



## Recommendation for Action

**File #: 21-3287, Agenda Item #: 21.**

11/4/2021

### **Posting Language**

Approve a resolution consenting to Austin Affordable PFC, Inc., an affiliate of the Housing Authority of the City of Austin, issuing multi-family private activity bonds in an amount not to exceed \$48,000,000 to partially finance new construction of an affordable rental development located at or near the northeast corner of Estancia Parkway and Avenida Mercado Street, Austin, Texas 78748.

### **Lead Department**

Housing and Planning Department.

### **Fiscal Note**

No funding from the City of Austin or the Austin Housing Finance Corporation is being requested. This item has no fiscal impact.

### **Prior Council Action:**

March 25, 2021 - Council passed Resolution No. 20210325-078, approving an application to be submitted to the Texas Department of Housing and Community Affairs, indicating that Council does not object the proposed development.

### **For More Information:**

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

### **Additional Backup Information:**

If approved, this resolution will allow Austin Affordable PFC, Inc. (the Issuer), a public facility 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 318-unit multi-family rental development to be located at or near the northeast corner of Estancia Parkway and Avenida Mercado Street, Austin, Texas 78748.

The applicant for bond financing is El Prado at Estancia Ltd. The developer will also be applying for, or already has applied for, an award of non-competitive 4% tax credits from the Texas Department of Housing and Community Affairs.

The Issuer has induced the issuance of up to \$48,000,000 in multi-family housing revenue bonds that will partially fund the acquisition and rehabilitation of this rental development. On September 8, 2021 at 5:03 pm at the offices of the Issuer, 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 are included as backup.

TEFRA requires that the local governmental entity where the project is located give its approval for the bonds to be issued. Approving the issuance of these bonds does not create 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 and amenities in the surrounding area, can be found at <https://austintexas.gov/page/current-applications>.

**Strategic Outcome(s):**

Economic Opportunity and Affordability.