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Title: Low Income Housing Tax Credit Applications, GEN-18-141

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Attachments: 1. Palm Port Application, 2. Palm North Application, 3. Palm North Project Statistical Data

Date	Ver.	Action By	Action	Result
11/13/2018	1	City Commission Regular Meeting	motion to approve	Pass

TO: Honorable Mayor & Members of the North Port Commission

FROM: Peter D. Lear, CPA, CGMA, City Manager

TITLE: Low Income Housing Tax Credit Applications, GEN-18-141

Recommendation Action

Approve a contribution allocation of \$50,000, either monetary or in-kind service, to support the application for the 2018/2019 City of North Port Contribution Reservation process for the applicant participating in the State of Florida Low Income Housing Tax Credit (LIHTC) Program.

Background Information

Low Income Housing Tax Credit Program: The Housing Tax Credit Program was created to increase the number of low-income rental housing units and is governed by the U.S Department of Treasury under Section 252 of the Tax Reform Act of 1986 and Section 42 of the Internal Revenue Code. Housing need is assessed annually on current statewide market studies and funds are disbursed each year to the States nation-wide. In Florida, the Florida Housing Finance Corporation administers the LIHTC program funds. The selection process at the State level is highly competitive and only one application per county will be chosen.

In 2016 the City Commission identified the lack of housing for low- and moderate-income levels within the City and directed staff to develop a streamlined program and approach for those who wished to apply to the State of Florida for tax credits under the LIHTC Program. Consequently, staff developed a process for reviewing, analyzing and ranking applications and presenting recommendations to the City Commission. The application process was later approved by Commission. While this process leads to encouraging affordable housing to the appropriate areas of the City, the Commission retains discretion as to whether it will allocate resources for the local match.

On August 1, 2018, the City ran a legal notice soliciting applicants for participation in the Fiscal Year 2018-2019 State of Florida Low Income Housing Tax Credit Program (LIHTC). The Notice of Request for applications was for the reservation of a City contribution towards the development and/or rehabilitation of affordable multi-family rental housing for the successful project(s). Applications were released on August 10, 2018, with an application submittal date of September 21, 2018. Between the application release and submittal dates, staff received four (4) inquiries regarding the application and

potential sites; however, only one (1) application, from Southport Development Inc., was submitted by the deadline - there were no other applications submitted.

Proposed Application(s) and Findings

The parent organization, Southport Development, Inc., formed two (2) separate limited liability corporations (SP Port LLC and SP North LLC) each filing a separate application (Palm Port and Palm North respectively) with the City. Each of the applications was reviewed by City staff and found to meet the minimum the minimum threshold criteria for all requested information. This included but was not limited to site control, financial capability and previous program experience, all of which is detailed in the applications. Further, each proposed project was evaluated in context of meeting the purpose and goal of the City's strategic plan - *"To promote the preservation and development of high-quality, balanced and diverse housing options for persons of all income levels."* The following criteria were used in this evaluation: Project Location; Housing Needs Characteristics; Project Characteristics and Experience.

1. Palm Port: The ±8.44-acre site (Figure 1) is in the southwestern quadrant of the W Price Boulevard and Citizens Parkway intersection. It is north of and adjacent to Fire Station No. 84 and west of and

