



Action Requested/Required:

- Vote/Action Requested
 - Discussion or Presentation Only
 - Public Hearing
- Report Date: 5/2/24
Hearing Date: _____
Voting Date: 5/2/24

Department: Housing & Urban Development **Presenter(s) & Title:** Ken Patton
Housing Initiatives Director

Agenda Item Title:

Discussion and Possible Action to Approve the Memorandum of Understanding with the Canton Housing Authority in regard to the Requested Loan for TBG Residential Project and their LIHTC Application.

Summary:

The City Council has received a Request to provide TBG Residential a loan as part of their LIHTC Application. The Memorandum of Understanding would be between the City and the Canton Housing Authority (loan pass through agency).

Budget Implications:

Budgeted? Yes No N/A
Total Cost of Project: Check if Estimated
Fund Source: General Fund Water & Sewer Sales Tax Other:

Staff Recommendations:

Reviews:

Has this been reviewed by Management and Legal Counsel, if required? Yes No

Attachments:

1. Council Agenda Cover Sheet 2. Memorandum of Agreement

**INTERGOVERNMENTAL AGREEMENT BETWEEN
CITY OF CANTON AND HOUSING AUTHORITY OF THE CITY OF CANTON**

THIS INTERGOVERNMENTAL AGREEMENT(hereinafter “Agreement”) made and entered into on this the ____ day of _____, 2024, by and between HOUSING AUTHORITY OF THE CITY OF CANTON, GEORGIA, a Georgia public housing authority and body politic (hereinafter referred to as “Authority”) and the CITY OF CANTON, GEORGIA, a municipal corporation of Cherokee County, Georgia (hereinafter referred to as “City”) and hereinafter collectively referred to as the “Parties;”

WITNESSETH: THAT,

WHEREAS, the Authority, pursuant to appropriate federal, state, and local laws, ordinances, and regulations is empowered to and has the authority to make loans to developers, or in furtherance of affordable housing developments, including developments seeking an award of low-income housing tax credits from the Georgia Department of Community Affairs in order to provide affordable housing within the City of Canton; and

WHEREAS, the City is authorized to make loans to the Authority in furtherance of its interest and mission in providing affordable housing within the City of Canton; and

WHEREAS, TBG Residential (“Developer”) is proposing to construct apartments on property located at Bluffs Parkway and MLK Jr. Blvd. in the City of Canton (“Summit at Hickory Creek Project”), plans to seek an award of low-income housing tax credits from the Department of Community Affairs and has requested that the City of Canton provide \$500,000 towards the cost of that construction; and

WHEREAS the City has received funds under the American Rescue Plan Act of 2021 (“ARPA”) and has agreed to loan the Authority some of the ARPA funds for the Authority to loan to the Developer, of the Developer’s affiliate for the construction of the Summit at Hickory Creek Project to provide affordable housing within the City, (hereinafter “Summit at Hickory Creek Project Loan”); and

NOW THEREFORE, for and in consideration of the mutual benefits and promises of the parties, which benefits other good and valuable consideration is hereby acknowledged by the Parties, the Parties hereto do hereby covenant and expressly agree as follows:

1. AGREEMENT FOR CITY TO MAKE LOAN TO AUTHORITY

(a) The City agrees to loan to the Authority \$500,0000 (Five Hundred Thousand and 00/100 Dollars) with the express understanding that said funds will be loaned by the Authority to the Developer, and/or to the Developer’s affiliate and solely in connection with the Hickory Creek Project in order to facilitate the financing for the Developer to construct a 96-unit multifamily residential housing apartment complex (the “Improvements”) to be known as Summit at Hickory Creek (the “Project”) upon land located at Bluffs Parkway and MLK J. Blvd, which land is owned by the Developer.

(b) Unless otherwise agreed to by the City, the loan from the City to the Authority shall have the same terms as in the “Summit at Hickory Creek Project Loan” from the Authority to the Developer to facilitate the construction financing for the Project. Payments may be made to the City either directly from the Developer or the Authority, as may be determined in the Authority’s sole and absolute discretion; provided, the Authority’s obligation to make payments to the City shall be a limited obligation of the Authority payable solely from the funds actually received by the Authority from the Developer under the Loan between the Authority and the Developer, and the Authority’s payments to the City shall be conditioned upon the Authority’s receipt of corresponding loan payments from the Developer or from the Developer’s affiliate.

2. DCA APPROVAL

The Authority’s obligation to comply with the other terms of this Intergovernmental Agreement and complete the Summit at Hickory Creek Project Loan are expressly contingent upon (1) the Developer, or the Developer’s affiliate, receiving an adequate award of low-income housing tax credits from the Department of Community Affairs and (2) the City’s approval of the Project’s plans and specifications.

3. NOTICES

Any notice authorized or required to be given pursuant to the provisions hereof shall be deemed to have been delivered and received by the party to which such notice is given and addressed provided the same shall be delivered in person to an authorized officer, agent or employee of such party or shall be placed in the United States Mail with sufficient postage thereon and addressed to such party at the following address:

To Authority: Housing Authority of Canton
 ATTN: Executive Director
 1400 Oakside Drive, #76
 Canton, Georgia 30114

Copy to: Brinson Askew Berry LLP
 Attn: I. Stewart Duggan, Esq.
 615 West First Street
 P.O. Box 5007
 Rome, Georgia 30162-5007

To City: City of Canton
 ATTN: City Manager
 110 Academy Street
 Canton, Georgia 30114

4. **AMENDMENT**

There are no intended third-party beneficiaries to this Agreement, and this Agreement shall not be altered, revised, or amended except in writing signed by the Parties hereto, or by their duly authorized agents and employees.

IN WITNESS WHEREOF, the Parties hereto, acting by and through their duly authorized agents and employees, have caused their respective names and seals hereunto to be affixed on the day and year first above written.

HOUSING AUTHORITY OF THE CITY OF CANTON, GEORGIA

By: _____
Jacquelyn Loberg
Executive Director

CITY OF CANTON, GEORGIA

By: _____
Mayor

Attest: _____
Clerk

Approved as to form:

City Attorney