

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	51801	Agenda Number	96.
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Meeting Date:	11/19/2015	Department:	Neighborhood and Community Development
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Subject

Conduct a public hearing and consider a resolution supporting an application to be submitted to the Texas Department of Housing and Community Affairs by 6725 Urban Oaks Partnership, LP, or an affiliated entity, for a proposed affordable multi-family development to be called the Urban Oaks Apartments, located at 6725 Circle S Road (District 2).

Amount and Source of Funding

Fiscal Note

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

Purchasing Language:

Prior Council Action:

For More Information: Betsy Spencer, NHCD Director, 512-974-3182; David Potter, NHCD Program Manager, 512-974-3192

Council Committee,
Boards and
Commission Action:

MBE / WBE:

Related Items:

Additional Backup Information

This action will conduct a public hearing to receive comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2015 Uniform Multi-family Rules. The applicant, 6725 Urban Oaks Partnership, LP must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located.

Proposed Project

The developer is planning a 194-unit new construction development located in Council District 2, at 6725 Circle S Road, which runs parallel to and is between South Congress Avenue and Interstate 35. The development would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$46,080 for a 4-person household. The development, to be known as Urban Oaks Apartments is proposed to be partially funded with 4% Low Income Housing Tax Credits, and private activity bonds proposed to be issued by the Austin Affordable Public Facility Corporation, an affiliate of the Housing Authority of the City of Austin.

Austin Affordable Housing Corporation, the non-profit subsidiary of the Housing Authority of the City of Austin, will be the long-term owner, as well as co-developer with Ryan Companies. The role of Ryan Companies in this project will be to act as the lead developer within the project partnership and general contractor for construction. Once the project is complete, Ryan will provide an operating deficit guarantee to ensure the long term success of this development. Additional information about the development can be found as Exhibit A.

Estimated Sources and Uses

<u>Sources</u>		<u>Uses</u>	
Private Activity Bonds	\$17,225,000	Acquisition	\$ 1,680,000
Tax Credit Equity	10,314,518	Hard Costs	18,446,657
Deferred Developer Fee	<u>800,786</u>	Soft and Carrying Costs	4,465,422
Total	\$28,340,304	Reserves and Developer Fee	<u>3,748,225</u>
		Total	\$28,340,304

Project Attributes

- Urban Oaks Apartments will have 1, 2, 3-bedroom units. All 2, 3-bedroom units will have two baths.
- One-bedroom units: 69 units, approximately 731 square feet; rents will be approximately \$801.
- Two-bedroom units: 115 units; approximately 1,095 square feet; rents will be approximately \$955.
- Three-bedroom units: 10 units, approximately 1,328 square feet; rents will be approximately \$1,096.
- Five transit stops are within 0.25 miles; seven transit stops are within 0.5 miles.
- Amenities will include fitness/multi-use area; a business center with computers and wi-fi internet access in common areas, and a community room. A swimming/wading pool, barbecue/picnic areas, and a dog park are also planned.
- The developer anticipates providing a mix of the following services, depending on resident needs and interests: after-school programs, adult literacy, tax preparation, health screenings, English as a Second Language, and other appropriate programs.

Population Served

All 194 units will be reserved for households with incomes at or below 60% MFI, (currently \$46,080 for a 4-person household).

The Co-Developers

Austin Affordable Housing Corporation (AAHC) is a non-profit subsidiary of The Housing Authority of the City of Austin (HACA). AAHC was created in 2003 to preserve and increase the stock of affordable housing for low- to moderate-income families in Austin as well as provide financial literacy and homeownership opportunities. AAHC owns and manages approximately 1,000 residential units, multiple office buildings and a shopping center; and operates a transitional program for residents exiting public housing.

Ryan Companies (Ryan) is a leading national commercial real estate firm offering integrated design-build, development and real estate management services to customers. For more than 75 years, Ryan has been involved in a variety of projects across the United States. Their experience spans the full range of commercial product types and includes a significant portfolio of market-rate and affordable apartment developments. The company has expanded its Minneapolis, Minnesota base of operations to include offices in Austin, Chicago, Phoenix, San Diego, and Tampa, as well as Cedar Rapids, Davenport, and Des Moines, Iowa.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Information Packet here: <http://austintexas.gov/page/fy-15-16-funding-applications>.