



## Recommendation for Action

**File #:** 19-3500, **Agenda Item #:** 7.

11/14/2019

### **Posting Language**

Approve negotiation and execution of a loan agreement and related documents with DMA Development Company, LLC, or an affiliated entity, in an amount not to exceed \$1,000,000, for a multi-family rental development to be known as Talavera Lofts, to be located at or near the southeast corner of East 5th and Navasota Streets.

### **Lead Department**

Neighborhood Housing and Community Development.

### **Fiscal Note**

A fiscal note is not required.

### **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.

### **Council Committee, Boards and Commission Action:**

August 8, 2019 - AHFC Board authorized negotiation and execution of a loan agreement with DMA Development Company, LLC, or an affiliated entity, in an amount not to exceed \$2,000,000 for a multi-family rental development to be known as Talavera Lofts.

### **Additional Backup Information:**

If approved, the Austin Housing Finance Corporation would be authorized to enter in to a loan agreement with DMA Development Company, LLC or an affiliated entity for a multifamily rental housing project to be located in Council District 3.

**Project Information:** Project funding is to be utilized for development costs of a multi-family rental development consisting of 92 units, of which 15 will be affordable to households with incomes at or below 30% Median Family Income (MFI). An additional 46 units will be reserved for households with incomes at or below 50% MFI. Units will be a mix of efficiency, one-bedroom, two-bedroom, and three-bedroom apartments.

**Previous Funding & Proposed Funding Sources:** On August 8, 2019, the developer was awarded AHFC funding in the amount of \$2,000,000, and is comprised of the following funding sources:

\$1,202,079 - Plaza Saltillo Housing Assistance Fund  
\$797,921 - 2018 General Obligation Bonds  
\$2,000,000 - Prior Award

The current funding request is for an additional \$1,000,000, which would be funded with Plaza Saltillo funds. If approved, this action would enable AHFC to execute a loan agreement in an amount up to \$3,000,000 with the borrower, and the funding would be comprised of the following sources of funds:

\$1,000,000 - Plaza Saltillo set-aside within the Housing Trust Fund (this action)

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\$1,202,079 - Plaza Saltillo Housing Assistance Fund

\$797,921 - 2018 General Obligation Bonds

\$3,000,000 - Total Award Amount

The proposed development's application to the City, as well as socioeconomic and amenity information in the surrounding area, may be found here: <http://www.austintexas.gov/page/current-applications>.