



Recommendation for Action

File #: 20-3242, **Agenda Item #:** 2.

10/15/2020

Posting Language

Approve an inducement resolution for an allocation of up to \$37,000,000 in private activity volume cap multi-family non-recourse bonds to AGC RBJ II, LLC, or an affiliated entity, for a proposed affordable multi-family development to be known as The Rebekah, located at or near 1320 Art Dilly Drive, Austin, Texas, 78702.

Lead Department

Housing and Planning.

Fiscal Note

Up to \$37,000,000 of Private Activity Bonds may be issued by the Austin Housing Finance Corporation for this project. These bonds are not obligations of the City of Austin or of Austin Housing Finance Corporation, and the full faith and credit of the City is not pledged to repay these bonds. This item has no fiscal impact.

Prior Council Action:

December 17, 2015 - Council approved Resolution No. 20151217-057, initiating amendments to the Waterfront Overlay, Land Development Code § 25-2-735 (Festival Beach Sub-district Regulations), to increase allowable impervious cover, and directed the City Manager to process an ordinance to be presented to City Council for consideration after completion of the required public process.

June 23, 2016 - Council passed Ordinance No. 20160623-101, amending city code section 25-2-735 relating to regulation of senior housing and mixed-use development within the waterfront overlay.

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:

February 9, 2017 - Austin Housing Finance Corporation (AHFC) Board authorized negotiation and execution of a loan to the Austin Geriatric Center, Inc. for an amount not to exceed \$3,000,000 for the RBJ Center tower rehabilitation and development of new multi-family senior housing at the site.

September 28, 2017 - AHFC Board approved an inducement resolution for an allocation of up to \$50,000,000 in private activity volume cap multi-family non-recourse bonds.

October 19, 2017 - AHFC Board conducted a public hearing to receive public comment regarding the issuance of up to \$50,000,000 dollars of Multi-family Housing Revenue Bonds to be issued by the Austin Housing Finance Corporation for the Rebekah Baines Johnson Center.

December 14, 2017 - AHFC Board authorized an increase to the amount of a loan to the Austin Geriatric Center, Inc., or an affiliated entity, in an amount equal to \$3,479,000 for a total loan amount not to exceed \$6,479,000 for the rehabilitation of senior housing at the Rebekah Baines Johnson Center and the development of new mixed-income housing on the site.

Additional Backup Information:

If approved, this inducement resolution will permit staff to submit an application to the Texas Bond Review Board that requests it authorize the Austin Housing Finance Corporation (AHFC) to issue multi-family housing revenue bonds in an amount up to \$37,000,000 to assist with the development of The Rebekah by DMA Development Company, LLC (in partnership with the Austin Geriatric Center), or an affiliated entity. The property is located in Council District 3.

Regulations governing the issuance of revenue bonds for the purpose of financing affordable housing specify that the bonds are non-recourse. Additionally, the regulations do not pledge the full faith and credit of either the AHFC or the City of Austin to repay the bonds.

Proposed Project

This is the second phase of the affordable housing portion of the RBJ Center development. The proposed development is for the rehabilitation of 225 units to be located at 1320 Art Dilly Drive, Austin, Texas, 78702. Financing for the development is proposed to come in part from 4% Low Income Housing Tax Credits and Private Activity Bonds issued by AHFC. When completed, RBJ Center will have a total of 502 units, 478 of which will be income-restricted and all reserved for persons aged 55 and older.

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

Strategic Outcome(s):

Economic Opportunity and Affordability.