

<b>Recommendation for Board Action</b>				
Austin Housing Finance Corporation	Item ID	33411	Agenda Number	3.
Meeting Date:	6/12/2014		Department:	Neighborhood and Community Development
Subject				
<p>Authorize negotiation and execution of an assignment and assumption of indebtedness agreement with FC SW Housing, LP to assume a loan originally made to Foundation Communities, Inc. for the development of the Homestead Oaks Apartments at 3226 West Slaughter Lane.</p>				
Amount and Source of Funding				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	<p>Contact Elizabeth Spencer, Treasurer, Austin Housing Finance Corporation, 512-974-3182; or David Potter, Neighborhood Development Program Manager, Neighborhood Housing and Community Development, 512-974-3192.</p>			
Boards and Commission Action:	<p>August 8, 2013 – Austin Housing Finance Corporation Board approved negotiation and execution of a loan to Foundation Communities, Inc. not to exceed \$2,250,000 for acquisition of 29 acres at 3226 West Slaughter Lane.</p>			
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>If approved, the Austin Housing Finance Corporation (AHFC) Treasurer will be authorized to negotiate and execute an agreement allowing FC SW Austin, LP (the “LP”) to assume the \$2,250,000 loan originally made to Foundation Communities, Inc. to acquire the property upon which the Homestead Oaks Apartments will be built.</p> <p>The LP is a limited partnership affiliated with Foundation Communities and will serve as the owner of the Homestead Oaks Apartments. The existing loan to Foundation Communities cannot be assigned to another entity without AHFC’s authorization. Assignment of the loan will allow the LP to close on a HUD-insured mortgage that will complete the financing needed to begin construction. Although the development will be owned by the limited partnership entity, it will be operated by Foundation Communities and its staff.</p>				