



## Recommendation for Action

**File #:** 20-1932, **Agenda Item #:** 4.

5/7/2020

### **Posting Language**

Approve the negotiation and execution of a loan agreement and related documents with Asociación de Residentes de North Lamar, or an affiliated entity, in an amount not to exceed \$2,500,000 for an ownership housing cooperative community to be known as North Lamar Mobile Home Park, located at 8105 Research Boulevard.

### **Lead Department**

Neighborhood Housing and Community Development.

### **Fiscal Note**

A fiscal note is attached.

### **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:**

If approved, the Austin Housing Finance Corporation will be authorized to enter into a loan agreement and other documents with Asociación de Residentes de North Lamar, or an affiliated entity. The community is located in Council District 4.

Preservation of Manufactured Home Communities in the Austin Strategic Housing Blueprint (ASHB): Preservation of mobile home parks aligns with the ASHB, which states "AHFC's role in this strategy will be to identify and partner with qualified organizations who will work with mobile home park residents to organize and cooperatively purchase their communities. AHFC can also provide gap financing to organized resident groups and partners to help them acquire mobile home parks."

Funding: The most widely used strategy to preserve a manufactured home community is for residents to form a cooperative and purchase the property, thereby eliminating future rent increases imposed by the landowner. AHFC funding would be used to assist with acquisition costs of the property and for minor infrastructure improvements as needed. This funding would reduce the debt service required of the cooperative association and effectively lower the monthly cost to residents to an affordable level. Primary funding to purchase the property would be provided by ROC USA, a mission driven non-profit financier of mobile home communities in the United States.

Project Information: 68 homes on the property will remain affordable at or below 60% of Median Family Income (MFI), and one home will remain affordable at or below 80% MFI. All 69 homes will carry an affordability period of 99 years.

Application: The proposed application to the City, as well as socioeconomic characteristics and amenity information in the surrounding area, may be found here:

<http://www.austintexas.gov/page/current-applications>.

**Strategic Outcome(s):**

Economic Opportunity and Affordability.