FIGURE 1 - Project Location



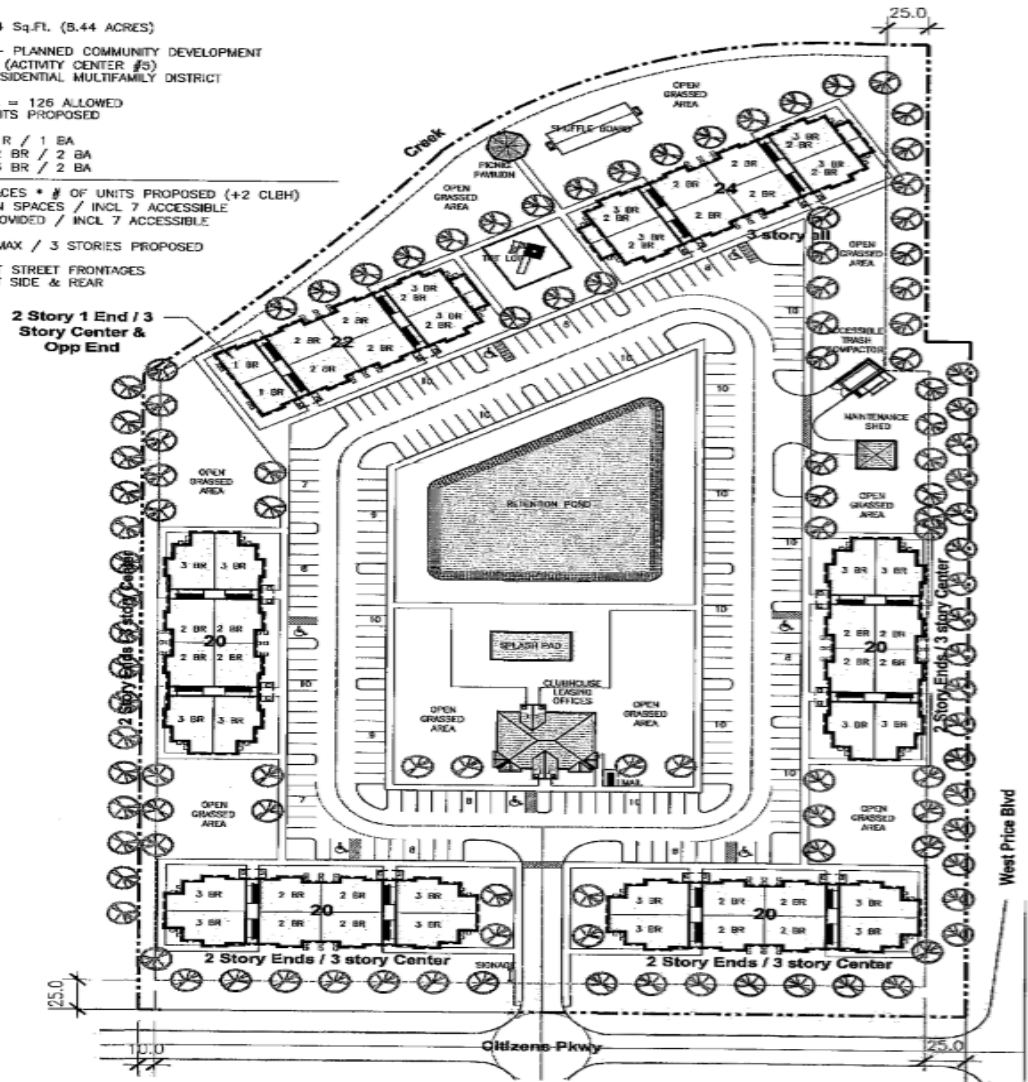
approximately one-half mile from the Shoppes North Port and the Shoppes at Price Crossing. Sarasota Memorial ER and Health Care Center of North Port are also proximate to the site. There is a bus stop across W Price Boulevard from the site and four (4) other bus stops within one-half mile of the site. Also, the site is proximate to Toledo Blade Elementary School and 2.3 miles from Sarasota County Technical College. The project site is located within Activity Center 5, with Planned Community Development zoning, and has access to all public utilities.

The proposed Palm Port development will include 126 one-, two- and three-bedroom units, ranging in size from 750 square feet to 1,200 square feet (See Application, pages 112-114 - Floor Plan), housed in six buildings that will serve a family demographic. The residential buildings are proposed to be two or three stories with 222 outside parking spaces and will be designed to meet the guidelines established within the City's Urban Design Standards Pattern Book for Activity Center 5 (Figures 2 and 3).

Figure 2 - Site Plan

PROJECT STATISTICAL DATA

SITE AREA	367,444 Sq.Ft. (8.44 ACRES)
ZONING DISTRICT & USE GROUP	PCDN - PLANNED COMMUNITY DEVELOPMENT MIDWAY (ACTIVITY CENTER #5) RMF RESIDENTIAL MULTIFAMILY DISTRICT
UNIT DENSITY	15 U/A = 126 ALLOWED 126 UNITS PROPOSED
UNIT MIX	4 - 1 R / 1 BA 72 - 2 BR / 2 BA 50 - 3 BR / 2 BA
PARKING COUNT	1.6 SPACES * # OF UNITS PROPOSED (+2 CLBH) 204 MIN SPACES / INCL 7 ACCESSIBLE 222 PROVIDED / INCL 7 ACCESSIBLE
MAX BUILDING HEIGHT	70 FT MAX / 3 STORIES PROPOSED
PROPOSED SETBACKS	25 FEET STREET FRONTAGES 10 FEET SIDE & REAR



