



MEMORANDUM

Date: December 17, 2024

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Leshner 
County Administrator

Re: **Additional Information for the January 7, 2025 Board of Supervisors Meeting – Desert Dove Apartments, L.P.**

The proposed Agreement with Desert Dove Apartments provides \$1,000,000 in County Gap Funding to help fund the construction of a new 64-unit multifamily Low Income Housing Tax Credit project to serve low-income and very low-income households. This project supports the Prosperity Initiative policy recommendations 1 and 2. The Board of Supervisors approved Gap Funding for the Project on March 5, 2024. Construction is under way, and once the Agreement is approved, construction is expected to be completed by or before winter of 2026.

The Affordable Housing Gap Funding Agreement is structured as a loan per the federal Low Income Housing Tax Credit requirements, with a balloon payment due after the 30-year affordability period expires. The Board of Supervisors can waive or forgive repayment at that time in exchange for a 10-year extension of the affordability period.

Although this is a single agreement, there are two separate items on the Agenda. Due to its structure as a loan, Finance advised that it be set up as two separate Purchase Orders in Workday one for the expense, and one for the revenue. In order to effectuate the Board's previous award of gap funding, both items must be approved.

JKL/dym

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
Steve Holmes, Deputy County Administrator
Dan Sullivan, Director, Community & Workforce Development