

Austin Housing Finance Corporation (AHFC) Transcript – 6/1/2023

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[11:13:45 AM]

It would be the intention of the chair to recess ice. The meeting of the city council and go to the Austin housing finance corporation Ann board of directors meetings. Is there any objection to recessing the city council meeting hearing none. The Austin city council is in recess. I will now call to order the board of directors of the Austin housing finance corporation Ann and ask staff to please walk us through the agenda. Good morning, Mr. President. Madam vice president , board of directors. My name is

[11:14:45 AM]

Jamie may. I'm the housing and community development officer with the housing department. Today before you, you have a very full agenda. We will walk through this relatively quickly. The first 12 items I can offer on consent. The last item is a public hearing. So we'll stop at the 12th and then move to the left first. It's the approval of the minutes from your may 4th meeting. Second is, is the authorization of a loan for ha at briarcliff, which is a property at 1915 briarcliff boulevard for \$1.5 million using general obligation bonds and housing trust fund dollars. Next you have a loan going to Karen point at Karen point at Cameron for a loan. Of \$6.077 million. That will be for the development of 150 units affordable below 50. Mfi next, you have an \$8.86 million loan for Norman commons, which is a Austin housing finance corporation partnership that will be for the development of 94 affordable units. Then you

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have a loan for \$6 million for the Rebecca, which is the agc building that is for the development of 180 affordable units. Then a \$6.4 million loan to the Rhett using general obligation bonds and housing trust fund dollars for 71 affordable units. And then the works three, which is a property developed by lifeworks. We do have a representative of lifeworks in the building this afternoon that is for \$8 million Paige using the HPD tirz and home dollars. Then we have a loan for \$4 million to red oaks , which is in district six. It's a 200 using 2018 general obligation bonds for the development of 64 affordable units. Those are all new developments. The next four items are developments that have received financing from Austin housing finance corporation in the past, and they are asking for an additional award. These

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are for juniper creek, asking for an additional \$3.3 million for a total amount of \$6.6 million. This is developed by foundation communities and we do have representatives from foundation communities in the building this afternoon. If you have any questions, we have for Eid Guadalupe neighborhood development corporation to purchase seven acres to add on to their Guadalupe Saldana net zero neighborhood, a total loan . Of \$2.991 million. Then we have the habitat for humanity development montopolis townhomes , which is requesting an additional \$360,000 for a total loan of \$931,000. This will be to develop 12 townhomes. Then finally, finally, we have an additional award of \$4.4 million going to chestnut neighborhood revitalization corporation for the development of the second phase of the Chacon that is a total loan amount of \$5.7 million financed through the HPD

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tirz with all of those 11 developments, I do offer all 12 items on consent members. Councilmember can I get a motion? Members we will take up items one through 12 as a consent agenda to councilmember Ryan alter moves to adopt the consent agenda. It's seconded by board member pool. I'm getting I , I want to ask are there any speakers on this item or are they on the public hearing? Yes, mayor, we have one speaker registered to speak on item three and item six Zenobia Joseph, please come forward. Thank you, mayor. Council. I'm Zenobia Joseph speaking on item three, which is Karen point Cameron road in the high speed roadway, it concentrates poverty and I do believe it violates the

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fair housing act of 1968. As it relates specifically to item six, that's the red over on. It's about two miles from Samsung. Just for a point of reference, 1000 east Yeager lane. I just want you to recognize that while you've just celebrated project connect, I want you to remember that on July 27th, 2020, capital metro and council unilaterally eliminated three minority northeast metro rapids, specifically Samsung to apple. There is no transportation to that area, mayor. And I want you to recognize it's about 1.3, 1.4

miles to route 392. Route 392 is the route that actually started my advocacy. I collected 574 petition signatures in ten days. A lady in the neighborhood named Juana collected about 100 signatures from the Spanish speakers. And so I want you to recognize that while you're pushing African Americans, in particular in our low income riders to the outskirts of

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Austin, there are over 2000 units, two miles from Samsung and there is no transportation the \$9.7 million metro rapid was eliminated July 27th, 2020. A \$4.7 million metro rapid from Samsung to apple was eliminated and decker to downtown, which would have served the black people in east Austin. And so I want you to recognize that my opposition is not to the people who live there, it is to the city. Because you say one thing, do another document what it said to fool the feds and so my comments are specifically related to title six of the civil rights act of 1964, which prohibits discrimination based on race, color or national origin. So I would ask you to recognize that the \$6 million that's allocated for these two projects, 6,000,006.4 million, is not a good use of our taxpayer dollars. And I would ask you to do better by African Americans in particular. If you have any questions, I'll gladly answer them at this time. Thank you very much for being here.

