

A G E N D A



Recommendation for Council Action

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| Austin City Council | Item ID | 43714 | Agenda Number | 13. |
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| Meeting Date: | 4/23/2015 | Department: | Neighborhood and Community Development |
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Subject

Approve a resolution consenting to the issuance, by Austin Affordable PFC, Inc., an affiliate of the Housing Authority of the City of Austin, of \$25,000,000 in Multi-family Private Activity Bonds to finance, in part, a proposed multi-family rental development to be known as the Reserve at Springdale, located at 5601 Springdale Road (District 1).

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

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| Purchasing Language: | |
| Prior Council Action: | |
| For More Information: | Betsy Spencer, NHCD Director, 512-974-3182; David Potter, NHCD Program Manager, 512-974-3182. |
| Council Committee, Boards and Commission Action: | |
| MBE / WBE: | |
| Related Items: | |

Additional Backup Information

If approved, the resolution will allow Austin Affordable PFC, Inc. (the Issuer), a public facilities corporation created under the Texas Local Government Code Section 303.002, and affiliated with the Housing Authority of the City of Austin (HACA), to issue Multi-family Housing Revenue bonds to help finance the 290-unit multi-family rental development. The applicant for bond financing is Reserve at Springdale, LP. The General Partner will be wholly owned by the Austin Affordable Housing Corporation, an affiliate of HACA. Through its affiliate, HACA will maintain ownership and control of the property.

The Issuer has induced the issuance of \$25,000,000 in Multi-family Housing Revenue Bonds that will partially fund the development. On February 5, 2015, the Issuer conducted the public hearing required under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). A certified copy of the public notice of the TEFRA hearing as published in the Austin American-Statesman is attached (Attachment 1). According to the attached transcript of the TEFRA hearing, no members of the public attended (Attachment 2).

The City of Austin is not being asked for funds for this project, and the bond issue will in no way be considered a debt or liability of the City. The financing does not count against the City's bonding capacity. All the expenses and repayment liability for this financing are solely an obligation of the borrower, Reserve at Springdale, LP.

Section 147(f)(2)(a)(ii) of the Internal Revenue Code requires the Issuer to obtain the approval of the local jurisdiction in which the development will be located before bonds can be issued.

The Reserve at Springdale will be a new construction multifamily affordable housing project consisting of 290 apartments on approximately 22 acres. The apartments will consist of one-bedroom, two-bedroom and three-bedroom apartments, ranging in size from 639 square feet to 1,202 square feet. Residents must be low-income persons with yearly incomes at or below 60 percent of the MFI for Austin.