



Recommendation for Action

File #: 19-3363, **Agenda Item #:** 16.

10/31/2019

Posting Language

Approve a resolution consenting to the issuance of Multi-Family Private Activity Bonds by Austin Affordable PFC, Inc., an affiliate of the Housing Authority of the City of Austin, in an amount not to exceed \$35,000,000 to finance, in part, the new construction of an affordable rental development located at or near 916 and 918 Norwood Park Boulevard.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

June 20, 2019- Council conducted a public hearing and approved a resolution related to an application by LDG Estates at Norwood, L.P.

June 20, 2019-Council approved a resolution consenting to the issuance of up to \$28,000,000 in multi-family Private Activity Bonds by Austin Affordable PFC, Inc.

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, the resolution will allow Austin Affordable PFC, Inc. (the Issuer), a public facilities corporation created under Texas Local Government Code Section 303.002, and affiliated with the Housing Authority of the City of Austin (HACA), to issue Multi-family Housing Revenue bonds to help finance development of a new 228-unit multi-family rental development to be located in District 4.

The applicant for bond financing is LDG Estates at Norwood, LP, an affiliate of LDG Development. The developer will also be applying for an award of non-competitive 4% tax credits from the Texas Department of Housing and Community Affairs.

The Issuer has induced the issuance of up to \$35,000,000 in Multi-family Housing Revenue Bonds that will partially fund this new construction development. On September 9, 2019 the Issuer conducted the public hearing required under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). A certified copy of the public notice of the TEFRA hearing as published in the Austin American-Statesman and a transcript of the TEFRA hearing is included in backup.

TEFRA requires that the local governmental entity in which the project is located give its approval for the bonds to be issued. Approving the issuance of these bonds does not constitute any obligation of the City with respect to repayment of the bonds. Since the Issuer has demonstrated compliance with TEFRA, staff

recommends approving the resolution.

The proposed development's application to the City, as well as socioeconomic data and amenities in the surrounding area, may be found at <https://austintexas.gov/page/current-applications>