

**RESOLUTION AUTHORIZING COMMUNITY HOUSING SERVICES AGENCY, INC. TO LOAN \$2,000,000 FROM THE SAVANNAH AFFORDABLE HOUSING FUND TO THE MERCY HOUSING SOUTHEAST IN SUPPORT OF ITS 2026 LOW-INCOME HOUSING TAX CREDIT APPLICATION FOR THE RE-SYNDICATION AND SUBSTANTIAL REHABILITATION OF 70 APARTMENTS ON THE PROPERTY KNOWN AS HERITAGE CORNER AND ROW IN THE CUYLER-BROWNVILLE NEIGHBORHOOD, SAVANNAH, CHATHAM 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 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 requested that the City of Savannah authorize CHSA to loan it \$2,000,000 from the SAHF in support of its 2026 Low-Income Housing Tax Credit (LIHTC) application for the re-syndication and substantial rehabilitation of 70 affordable apartments known as Heritage Corner and Row, in the Cuyler-Brownville neighborhood, Savannah, Chatham County, Georgia; and

**WHEREAS**, Mercy Housing Southeast estimates the total development costs will be approximately \$15,000,000; and

**WHEREAS**, the equity raised through the sale of LIHTCs is essential to providing much needed quality affordable rental housing; and

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

**WHEREAS**, a \$2,000,000 SAHF loan will enable Mercy Housing Southeast's LIHTC application to receive three (3) valuable favorable financing points in the LIHTC scoring system; and

**WHEREAS**, this loan shall have terms acceptable to the City of Savannah and CHSA, that meet LIHTC program requirements, and are currently planned as follows:

Loan Source:	Savannah Affordable Housing Fund
Loan Amount:	\$2,000,000
Loan Interest Rate:	AFR at Loan Closing
Loan Term:	20 Years Term with 45 Year Amortization
Loan Payments:	Years 1-2 Interest Only Years 3-20 Principal and Interest
Lien Position:	Subordinate to primary financing

**WHEREAS**, this loan shall be made and closed only if the above described Mercy Housing Southeast 2026 LIHTC application is approved by the State of Georgia, Department of Community Affairs, and LIHTCs awarded.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and Aldermen of the City of Savannah authorize Community Housing Services Agency, Inc., Savannah, Georgia, to make a \$2,000,000 SAHF loan to Mercy Housing Southeast as described herein in support of Mercy Housing Southeast's 2026 LIHTC application to re-syndicate and substantially rehabilitate 70 apartments known as Heritage Corner and Row in the Cuyler-Brownville neighborhood, Savannah, Georgia.

Adopted this 9<sup>th</sup> day of April, 2026

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Van R. Johnson, II, Mayor

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Mark Massey, Clerk of Council