

# Gainesville.

## Citizen centered

## People empowered

**DATE:** October 12, 2018

**TO:** City Commission

**VIA:** Anthony Lyons, City Manager  
Fred Murry, Assistant City Manager

**FROM:** Delores James, AHAC Chairperson  
SHIP Affordable Housing Advisory Committee (AHAC)

**SUBJECT:** Local Government Area of Opportunity Funding Recommendation

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On behalf of the SHIP AHAC, I am pleased to present our Local Government Area of Opportunity (LGAO) funding recommendation.

The Low Income Housing Tax Credit (LIHTC) Program is an important tool that the federal government uses to promote the development of affordable housing. In the State of Florida, the Florida Housing Finance Corporation, which is essentially a State agency, administers the LIHTC Program. One of the State's goals for the LIHTC Program in medium sized Counties (like Alachua) is to fund projects that have a commitment from their local government for a significant financial contribution. That contribution is known as LGAO Funding.

On August 26, 2018, the City published a Notice of Funding Availability (NOFA) for Affordable Rental Housing Projects, including LIHTC Projects. The developers of five proposed projects responded. Each of those projects is a LIHTC Project requesting LGAO Funding.

On September 11, 2018, the City's Affordable Housing Advisory Committee (AHAC) heard presentations from the developers of all five projects. At that meeting, and at their October 9, 2018 meeting, the AHAC reviewed, considered and discussed each of the projects.

Among the factors considered when evaluating each project are the following:

1. Amount of funding requested;
2. Loan terms;
3. Number of units provided;
4. Resident income mix;
5. Number of units provided for persons with special needs;
6. Location of the project;
7. Nearby amenities and services;
8. On-site amenities;
9. Resident services;
10. Compatibility with surrounding areas;
11. Marketing and outreach to potential residents;
12. Experience of the developers; and

13. Overall feasibility of the project.

Based on the applications and presentations, AHAC believes that each of the proposals would bring at least some benefit to the community. However, AHAC also believes that there are some important differences in the projects. For that reason, at the October 9, 2018 AHAC meeting, the Committee voted to rank the proposed projects in the following order:

PROJECT NAME	# OF UNITS	FUNDING REQUEST	LOAN TERMS	AHAC RANK
Deer Creek Senior Housing	62	\$469,313	No interest 24-month construction loan; automatic conversion to permanent non-amortizing 15 year loan at 1% interest	1
Madison Pines	82	\$560,250	15 years at 3% interest	2
Arbor Trail 2	80	\$425,625	1% amortizing over 30 years, Balloon Payment after 10 years	3
Andrew Landing	122	\$354,000	15 years fully amortized at 1% interest	4
Sydney Trace (Withdrawn)	96	\$354,000	15 years fully amortized at 1% interest	5

LGAO Funding benefits the City of Gainesville in several ways. First, LGAO Funding leverages local funds to bring in millions of dollars of private and federal investment. Additionally, LGAO Funding furthers the City's goal of supporting the development of affordable housing within the community. For these reasons, the AHAC voted to recommend that the City Commission use ConnectFree revenues to fund a \$469,313 loan, under the terms outlined above, to Deer Creek Senior Housing, LLP, for their application for LIHTCs.

We respectfully and sincerely request that you consider this funding recommendation.

Cc: AHAC Committee Members  
Jacqueline Richardson, HCD Manager  
John Wachtel, Neighborhood Planning Coordinator  
Teresa Osoba, ConnectFree Coordinator

**City of Gainesville**  
**Affordable Housing Advisory Committee**  
**Proposal Rankings**  
**ConnectFree Funding for Affordable Rental Housing Projects**

October 9, 2018

Affordable Housing Rental Project Rankings						
AHAC Members	Arbor Trail 2	Deer Creek	Madison Pines	Andrew Landing	Sydney Trace	
Delores James	2	1	3	4	5	
Tavarous Parks	3	1	2	4	5	
Juanita Miles-Hamilton	3	1	2	4	5	
Belinda Smith	3	2	1	4	5	
Jaime Bell	2	1	3	4	5	
Leslie Suskin	3	2	1	4	5	
Anne Taylor	3	2	1	4	5	
<b>TOTAL</b>	19	10	13	28	35	
<b>Rankings (based on Mean):</b>						
	<b>3</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>5</b>	

**Explanation:** Each member of the Affordable Housing Advisory Committee (AHAC) ranked each of the proposed projects from 1 to 5, with 1 being the best. As such the project with the lowest score when the rankings of all the AHAC Members are totaled, has the best overall ranking. The next lowest total has the second best overall ranking. As such, the final ranking is as follows:

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Based on the AHAC's rankings, Deer Creek Senior Housing is the recommended project. The Recommended Award: \$469,313.00 in the form of a loan contingent on State approval of Low Income Housing Tax Credits associated with the State's Local Government Area of Opportunity Funding Goal, to construct the proposed Affordable Rental Housing Project.

Among the factors AHAC considered when evaluating each project were the following:

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3. Number of units provided;
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5. Number of units provided for persons with special needs;
6. Location of the project;
7. Nearby amenities and services;
8. On-site amenities;
9. Resident services;
10. Compatibility with surrounding areas;
11. Marketing and outreach to potential residents;
12. Experience of the developers; and
13. Overall feasibility of the project.

Based on the applications and presentations, AHAC felt that the following factors were particularly favorable for Deer Creek Senior Housing's proposal:

- All of the Project's units would be accessible, which can reduce the need for aging residents to change units;
- The Project's location is very close to amenities, including the Senior Recreation Center, Walmart (Groceries, Pharmacy, Vision Center), Northside Park, a weekly Farmers' Market and several bus stops;

- The Project has potential for pedestrian and/or bicycle connection to Northside Park;
- The Project proposed a strong marketing/outreach plan, using local sources like churches, Housing Authorities, nonprofits and similar groups;
- The Project proposed a high level of resident service, including 24 hour support/wellness checks; and
- The Project's development team has a high level of relevant experience.

A copy of the all proposal documents, all evaluation forms and all statements received are on file in the office of Housing & Community Development Division.