



LOCAL GOVERNMENT AREAS OF OPPORTUNITY PROGRAM ("LGAO")

June 18, 2024

LGAO PROGRAM & REQUEST



LGAO PROGRAM DESCRIPTION:

The Florida Housing Finance Corporation's ("FHFC") LGAO program is a tax credit incentive designed to encourage developers to construct affordable housing projects. By qualifying a development as a LGAO, developers can significantly boost their chances of securing housing credits from the FHFC, thereby attracting essential equity investment. Developers can apply for the LGAO program, with applications due to FHFC on July 18, 2024, outlining the City's commitment to the project.

ENTITY REQUEST:

Two entities contacted the City requesting local government support in the form of a \$640K loan. Each request has a unique project, loan structure, and timeline.

KELLEY COMMONS, LTD. – PROJECT LOCATION: 500 W SUNRISE BOULEVARD, FORT LAUDERDALE, FLORIDA 33311



Entity Information:

Kelley Commons, Ltd. (LGAO Applicant), a joint venture between affiliates of the Housing Authority of the City of Fort Lauderdale and Atlantic Pacific Companies (Developer).

Project Scope:

The development will serve the local community by providing a 101-unit attainable housing community with a mix of studios and one-bedroom units, open to families with no age restrictions.

Funding Request:

The loan, amounting to \$640,000, will accrue interest annually based on Applicable Federal Rate. It has a 15-year term with repayment of all accrued interest and principal upon maturity, is subordinate to senior loans, and will be funded within 90 days after construction completion.



PINNACLE AT CYPRESS, LLLP – PROJECT

LOCATION: 6520 N ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA 33334



Entity Information: Pinnacle at Cypress, LLLP (LGAO Applicant) a joint venture between Pinnacle Communities II, LLC (Developer) and Keith M. Poliakoff (Property Co-Owner)

Project Scope: The development will serve the local community by providing a 101-unit housing that will serve seniors in need of affordable housing, as well as families and individuals seeking workforce/affordable housing near jobs in the Cypress Creek area.

Funding Request: The \$640,000 loan is non-recourse, non-amortizing, secured by a subordinate mortgage, with a 0% interest rate during the three-year construction period, and 2% for the remaining 15.5 years. The borrower must secure additional financing by December 31, 2024, with the loan closing alongside the construction loan and investor partner's admission, and the loan may be forgiven at the lender's discretion upon maturity.

