



Recommendation for Action

File #: 23-1993, **Agenda Item #:** 12.

6/1/2023

Posting Language

Authorize negotiation and execution of a new or amended loan agreement and related documents with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, in the amount of \$4,400,000, for a total loan amount not to exceed \$5,700,000, for the development of ownership housing to be known as The Ivory located at or near 1309 Chicon Street, Austin, Texas 78702.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Funding in the amount of \$4,313,655 is available in the Fiscal Year 2022-2023 Operating Budget of the Austin Housing Finance Corporation. Funding in the amount of \$86,345 is available in the Capital Budget of the Austin Housing Finance Corporation.

For More Information:

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

Council Committee, Boards and Commission Action:

May 19, 2022 - The Austin Housing Finance Corporation (AHFC) Board authorized negotiation and execution of a loan and related documents with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, in an amount not to exceed \$1,000,000 for an ownership development to be known as The Ivory.

August 27, 2020 - The AHFC Board authorized negotiation and execution of a loan and related documents with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, in an amount not to exceed \$300,000 for an ownership development to be known as The Chicon.

Additional Backup Information:

If approved, AHFC will be authorized to enter into a new or amended loan agreement with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, in the amount of \$4,400,000 for an ownership housing project to be located in Council District 1.

Sources of Funding: \$86,345 (2022 General Obligation Bonds) and \$4,313,655 (Tax Increment Reinvestment Zone).

Prior Development History: The Ivory is formerly known as The Chicon Phase II, a continuation of The Chicon. The Chicon is a scattered site development where two of three properties have been fully developed.

Prior AHFC Funding: Prior funding for the second phase in the amount of approximately \$450,000 was used for land acquisition costs, and an additional \$1,300,000 was awarded for pre-development and

construction costs. If this request is approved the \$1,300,000 will be increased to \$5,700,000 and total funding for this phase will be approximately \$6,150,000.

Development Information: Development funding is to be utilized for development costs of 53 ownership units, of which 40 will be affordable to households earning at or below 70 percent of the Area Median Family Income. Units will be a mix of one and two bedrooms. The units will remain affordable for 99 years.

Development Application: The proposed development's application to the City may be found here: <http://www.austintexas.gov/page/current-applications>.