



Legislation Text

File #: 14172, Version: 1

TITLE

Request From Summit Fortis Development, LLC, for Local Government Verification of Loan Form Committing Funds From State Housing Initiative Partnership Program to Developer Awarded Funding From Florida Housing Finance Corporation for Affordable Housing Redevelopment Project at Summit Villas

BRIEF OVERVIEW

Brooksville Housing Authority is requesting a loan in the amount of \$340,000 to serve as a local government contribution for the redevelopment of Summit Villas to compete for Local Government Area of Opportunity Funding Goal with Florida Housing Finance Corporation, Request for Applications 2024-201, Low Income Housing Tax Credit for developments in medium and small counties.

A Housing Credit allocation to a development can be used for 10 consecutive years once the development is placed in service and is designed to subsidize either 30 percent (the 4 % tax credit) or 70 percent (the 9 percent tax credit) of the low-income unit costs in a development. Each development must set aside a minimum percentage of total units for eligible low or very low-income residents for the duration of the compliance period.

Summit Villas is a proposed new construction, senior affordable housing development with 75 one-bedroom units available to seniors 62 years of age and older with annual income from 40% to 60% of the Area Median Income (AMI), which is income of approximately \$26,760 to \$40,140 a year for a family of one (1) and income of \$30,590 to \$45,840 for a family of two (2). The development plans to allocate a total of 8 units for 40% AMI and 67 units for 60% AMI.

Brooksville Housing Authority is requesting Hernando County use State Housing Initiative Partnership Program funds under the Multifamily Affordable Housing Strategy in the amount of \$340,000 to fund the contribution.

FINANCIAL IMPACT

If approved by Hernando County BOCC and Florida Housing Finance Corporation; funds will be taken from: **Fund: 1271** - ST Housing INIT PRTRNERSHP, **Department: 35051** - SHIP GRANT-Housing Auth, **Account: 5303424** - SRV-MULTI-FAM HOUSG.

LEGAL NOTE

The Board has authority to act on this matter pursuant to Chapter 125, F.S.

RECOMMENDATION

It is recommended that the Board review the request and consider that although affordable housing is much needed in the area to consider the number of set-a-side units being offered in the area

designated as a Qualified Census Tract which are areas in which 50% or more of the households have incomes below 60 percent of the area median income or where the poverty rate is 25 percent or higher.

Furthermore, it is recommended that the Board approve and authorize the Chairperson's signature on the attached Florida Housing Finance Corporation Local Government Verification of Contribution - Loan Form. Projects located in a Qualified Census Tracts (QCT) are provided strong incentives to direct private investment to areas with the greatest need for affordable rental housing and warrants a larger set aside of extremely low income, up to 30% AMI.