



Recommendation for Action

File #: 18-4080, **Agenda Item #:** 2.

3/7/2019

Posting Language

Authorize negotiation and execution of a loan agreement with JESE Real Estate, or an affiliated entity, to assist with acquisition and rehabilitation of an affordable multi-family condo development located at 300 East Croslin Street (to be known as Croslin Court) in an amount not to exceed \$538,355.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

For More Information:

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

Additional Backup Information:

This action authorizes the General Manager to negotiate and execute a loan agreement with the JESE Real Estate, or an affiliate, for a loan. The proposed funding source for the loan is U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) dollars. The property is located at 300 East Croslin Street in District 4.

Proposed Project

The purpose of the loan is to provide funding to acquire and rehabilitate Croslin Court, a 20-unit apartment complex. After rehabilitation, the developer intends to construct an additional housing unit and convert all 21 units to condominiums. 17 of the 21 units will be sold as affordable homes to households earning at or below 80% of Median Family Income (MFI), and will carry a 99-year affordability period.

JESE Real Estate

JESE Real Estate is a newly formed entity with a mission to provide affordable housing in Austin. Principals in JESE Real Estate have combined experience that includes: the purchase and sale of eight residential properties in Austin over the last five years, as well as participation in over 40 real estate transactions working with buyers, sellers, and licensed real estate agents in Texas and California.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Application and Development Information Packet here:

<http://austintexas.gov/page/fy-17-18-funding-applications>.