



Recommendation for Action

File #: 20-3458, **Agenda Item #:** 7.

11/12/2020

Posting Language

Approve the negotiation and execution of a loan agreement and related documents with Espero Austin at Rutland, LP, or an affiliated entity, in an amount not to exceed \$5,992,786 for a multi-family rental development to be known as Espero at Rutland located at or near 1934 Rutland Drive.

Lead Department

Housing and Planning Department.

Fiscal Note

Funding is available in the FY 2020-2021 Capital Budget of Austin Housing Finance Corporation. A fiscal note is attached.

Prior Council Action:

February 6, 2020: Council approved a resolution of support for Espero Austin at Rutland to the Texas Department of Housing and Community Affairs' 2020 9% Low Income Housing Tax Credit (LIHTC) round. Having not secured a 9% LIHTC award, Espero Austin at Rutland will now pursue a 4% LIHTC award.

September 3, 2020 - Austin City Council set a public hearing for September 17, 2020 regarding an application by Espero Austin at Rutland, LP for housing tax credits for a multi-family development that will be financed through the private activity bond program.

September 17, 2020 - Austin City Council conducted a public hearing regarding an application by Espero Austin at Rutland, LP for housing tax credits for a multi-family development that will be financed through the private activity bond program.

For More Information:

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Mandy DeMayo, Community Development Administrator, Housing and Planning Department, 512-974-1091.

Council Committee, Boards and Commission Action:

July 29, 2020 - Austin Housing Finance Corporation (AHFC) Board approved an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$20,000,000 in private activity volume cap multifamily revenue (non-recourse) bonds.

September 3, 2020 - AHFC Board authorized negotiation and execution of a loan to Espero Austin at Rutland, LP, or an affiliated entity, in an amount not to exceed \$2,507,214 for a multi-family rental development to be known as Espero at Rutland.

Additional Backup Information:

If approved, AHFC will be authorized to enter into a loan agreement with Espero Austin at Rutland, LP, or an affiliated entity, for a multifamily rental housing project located in Council District 4.

Source of Funding: 2018 General Obligation Bonds

Prior Award of Funding: If the current funding request is approved, the total funding awarded to this development will be \$8,500,000, the total amount requested by the developer in its application to AHFC.

Development Information: Development funding is to be utilized for development costs of a 171-unit Permanent Supportive Housing (PSH) development of which 27 units will be available for households earning at or below 30% MFI, 117 units will be available for households earning at or below 50% MFI, and 27 units will be available for households earning at or below 60% MFI. 101 units will be dedicated as Continuum of Care (CoC) units. All units will be efficiency apartments.

Development Application: The proposed development's 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>.