

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: November 9, 2017

Item Number: **084**

Public Hearing and Possible Action

Conduct a public hearing and consider a resolution for an application to be submitted to the Texas Department of Housing and Community Affairs by Pathways at Chalmers Courts South, LP, or an affiliated entity, for the new construction of an affordable multi-family development to be known as the Pathways at Chalmers Courts South, located at the southwest corner of East 3rd Street and Chalmers Avenue.

District(s) Affected: District 3

Lead Department	Neighborhood Housing and Community Development Department.
Fiscal Note	There is no anticipated fiscal impact.
Prior Council Action	October 19, 2017 Set Public Hearing Set.
For More Information	Rosie Truelove, Director, Neighborhood Housing and Community Development Department, 512-974-3064; David Potter, Program Manager, 512-974-3192.
Council Committee, Boards and Commission Action	N/A.

Additional Backup Information:

This action will conduct a public hearing to receive comments to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2017 Uniform Multi-family Rules. The applicant must submit to TDHCA a resolution of no objection from the applicable

governing body in which the proposed development is located.

Proposed Project

Pathways at Chalmers Courts South, LP, is planning to construct a 87-unit multi-family development located at the Southwest Corner of East 3rd Street and Chalmers Avenue, which would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$48,840 for a 4-person household. The development, to be known as the Pathways at Chalmers Courts South Apartments, is proposed to be partially funded with 4% Low Income Housing Tax Credits and Private Activity Bonds issued by Austin Affordable PFC, Inc., a non-profit public facilities corporation created by the Housing Authority of the City of Austin (HACA). No funding from the Austin Housing Finance Corporation is being requested.

Estimated Sources and uses of Funds

<u>Sources:</u>		<u>Uses:</u>	
AAHC Sources	\$2,417,310	Acquisition Costs	\$1,000
Tax Credit Equity	5,809,608	Hard Costs	9,797,829
Debt Financing	<u>7,000,000</u>	Soft & Carrying Costs	3,043,444
Total	<u>15,226,918</u>	Reserves and Developer Fee	<u>2,384,645</u>
		Total	\$15,226,918

Project Characteristics

- § 45 one-bedroom units (approximately 671 square feet).
- § 32 two-bedroom units (approximately 947 square feet).
- § 6 three-bedroom units (approximately 1,272 square feet).
- § 4 four-bedroom units (approximately 1,394 square feet).

Population Served

- § 100% of units will be reserved for individuals or families with incomes at or below 60% MFI, currently \$34,200 for a single-person household and \$48,840 for a 4-person household.

Current Property Tax Status and Future Impact

The property is currently 100% tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the use of this property will continue to be eligible for any exemptions after the property is constructed.

Pathways at Chalmers Courts South, LP

The development will be owned by Pathways at Chalmers Courts South, LP, an affiliate of Austin Affordable Housing Corporation (AAHC), 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's real estate portfolio consists of office buildings, a shopping center, single-family houses and multi-family rental developments.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Application here:<<http://austintexas.gov/page/fy-16-17-funding-applications>>.