AUSTIN HOUSING FINANCE CORPORATION

Recommendation for Action

File #: 23-1031, **Agenda Item #:** 2. 1/26/2023

Posting Language:
Approve an inducement resolution related to an application for private activity bond financing that authorizes an allocation of up to $50,000,000 in private activity volume cap multi-family non-recourse bonds to Austin Leased Housing Associates V, LLLP, or an affiliated entity, for a proposed affordable multi-family development to be known as Sage at Franklin Park, located at 4500 Nuckols Crossing Road, Austin, Texas 78744.

Lead Department:
Austin Housing Finance Corporation.

Fiscal Note:
Up to $50,000,000 of private activity bonds may be issued by the Austin Housing Finance Corporation (AHFC) for this development. These bonds are not obligations of the City of Austin (City) or of AHFC, and the full faith and credit of the City or of AHFC is not pledged to repay these bonds.

Prior Council Action:
November 3, 2022 - The Austin City Council conducted a public hearing and approved an ordinance amending City Code Title 25 by rezoning property locally known as 4500 Nuckols Crossing Road (Williamson Creek Watershed).

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

Council Committee, Boards and Commission Action:
December 8, 2022 - The AHFC Board of Directors approved an inducement resolution (Resolution No. 20221208-AHFC012) related to an application for private activity bond financing that authorizes an allocation of up to $50,000,000 in private activity volume cap multi-family non-recourse bonds to Austin Leased Housing Associates V, LP, or an affiliated entity, for a proposed affordable multi-family development to be known as Sage at Franklin Park, located at or near 4500 Nuckols Crossing Road, Austin, Texas 78744.

Additional Backup Information:
If approved, this inducement resolution will permit staff to submit an application to the Texas Bond Review Board that requests authority for the AHFC to issue multi-family housing revenue bonds in an amount up to $50,000,000 to assist with the development of Sage at Franklin Park by Austin Leased Housing Associates V, LLLP or an affiliated entity. The property is located in Council District 2.

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 City or of AHFC is not pledged to repay the bonds.

Proposed Development
The proposed development is for 298 units to be located at 4500 Nuckols Crossing Road, Austin, Texas

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78744. Financing for the development is proposed to come in part from 4% Low Income Housing Tax Credits and private activity bonds issued by AHFC.

AHFC originally approved an inducement resolution for this development on December 8, 2022. The original inducement mistakenly listed the borrower, Austin Leased Housing Associates V, as a Texas limited partnership. In fact, the borrower is a Minnesota limited liability limited partnership. The AHFC Board of Directors is being asked to approve a revised inducement resolution that corrects this information.

The proposed development's application to the City, as well as socioeconomic data and amenities in the surrounding area, may be found at <https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/8fc9652c9e52-Condensed_2022_AHFC_AHPFC_Bond_Application___Sage_at_Franklin_Park%20(1).pdf>.