



## Recommendation for Action

**File #:** 23-2315, **Agenda Item #:** 3.

7/20/2023

### **Posting Language**

Approve a resolution authorizing the issuance of Austin Housing Finance Corporation Multifamily Mortgage Revenue Notes, in an aggregate principal amount up to \$50,000,000 to Seabrook Housing LP, or an affiliated entity, to provide financing for the development of Seabrook Square, located at or near 3515 and 3511 Manor Road, Austin, Texas 78723; approving related documents in substantially the form attached to the resolution; authorizing a ground lease; and authorizing specific named representatives of the Austin Housing Finance Corporation to execute the documents relating to issuance of the bonds and closing the transaction.

### **Lead Department**

Austin Housing Finance Corporation.

### **Fiscal Note**

This item has no fiscal impact.

### **Prior Council Action:**

June 1, 2023 - Council conducted a public hearing and approved a resolution related to an application by Seabrook Housing LP, or an affiliated entity, for housing tax credits for a multi-family development to be financed through the private activity bond program to be known as Seabrook Square, located at or near 3511 and 3515 Manor Road, Austin, Texas 78723.

December 8, 2022 - Council authorized negotiation and execution of a Housing Assistance Payment Contract and related documents with Integral Care for 60 Local Housing Vouchers that will pay fair market rent for a permanent supportive housing project known as Seabrook Square II, located at 3515 Manor Road, Austin, Texas 78723.

September 1, 2022 - Council authorized negotiation and execution of an agreement with Austin Travis County Mental Health & Mental Retardation Center d/b/a Integral Care to provide permanent supportive housing services to individuals experiencing chronic homelessness at 3515 Manor Road, Austin, Texas 78723, in an amount not to exceed \$2,000,000.

### **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:**

June 8, 2023 - The Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of a loan agreement and related documents with Seabrook Square Housing I, LP, or an affiliated entity, in an amount not to exceed \$13,516,414 for a multi-family rental development to be known as Seabrook Square located at or near 3511-3515 Manor Road, Austin, Texas 78723.

June 1, 2023 - AHFC conducted a public hearing related to the issuance by the Austin Housing Finance Corporation of up to \$50,000,000 of multi-family housing revenue bonds to Seabrook Housing LP, or an

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affiliated entity, for to finance the construction of a multi-family housing development to be known as Seabrook Square, located at or near 3515 and 3511 Manor Road, Austin, Texas 78723.

July 28, 2022 - AHFC authorized negotiation and execution of all necessary agreements and instruments with the NHP Foundation and Capital A Housing, or other qualified respondent, to develop affordable housing on approximately three acres located at or near 3515 Manor Road, Austin, Texas 78723.

December 2, 2021 - AHFC approved Resolution No. 20211202-AHFC002 related to an application for private activity bond financing that authorizes an allocation of up to \$50,000,000 in private activity volume cap multifamily non-recourse bonds for a proposed affordable multifamily development located at or near 3515 Manor Road, Austin, TX 78723.

November 18, 2021 - AHFC approved Resolution No. 20211118-AHFC001 authorizing the formation of AHFC Manor Non-Profit Corporation, an instrumentality of AHFC, to act as general partner of the limited partnership that will own and operate the to-be-constructed low-income multifamily development located at or near 3515 Manor Road, Austin, TX 78723.

August 26, 2021 - AHFC authorized negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 2.594 acres for affordable housing purposes, located at or near 3511 Manor Road, in an amount not to exceed \$800,000, including closing costs.

April 22, 2021 - AHFC authorized negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 0.4495 acres for affordable housing purposes, located at or near 3515 Manor Road, in an amount not to exceed \$1,100,000, including closing costs.

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

If approved, this action will authorize AHFC to issue up to \$50,000,000 in a multifamily mortgage revenue notes to provide interim and permanent financing for the development of Seabrook Square located at or near 3511 and 3515 Manor Road, Austin, Texas 78723. The property is located in Council District 1.

#### **Proposed Development**

The proposed development is for 204 units to be located at or near 3511 and 3515 Manor Road, Austin, Texas 78723. Financing for the development is proposed to come from 4% Low Income Housing Tax Credits, Private Activity Bonds issued by AHFC, and Rental Housing Development Assistance funding from AHFC.

#### **Current Property Tax Status and Future Impact**

The general partner of the development's partnership will be an affiliate of AHFC. Because of the affiliation with AHFC, the property will be exempt from property tax.

#### **NHP Foundation, Capital A Housing, and the Austin Housing Finance Corporation**

The NHP Foundation's mission is to preserve and produce affordable, sustainable, service-enriched housing. The NHP Foundation is a leading provider of affordable housing in 16 states and the District of Columbia, with 57 properties housing over 25,000 residents.

Capital A Housing is an Austin development company that specializes in residential projects with a heavy income-restricted affordable housing component. Capital A Housing maintains close relationship with partners to allow Capital A to handle affordable and market-rate development throughout the project development cycle. Capital A is active in affordable housing in Austin, from construction to sales to policy.

AHFC has approved the creation of AHFC Manor Non-Profit Corporation, a non-profit affiliate of AHFC, that will serve as the general partner of the partnership that will own the development.

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For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Application here: [AHFC Bond Application - AHFC Manor Apts.pdf \(austintexas.gov\)](https://www.austintexas.gov/sites/default/files/files/Housing_26_Planning/R-OHDA/AHFC%20Bond%20Application%20-%20AHFC%20Manor%20Apts.pdf) <[https://www.austintexas.gov/sites/default/files/files/Housing\\_26\\_Planning/R-OHDA/AHFC%20Bond%20Application%20-%20AHFC%20Manor%20Apts.pdf](https://www.austintexas.gov/sites/default/files/files/Housing_26_Planning/R-OHDA/AHFC%20Bond%20Application%20-%20AHFC%20Manor%20Apts.pdf)>.