

From: Debra Guerrero
The NRP Group
200 Concord Plaza, Suite 900
San Antonio, TX, 78216
September 9, 2015

City of Austin

SEP 15 2015

NHCD / AHFC

To: Austin Neighborhood Housing and Community Development
Attn. David Potter
1000 E. 11th St, 2nd
Austin, TX, 78702

This letter is requesting that the Austin City Council has no objection to The Terrace at Walnut Creek development, which is seeking tax-exempt bond funding through the Texas Department of Housing and Community Affairs. The deadline for this resolution is December 3, 2015.

Included with this letter is a copy of the 2015 Uniform Multifamily Program Procedures with resolution form showing requirement of local support and proper composition. See Attachments 3 & 4.

According to the 2015 Qualified Allocation Plan, a hearing open to public commentary is required to pass this resolution.

The following provides additional information on The Terrace at Walnut Creek:

— The address/Location of the proposed development:

Old Manor Road and US HWY 290, Austin, TX, 78724

— City Council District Number:

N/A- The site is located in the 2 mile ETJ for the city, which provides only limited authority for the city of Austin. Jurisdictional authority for the site lies with Travis County.

— Census Tract Number:

48453002202

— Type of application (4% Tax Credit; Bonds; etc.):

4% Multifamily Housing Tax Credit

— Provide detail on the proposed Sources and Uses for the project, including the amount of tax credits to be requested from TDHCA and/or the amount of bonds to be issued:

See Attachment 1

— Indicate the type of Development (New Construction, Rehabilitation, Acquisition/Rehabilitation, Replacement):

New construction

— Number of Units proposed by type (i.e. Single Room Occupancy, 1BR, 2BR, 3BR, etc.):

324 units consisting of:

-14 one bedroom/one bath units

-162 two bedroom/two bath units

-136 three bedroom/two bathroom units

-12 four bedroom/two bath units

— Size of Units in square feet:

# Units	# Bedrooms	# Baths	Unit Size sq ft.
14	1	1	656
162	2	2	923
136	3	2	1067
12	4	2	1485

— Number and percentage of units by Median Family Income level:

98.8% of the units (320) will target households at or below 60% of the area's median income

1.2% of the units (4) will target households at or below 40% of the area's median income

— Number and percentage of units dedicated for tenants with Special Housing Needs, if any.

Specify the type of special needs to be served:

This development meets all Fair Housing and ADA accessibility requirements.

— A map showing the nearest transit stops, not just transit lines:

See Attachment 3

— Specify Supportive Services, if any, to be provided to tenants:

After-school programs will be provided at no cost to tenants.

— Provide information about on-site amenities, if any (e.g. recreation facilities, computer lab, WiFi).

Please be specific.

Tenants will have access to one Community Center with fitness room, business center, activity room and laundry room. Additional amenities include a pool, playground, after-school programs, and multiple picnic/BBQ areas. Unit amenities include energy efficient appliances, central heating/air conditioning, water conservation, and other green build amenities.

— Provide Developer's Experience and Development Background for past 10 years. Provide the names of the principal parties or staff to be involved in the proposed project:

The Terrace at Walnut Creek is a project undertaken in partnership between the Travis County Housing Finance Corporation and The NRP Group. Travis County Housing Finance Corporation will serve as co-developer and bond issuers for the project.

The NRP Group

In 19 years of developing Affordable Housing Developments, J. David Heller and T. Richard Bailey, Jr., in their capacities as principals of The NRP Group and its affiliates, have been Principals or owned an interest as Principals of approximately 235 Affordable Housing Developments in 12 different states across the country. In the case of 21 such Affordable Housing Developments, NRP has sold its interest due to any variety of business considerations, including, but not limited to changes in NRP's business priorities, changes in NRP's geographic footprint or receipt of a third party offer to purchase NRP's interest. In no case has any NRP affiliate been involuntarily terminated as a Principal in an Affordable Housing Development. None of the 21 referenced Affordable Housing Developments were located in the State of Texas

