

NEWTOWN REVITALIZATION – Sarasota, FL

The Sarasota Housing Authority and its Master Developer, the Michaels Development Company (selected by SHA in a competitive procurement process in December 2006), is undertaking the revitalization of four existing public housing developments in the Newtown neighborhood: Janie Poe, Bertha Mitchell, Orange Avenue and The Courts. After revitalization, the four sites, which had 388 dilapidated and functionally obsolete public housing rental units, will have approximately 850 mixed income rental units and for-sale homes, including public housing and Section 8 rental units, other affordable rental units, market rate rentals, and affordable and market rate for-sale homes. The redevelopment is projected to be completed in 2014 and is being undertaken without HUD capital funds. The City and County of Sarasota have committed a total of \$16.9 million to execute the redevelopment plan.

Janie Poe Revitalization Phase I – 86 mixed-income rental units

The first phase of the Revitalization, Janie Poe Phase I, is being financed with a mix of private and public funds, including \$1,869,500 of funds from the City and County, equity from the sale of tax credits allocated by Florida Housing Finance Corporation (“FHFC”) and other FHFC financing:

Financial Structure

City and County Funds	\$1,869,500
Investor Equity from the sale of 9% tax credits	10,948,305
Bank Loan	1,900,000
Florida Housing Finance Corporation ELI Loan	765,000
Federal Home Loan Bank AHP Loan	325,000
Reinvested Developer Fees	689,386
TOTAL DEVELOPMENT COSTS	<u>\$16,497,191</u>

Project Summary

After selection of Michaels in December 2006, SHA and Michaels began immediate implementation of the first redevelopment phase at the Janie Poe site, including submission of an application to FHFC in March 2007 for 9% low income housing tax credits and other financing. FHFC awarded tax credits and an Extremely Low Income (“ELI”) Loan in September 2007, and Michaels secured an award of AHP funds from the Federal Home Loan Bank of Chicago in November 2007. SHA and Michaels completed the relocation of families from the existing units in March 2007, and closed on the construction financing and began construction of Janie Poe Phase I in April 2008. Construction completion is scheduled for September 2009.

When completed, the revitalized first phase of Janie Poe will have 86 new rental units for families, consisting of 26 public housing units, 40 affordable units, and 20 market-rate units in

mix of garden apartments, duplexes, and townhomes. The new development will also feature a Resident Activity Center with a computer lab and an exercise room, and an outdoor playground and picnic area.

Janie Poe Phase II

SHA and Michaels are currently working on implementing Janie Poe Phase II, which will have 92 new rental units for families, including 44 public housing and Section 8 rental units, 29 affordable units, 19 market-rate units, and 12,500 square feet of commercial space. Closing is planned for April 2009. The planned financing for Phase II includes \$5 million committed by the City and County, tax-exempt bond financing, equity from the sale of 4% low income housing tax credits allocated by FHFC and other FHFC financing, and bank loans.

Proposed Financial Structure

City and County Funds	\$5,000,000
Tax-Exempt Bond 1st Mortgage	3,050,000
Investor Equity from the sale of 4% LIHTC	5,240,700
Bank Loan	1,771,200
FHFC ELI Loan	850,000
FHFC SAIL Loan	3,600,000
FHLB AHP Funds	300,000
Reinvested Developer Fees and Equity	<u>955,400</u>
TOTAL DEVELOPMENT COSTS	<u>\$20,767,300</u>

Future Phases

SHA and Michaels are currently working on master planning for the remainder of the Janie Poe site and for the Bertha Mitchell, Orange Ave and The Courts sites, including applying for federal funding for a rental development for seniors on the Orange Avenue site. Please revisit our website in the near future for further updates on our progress.