

2025-723A

City of Gainesville

General Policy Committee

October 23, 2025

Affordable Housing

City of
Gainesville

- Government lacks funds for Affordable Housing
- Private sector participation is needed
- Partnerships
 - Federal, State, and City Government
 - Private and Public Sectors
 - For-Profit and Nonprofit
- Leverage
- Significant private investment in Affordable Housing

Local Example

- Arbours at Tumblin Creek (SW 13th Street)
- Affordable senior rental apartments
- 64 units
- 100% affordable
- City investment
 - \$46,000
- Total project cost
 - \$13.3 million



Local Example

- Deer Creek Senior Housing
 - Near Senior Rec Center, NW Gainesville
- 62 units
- 100% affordable
- City investment
 - \$469,313
- Total project cost
 - \$14.6 million



ConnectFree Program City of **Gainesville**

- City initiative
- Raises revenue
 - From surtax on new connections to GRU
 - In unincorporated area
- Primarily to subsidize new utility connections
- Allows a portion for affordable housing
 - Including local contribution for tax credit projects
 - Sufficient funding is reserved



LIH Tax Credit Program ^{City of} **Gainesville**

- Federal Affordable Housing Program
- Administered by the State
- State coordinates with City

State Goals

- RFA 2025-201, Medium-sized counties
 - Geographic Area of Opportunity/SADDA (1 projects)
 - Near the SunRail (1 Project)
 - Permit Ready (1 Project)
 - Local Government Area of Opportunity (LGAO-3 projects)
 - 1 or 2 more, if funds available

LGAO

- **NOT** a geographic area
- Incentivizes local financial commitment
- \$460,000 Loan (ConnectFree Funded)
- Fewer cities/counties
- **City must pick 1 (only 1)**
- Fewer applicants
- Better odds for both the chosen applicants & the city/county
- In 2025, the State will pick 3

Past Actions

- On September 8, 2025, the City distributed a Notice Of Funding Availability
- The City is considering 3 applications
- On October 1, 2025 the Affordable Housing Advisory Committee reviewed the applications
 - Will present its recommendation and reasons today

Next Steps

- If approved by City Commission
 - Applications to State by November 18, 2025
 - State decision tentatively scheduled for the 1st quarter of 2026
 - If approved: Challenges, underwriting, permitting and construction typically take several years
 - If not approved: Funds remain in ConnectFree Program
- If not approved by City Commission
 - Funds remain in ConnectFree Program

Today

- AHAC Recommendation
- Project Presentations (optional)
- City Funding Decision

AHAC Recommendation City of **Gainesville**

1. Hear a presentation from staff and the Committee;
2. Approve funding the Hope @ Debra Heights Affordable Rental Housing Project in the form of a loan in the amount of \$460,000 from the ConnectFree Program; the terms of the loan shall be a 5% annual interest rate with a balloon payment at the maturity of the first mortgage, and a 30-year amortization period. The entire balance, including principal and interest, shall be paid in full at the maturity of the first mortgage; and
3. Authorize the City Manager or designee to execute any documents necessary to such funding, subject to City Attorney approval as to form and legality.