

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
MARCH 1, 2016 AGENDA**

| Subject: | Action Required | Approved By: |
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| <p>Letter of support for an application to the Arkansas Development Finance Authority (ADFA) for a proposed seventy-seven (77)-unit mixed-income housing development using Low Income Housing Tax Credits (LIHTC) to rehabilitate/convert an existing structure to a multifamily complex designated for elderly residents.</p> | <p style="text-align: center;">Ordinance √ Resolution Approval Information Report</p> | <p style="text-align: center;">Bruce T. Moore City Manager</p> |
| SYNOPSIS | <p>The resolution would authorize the Mayor to sign a letter of support for the applicant to apply for Low Income Housing Tax Credit Funds from the Arkansas Development Finance Authority.</p> | |
| FISCAL IMPACT | <p>N/A</p> | |
| RECOMMENDATION | <p>Approval of the resolution. The Community Housing Advisory Board (CHAB) met on February 25, 2016, and voted 5 ayes and 0 nays to support the project as submitted.</p> | |
| BACKGROUND | <p>The Community Housing Advisory Board (CHAB) met on February 25, 2016, to hear from the applicant, LRC-Vance, Limited Partnership (an affiliate of BSR Trust Management, LLC) regarding this proposal.</p> | |

**BACKGROUND
CONTINUED**

The applicant notified staff and the surrounding neighborhood association(s) regarding the project. To date, staff has not received any communication from neighborhood representatives opposing the project.

The developer proposes to rehabilitate and convert the former Red Roof Inn, located at 2020 Vance Street, into a seventy-seven (77)-unit mixed-income multi-family complex, including sixteen (16) market rate units, all designated for elderly residents, sixty-two (62) years and older. The proposed \$5.5 million renovation to the complex will consist of seventy-three (73), one (1)-bedroom units (approximately 789 square-feet/unit) and four (4), two (2)-bedroom units (approximately 1,015 square-feet/unit) with proposed monthly rents at an average of \$678 and \$770 respectively, including all paid utilities, and an on-site laundry facility. The property will also include a community room, gazebo and community garden. In addition, the property will meet and exceed minimum design standards and include energy efficiency measures. Post renovation, the property will have an extended useful life of approximately fifty (50)+ years. The estimated construction period is twelve (12) – fourteen (14) months with a final placed in service date of 2018.

The proposed project will include a variety of services for the tenants, including computer classes, meals, and limited transportation.

Board policy calls for these requests to be reviewed by Housing and Neighborhood Programs and the CHAB. The CHAB reviews each application, typically with the applicant, and makes a recommendation to the Mayor and Board on whether a Letter of Support should be drafted and signed by the Mayor.