

1900 SE. 4th St., Gainesville, FL 32641 Telephone (352) 872-5500 ~ Fax (352) 872-5501 www.gainesvillehousingauthority.org

> EXECUTIVE DIRECTOR PAMELA E. DAVIS

September 8, 2015

Mr. Fred Murry Assistant City Manager City of Gainesville 200 E. University Avenue Gainesville, Florida 32601

Request for Local Government Contribution and Development/Revitalization Support

Dear Mr. Murry:

Background

The Gainesville Housing Authority (GHA) provides a valuable community asset in the form of housing for low and very low income residents of the City of Gainesville. The primary source of GHA funding is the Department of Housing and Urban Development (HUD), which provides a limited amount of funding through operating subsidies and capital funds. Over the last 15 years the level of these funds has been erratic, and in almost every year the GHA has received less than 100% of proposed funding. The GHA recently completed a Physical Needs Assessment performed by an experienced provider. The immediate needs for the GHA are \$18,644,886.00, while the GHA only receives approximately \$284,752.00 per year from HUD Capital Funds for the maintenance of the increasingly older properties.

The GHA wants to stabilize its housing stock and maintain it for the future. The way to do this is through comprehensive modernization or demolition and replacement with new housing that is up to building code, meets new handicapped accessibility requirements, and meets contemporary design standards.

To accomplish this, the GHA recently conducted a public solicitation for developer partners and selected the experienced Pinnacle Housing Group (Pinnacle). The role of Pinnacle will be to identify development opportunities that are likely to be funded by the available funding sources. The primary funding source is Low Income Housing Tax Credit Program (LIHTC), which is administered by the Florida Housing Finance Corporation (FHFC).

Commissioner Arthur Stockwell, Chairperson ~ Rebecca J. Hightower, Vice Chairperson Commissioner Angela Tharpe ~ Commissioner Christopher Weaver ~ Commissioner Randolph Hunziker



The Gainesville Housing Authority, in partnership with Pinnacle Housing Group, is proposing the redevelopment of Woodland Park. Woodland Park was built in the 1960s and currently serves 170 families. The proposed redevelopment would include two phases of multifamily rental, with the third phase reserved for homeownership. Once complete, the three phases will provide housing for nearly 300 families in one, two and three bedroom units. The new community will include a clubhouse with a fitness facility and computer lab, as well as a playground, and significant community and green spaces. In addition, the partnership has agreed to include a Public Art component by providing artwork and/or sculptures created by local artists. The resulting development will stimulate redevelopment in the area and create a new home for hundreds of low-income families in Gainesville.

Low Income Housing Tax Credits

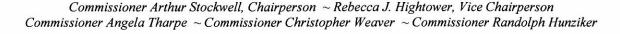
Through funding cycles the FHFC issues Requests for Applications or "RFAs" for competitive application cycles of 9% LIHTC, as well as other available funding sources. These RFAs are highly competitive and have a variety of requirements. Among the requirements is a Local Government Contribution (LGC). This is FHFC's way to determine that local governments are supportive of the development plans proposed by the applicants. LGCs are currently one of the driving requirements of the application process and without an LGC, the GHA applications would not be competitive and, therefore, not be found within funding range. It is, therefore, imperative that GHA gain support in the Gainesville community for this requirement. A provision of LGC funds to the GHA's phased developments would also assist in filling any funding gaps in the applications. The Gainesville Housing Authority needs a \$37,500 (net present value) commitment from the city to submit an application in this very competitive process. Please review every available area and source within the City to aid us in meeting this requirement.

GHA cannot afford to miss out on this opportunity. As you are aware, there are very few places for public housing authority to go for funding. Our properties are in dire need of repairs and upgrades. The Gainesville Housing Authority is requesting that the City identify a source for the grant of \$37,500, ensure that the contribution is good through June, 2016, and sign the attached local contribution form. If the City is uncomfortable in signing the attached form, GHA would need a letter on City letterhead that states the following basic requirements:

- Effective as of Application Deadline (October 2015)
- Effective through at least June 30th, 2016
- Dedicated solely for the purpose of the proposed development
- Provides a tangible economic benefit and is given specifically because the Development will provide affordable housing.

Other Benefits to the Local Economy

The development of such a project would not only maintain a valuable resource, it would also contribute more to the local economy than the above request for funds. The National Association of Homebuilders estimates that 100 new LIHTC units generates 80 direct and indirect jobs and





42 more jobs induced by effects of the spending. The requested amount would represent only .003% of a project, which will generate \$3 of other spending for every \$1 spent.

GHA also welcomes the opportunity to speak with the CRA and/or the Economic Development Department regarding attracting commercial and/or small businesses into the redevelopment strategy.

Your immediate attention to this request is appreciated. Should you have any additional questions, please contact me at (352) 872-5500 ext. 219 or email me at pamelad@gnvha.org.

Sincerely,

Pamela E. Davis Executive Director

LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM

Name of Development: Woodland Park Phase I
On SE 19th Place, southwest of the intersection of SE 1st Terrace and SE 19th Place,
Development Location: Gainesville
(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.)
On or before the Application Deadline, the City/County of Gainesville committed
(Name of City or County)
\$ 37,500.00 as a grant to the Applicant for its use solely for assisting the proposed Development
Grand Transfer of the proposed Beveropitett
referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity,
provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing
affordable housing does not constitute consideration. The commitment for this grant is effective as of the
Application Deadline referenced above, and is provided specifically with respect to the proposed Development.
representative referenced works, and is provided specifically with respect to the proposed Development.
The source of the grant is: General Fund Revenue
(e.g., SHIP, HOME, CDBG)
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.
Russ Blackburn
Signature Print or Type Name
City Manager
Print or Type Title
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. To be considered for points, 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 the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.
Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-50.005, F.A.C.
(Form Rev. 01-14)

RFA <u>2015-106</u>