

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: November 17, 2025

RE: **Local Government Area of Opportunity Development
Incentive Program 2025 – Twin Lakes Phase III**

Attached hereto for your consideration is a letter of commitment to the Florida Housing Finance Corporation (FHFC) committing funding in the amount of \$610,000 to Twin Lakes III, Ltd. for a proposed affordable housing community located at 501 Hartsell Avenue, West of Hartsell Avenue and South of Lake Buelah Drive.

On October 22, 2025, the FHFC issued Request for Applications 2025-202 (RFA 2025-202) Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Lee, Orange, Palm Beach, Pinellas and Polk Counties. The application provides a preference or a “boost” for applications that are partially financed by the local government with a minimum contribution amount of \$610,000.00. On September 23, 2025, the City of Lakeland Housing Division released a Notice of Funds Available in the amount of \$610,000 to support developers applying for the upcoming FHFC RFA 2025-202. The funds can only be awarded to a single qualified developer seeking to apply through the related application to FHFC for housing tax credit financing.

The Housing Division received two eligible applications for two developments seeking local government funding from the City of Lakeland in conjunction with applications to the FHFC for 9% Low Income Housing Tax Credits: Twin Lakes – Phase III and Swan Phase III. Twin Lakes – Phase III proposes a 96-unit community serving households between 30% and 60% of the annual median income (AMI) for Polk County. This is the third and final phase of redevelopment of the former Westlake Apartments through a master development agreement between Housing Trust Group LLC (HTG) and the Lakeland Housing Authority through the affiliated Twin Lakes III, Ltd. Swan III proposes a 92-unit community serving households between 30% and 70% AMI and expands the existing Swan Landing and Swan Lake Village communities all developed by single-purpose entities owned by Blue Sky Communities, LLC. A summary table for both proposals is attached.

On October 29, 2025, the attached summary of both applications was provided to members of the Affordable Housing Review Committee with representation from the Community and Economic Development Department, Lakeland Electric, Water Department, Building Inspection and members from the Affordable Housing Advisory Committee. The committee reviewed and discussed each application on November 3,

2025, deciding on a final ranking and recommending to pledge funding to Twin Lakes III, LTD, with Blue Sky Communities ranking second. Although both qualify to apply for the FHFC RFA, Twin Lakes Estates - Phase III has both site plan and building permit applications in review, a slightly higher unit count and 100% of the units at or below 60% AMI.

The City contribution in the amount of \$610,000.00 will be pledged towards the total project budget of \$29,426,121.00 through the attached Local Government Verification of Contribution Loan Form. This pledge is subject to the developer being awarded housing credit financing from the Florida Housing Finance Corporation RFA 2025-202, after which a final funding agreement will be brought to the City Commission for consideration.

It is recommended that the City Commission authorize the appropriate City officials to execute the attached Local Government Verification of Contribution Form pledging funds in the amount of \$610,000 for the Twin Lakes Phase III affordable housing project.

Attachments

Twin Lakes III, Ltd. - Twin Lakes Phase 3 (Inside CRA)	
Total Units	96
Unit Type	12- 1 bedroom; 60- 2 bedroom; 24- 3 Bedroom
Total Project Budget	\$ 29,426,121.00
Funding Requested	\$ 610,000.00
Notes	In phase 3 of Twin Lakes Estates the LHA is tearing down 40 existing units and replacing them with an 96 unit (net gain of 56 units) affordable housing rental community geared towards families earning between 40%- 80% of the Area Median Income.
Summary	
Local Preference	
Lakeland Housing Authority with Miami Based Developer	
Affordable Housing Experience	
The Lakeland Housing Authority has entered a partnership with Housing Trust Group for the development of Twin Lakes Estates. HTG has over 20 years of affordable housing development experience and has built over 6000 units of multi-family housing.	
Development Approvals	
Site is eligible for City and County impact fee waivers. Completed concept review CPT25-043. Site plan SIT25-047 and building permits BLD25-07474 & BLD25-07473 are under review.	
Construction Timeline	
Trying to be permit ready by 4th quarter 2025 and ready to commence construction by the 2nd Quarter 2026. The construction will take a little more than 1 year and is projected to be completed by the end of the 3rd Quarter 2027.	
Affordability	
30%-60% AMI	

