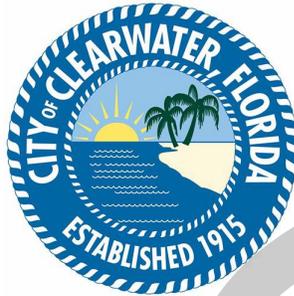


City of Clearwater

*Main Library - Council Chambers
100 N. Osceola Avenue
Clearwater, FL 33755*



Meeting Minutes

Wednesday, September 4, 2024

4:30 PM

Special Meeting

Main Library - Council Chambers

Community Redevelopment Agency

Roll Call

Present 5 - Chair Bruce Rector, Trustee Ryan Cotton, Trustee Michael Mannino, Trustee David Allbritton, and Trustee Lina Teixeira

Also Present: Jennifer Poirrier – City Manager, Michael Delk – Assistant City Manager, David Margolis – City Attorney, Rosemarie Call – City Clerk, Nicole Sprague – Deputy City Clerk, and Jesus Niño – CRA Executive Director

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Unapproved**1. Call to Order – Chair Rector**

The meeting was called to order at 4:31 p.m.

2. Citizens to be Heard Regarding Items Not on the Agenda – None.**3. New Business Items**

- 3.1** Approve funding in the form of a deferred loan in an amount not to exceed \$2,000,000 to be provided by the Community Redevelopment Agency to Sunrise Affordable Housing Group for the land acquisition and a portion of the rehabilitation of real property located at 801 Chestnut St. contingent upon the satisfactory outcome of an evaluation of the relocation plan review and authorize the appropriate officials to execute documents required to affect closing of the loan.

Indigo Apartments is comprised of 208 units and was originally developed for low-income senior housing. In 2015, the property was purchased and converted to market rate, excluding 20 units that are legally restricted by funding that was previously provided to the property by the City of Clearwater.

Sunrise Affordable Housing Group (Sunrise) is currently under contract to acquire Indigo Apartments and is planning to convert it to legally restricted affordable housing under a 50-year affordability commitment through the Low-Income Housing Tax Credit (LIHTC) program, implementing income and rent restrictions on 100% of units with thresholds set at 30%, 60% and 80% of area median income. The restrictions will result in significant rent reductions, resulting in an average +/- 51% discount when compared to today's market-rate rents. The property will be placed in the Pinellas County Land Trust, which will provide a 99-year lease to Sunrise Affordable Housing Group, placing 208

housing under the county's land use restrictions.

As a result of the conversion to affordable housing, an estimation of 59 current residents will be considered over-qualified / over-income (above 80% AMI threshold). The estimated number of affected residents was derived from a demographic report provided by the current owner. Sunrise retained CompassPoint Community Partners, LLC, a relocation specialist, who has developed a relocation plan for the aforementioned tenants, ensuring compliance with the Federal Uniform Relocation Act, which protects the existing tenants from additional costs beyond their current rent and utility expenses. The plan includes advisory services, commitment of funds by the developer to providing financial assistance to tenants who do not meet the new income requirement, a strategy for relocating tenants and an appeal and grievance process. Sunrise has included a budget of \$150,000 to be reserved for relocation efforts. Should the cost of relocation exceed the budget for relocation, the developer has agreed to debit any excess cost from the developer fee. A third-party consultant will be retained by the CRA to review and evaluate the relocation plan.

The developer has also included a \$9.5 million capital improvement plan that will include renovation of mechanicals including boiler, chiller, cooling tower, roofing, and life and safety upgrades that include elevators. Temporary relocation due to rehab will not be required, as majority of the rehabilitation will not affect the interior of the units.

To support the project, the developer is requesting a deferred, 0% interest loan in the amount of \$1,000,000 from the City of Clearwater in addition to a \$2,000,000 deferred 0% interest loan from the CRA. The purchase of the property by the Pinellas County Land Trust will inject an additional \$5,000,000 in funding and the County will also contribute \$2,000,000 for renovations. Sunrise's representation has confirmed that they do not qualify for and will not apply for any tax exemptions. The final approval of the loan will be contingent upon the outcome of a subsidy analysis, the receipt of a structural evaluation of the subject property that justifies the rehabilitation component of the project, the approval of all funding sources and a satisfactory tenant relocation plan as determined by City and CRA staff.

APPROPRIATION CODE AND AMOUNT:

Funds are available in Downtown CRA capital improvement project R2010 - Housing County.

STRATEGIC PRIORITY:

- 2.1 Strengthen public-private initiatives that attract, develop, and retain diversified business sectors.
- 2.4 Support equitable housing programs that promote household stability and reduce the incidence of homelessness within Clearwater.
- 3.1 Support neighborhood identity through services and program that empower community pride and belonging.

Trustee Cotton moved to approve funding in the form of a deferred loan in an amount not to exceed \$2,000,000 to be provided by the Community Redevelopment Agency to Sunrise Affordable Housing Group for the land acquisition and a portion of the rehabilitation of real property located at 801 Chestnut St. contingent upon the satisfactory outcome of an evaluation of the relocation plan review and authorize the appropriate officials to execute documents required to affect closing of the loan. The motion was duly seconded and carried unanimously.

4. Adjourn

The meeting adjourned at 4:35 p.m.

Attest

Chair
Community Redevelopment Agency

City Clerk