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute and provide the Local Government Verification of Contribution loan form for the amount of \$610,000 to Archway Partners, LLC, (“Archway”) which is requesting the LGAO funding as part of its application under the FHFC’s RFA 2022-202.

BE IT FURTHER RESOLVED that closing on the City’s loan by October 1, 2023 is subject to Archway: 1) designating the Flats on 4th development as their Priority One application under RFA 2022-02 2) obtaining the recommendation for approval of FHFC administered 9% low income housing tax credit funding, 3) receiving final site plan approval, and 4) providing all of the standard underwriting due diligence documents to the City.

BE IT FURTHER RESOLVED that Archway may use the same City contribution of \$610,000 for its alternative SAIL application under FHFC RFA number 2022-05 subject to the same conditions identified above, provided that in the event Archway is successful in obtaining an award of 9% housing credits under RFA 2022-202, it will withdraw its application under RFA 2022-205.

BE IT FURTHER RESOLVED that there is hereby approved from the unappropriated balance of the HCIF (3000) the following supplemental appropriation for FY 23:

<u>Housing Capital Improvement Fund (3000)</u>	
Flats on 4 th Project (19144)	\$610,000

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute all closing documents and any other documents necessary to effectuate this transaction.

This Resolution shall become effective immediately upon its adoption.

LEGAL:



City Attorney (Designee)

Legal: 00653054

HOUSING & COMMUNITY DEVELOPMENT:



Joshua A. Johnson, Director

BUDGET:



Elizabeth M. Makofske, Budget Director

**FLORIDA HOUSING FINANCE CORPORATION
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – LOAN FORM**

Name of Development: _____

Development Location: _____
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of _____, commits \$ _____ at face value, (which may be used as an FHFC Non-Corporation Funding Proposal in an Application for FHFC funding if it meets the required criteria) in the form of a reduced interest rate loan to the Applicant for its use solely for assisting the proposed Development referenced above.

Please note: In some competitive processes, Florida Housing will use the face value of the commitment minus the net present value of the commitment for scoring purposes. The net present value of the above-referenced loan, based on its payment stream, inclusive of a reduced interest rate and the designated discount rate (as stated in the applicable RFA) is: \$ _____.

No consideration or promise of consideration has been given with respect to the loan. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this loan must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

CERTIFICATION

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

Signature
Print or Type Name

Print or Type Title
Date Signed

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager /Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. The amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If there are alterations made to this form that change the meaning of the form, the form will not be accepted.