



## Recommendation for Action

**File #:** 23-1996, **Agenda Item #:** 2.

6/1/2023

### **Posting Language**

Approve a resolution authorizing the issuance of Austin Housing Public Facility Corporation multi-family housing revenue bonds in an aggregate principal amount up to \$45,000,000 to ACG RBJ II, LLC, or an affiliated entity, to finance the rehabilitation of a multi-family housing development to be known as The Rebekah, located at 1320 Art Dilly Drive, Austin, Texas 78702; approving related documents in substantially the form attached to the resolution; and authorizing specific named representatives of the Austin Housing Public Facility Corporation to execute the documents relating to issuance of the bonds and closing the transaction.

### **Lead Department**

Austin Housing Public Facility Corporation.

### **Fiscal Note**

This item has no fiscal impact.

### **Prior Council Action:**

March 25, 2021 - Council conducted a public hearing related to an application by AGC RBJ II, LLC, or an affiliated entity, for housing tax credits for a multi-family development to be financed through the private activity bond program and to be known as The Rebekah, located at or near 1320 Art Dilly Drive, Austin, Texas 78702, and approved Resolution No. 20210325-081 related to the proposed development, the application, and the allocation of housing tax credits and private activity bonds.

June 23, 2016 - Council passed Ordinance No. 20160623-101, amending City Code Section 25-2-735 relating to regulation of senior housing and mixed-use development within the waterfront overlay.

December 17, 2015 - Council approved Resolution No. 20151217-057, initiating amendments to the Waterfront Overlay, Land Development Code Section 25-2-735 (Festival Beach Sub-district Regulations), to increase allowable impervious cover, and directed the City Manager to process an ordinance to be presented to City Council for consideration after completion of the required public process.

### **For More Information:**

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

### **Council Committee, Boards and Commission Action:**

May 4, 2023 - The Austin Housing Public Facility Corporation (AHPFC) Board conducted a public hearing regarding issuance by AHPFC of up to \$45,000,000 of multi-family housing revenue bonds to ACG RBJ II, LLC, or an affiliated entity, to finance the rehabilitation of a multi-family housing development to be known as The Rebekah, located at or near 1320 Art Dilly Drive, Austin, Texas 78702.

September 29, 2022 - The AHPFC Board approved Resolution No. 20220929-AHPFC007 related to an

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application for private activity bond financing authorizing an allocation of up to \$45,000,000 in private activity volume cap multi-family non-recourse bonds to ACG RBJ II, LLC, or an affiliated entity, for a proposed affordable multi-family development to be known as The Rebekah, located at 1320 Art Dilly Drive, Austin, Texas 78702.

September 2, 2021 - The Austin Housing Finance Corporation (AHFC) Board approved Resolution No. 20210902-AHFC004 for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$45,000,000 in private activity volume cap multi-family non-recourse bonds, by AGC RBJ II, LLC, or an affiliated entity, for a proposed affordable multi-family development to be known as The Rebekah, located at 1320 Art Dilly Drive, Austin, Texas 78702.

October 15, 2020 - The AHFC Board approved Resolution No. 20201015-AHFC002 for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$37,000,000 in private activity volume cap multi-family non-recourse bonds, by AGC RBJ II, LLC, or an affiliated entity, for a proposed affordable multi-family development to be known as The Rebekah, located at 1320 Art Dilly Drive, Austin, Texas 78702.

December 14, 2017 - The AHFC Board authorized an increase the loan amount to the Austin Geriatric Center, Inc. by \$3,479,000 for a total loan amount not to exceed \$6,479,000 to rehabilitate senior housing at the Rebekah Baines Johnson Center and develop new mixed-income housing on the site.

October 19, 2017 - The AHFC Board conducted a public hearing regarding the issuance of up to \$50,000,000 dollars of multi-family housing revenue bonds to be issued by AHFC for the Rebekah Baines Johnson Center.

September 28, 2017 - The AHFC Board approved Resolution No. 20170928-AHFC004 for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$50,000,000 in private activity volume cap multi-family non-recourse bonds by the Austin Geriatric Center, Inc., or an affiliated entity, for the rehabilitation of the senior housing units in the Rebekah Baines Johnson Center and the development of additional new affordable senior housing at the site.

February 9, 2017 - The AHFC Board authorized negotiation and execution of a loan to the Austin Geriatric Center, Inc. for the RBJ Center tower rehabilitation and development of new multi-family senior housing at the site in an amount not to exceed \$3,000,000.

#### **Additional Backup Information:**

If approved, this action will authorize AHPFC to issue up to \$45,000,000 in multi-family housing non-recourse bonds to provide interim and permanent financing for the rehabilitation of a multi-family housing development to be known as The Rebekah. The property is located in Council District 3.

#### **Proposed Development**

ACG RBJ II, LLC, which is an affiliate of the Austin Geriatric Center, Inc. and DMA Development Company, LLC, is planning to rehabilitate The Rebekah, a 225-unit multi-family project located at 1320 Art Dilly Drive, Austin, Texas, 78702. The community will be affordable to households earning at or below 30 percent, 50 percent, and 60 percent of the Area Median Family Income.

The development is proposed to be partially funded with 4% Low-Income Housing Tax Credits (4% LIHTCs), tax-exempt private activity bonds issued by AHPFC, and Rental Housing Development Assistance funding from AHFC.

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**Current Property Tax Status and Future Impact**

The general partner of the development's partnership will be an affiliate of the Austin Geriatric Center, Inc. The Austin Geriatric Center, Inc. is a Texas non-profit corporation and a qualifying non-profit organization under Section 11.1825 of the Texas Tax Code. Because of the affiliation with the Austin Geriatric Center, Inc. the property will be exempt from property tax.

**The Austin Geriatric Center, Inc. and DMA Development Company, LLC**

The Austin Geriatric Center has been operating the Rebekah Baines Johnson Tower for more than 40 years. It is intimately familiar with the needs of the development as well as its residents as long-term stewards of that property.

DMA Development Company is very experienced in the development and construction of complicated real estate developments, having extensive experience with both new construction and renovation, and with all the financial tools proposed for this project. DMA Development Company most recently closed bond financing and began construction on a 240-unit vertical mixed-use development in the Mueller community. This development, Aldrich 51, is a joint venture with AHFC, utilized 4% LIHTCs and tax-exempt bond financing, and involved structured parking, as does this proposed development.

The proposed development's application to the City, as well as socioeconomic information and amenities in the surrounding area, may be found at

[https://www.austintexas.gov/sites/default/files/files/Housing\\_%26\\_Planning/Public%20PAB%20Application%20-%20The%20Rebekah.pdf](https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/Public%20PAB%20Application%20-%20The%20Rebekah.pdf).