

Legislation Details (With Text)

File #:	15-21854	Version:	1	Name:	
Type:	Consent Item	Status:		Approved	
File created:	1/3/2024	In control:		City Council Business Meeting	
On agenda:	2/12/2024	Final action:		2/12/2024	
Title:	Amended Bond Issuance Approval for Fairhaven Glen Apartments				
Attachments:	1. Map - Fairhaven Glen, 2. Resolution - Fairhaven Glen				

Date	Ver.	Action By	Action	Result
2/12/2024	1	City Council Business Meeting	Approve	

Amended Bond Issuance Approval for Fairhaven Glen Apartments

Action:

Adopt an amended resolution granting INLIVIAN's request to issue multi-family housing revenue bonds in an amount not to exceed \$23,000,000 to finance the development of an affordable housing development known as Fairhaven Glen Apartments.

Staff Resource(s):

Rebecca Hefner, Housing & Neighborhood Services
Warren Wooten, Housing & Neighborhood Services

Explanation

- The action will not further obligate the city financially or impact the Capital Investment Plan and is requested to satisfy Section 147(f) of the Internal Revenue Code of 1986, which requires the issuance of housing bonds to be approved by the local governmental unit with jurisdiction over the area where the development is located.
- INLIVIAN is requesting that City Council adopt an amended resolution authorizing the issuance of multi-family housing revenue bonds for Fairhaven Glen Apartments, a 140-unit new construction affordable housing development (Development) to be developed, owned, and operated by Fairhaven Glen, LLC, a North Carolina limited liability company, or an affiliated or related entity.
- The Development will be located on approximately 14.7 acres located at 8329 Nations Ford Road (parcel identification number 169-212-24) in Council District 3 and will serve households earning up to 80 percent of the Area Median Income (AMI) with income averaging of 60 percent AMI for the entire development.
- The action further supports City Council's April 26, 2021, and November 28, 2022, approval of \$3,150,000 combined Housing Trust Fund support for this Development. Additionally, on October 9, 2023, City Council adopted a resolution authorizing INLIVIAN to issue up to \$19,000,000 in multi-family housing revenue bonds for the Development. As a result of increasing construction costs, the Developer has experienced a financing gap and has requested an additional \$4,000,000 in bonds to fill the gap, for a total of \$23,000,000.
- The increased amount of INLIVIAN bonds, not to exceed \$23,000,000, will be used to finance land acquisition and construction of the Development.

Background

- In conjunction with the Developer's request for city housing development support, the Developer applied for four percent low-income housing tax credits and a housing bond allocation capacity from the North Carolina Housing Finance Agency to help finance the land acquisition and construction of the Development.

- The North Carolina Housing Finance Agency approved a four percent tax credit and bond allocation capacity, including this subsequent \$4,000,000 increased bond allocation, for the Development. Tax credit and bond allocations are subject to federal income limits and set-aside rules and include deed restrictions.
- INLIVIAN, as a public housing authority, is duly authorized to issue housing bonds to finance developments that serve persons of low and moderate income, including developments in which it does not have a direct interest. The INLIVIAN board of directors approved the issuance of the multi-family housing revenue bonds for the Development on April 20, 2021.

Attachment(s)

Map
Resolution