Moreover, the project is designed to include Green Building Features including low-flow water fixtures, Energy Star certified appliances and water heater. To ensure meeting the demands of creating a sustainable workforce community, the development group will provide the following resident programs, at no cost to the residents: Employment Assistance, Financial Management, Adult Literacy and After School Program for Children (See Application, pages 80 - 83).

Figure 3 - Elevation



Street Elevation Building
Architectonics Studio

Based on information from the United States Census Bureau (2016) 38.5% of renter households in the City of North Port are 'cost burdened' - that is they pay more than 30% of household income towards their housing. Of that percentage, 19% of renter households earn less than \$20,000 annually, which is in the extremely low-income category. Another 14.5% earn between \$20,000 and \$34,999 which is in the low- to very low-income category. To address the 'cost burdened' issue the developer will provide 108 units of affordable rental stock with rents restricted to target households at 60% and 33% AMI, the low- and very low-income demographics in the City.

Ninety percent (90%) of the units will be set aside for residents with family incomes at or below 60% of the area median income and 10% of the units will be set aside for residents with family incomes at 33% of area median income. In addition, the development will comply with all applicable ADA, UFAS, Section 504 and Fair Housing requirements.

Although Price Boulevard Redevelopment LLC is a newly formed corporation its officers and administrative personnel are affiliated with Commonwealth Development Corporation which has significant project development and administration and capability (See Application pages 19 - 42, 44 -51, and 53 - 77, respectively)

- 2. Palm North:** The ±12.6-acre site is part of a larger parcel (Figure 4) in the southeastern quadrant of the W Price Boulevard and Citizens Parkway intersection. It is northeast of and adjacent to Fire Station No. 84 and west of and approximately one-half mile from the Shoppes North Port and the Shoppes at Price Crossing. Sarasota Memorial ER and Health Care Center of North Port are also proximate to the site. There is a bus stop across W Price Boulevard from the site and four (4) other bus stops within one-half mile of the site. Also, the site is proximate to Toledo Blade Elementary School and 2.3 miles from Sarasota County Technical College. The project site is located within Activity Center 5, with Planned Community Development zoning, and has access to all public utilities.

Figure 4 - Project Location



The proposed Palm North development will include 132 one-, two- and three-bedroom units, ranging in size from 750 square feet to 1,200 square feet (See Application, pages 112 - 114 - Floor Plans), housed in six buildings that will serve a family demographic. The residential buildings are proposed to be two or three stories with 215 outside parking spaces will be designed to meet the guidelines established within the City's Urban Design Standards Pattern Book for Activity Center 5 (Figure 5 and 6).

Moreover, the project is designed to include Green Building Features including low-flow water fixtures, Energy Star certified appliances and water heater. To ensure meeting the demands of creating a sustainable workforce community, the development group will provide the following resident programs, at no cost to the residents: Employment Assistance, Financial Management, Adult Literacy and After School Program for Children (See Application, pages 80 - 83).

Figure 5 - Site Plan



Figure 6 - Elevation



Street Elevation Building
Architectonics Studio

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Although Price Boulevard Redevelopment LLC is a newly formed corporation its officers and administrative personnel are affiliated with Commonwealth Development Corporation which has significant project development and administration and capability (See Application pages 20 - 42, 44 - 51, and 53 - 78 respectively).

Strategic Plan

The Strategic Plan identifies both *Neighborhood and Housing Revitalization Strategy and Diversified and Affordable Housing* as High Priority issues in the Plan's Policy Agenda.

Financial Impact

If approved by the Florida Housing Finance Corporation, the Commission is directing that \$50,000 of 2018/2019 General Funds will be allocated to the awarded applicant of the selected North Port project as a sole project in the County. Funding for this is currently included in the FY18-19 budget.

Procurement

- Attachments: 1. Palm Port Application
2. Palm North Application

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