



Recommendation for Action

File #: 22-3365, Agenda Item #: 4.

11/3/2022

Posting Language

Authorize negotiation and execution of all documents and instruments necessary or desirable for the Austin Housing Finance Corporation affiliate - AHFC City View Investor Non-Profit Corporation - to acquire the special limited partner interest and the investment limited partner interest in the limited partnership that owns the City View at Park Apartments, located at 2000 Woodward Street, Austin, Texas, 78741, for a purchase price to be negotiated with the special and investor limited partners. (District 3).

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Proceeds from the refinancing of the current senior loan secured by the City View at the Park Apartments and Austin Housing Finance Corporation's share of the deferred developer fee paid in connection with the refinancing will be used to pay for this purchase. This item has no fiscal impact.

Prior Austin City Council Action:

February 4, 2021 - Austin City Council (Council) directed staff to allocate a portion of \$23,000,000 of the anti-displacement funds available in Fiscal Year 2021 to 501(c)(3) community development organizations developing or preserving affordable housing on small sites and a portion to the preservation of existing affordability on larger sites.

For More Information:

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

Council Committee, Boards and Commission Action:

June 16, 2022 - Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of all documents and instruments necessary or desirable for AHFC, or an affiliate, to acquire in fee simple 4.447 acres out of Lot 2, Parker at Woodward Subdivision, a subdivision in Travis County, Texas, of record in Document No. 200100234, of the Official Public Records of Travis County, Texas, located at 2000 Woodward Street, Austin, Texas 78747 for affordable housing purposes, in an amount not to exceed \$2,600,000, plus closing costs. District(s) Affected: District 3.

June 16, 2022 - AHFC approved a resolution authorizing the formation of AHFC City View Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of AHFC to develop low-income housing; approving the forms of its certificate of formation and by-laws, and appointing its Board of Directors and President, for the purpose of acquiring the general partner interest in the limited partnership that is the owner of a leasehold interest in a 70-unit multifamily rental development known as City View at Park Apartments, located at 2000 Woodward Street, Austin, Texas, 78741.

Additional Backup Information:

City View at the Park Apartments is a 70-unit, elderly-only multifamily apartment development located at 2000

Woodward Street, Austin, Texas, 78741. The current general partner is an affiliate of the Strategic Housing Finance Corporation of Travis County (SHFC). AHFC will acquire the land associated with City View at Park Apartments from an SHFC affiliate, and an affiliate of AHFC will acquire the SHFC's affiliate's general partner interest in the owner. The current special limited partner is BCC, Inc. and the current investor limited partner is BF Garden Corporate Tax Credit Fund XXVII, a Limited Partnership. An affiliate of AHFC - AHFC City View Investor Non-Profit Corporation (if formation of the entity is approved by AHFC) - will acquire both the special limited partner and investor limited partner's interest in the development.

City View at Park Apartments was developed with 9% Low Income Housing Tax Credit financing in 2006-2008. The development consists of 52 one-bedroom units, and 18 two-bedroom units. The development is mostly affordable to households earning 30% to 60% area median family income and includes two market rate units. City View at Park Apartments are located in Council District 3.

AHFC City View Non-Profit Corporation will acquire the general partner interest in the owner in order to preserve the affordability of the development and ensure it is maintained and operated in a safe and sanitary condition. If AHFC City View Investor Non-Profit Corporation acquires the special limited partner and the investor limited partner's interest in the owner, AHFC, through its affiliates, will effectively be the sole owner of City View at Park Apartments.

AHFC staff is also evaluating long-term affordable housing development opportunities for the site's excess land. Specifically, AHFC will evaluate a "Phase II" affordable housing development on the site where the excess land (1.675 acres) abuts Mabel Davis District Park. Preliminary analysis by staff suggests that a small permanent supportive housing development that serves the elderly may be appropriate for this site. Authorization for a Phase II development will be brought to AHFC at a later date.

This special limited partner interest and the investor limited partner interest are anticipated to be purchased with proceeds from the refinancing of the senior loan currently secured by the development and AHFC's share of the deferred developer fee.