



Legislation Details (With Text)

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Title: City Council direction to provide a Local Government Contribution for the Housing Trust Group who is seeking Florida Housing Finance Corporation’s (FHFC) SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (RFA) 2020-205. (Community Services Director)

Sponsors:

Indexes:

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Attachments: 1. Attachment A - Orchid Lake - City of Cocoa Request Letter.pdf, 2. Attachment B - Orchid Lake - FHFC Grant Form.pdf, 3. Attachment C - Orchid Lake - FHFC Fee Waiver Form.pdf, 4. Attachment D - Resolution 98-2.pdf

Date	Ver.	Action By	Action	Result
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CITY COUNCIL AGENDA ITEM

Memo Date: October 30, 2020
Agenda Date: November 10, 2020
Prepared By: Nancy A. Bunt, Community Services Director
Through: Stockton Whitten, City Manager
Requested Action:

City Council direction to provide a “Local Government Contribution” for the Housing Trust Group who is seeking Florida Housing Finance Corporation’s (FHFC) SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (RFA) 2020-205.

BACKGROUND:

The City has received a request for a local government contribution to the Florida Housing Finance Corporation’s (FHFC) SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (RFA) 2020-205 under the “Local Government Contribution.” The RFA cycle began August 6, 2020 and applications are due November 12, 2020. As part of the application, developments that obtain a Local Government Contribution provide evidence of a Local Government grant, loan, fee waiver and/or fee deferral, that is effective as of the Application Deadline, is in effect at least through June 30, 2021, and has a value whose dollar amount is equal to or greater than \$50,000.

The City may not contribute cash loans and/or cash grants to more than one proposed Development applying for a Local Government Contribution. During the ranking process outline in Section 5 A of the RFA, if multiple applications demonstrate Local Government loans and/or grants from the same

jurisdiction in an amount sufficient to qualify as a Local Government Contribution, then all such applications will be deemed ineligible to qualify for the considered Local Government Contribution.

The total amount of permanent funding resources, in the form of cash loans and/or cash grants from the City will, for purposes of the provision, be considered to be "Local Government Contribution." This funding shall be used for the construction and/or rehabilitation of the proposed development and shall be paid in full by the City no later than 90 days following the date the proposed development is placed in-service.

In order to be eligible to be considered for Local Government Contribution Funding, the cash loans and/or cash grants must be demonstrated via one or both of the Florida Housing Local Government Verification of Contribution forms (Form Rev. 07-2019), called "Local Government Verification of Contribution - Loan" form and/or the "Local Government Verification of Contribution - Grant, Fee Waiver or Fee Deferral" form. The forms must meet the requirements outlined in 11.c. of the RFA. The qualifying funding must be reflected as a source on the Development Cost Pro Forma.

FHFC Board approval is anticipated during the March 2021 board meeting. Upon the receipt of an award and the invitation to credit underwriting from FHFC the awarded project, the developers will begin the final negotiations with debt and equity providers. Closing would be scheduled to occur August 2021 and construction commencing immediately thereafter. Construction completion estimated before December 2022. Lease-up will begin upon 50% construction completion and it is estimated by early 2023 the property will be 100% leased up.

The proposed affordable and elderly rental project is:

Orchid Lake - Cocoa Parcel ID # 24-36-20-00-0

Mr Jason Larson, of Housing Trust Group (HTG) has presented a proposal to construct Orchid Lake. HTG proposes to construct a 110-unit rental housing development for seniors aged 55+. The parcel is located at the southeast corner of Cocoa Lakes Drive and Michigan Avenue.

The development shall consist 74 one bedroom/one bath units (rents range between \$454 and \$779 per month) and 36 two-bedroom/two bath units (rents range between \$623 and \$934 per month). The one-bedroom units shall be approximately 700 square feet and the two-bedroom units shall be approximately 900 square feet.

The buildings will be three (3) stories with elevators. At least 15% of the units will have roll-in showers and will include the following features oriented for seniors:

- Horizontal grab bars in place around each tub and/or shower - meets/exceeds 2010 ADA Standards for Accessible Design, Section 609.
- Reinforced walls for future installation of horizontal grab bars in place around each toilet, the installation of which meets or exceeds 2010 ADA Standards for Accessible Design, Section 604.5.1.
- 17-19 inch high toilets (measured from finished floor to top of toilet seat)
- Roll-out shelving/drawers in all bottom bathroom vanity cabinets.
- Adjustable shelving in master bedroom closets.
- Large drawer in at least one of the kitchen's bottom or base cabinets.

Development Amenities include:

- Swimming Pool
- Shuffleboard Court
- Dog Park
- Club Room
- Exercise Room
- Business Center
- On Site Property Management and Maintenance Staff

HTG is requesting that the City approve a \$50,000 grant or fee waiver as the “Local Government Contribution” if the project is funded by FHFC and allow the Mayor to sign all necessary forms as required by FHFC. The \$50,000 fee waiver could be a building permit fee waiver or a water/sewer impact fee waiver. If Council approves a water/sewer impact fee waiver, in accordance with Resolution 98-2, City Council must find that (i) such action will result in a substantial increase in the City’s tax base or offer additional jobs to the citizens of the City and (ii) such action will not impair the City’s ability to meet the covenants contained within the Resolution. Such action shall require the affirmative vote of at least four (4) members of Council. A third option is a \$50,000 grant from general fund.

STRATEGIC PLAN CONNECTION:

Community Development (Redevelopment of the City’s Core) - Supporting these projects the City will raise the quality of life for all its elderly residents, especially those underserved and disadvantaged.

BUDGETARY IMPACT:

There is no direct budgetary impact at this time.

PREVIOUS ACTION:

On January 13, 2015, City Council approved a fee waiver in the amount of \$50,000 to DFP Enterprises for the “Clearlake Isles” development.

In the fall of 2018, HTG submitted this development in 2018 with tentative City support. However, the project was not selected due to the high lottery number drawn.

In the fall of 2019, HTG submitted this development in 2019. However, the project was not selected due to the high lottery number drawn.

In the fall of 2019, the Retreat at Cocoa Commons submitted an elderly rental development, the city provided tentative support. The project was funded by FHFC and is currently under site plan review.

RECOMMENDED MOTION:

City Council direction to provide a Local Government Contribution in the form of a grant or fee waiver for the Housing Trust Group who is seeking Florida Housing Finance Corporation’s (FHFC) SAIL

Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (RFA) 2020-205.