



Recommendation for Action

File #: 20-2252, **Agenda Item #:** 24.

6/11/2020

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 \$20,000,000 to finance, in part, the new construction of an affordable rental development located at or near 14011 Owen Tech Blvd., Austin, Texas 78728.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

May 23, 2019 - Council passed Resolution No. 20190523-043, approving an application to be submitted to the Texas Department of Housing and Community Affairs, indicating that Council does not object the proposed development (note that the Development was formerly known as Heritage Estates, but is now called Estates at Owen Tech).

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 the new construction of a 174-unit multi-family rental development to be located in the extraterritorial jurisdiction (ETJ) of Austin.

The applicant for bond financing is TX Owen Tech 2018, Ltd. 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 induced the issuance of up to \$20,000,000 in Multi-family Housing Revenue Bonds that will partially fund the acquisition and rehabilitation of this rental development. On April 15, 2020, the Issuer conducted the public hearing required under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). A picture of the public notice of the TEFRA hearing from HACA's website and a transcript of the TEFRA hearing is included as backup.

Before the bonds can be issued, TEFRA requires HACA to obtain the City's 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 characteristics and amenities in the surrounding area, may be found at <https://austintexas.gov/page/current-applications>.

Strategic Outcome(s):

Economic Opportunity and Affordability.