

Senior affordable housing project funding remains one step short

Sarasota Housing Authority is pledged \$3 million from the county to close a funding gap for McCown Towers. Another \$8 million from the city still requires a city commission vote for final approval.



The expansion of McCown Towers would surround the parking structure that would include 160 public parking spaces owned by the city.

Image courtesy of Slocum Platts Architects

Coming up empty in its first attempt to secure \$4 million in Resilient SRQ funds for its McCown Towers expansion plans, the Sarasota Housing Authority on May 5 was unanimously granted \$3 million by the County Commission.

Housing Authority President and CEO William Russell told commissioners the organization can plug the remaining \$1 million gap for the project to add 96 affordable senior housing apartments. That combined with \$8 million he expects to receive from the city of Sarasota in a partnership that includes 160 public parking spaces within an internal parking deck intended to address the lack of parking spaces in the Rosemary District.

The County Commission had previously rejected a request for \$4 million from a pot of remaining Hurricane Ian relief funds set aside for affordable housing. With \$18 million in unspent funds left, SHA went back to the county for the cash needed to complete the capital stack for the \$50 million-plus project.

Between County Commission sessions, Russell brought the \$4 million gap to the City Commission's attention on April 6. Without formally asking commissioners for the \$4 million Russell was assured the city was fully in support of the project in principle, but not in additional funding.

The SHA is counting on the \$8 million he said the City Commission committed to the project — which would be funded by a city-issued parking bond to be repaid via parking revenue generated by the two levels of spaces — which doesn't appear to be confirmed just yet.



William Russell, President and CEO of Sarasota Housing Authority.

Courtesy image

At its Jan. 5 meeting, the City Commission approved a motion to move forward with the SHA for two levels of parking within the project and instructed SHA to return with a design that addresses residents' concern for safety plus a pro forma to ensure the garage pays for itself.

"Does the motion include the financial contribution to the Housing Authority?" asked Commissioner Jen Ahearn-Koch.

"No," replied Mayor Debbie Trice. "This was just move forward to get us the estimates and the plan."

Russell, though, told the Observer the approved motion is tantamount to funding approval.

"After two meetings, with discussions and a vote, SHA believes that the City Commission is fully on board with funding two levels of the parking garage that will provide

an estimated 160 public parking spaces," Russell said. "The SHA will move forward with the city to finalize details on the design, a maintenance agreement and the financing so that SHA and our co-developer can get the project to a closing as soon as we can."

Located at the corner of Cocoanut Avenue and Boulevard of the Arts, the expansion of McCown Towers would deliver 96 new residences in a five-story building enveloping the parking structure.

While the County Commission voted to approve the \$3 million to the SHA, it opted to hang on to the remaining \$15 million in unallocated Resilient SRQ funds for future resiliency project options.

"Three million is what would get you across the finish line," County Commissioner Teresa Mast said in support of the request. "I'd like to just make a suggestion to this board that we do the \$3 million because it's shovel ready and we're the last money in."

With a financing closing date still uncertain, Russell told the Observer he estimates work on the McCown Towers could begin in the first quarter of 2027.

Southward bound?

As Sarasota Housing Authority President and CEO William Russell was lobbying the Sarasota County Commission for Resilient SRQ funds, he sweetened the pot a bit by telling commissioners the organization is turning its attention toward south county, where it currently has no presence.

In the process, he also explained why the SHA cannot use its \$7.4 million in its development account toward McCown Towers.

“I've been here 21 years now, and it's literally taken 21 years to accumulate that cash,” Russell said. “We're also out of land, so one of the things my board has discussed is acquiring some land in south county. A lot of our redevelopment has been in north county, so there's been an interest expressed to acquire land in south county.

“Of course, we need cash to do that.”



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