

REAL-ESTATE

Sarasota affordable housing complex 'Lofts on Lemon' breaks ground

New affordable housing in downtown Sarasota offers workforce options

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Published 5:47 p.m. ET Jan. 13, 2021 | Updated 12:15 p.m. ET Jan. 14, 2021



Lofts on Lemon, a \$33 million project, will offer 128 housing units, including 52 aimed at "hometown heroes" such as teachers, health care workers and first responders. *THOMAS BENDER/HERALD-TRIBUNE*

SARASOTA — There may be plenty of jobs in downtown Sarasota, but when it comes to finding affordable, convenient housing for the workforce, there aren't a lot of options.

That's why community stakeholders say the Lofts on Lemon project, consisting of 128 housing units, including 52 aimed at "hometown heroes" like teachers, health care workers and first responders, is so significant.

These "hometown heroes" are people who are performing an essential service to a community that they literally cannot afford to live in, Sarasota Housing Authority president and CEO William Russell said.

"Many of them can't afford to live downtown, and a lot of them can't afford to live in the city," Russell said. "For example, we were talking to a teacher who works at Booker (High School) but lives in North Port, because that's where she can find an affordable place to live. That's a tremendous commute every day for her to teach our kids."

That's one of the needs that Lofts on Lemon hopes to help fill. The apartment complex, in the Rosemary District at 851 N. Lemon Ave., broke ground on Wednesday at a ceremony attended by city officials, local philanthropists and others. It's scheduled to come online in mid-2022.

The complex consists of 76 affordable housing units for families earning up to 60% of the median area income, and 52 units for families earning up to 100% of the same amount. Those 52 units are geared toward the so-called "hometown heroes" and would be ideal for a teacher starting his or her career, for example, Russell said.

According to the Florida Housing Finance Corporation, a family of four in the North Port-Sarasota-Bradenton metropolitan statistical area with a household income of \$45,900 would be considered 60% of the median area income. For a single person, 60% of the median area income is \$32,160.

The \$33 million Lofts on Lemon project was funded by a variety of stakeholders, including the Florida Housing Finance Corporation, the city of Sarasota, the Charles & Margery Barancik Foundation, the Community Foundation of Sarasota County, Bank of America, Freddie Mac, Walker & Dunlop, the Sarasota Housing Authority and the U.S. Department of Housing & Urban Development.

Roxie Jerde, president and CEO of the Community Foundation of Sarasota County, said the future residents of the community will have their basic human needs of safety and security met.

"For the families that are going to call Lofts on Lemon their home, they're not going to worry about 'where am I going to live, and can I pay next month's rent?'" she said. "That is so important for the stability of the families that will be here ... And just think, their energies are going to be put into their dreams and 'how do I make those happen for me and for my family?'"

The city of Sarasota contributed \$3 million in penny sales tax funds to the project. Other funding sources were a \$2 million grant from the Barancik Foundation, a \$2 million loan from the Community Foundation of Sarasota County, a \$19 million construction loan and \$3,607,402 tax credit equity from Bank of America, \$500,000 in Sarasota Housing Authority funds and a \$3,394,410 deferred developer fees.

The phrase "hometown heroes" has taken on a new meaning during the COVID crisis, Sarasota Mayor Hagen Brody said.

"That is who is going to be living here – the people that have put their lives on the line literally over this past year to protect our community, serve our community, keep us healthy, keep food in our pantries and keep our children educated and moving forward," Brody said.

"I just think it couldn't be a more apropos time to be breaking ground on a facility and really a gesture of their appreciation to our community. With this groundbreaking, it really sends the message that 'we don't just appreciate you, we need you.'"

Lofts on Lemon is by no means a one-size-fits-all approach to the area's critical affordable housing shortage. The need for more affordable units is vast, Russell said. The Housing Authority has thousands of families on its wait lists, so many that they've actually had to close the lists.

"We close them when we have so many people on it that it doesn't make sense to continue to service a list and also give people false hope," he said. "We do open them occasionally as we need to, but we have long waiting lists. It's a combination of very high demand and a shortage of supply."

When the costs of development, including the price of land, construction and impact fees, are combined, it often doesn't make financial sense for developers to build affordable units, Russell said.

Despite the challenges the community is facing, however, Lofts on Lemon is a significant development, he said. It's particularly notable that it was funded by so many different entities.

"That's really significant, and I think it's pretty unique," Russell said. "I think it could be a blueprint for other communities. To have the city and two of our foundations investing so much into it, that has certainly allowed us to make it a larger development."