-Principal Parties and Staff- See Attachment 2

Sincerely,
Debra Guerrero
The NRP Group

Attachment 1: Sources and Uses

Financing Participants	Funding Description		Construction Period		Lien Position	Permanent Period					Lien Position
			Loan/Equity Amount	Interest Rate (%)		Loan/Equity Amount	Interest Rate (%)	Amortization	Term (Yrs)	Syndication Rate	
Debt											
TDHCA	HOME										
TDHCA	TCAP Loan Repayments										
TDHCA	Mortgage Revenue Bond										
Need Name			\$28,040,000	6.00%		\$ 28,040,000	5.50%	40	40		1
Third Party Equity											
Need name	HTC	\$ 1,731,730	\$ 16,980,273			\$ 18,866,970		n/a	n/a	1.04	n/a
Deferred Developer Fee											
Insert Name Here - SHA						\$ 3,733,367					
Total Sources of Funds			\$ 45,020,273			\$ 50,640,337					
Total Uses of Funds						\$ 50,640,337					
Utility Allowances Tenants will pay for all utilities, with the exception of trash. Utilities will be separately metered. Operating Costs The management fee is 3.98% of effective gross income. A contract is attached. Sources and Uses The project will be financed with a 221(d)(4) loan through NAME. The \$28,040,000 loan will be provided during construction and will be converted into a permanent loan with a 40-year term and 40-year amortization. The all-in interest rate, including an MIP of 0.45%, is projected to be 5.50%. Equity will be advanced from NAME. in the estimated amount of \$18,866,970 with \$16,980,273 of this amount projected to be disbursed during the construction phase. The exact amount may be adjusted based on adjusters to be defined in the partnership agreement. Syndication proceeds are based on \$1.04 per dollar of the annual tax credit allocation of \$1,814,313 The Developer will defer a portion of its developer fee. Total developer fee is currently projected to be \$5,635,000 with \$3,733,367 of this fee to be deferred. This amount can be repaid from cash flow in less than 15 years.											

Attachment 2: Principal Parties and Staff

Developer:

Travis County Housing	Sarah Eckhardt	(512) 854-9116
	Contact Name	Phone
sarah.eckhardt@traviscountytx.gov	TBD	[REDACTED]
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	No	
This is a direct or indirect, financial, or other interest with Applicant or [REDACTED] Yes		

Housing General Contractor:

NRP Contractors LLC	Brent McMahon	(210) 478-7878
	Contact Name	Phone
bmcMahon@nrpgroup.com	TBD	[REDACTED]
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	No	
This is a direct or indirect, financial, or other interest with Applicant or [REDACTED] Yes		

Cost Estimator:

NRP Contractors LLC	Brent McMahon	(210) 478-7878
	Contact Name	Phone
bmcMahon@nrpgroup.com	TBD	[REDACTED]
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	No	
This is a direct or indirect, financial, or other interest with Applicant or [REDACTED] Yes		

Architect:

Womack & Hampton	Michael Hampton	(214) 252-9000
	Contact Name	Phone
mike@womackhampton.com	TBD	[REDACTED]
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	No	
This is a direct or indirect, financial, or other interest with Applicant or [REDACTED] No		

Engineer:

Bury + Partners	Mac McWilliams	(972) 991-0011
	Contact Name	Phone
mmcWilliams@buryinc.com	TBD	[REDACTED]
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	No	
This is a direct or indirect, financial, or other interest with Applicant or [REDACTED] No		

Civil Engineer:

Bury + Partners	Mac McWilliams	(972) 991-0011
	Contact Name	Phone
mmcwilliams@buryinc.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> No		

Market Analyst:

Apartment MarketData LLC	Darrell G. Jack	(210) 530-0040
	Contact Name	Phone
amd@stic.net	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> No		

Accountant:

Novogradac & Company	Renee Beaver	(216) 298-9000
	Contact Name	Phone
renee.beaver@novogradac.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> No		

Property Manager:

NRP Management LLC	David Nargang	(210) 478-7878
	Contact Name	Phone
dnargang@nrpgroup.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> Yes		

Bond Issuer:

Travis County Housing	Sarah Eckhardt	(512) 854-9116
	Contact Name	Phone
sarah.eckhardt@traviscountytexas.gov	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> Yes		

Syndicator:

Bank of America	Steve Gildersleeve	(202) 442-7539
	Contact Name	Phone
steve.gildersleeve@baml.com	n/a	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> No		

Supportive Services Provider:

Community Housing Resource	Meghan Garza-Oswald	(210) 315-9349
	Contact Name	Phone
moswald@chrpartners.org	n/a	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> No		

Other:

NRP Lone Star Development	Debra Guerrero	(210) 487-7878
	Contact Name	Phone
dguerrero@nrpgroup.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or <input type="checkbox"/> Yes		

TDHCA Uniform Multifamily Rules

§10.204. Required Documentation for Application Submission

(4) Notice, Hearing, and Resolution for Tax-Exempt Bond Developments. In accordance with Texas Government Code, §2306.67071, the following actions must take place with respect to the filing of an Application and any Department awards for a Tax-Exempt Bond Development.

