

**A RESOLUTION
AUTHORIZING CHSA DEVELOPMENT, INC. TO SELL 16 NEW 2-BEDROOM
AFFORDABLE APARTMENTS, RESIDENT SERVICE CENTER, PARKING AREA,
AND FOUR ASSOCIATED LOTS CURRENTLY OWNED BY THE CHATHAM
COUNTY/CITY OF SAVANNAH LAND BANK AUTHORITY, COLLECTIVELY
KNOWN AS 916 MARTIN LUTHER KING, JR. BOULEVARD, TO 916 MLK LLC,
AND AUTHORIZING 916 MLK LLC TO ACQUIRE THE PROPERTY USING A TOTAL
OF \$6,000,000 FROM THE SAVANNAH AFFORDABLE HOUSING FUND AND/OR
OTHER FUNDING SOURCES WHICH MAY INCLUDE A \$1,500,000 FEDERAL
GRANT TO THE CITY SECURED BY SENATOR RAFAEL WARNOCK AND A
\$1,500,000 SOCIAL IMPACT LOAN MADE POSSIBLE BY THE CIVIS NON-PROFIT
ORGANIZATION**

WHEREAS, on December 19, 2024, the Mayor and Aldermen of the City of Savannah (the “City”) authorized CHSA Development, Inc. to construct 16 new 2-bedroom affordable apartments with a supportive service center and parking area for families and people experiencing, exiting, and/or at risk of homelessness due to rising housing costs and other factors on four vacant lots located in the Victorian Neighborhood collectively referred to and located at 916 Martin Luther King, Jr. Boulevard (the “Property”); and

WHEREAS, the four lots were transferred from the City to the Chatham County/City of Savannah Land Bank Authority (LBA) for this purpose, and have Property Identification Numbers (PINs) of 20052 04011, 20052 04012, 20052 04014, and 20052 04004; and

WHEREAS, construction is now complete and the Property is ready for occupancy and management by a homeless service provider; and

WHEREAS, with assistance from the City and the Interagency Council on Homelessness (ICH), CHSA Development, Inc. released a Request for Proposals (RFP) seeking a local non-profit homeless service provider to operate the Property including leasing apartments and overseeing the provision of supportive services; and

WHEREAS, all responding non-profit homeless service providers expressed a desire to enter into an agreement to operate rather than purchase the Property; and

WHEREAS, after reviewing proposals and interviewing respondents, a review panel consisting of Community Housing Services Agency, Inc. (CHSA) and CHSA Development, Inc. Board members, and representatives from the ICH, LBA, City, and Victorian Neighborhood Association, unanimously recommended that CHSA Development, Inc., or its subsidiary 916 MLK, LLC, seek to enter into an agreement with Union Mission, Inc. to operate the Property; and

WHEREAS, the operator of the Property will prioritize use the Coordinated Entry System to help identify eligible families and people to lease the apartments and, in doing so, will give clients of other local non-profit homeless providers in need of affordable housing an opportunity to lease the apartments; and

WHEREAS, qualified renters shall have gross annual household incomes equal to or less than 80% of the Area Median Income upon occupancy; and

WHEREAS, the operator will lease the 2-bedroom apartments for no more than \$1,400 beginning in 2027 and agree that rents will not increase by more than 3% annually thereafter and will not exceed U.S. Department of Housing and Urban Development (HUD) published Fair Market Rents unless otherwise approved by CHSA and the City during the term of the operating agreement; and

WHEREAS, current HUD Fair Market Rents for 2-bedroom dwellings are \$1,680 a month and market rents for new housing in the neighborhood have been upwards of \$3,000 a month; and

WHEREAS, rents collected will be used to help pay for operating expenses including staffing, supportive services, maintenance, insurance and other associated operating costs; and

WHEREAS, to accomplish the results described above and to pay off development and construction financing, 916 MLK LLC will purchase the Property from CHSA Development, Inc. for \$6,000,000; and

WHEREAS, 916 MLK LLC will purchase the Property using a total of \$6,000,000 in combined funding from the SAHF and/or other funding sources which may include a \$1,500,000 federal grant to the City secured by Senator Rafael Warnock that is to be used to acquire move-in ready housing for the families and people like those who are expected to live at the Property, and a \$1,500,000 low interest Social Impact Loan made possible by the CIVIS non-profit organization.

NOW THEREFORE BE IT RESOLVED, that the Mayor and Aldermen of the City of Savannah, Georgia, do hereby authorize 1) Chatham County/City of Savannah Land Bank Authority to transfer ownership of four lots upon which the Property was constructed to CHSA Development, Inc., 2) CHSA Development, Inc. to sell the Property to 916 MLK LLC for the amount and purposes described above, and 3) 916 MLK LLC to use funding described above to acquire the Property.

Adopted this 8th day of October 2026.

Van R. Johnson, II, Mayor

Mark Massey, Clerk of Council