

**RESOLUTION AUTHORIZING COMMUNITY HOUSING SERVICES AGENCY, INC. TO
LOAN \$560,000 FROM THE SAVANNAH AFFORDABLE HOUSING FUND TO MERCY
HOUSING SOUTHEAST, INC. IN SUPPORT OF ITS 2022 LOW-INCOME HOUSING TAX
CREDIT APPLICATION FOR THE PRESERVATION AND RENOVATION OF
HERITAGE PLACE APARTMENTS, SAVANNAH, CHAHAM COUNTY, GEORGIA**

WHEREAS, the Mayor and Aldermen of the City of Savannah established the Savannah Affordable Housing Fund (SAHF) in 2012 to address local affordable housing challenges and opportunities; and

WHEREAS, any loans made from the SAHF for more than \$100,000 must be individually authorized by the Mayor and Aldermen; and

WHEREAS, since 2012 Community Housing Services Agency, Inc. (CHSA) has administered the SAHF for the City of Savannah, and

WHEREAS, CHSA is a local non-profit, established in 1989, with the expertise, purpose, and experience to provide affordable housing financing to qualified borrowers and developers; and

WHEREAS, Mercy Housing Southeast, Inc. requested that the City of Savannah authorize CHSA to loan it \$560,000 from the SAHF in support of its 2022 Low-Income Housing Tax Credit (LIHTC) application for the preservation and renovation of 88 affordable apartments in the property known as Heritage Place Apartments, Savannah, Chatham County, Georgia; and

WHEREAS, Mercy Housing Southeast, Inc. estimates the total development costs will be approximately \$15 million; and

WHEREAS, the equity raised through the sale of LIHTCs is essential to maintaining and providing much needed quality affordable rental housing in the historic and gentrifying Cuyler-Brownville neighborhood; and

WHEREAS, LIHTC financing awards are based upon a very competitive Statewide point scoring system; and

WHEREAS, a \$560,000 SAHF loan will help enable Mercy Housing Southeast, Inc. LIHTC application to receive two (2) valuable points in the LIHTC scoring system; and

WHEREAS, this loan shall have the following terms:

Loan Source:	Savannah Affordable Housing Fund
Loan Amount:	\$560,000
Loan Interest Rate:	AFR at Loan Closing
Loan Term:	12 Years
Loan Payments:	Annual Payments Years 1-2 Interest Only Years 3-12 Principal and Interest
Lien Position:	Subordinate to primary financing

WHEREAS, this loan shall only be made and closed if Mercy Housing Southeast, Inc.'s 2022 LIHTC application is approved by the State of Georgia, Department of Community Affairs, and LIHTCs are awarded.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Aldermen of the City of Savannah, Georgia, authorize CHSA to make a \$560,000 SAHF loan to Mercy Housing Southeast, Inc. as described herein in support of Mercy Housing Southeast, Inc.'s 2022 LIHTC application to preserve and improve 88 affordable apartments at Heritage Place Apartments in the Cuyler-Brownville neighborhood in Savannah, Georgia.

Adopted this 12th day of May 2022

Van R. Johnson, II, Mayor

Mark Massey, Clerk of Council