



City of Bradenton, Florida

City Council Agenda Memorandum

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|--|---|--------------------------|-------------------|
| Agenda Item: | Local government contribution-Cadell's Way project | Agenda Date: | November 16, 2016 |
| Originated by: | Vicki White, HCD Manager | Agenda Placement: | Consent agenda |
| Authorized by: | Catherine Hartley PCD Director  | | |
| Explanation | The developer for Cadell's Way, a multifamily rental complex, is applying for Low Income Housing Tax Credits from Florida Housing, and is requesting a local government contribution in order to be able to apply for these credits. The contribution will come from the city's SHIP funds. | | |
| Financial Impact | None. | | |
| Requested action to be taken by Council | Approve the local government contribution. | | |
| Staff Recommendation | Approve the local government contribution. | | |
| Attachments | Resolution R-16-60, local government contribution form, memo, request letter and map showing the location of the project. | | |

MEMORANDUM

TO: Mayor, City Council, and Department Heads
Catherine Hartley, Director of Planning & Community Development
Press

FROM: Vicki White, HCD Manager

DATE: November 8, 2016

RE: Local Government Contribution-Cadell's Way

Attached for your review is the fact sheet and Local Government Contribution Form for Cadell's Way, a Low Income Housing Tax Credit (LIHTC) project being proposed for vacant land at the southwest corner of 26th Ave. and 27th St. East, near Pirate City. This rental complex will provide 100 apartments for households earning up to 60% of the Area Median income, as adjusted by family size. In 2015, approximately 9,695 Bradenton households, or 42% of the city's population were considered housing cost burdened because more than 30% of their gross monthly income went for housing costs. Developments such as Cadell's Way can help alleviate this cost burden by providing rentals that are affordable, decent, safe and sanitary.

The city's State Housing Initiatives Partnership (SHIP) program has Multifamily Rental Construction/Rehabilitation as one of the affordable housing strategies in its 2014-2017 Local Housing Assistance Plan (LHAP). The intention for including this strategy was to enable the city to leverage its limited SHIP funds to develop rental housing that is affordable to a variety of families. To date, one project-Grand Palms- has been awarded SHIP funds for the construction of rental housing, and it is in the plan review process with the city. If Cadell's Way is awarded federal tax credit funds, it will be the second rental project to receive SHIP funding from the city of Bradenton.

Recommendation: Approve the Local Government Contribution of \$37,500 in SHIP funds for Cadell's Way.

RESOLUTION NO. R- 16-60

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BRADENTON, FLORIDA, APPROVING THE STATE HOUSING INITIATIVE PARTNERSHIP MULTIFAMILY RESIDENTIAL PROJECT FUNDING AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Rehabilitation Agreement is by and between THE CITY OF BRADENTON hereinafter, "CITY", and, SOUTHPORT DEVELOPMENT, INC. hereinafter "DEVELOPER".

WHEREAS, the "CITY" receives SHIP funding for production and preservation of affordable housing;

WHEREAS, the DEVELOPER requested a local government contribution from the CITY for the construction of an affordable rental housing project;

WHEREAS, the project funding after approval by City Council on AUGUST 17, 2016 is for a loan in the amount of \$37,500 to "DEVELOPER" for the construction of the Cadell's Way affordable multifamily rental housing project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRADENTON, FLORIDA:

1. That the loan for the construction of the Cadell's Way multifamily rental housing project.
2. This Resolution shall take effect immediately.

PASSED AND DULY ADOPTED this _____ day of _____, 2016.

ATTEST:

Carl Callahan, City Administrator

President, City Council

Approved as to Form:

William Lisch, City Attorney

**FLORIDA HOUSING FINANCE CORPORATION
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM**

Name of Development: Cadell's Way
South side of 26th Avenue East approximately 500 feet west of the intersection of 26th Avenue East
Development Location: and 27th Street East, Bradenton

(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.)

The City/County of Bradenton commits \$ 37,500.00 as a grant to the Applicant for its use solely for assisting the proposed Development 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 must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

The source of the grant is: SHIP
(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.

| | |
|-----------|---------------------|
| <hr/> | <u>Wayne Poston</u> |
| Signature | Print or Type Name |
| | <u>Mayor</u> |
| | 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 67-60.005, F.A.C.

SOUTHPORT DEVELOPMENT, INC.

Doing Business in Florida as Southport Development Services, Inc.

October 21th, 2016

Vicki White
Housing & Community Development Manager
101 12th Street West
Bradenton, FL 34205

RE: Local Money Contribution Request – RFA 2016-110

Dear Ms. White,

Please consider this our formal request for a Local Contribution from the City of Bradenton for a proposed affordable housing development located in the City of Bradenton called Cadell's Way. In order to successfully compete in this extremely competitive process, FHFC requires that developments of this nature receive a Local Government Contribution in the present value amount of \$37,500. To accomplish this, FHFC allows this Local Contribution to come in the form of a Loan, Grant, or Fee Waiver, if desired by the municipality.