Blue Sky Communities - Swan Phase 3 (Outside CRA)	
Total Units	92
Unit Type	8- 1 bedrooms; 48- 2 bedrooms; and 36- 3 bedrooms
Total Project Budget	\$ 32,464,692.00
Funding Requested	\$ 610,000.00
Notes	Swan Phase 3 is a 92 unit affordable apartment community, serving individuals and families at or below 70% of the Area Median Income.
Summary	
Local Preference	
Tampa Based	
Affordable Housing Experience	
Blue Sky Communities has been building affordable housing communities in Florida since 2012, building over 4000 new affordable housing units in that time. Blue Sky Communities has been named a top 50 Affordable Housing Developer. The President of Blue Sky is Shawn Wilson who has over 26 years of experience in workforce housing development. Included with the application is a list and summary of recent projects completed through Florida.	
Development Approvals	
This development is eligible for City and County Impact Fee Waivers and has completed Concept Plan review CPT25-037	
Constuction Timeline	
The estimated start date for construction is October of 2026 with an estimated completion date and lease up starting December 2027. Lease up September 2027 to February 2028.	
Affordability	
30%-70% AMI	

Florida Housing Finance Corporation Local Government Verification Of Contribution Form

Name of Development: Twin Lakes Estates - Phase III

Development Location: Herschell St., 150 ft W of Herschell St. & S Webster Ave. Intersection, Lakeland; and
S Webster Ave., 50 ft E of S Webster Ave. & Herschell St. Intersection, Lakeland

(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

Information regarding the Contribution*

Type of the ONE contribution to be used as a source*	Face amount of ONE contribution*	Net present value amount, if applicable	Contribution amount (face amount minus net present value)
Fee Deferral			
Fee Waiver		Not applicable	Not applicable
Grant		Not applicable	Not applicable
Loan to be repaid			
Loan with forgiveness	\$ 610,000.00	Not applicable	Not applicable

*Each form can be used for one type of funding contribution. Use multiple forms if contributing multiple types of funding sources to the same Development (e.g. a combination of loans and grants).

This contribution will not be considered Local Government Area of Opportunity funding. In certain RFAs, this contribution may make the Development eligible for points or other preferences in the selection process. There is no limit on the number of such contributions the Local Government stated above may make to Developments competing in the same RFA. Additionally, loans and grants will be eligible to be considered as a source of funding for the Development.

Certification

This amount is valid for 12 months from the date signed and may be used in any RFA in which the Applicant applies during that time unless a specific RFA is designated here: 2025-202. (Designate an RFA number here if the contribution is only valid in a specific RFA and not intended to be submitted in any other RFA.)

The city/county of Lakeland commits the contribution stated above for the Applicant for its use solely for assisting the proposed Development referenced above. I certify that the foregoing information is true and correct, and that this commitment is effective at least through the date required in the applicable RFA.

Signature

Print or Type Name

Print or Type Title

Date Signed

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, such as the Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons as described above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. The amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If there are alterations made to this form that change the meaning of the form, the form will not be accepted.

Florida Housing Finance Corporation Local Government Area Of Opportunity Funding Form

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S Webster Ave., 50 ft E of S Webster Ave. & Herschell St. Intersection, Lakeland

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The city/county of Lakeland commits \$ _____ as a cash grant and/or commits \$ 610,000.00 as a cash loan to the Applicant for its use solely for assisting the proposed Development referenced above.

Acknowledgements

The contribution is intended to be a Local Government Area of Opportunity Contribution for use in RFA 2025-202, making this Development potentially eligible for the Local Government Area of Opportunity Goal.

The city/county stated above acknowledges that the RFA allows each city and county to contribute funding in the form of a cash loan and/or cash grant to a maximum of one Development. The city/county stated above has contributed Local Government Area of Opportunity funding only for the above-named Development and has not contributed Local Government Area of Opportunity to any other Development competing in this same RFA.

I have read and understand the Local Government Area of Opportunity qualifications of the above referenced RFA, which includes understanding that the city/county stated above may receive lower preference for the Local Government Area of Opportunity Goal in a future corresponding RFA for up to two years.

No consideration or promise of consideration has been given with respect to the loan or grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this loan or grant must be effective as of the Application Deadline for the applicable RFA and is provided specifically with respect to the proposed Development.

Certification

The contribution stated above is for the Applicant's use and is solely for assisting the proposed Development referenced above. I certify that the foregoing information is true and correct, and that this commitment is effective at least through the date required in the applicable RFA.

Signature

Print or Type Name

Print or Type Title

Date Signed - This form is valid for nine months from this date.

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, such as the Mayor, City Manager, County Manager /Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons, as described above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. The amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

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