

## Legislation Text

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File #: 15-16389, Version: 1

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### Bond Issuance Confirmation for South Village Apartments

#### **Action:**

**Adopt a resolution confirming the July 27, 2020, resolution granting INLIVIAN's request to issue multi-family housing revenue bonds, in an amount not to exceed \$12,000,000, to finance the development of an affordable housing development known as South Village Apartments.**

#### **Staff Resource(s):**

Pamela Wideman, Housing and Neighborhood Services

#### **Explanation**

- This action does not obligate the city financially or impact the Capital Investment Plan and is requested to satisfy Section 147(f) of the Internal Revenue Service Code of 1986.
- The developer's financing has been delayed due to the COVID-19 pandemic. As a result, INLIVIAN's issuance of multi-family housing revenue bonds has also been delayed.
- This action is required to reconfirm City Council's July 27, 2020, adoption of a resolution authorizing INLIVIAN to issue multi-family housing revenue bonds for South Village Apartments, an 82-unit new construction affordable housing development, to be developed, owned, and operated by Scaleybark Apartments, LLC, a North Carolina limited partnership. The development is located at the intersection of Whitton Street and Dewitt Lane in Council District 3.
- Pursuant to the federal tax code, if a developer does not close on multi-family housing revenue bonds within a year of the original resolution's adoption, the local governmental unit with jurisdiction over the area where the development is located must reconfirm its original resolution.
- The developer anticipates closing the financing for this development by the end of 2021 and beginning construction in first quarter 2022.
- The INLIVIAN bonds, not to exceed \$12,000,000, will be used to finance land acquisition and construction of the development.
- This action further supports City Council's July 22, 2019, approval of a \$3,000,000 Housing Trust Fund allocation to this development.

#### **Background**

- The developer applied for four percent low income housing tax credits and housing bond allocation capacity from the North Carolina Housing Finance Agency to finance the land acquisition and construction of the development.
- The North Carolina Housing Finance Agency approved a four percent tax credit and a bond allocation capacity totaling \$12,000,000 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.

#### **Attachment(s)**

City of Charlotte Confirmation Resolution