

Legislation Text

File #: 15-19695, Version: 1

Bond Issuance Approval for Galloway Crossing Apartments

Action:

Adopt a resolution granting INLIVIAN's request to issue multi-family housing revenue bonds, in an amount not to exceed \$9,860,000, to finance the development of an affordable housing development known as Galloway Crossing Apartments.

Staff Resource(s):

Shawn Heath, Housing and Neighborhood Services
Warren Wooten, Housing and Neighborhood Services

Explanation

- This action will not 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 a resolution authorizing the issuance of multi-family housing revenue bonds for Galloway Crossing Apartments, a 78-unit new construction affordable housing development to be developed, owned, and operated by Galloway Crossing Limited Partnership, a North Carolina limited partnership, or an affiliated or related entity.
- The development will be located on approximately 6.86 acres at 8300 E. WT Harris Boulevard (parcel identification numbers: 103-25-107, 103-25-106, 103-251-104, 103-241-01) in Council District 5 and will serve households earning up to 80 percent of the Area Median Income (AMI) with income averaging 60 percent of AMI for the entire development. Of the 78 new units, 16 will serve households that earn 30 percent of AMI or less.
- The INLIVIAN bonds, not to exceed \$9,860,000, will be used to finance land acquisition and construction of the development.
- This action further supports the city's \$3,496,000 Housing Trust Fund allocations for the development.
- The developer anticipates closing the financing for this development by the end of March 2023 and beginning construction in second quarter 2023.

Background

- On September 27, 2021, City Council approved a \$2,496,000 Housing Trust Fund allocation for the Galloway Crossing Apartments development, and on November 28, 2022 approved an additional \$1,000,000 Housing Trust Fund allocation in response to the unprecedented changes in market conditions that have resulted in cost escalations.
- In conjunction with the city Housing Trust Fund support, the developer applied for four percent low-income housing tax credits and 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 a bond allocation capacity totaling \$9,860,000 for the development. Tax credit and bond allocations are subject to federal income limits, 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)

Map

City of Charlotte Resolution for Galloway Crossing Apartments