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You're welcome. Mayor. That concludes all the speakers. Okay . Members, the intention will be to take up the consent agenda by unanimous consent. Is there anyone wishing to pull any additional item off the consent agenda? I would just like to ask a question about the whole agenda, the whole consent agenda. That's okay. Okay. Let me give me one. Well, go ahead and do that and then we'll take up extensions and recusals. This pertains to multiple of these items. You mentioned that some of them are coming back for additional funding. And I get it. I'm not against that. I want to just lead with that. I just want to understand, generally speaking, is it due to market conditions that we're seeing as the reason why? Or is there some other. Generally speaking, yes, sir. The market conditions have changed. Cost of cost of materials, cost of labor, cost of borrowing has extremely elevated over the last year or so. Just looking at these three

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these four development as they are all underway, the with the exception of Maddox seven acres west, that is a larger property. So this was something that they had intended to come out and buy that property for. We do expect them to come back for construction financing at the end once they get the horizontal construction finished. I will note that this all all 11 items constitutes about \$65 million in in awards, generating over 850 affordable units. And that's fantastic. I'm really excited to see our bond

dollars already going into work and delivering what the voters asked for. I just won additional question, and that is as you weigh projects like these additional projects coming forward, Eid do you have any differ Singh metrics or do you think differently about let's say, a for profit developer versus a non profit? You know, they're both going to get the developer fee. Where it goes is a little different. But do we weigh those

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differently or do we just look at kind of the end product and the balance sheet, the term sheet, I should say? So every development is different and every developer is different. We have multiple for profit developers that we work with regularly as well as our non profit developers generally where we have any differences is comes at the end where we start talking about terms a small non profit like chito or DC may be difficult to pay a 2.5% interest on a loan. So we'll we'll negotiate on that level as opposed to whether or not an award is viable when we are making an award or recommending an award, we look at the location, we look at the pro Forma, we look at the developer, we take a full view of the application as a whole and really try to pull it apart and tease it out. So we know that we're investing or making recommendations for investing our funds in the most appropriate and effective way possible. Thank you very much. Any other questions of staff? Is

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there anyone wishing to be shown recusing themselves on any of the consent agenda items? Is there anyone wishing to abstain from voting on any of the consent agenda items? Is there anyone wishing to vote no on any of the consent items? Council member Kelly yes. Thank you very much for the recognition, mayor . I would like to be shown as voting no on items two through eight on the consent agenda, you'll be shown voting no on items two through eight on the consent agenda. Is there anyone else wishing to be shown voting no on any items on the consent agenda? You've heard the consent agenda is there any objection to the adoption of the consent agenda as read hearing none. The consent agenda is adopted without objection. Council member Kelly being shown voting no on items two through eight and one absence that will take us to item number 13. Yes sir. This is a public hearing for the issuance of private activity bonds for up to \$50 million for Seabrook housing, which is the

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Seabrook square property located on main, across from the Mueller development is there any objection to opening the public hearing on item number 13? Hearing none. The public hearing is opened. Is there anyone signed up to speak on item number 13 as part of the public hearing? Singh there is not mayor there being no one to speak on. Item number 13 as part of the public hearing, is there any objection to

closing the public hearing? Hearing none. The public hearing is closed. This this doesn't indicate an action. Are you expecting an action today? No sir. Okay. I wanted to make sure Shaw. Then we'll. I think we're done, right? Yes, sir. Very good. It's good to be Wright every now and then. So with that being said, is there any objection to adjourning the board of directors meeting of the Austin housing finance corporation? Hearing none. The Austin housing finance corporation is adjourned .