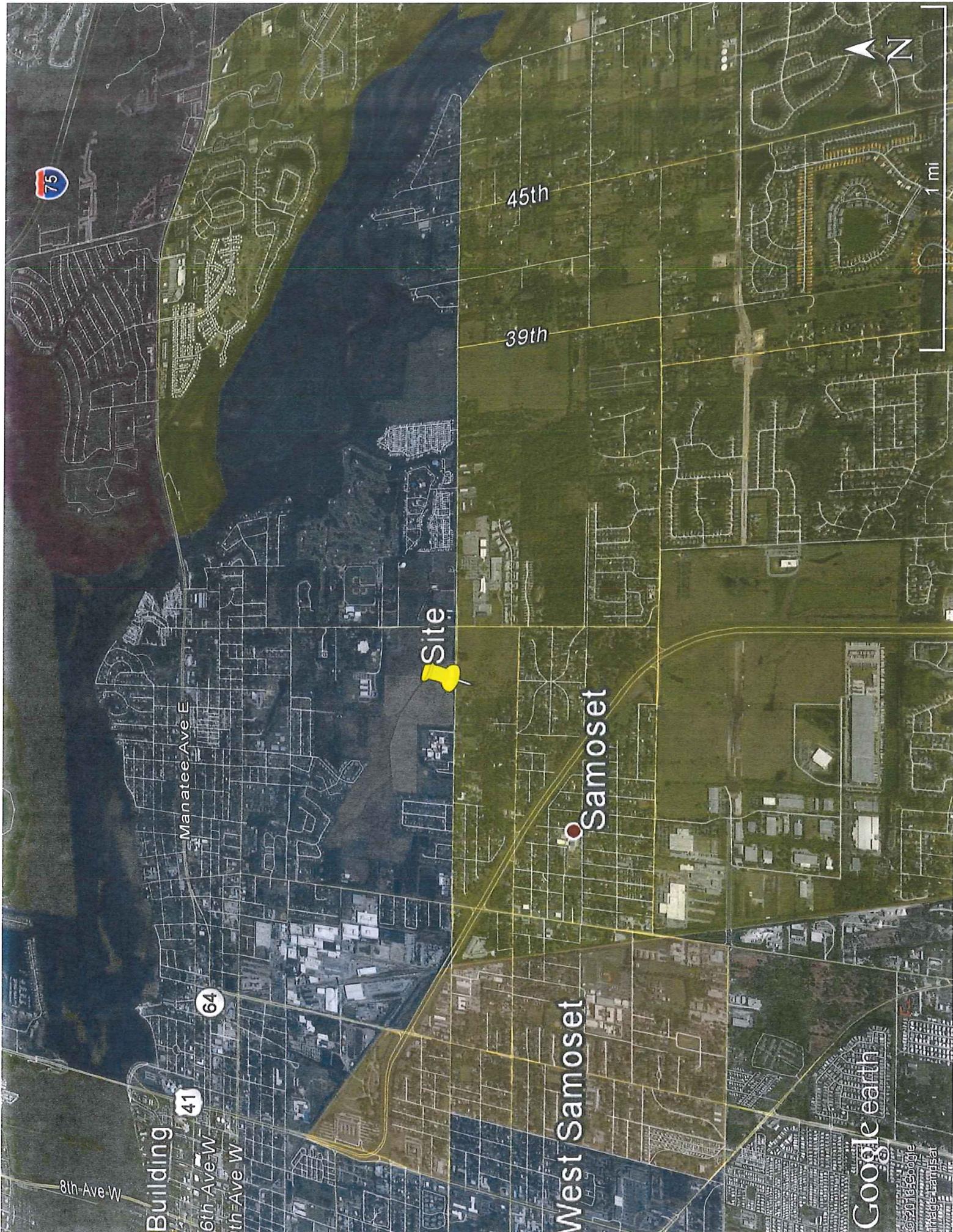
Cadell's Way will be located on southwest quadrant of the intersection of 26th Avenue East and 27th Street East in the City of Bradenton. The site is 8 acres (see location map attached). The development will consist of approximately 100 multifamily units that will serve the Family demographic. The unit mix will consist of one, two and three bedroom units. 90% of the units will be set aside at 60% of area median income. 10% of the units will be set aside at 35% of area median income. As such, the gross rents for the 60% units will be \$697, \$837 and \$996 for one two and three bedroom units. The gross rents for the 35% units will be \$406, \$488 and \$563 for one, two and three bedroom units.

As such, Southport respectfully requests that the City of Bradenton commits \$37,500 to Cadell's Way.

Sincerely,



Michael Molinari
Vice President



Manatee Ave E

41

64

8th Ave W

Building

6th Ave W

9th Ave W

Site

45th

39th

West Samoset

Samoset

Google earth

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