

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	66690	Agenda Number	6.
Meeting Date:	2/9/2017		Department:	Neighborhood and Community Development
Subject				
Approve the negotiation and execution of a loan agreement with Saigebrook Development, LLC, or an affiliated entity, in an amount not to exceed \$2,120,000 for the new construction of a proposed affordable multi-family development, located at 3300 Oak Creek Drive, subject to an award of Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs. (District 7)				
Amount and Source of Funding				
Funding is available in the FY 2016-17 Capital Budget of the Austin Housing Finance Corporation.				
Fiscal Note				
A fiscal note is attached.				
Purchasing Language:				
Prior Council Action:				
For More Information:	Rosie Truelove, AHFC Treasurer, 512-974-3064; David Potter, Program Manager, 512-974-3192			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>If approved, the Austin Housing Finance Corporation (AHFC) would be authorized to enter into a loan agreement with Saigebrook Development, LLC, or an affiliated entity, to develop a new multi-family rental development to be known as the Elysium Apartments. This proposed development is located in District 7.</p> <p><u>Proposed Project</u> Saigebrook Development, is planning new construction of an 85-unit (approximate) development located at 3300 Oak Creek Drive, which would include affordable units in the 30% to 80% Median Family Income (MFI) range and market rate units. The development, to be known as the Elysium Apartments, is proposed to be partially funded with either 9% or 4% Low Income Housing Tax Credits and Private Activity Bonds in addition to \$2,120,000 of Affordable Housing General Obligation Bond funding.</p> <p><u>Population to be Served</u></p>				

The actual percentage of affordable units is yet to be determined, but is approximately:

- 4 units at 30% MFI (currently \$21,050 for a 3-person household);
- 32 units at 50% MFI (currently \$35,050 for a 3-person household);
- 27 units at 60% MFI (currently \$42,000 for a 3-person household);
- 9 units at 80% MFI (currently \$56,050 for a 3-person household);
- 13 units will have no income restrictions.

Project Attributes

- The approximate unit mix will include:
 - 26 1-bedroom units; approximately 650 square feet;
 - 44 2-bedroom units; approximately 850 square feet;
 - 15 3-bedroom units; approximately 1,050 square feet.
- The developer stated intention to apply for 8 Project Based Vouchers from Travis County Housing Authority. In addition, the development will set aside up to 15 units for Permanent Supportive Housing. The services to be provided are based on the interests and needs of the residents. Proposed residential services are to be provided by a third party (Skillpoint Alliance), and will include job training, computer efficiency classes, and summer camp for children.
- On-site amenities will likely include a fully furnished clubhouse, media room, fitness center, cyber lounge, children's play area, community room, covered BBQ area, and an outdoor fitness trail.

Current Property Tax Status and Future Impact

The property is currently not exempt from taxation. The Travis Central Appraisal District would make a determination on any tax exemptions for which the property may qualify in the future.

Saigebrook Development, LLC

According to information provided by the developer, Saigebrook Development and its Principal, Lisa Stephens, have specialized in providing affordable and workforce housing communities in urban core and suburban areas since 1996. Ms. Stephens has secured 13 allocations of Housing Tax Credits in Texas and has financed and closed approximately 5,000 units in the southern United States. The Elysium Apartments would be Saigebrook Development's third development in Austin.

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>.