

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	58900	Agenda Number	2.
Meeting Date:	6/23/2016		Department:	Neighborhood and Community Development
Subject				
<p>Approve an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$13,000,000 in private activity volume cap multi-family housing non-recourse bonds for the development of the Housing First Oak Springs Apartments, by Housing First Oak Springs, LP, or its affiliate, for a proposed permanent supportive housing development to be located at 3000 Oak Springs Drive. (Council District 1)</p>				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	May 5, 2016 – Council approved resolution No. 20160505-036 to be submitted with the Low Income Housing Tax Credit application to be submitted for the Housing First Oak Springs Apartments.			
For More Information:	Betsy Spencer, Treasurer, Austin Housing Finance Corporation, 512-974-3182; David Potter, Neighborhood Development Program Manager, Neighborhood Housing and Community Development, 512-974-3192.			
Boards and Commission Action:	December 11, 2014 – The Austin Housing Finance Corporation Board of Directors authorized negotiation and execution of a loan agreement with ATCIC in the amount of \$3,000,000 for this development.			
MBE / WBE:				
Related Items:				
Additional Backup Information				

Approval of this inducement resolution will permit staff to submit an application to the Texas Bond Review Board (BRB) requesting consideration to authorize the Austin Housing Finance Corporation (AHFC) to issue multi-family housing revenue bonds in an amount up to \$13,000,000 to assist with the development of the Housing First Oak Springs Apartments by Housing First Oak Springs, LP, or an affiliated entity.

Regulations governing the issuance of revenue bonds for the purpose of financing affordable housing specify that the bonds are non-recourse, and the full faith and credit of the AHFC or the City of Austin is not pledged to repay the bonds.

Proposed Project

Austin Travis County Integral Care (ATCIC) responded to a 2014 Request for Proposals issued by the Austin Housing Finance Corporation and was selected to develop 50-units of "Housing First" Permanent Supportive Housing. The development is located at 3000 Oak Springs Drive and would be 100% affordable to households with incomes at or below 50% Median Family Income (MFI), currently \$27,250 for a 1-person household. The development, to be known as the Housing First Oak Springs Apartments, is proposed to be partially funded with 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by Austin Housing Finance Corporation.

Estimated Sources of Funds

<u>Sources</u>		<u>Uses</u>	
Private Activity Bonds	\$ 12,254,310	Land	\$ 676,500
DSHS	3,695,000	Construction Cost	14,708,979
Austin Housing Finance Corporation	3,000,000	Financing	1,394,320
Tax Credit Equity	<u>1,000,000</u>	Reserves & Developer Fee	<u>3,169,515</u>
Total	\$ 19,949,310	Total	\$ 19,949,310

Project Attributes

- The target population will be individuals with incomes at or below 30% of the Median Family Income (MFI), currently \$16,350 for a 1-person household, but will be restricted to persons with incomes no greater than 50% MFI.
- All units will be Permanent Supportive Housing (PSH) units, and will be operated under the Housing First model, which serves individuals who have experienced chronic homelessness and have one or more barriers to maintaining housing.
- ATCIC currently owns the property.
- The unit mix will include:
 - 50 1-bed/1-bath efficiency units
- Tenants will have access to a range of support services including person-centered services based on individual needs, ongoing case management, and access to mainstream services.
- This development will help to achieve the city-wide four-year goal of 400 Permanent Supportive Housing (PSH) units, to include 200 Housing First PSH units, by the year 2019.

Current Property Tax Status and Future Impact

The property is currently 100% exempt from property taxation according to Travis Central Appraisal District and is owned by Austin Travis County Integral Care (ATCIC).

Austin Travis County Integral Care (ATCIC)

Austin Travis County Integral Care (ATCIC) has developed 31 properties including 13 apartment

complexes and 8 community living facilities, and currently operates 44 facilities. In the past ten years ATCIC has acquired and rehabilitated 5 buildings, and continued to manage 15 additional properties during this time. Three of these properties were Permanent Supportive Housing (PSH) communities, with two of these communities serving individuals under the Housing First model.

ATCIC was established in 1967 and provides community-based mental health, and substance abuse services to adults and children who are the most severely disabled and who are most in need of services. These services include psychiatric evaluations, 24-hour crisis interventions, medication treatment, inpatient treatment, employment and vocational services, service coordination, family support and respite care, housing, information and referral, supported living and residential services.

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>.