

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: May 10, 2018

Item Number: **024**

Neighborhood Housing and Community Development

Approve a resolution declaring a need for the Texas Housing Foundation, a regional housing authority, to operate an affordable multi-family development to be known as the Riverside Townhomes, located at 6118 Fairway Street (currently known as Fairway Village) within the city limits of Austin, Texas, and authorizing a cooperation agreement between the City and the Texas Housing Foundation.

District(s) Affected: District 3

Lead Department	Neighborhood Housing and Community Development.
Fiscal Note	This item has no fiscal impact.
For More Information	Rosie Truelove, Director, Neighborhood Housing and Community Development, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

Additional Backup Information:

If approved, this Resolution will authorize the negotiation and execution of a cooperation agreement between the City and the Texas Housing Authority Foundation, a regional housing authority, to operate within the City of Austin. In order for the Texas Housing Foundation to operate within the City of Austin, the Housing Authority of the City of Austin and the Austin City Council must approve and the parties must enter into cooperation agreements.

Proposed Project

THF Riverside Townhomes, LP, is planning to rehabilitate a 128-unit multi-family development located at 6118 Fairway Street, 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 Riverside Townhomes, is proposed to be partially funded with 4% Low Income Housing Tax Credits and Private Activity Bonds issued by Texas Department of Housing and Community Affairs. No funding from the Austin Housing Finance Corporation is being requested.

Estimated Sources of Funds

<u>Sources</u>		<u>Uses</u>	
Tax Credit Equity	\$ 9,985,398.00	Acquisition Costs	\$ 14,300,000.00
Private Activity Bonds	\$ 19,000,000.00	Hard Costs	\$ 7,223,040.00
Deferred Developer Fee	\$ 116,127.00	Soft Financing Costs	\$ 3,375,524.00
TOTAL	\$ 29,101,525.00	Reserves and Developer Fee	\$ 4,202,961.00
		TOTAL	\$ 29,101,525.00

Project Characteristics

- 16 one-bedroom units (approximately 525 square feet).
- 48 two-bedroom units (approximately 675 square feet).
- 48 three-bedroom units (approximately 875 square feet).
- 16 four-bedroom units (approximately 1,040 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 not currently tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the use of this property will be eligible for any exemptions after the property is rehabilitated.

THF Riverside Townhomes, LP

The development will be owned by THF Riverside Townhomes, LP, an affiliate of the Texas Housing Foundation (THF), a non-profit Texas regional housing authority. The THF was created to provide a tool to create, develop, administer, manage, and provide services to affordable housing projects through related business entities and for the residents and communities in which they are located. Over \$140M has been financed to develop over 1,400 units.

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-17-18-funding-applications>.