File #: 15-19240, **Version:** 1

Bond Issuance Confirmation for 8th & Tryon

Action:
Adopt a resolution reconfirming the December 13, 2021 resolution granting INLIVIAN's request to issue multi-family housing revenue bonds, in an amount not to exceed $17,000,000, to finance the development of 8th & Tryon.

Staff Resource(s):
Shawn Heath, 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 current market conditions and the unique nature of the development. 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 December 13, 2021 adoption of a resolution authorizing INLIVIAN to issue multi-family housing revenue bonds for 106 affordable units at 8th & Tryon Apartments. The affordable units will be developed, owned, and operated by 8th & Tryon AUOE, LLC, a North Carolina limited liability company and subsidiary of Horizon Development Properties/INLIVIAN.
- The city-supported development will consist of 106 affordable housing units located on approximately 2.2 acres at 426 N. Tryon Street in Council District 1 and serving households earning up to 80 percent of the Area Median Income (AMI) with income averaging of 60 percent of AMI. Of the 106 new affordable units, 32 will serve households that earn 30 percent of AMI or less.
- The building will also contain 247 market rate apartment units that will be owned by a separate entity and are not being financed with the Bonds nor supported with the city's Housing Trust Fund (HTF) allocation.
- 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 2022 and beginning construction in first quarter 2023.
- The INLIVIAN bonds, not to exceed $17,000,000, will be used to finance land acquisition and construction of the development.
- This action further supports City Council's September 27, 2021 approval of a $3,200,000 HTF 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 $17,000,000 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 has an indirect interest.

Attachment(s)
City of Charlotte Confirmation Resolution
Map