(A) Prior to submission of an Application to the Department, an Applicant must provide notice of the intent to file the Application in accordance with §10.203 of this chapter (relating to Public Notifications (§2306.6705(9))).

(B) The Governing Body of a municipality must hold a hearing if the Development Site is located within a municipality or the extra territorial jurisdiction (ETJ) of a municipality. The Governing Body of a county must hold a hearing unless the Development Site is located within a municipality. For Development Sites located in an ETJ the county and municipality must hold hearings; however, the county and municipality may arrange for a joint hearing. The purpose of the hearing(s) must be to solicit public input concerning the Application or Development and the hearing(s) must provide the public with such an opportunity. The Applicant may be asked to substantively address the concerns of the public or local government officials.

(C) An Applicant must submit to the Department a resolution of no objection from the applicable Governing Body. Such resolution(s) must specifically identify the Development whether by legal description, address, Development name, Application number or other verifiable method. In providing a resolution, a municipality or county should consult its own staff and legal counsel as to whether such resolution will be consistent with Fair Housing laws as they may apply, including, as applicable, consistency with any FFAST form on file, any current Analysis of Impediments to Fair Housing Choice, or any current plans such as one year action plans or five year consolidated plans for HUD block grant funds, HOME or CDBG funds. For an Application with a Development Site that is:

- (i) Within a municipality, the Applicant must submit a resolution from the Governing Body of that municipality;
- (ii) Within the extraterritorial jurisdiction (ETJ) of a municipality, the Applicant must submit both:
 - (I) a resolution from the Governing Body of that municipality; and
 - (II) a resolution from the Governing Body of the county; or
- (iii) Within a county and not within a municipality or the ETJ of a municipality, a resolution from the Governing Body of the county.

(D) For purposes of meeting the requirements of subparagraph (C) of this paragraph, the resolution(s) must be submitted no later than the Resolutions Delivery Date described in §10.4 of this chapter (relating to Program Dates). An acceptable, but not required, form of resolution may be obtained in the Multifamily Programs Procedures Manual. Applicants should ensure that the resolutions all have the appropriate references and certifications or the Application may be terminated. The resolution(s) must certify that:

- (i) Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a) and subparagraph (A) of this paragraph;
- (ii) The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development;
- (iii) The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and subparagraph (B) of this paragraph; and (iv) After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application.

Attachment 5: Notice, Hearing and Resolution for Tax-Exempt Bond Developments

Pursuant to §2306.67071, applicants applying for Housing Tax Credits after September 1, 2013 must submit a resolution of no objection from the applicable Governing Body. Such resolution must specifically identify the Development whether by legal description, address, Development name, Application number or other verifiable method. For an application with a Development Site that is located within a municipality, the resolution must come from the Governing Body of that municipality; if within the ETJ of a municipality a resolution must be submitted from both the Governing Body of that municipality and the Governing Body of the county; if within a county and not within a municipality or the ETJ of a municipality, a resolution must be submitted from the Governing Body of the county. The resolution must confirm that each applicable Governing Body has held a public hearing in accordance with Texas Government Code §2306.67071(b) and §10.204(4)(B) of the Uniform Multifamily Rules. A sample resolution is provided below:

Whereas, The NRP Group has proposed a development for affordable rental housing of 324 units that will be located at Old Manor Road and HWY 290, in the Austin, TX, 78724 and

Whereas, The NRP Group has submitted an application to the Texas Department of Housing and Community Affairs for 2015 Housing Tax Credits for The Terrace at Walnut Creek.

It is hereby

RESOLVED, that in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4), it is hereby found that:

1. Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a); and
2. The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; and
3. The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b); and
4. After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application.

RESOLVED that for and on behalf of the Governing Body, Jannette S. Goodall, City Clerk, is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.