



Recommendation for Action

File #: 21-2724, Agenda Item #: 1.

9/2/2021

Posting Language

Approve an inducement resolution related to an application for private activity bond financing that authorizes an allocation of up to \$25,000,000 in private activity volume cap multi-family non-recourse bonds to Creekside Senior Housing Limited Partnership, or an affiliated entity, for a proposed affordable multi-family re-development known as Arbors at Creekside, located at 1026 Clayton Lane, Austin, Texas 78723.

Lead Department

Housing and Planning Department.

Fiscal Note

Up to \$25,000,000 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.

For More Information:

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Mandy DeMayo, Interim Deputy Director, Housing and Planning Department, 512-974-1091.

Council Committee, Boards and Commission Action:

May 24, 2001: Austin Housing Finance Corporation Board of Directors approved a resolution authorizing the creation of the Arbors at Creekside Non-Profit Corporation to participate in the development of the Arbors at Creekside, a 176-unit affordable senior citizen apartment complex located at 1022 Clayton Lane.

May 24, 2001: Austin Housing Finance Corporation (AHFC) Board of Directors approved a resolution authorizing the negotiation of an agreement for AHFC to participate as a co-developer of the Arbors at Creekside.

December 10, 2020: AHFC Board of Directors approved a resolution authorizing the creation of AHFC Arbors Investor Non-Profit Corporation as an affiliate and instrumentality of AHFC to purchase one or more limited partner interests in Arbors Housing Partners, Ltd., the owner of Arbors at Creekside.

April 8, 2021: AHFC Board of Directors authorized negotiation and execution of a loan agreement and related documents with Arbors Housing Partners Ltd., the owner of the affordable multi-family rental development known as the Arbors at Creekside, located at 1026 Clayton Lane, for needed repairs and potential operating shortfalls, in an amount not to exceed \$750,000.

April 8, 2021: AHFC Board of Directors authorized negotiation and execution of a loan agreement and related documents with AHFC Arbors Investor Non-Profit Corporation to purchase the limited partner interests in Arbors Housing Partners Ltd., the owner of the affordable multi-family rental development known as the Arbors at Creekside, located at 1026 Clayton Lane, in an amount not to exceed \$1,250,000.

Additional Backup Information:

If approved, this inducement resolution will permit staff to submit an application to the Texas Bond Review Board requesting authority for the AHFC to issue multi-family housing revenue bonds in an amount up to \$25,000,000 to assist with the re-development of Arbors of Creekside by Creekside Senior Housing Limited Partnership, or an affiliated entity. The property is located in Council District 1

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

Proposed Project

The proposed re-development is for 176 units located at 1026 Clayton Lane, Austin, Texas 78723. Financing for the development is proposed to come in part from 4% Low Income Housing Tax Credits and Private Activity Bonds issued by AHFC.

The proposed development's application to the City, as well as socioeconomic and amenities in the surrounding area, may be found at <https://austintexas.gov/page/current-applications>.

Strategic Outcome(s):

Economic Opportunity and Affordability.