

Austin Housing Finance Corporation (AHFC) Transcript – 9/21/2023

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[11:10:58 AM]

Without objection, we will recess the Austin city council meeting at 11:11 A.M. And I will call to order the Austin housing and finance corporation board of directors meeting and I'll recognize staff. >> Good morning, Mr. President. Madam vice president, board of directors. My name is Jamie May. I'm the housing and community development officer with the housing department. Before you have four items on your agenda, three of these items are inducement resolution for applications for the private activity bond lottery held by the bond review board in the state of Texas. These applications will be submitted. The lottery will be at the in late October, early November,

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late October, early November, and that will decide when? The one second. My apologies if you're talking if you're talking and you're not standing at the podium, you shouldn't be talking. >> Please take it outside. Thank you, sir. The bond activity, the bond review board lottery will determine when these development are funded and then ultimately constructed. >> And this does not commit the city to any funding. It just allows for the application of these bonds. The first is a \$26 million private activity bond application for the Mary Lea Square phase one, located at Lamar Square Drive. This will generate approximately 175 affordable housing units. The second inducement resolution is for \$25 million private activity bond for Pleasant Valley LP. This is 5900 South Pleasant Valley Road and will generate approximately 96 affordable units. The third inducement resolution is for a \$50 million or more 1.7% of the state ceiling. And that is how the

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ceiling. And that is how the application Ann is suggested to be written for the 4500 knuckles crossing road to generate approximately 296 affordable units. Your fourth item before you is your is an extension and additional funding for the echo contract, which is a rapid rehousing and permanent supportive housing consulting contract out to get us through the end of the fiscal year. This is an additional \$100,000 for this contract. I offer all four of these items on consent members. >> Are there any questions of staff council member Ryan alter ? >> Thank you very much. Thank you. Mr. May we've had conversations in the past that you all kind of have a metric or benchmark that you use when you look at the subsidy per unit. What is if you could remind me what that number is, \$50,000 is standing out in my mind, but that might not be right. What for our for rental housing development assistance programs. >> We do kind of set a benchmark of around \$50,000. Now that benchmark was set before when we were in a completely different

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were in a completely different economy. So we understand that that number is not necessarily operative. However, it is still our target. >> And is that for at a certain affordability level, is that 80, 6050 for the rental housing development assistance program? >> We only fund a finance program units that are affordable below 50. Mfi got it. >> The reason why I ask and I'm not here to object or stop one of these, but item number two, the pleasant valley apartments, the expected request from hfc is \$10.6 million for 93 units, which is \$114,000 of subsidy per unit. Yes, sir. And that just stuck out at me as as quite a bit high. And maybe there's some special circumstances here. But I just want to understand why such a deep subsidy here. >> So that is a decision in a conversation that we continue to have with the applicant concerning the subsidy level and the application for rental

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the application for rental housing development assistance. That application, if it is under consideration right now, will be reviewed as part of the November hfc board meeting. However, through those conversations we work with the applicant to discover ultimately alternate forms of financing and to basic do value engineering to ensure that our subsidy per unit is at a target that we can feel comfortable with. >> Okay, very good. Thank you very much, mayor. Thank you, councilmember. >> Any other questions of staff members? It's the intention of the chair to take up items hfc. One through four four as a consent agenda is recommended by staff. Is there anyone that wishes to pull one of these items from the consent agenda? Yes. Councilmember Ryan alter I think we have a speaker on item number one. >> If not, I'd like to pull it so that he can speak. Well, there we're going to have speaking on the consent agenda.

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speaking on the consent agenda. >> I just want I'm sorry, I was the faces were being made and I'm I apologize. So you ought to be me. Faces are made at me all the time. >> Yeah, I don't I don't even react, you know, I just want to know if there's anyone that has something they want to pull right now. >> All right, now, we will open . We will open it up for comment on items on the consent agenda as read items one through four. And I'll recognize the city clerk. >> We have one remote speaker on item hfc four Zenobia Joseph. So whoever was making faces at you, just making faces at you. I know someone to be here to speak on item number one and potentially you didn't sign Joseph Walter but that's who I was hoping we could hear from. >> Yeah, he always makes faces at me. Is Ms. Joseph available? >> I'll try again. Okay. >> Did you sign up? Yes. Okay in

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>> Did you sign up? Yes. Okay in person, we have Walter Mario for hfc, number one. Understood yes . Yes. Thank you, mayor. >> I'm Walter Miro, the executive director of foundation communities. I know we're on consent, but I did want to take a few minutes and just talk about the partnership with the Mary Lee foundation, because it's such a remarkable project. And the last time I was here was in December when the statesman pud zoning came up. Mary Lee is a 65 year old nonprofit that has focused on serving very special needs folks, and they have seven acres of land, 14 buildings just a mile from here on south Lamar. It's all the land behind the Saxon pub and Maddie's. So we have a vision. We've we've come very far in the civil engineering and the design to basically triple the number of residents that can live in this location include musician burns families with kids that can walk to zilker elementary. We really want to save the housing that's

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want to save the housing that's there now that can be saved for the current residents. We had two really wonderful resident meetings recently to talk about the vision and people are really excited to Ann of the 14 buildings are in very poor condition and crumbling and so we've got to get them rebuilt. What you have and we need the city's help on a project of this scale. What you have in front of you today is a pretty basic request to go into the bond lottery. That's just like step one in getting housing credits. But we're also going to come back later. Lamar square is a big broad street that makes a circle and our plan is to vacate that street with the city so that it can be used as a for more density. The property right now is 100% exempt from taxes. The minute we make a change, it goes back on the tax rolls. So we've been talking with staff

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we've been talking with staff about some kind of a structure that keeps the property tax exemption so we can keep the deep affordability at 30% levels for people with disabilities. And our vision is really to create an integrated community where folks with disabilities can live close to downtown. But in a community of folks. With we got the point on the last thing I wanted to say is we're going to need help. >> I'm going to make faces at you. >> Your time is up. >> All right. >> We appreciate you. We appreciate all you do. And I've been in love with the Mary Lee foundation for a long time. I'm I think it's a wonderful partnership. I think everybody's in agreement on that. So thank you very much, Mr. Moreau. >> Thank you. Thank you. >> We have Zenobia Joseph on hfc for good. Thank you, mayor. >> Council directors Zenobia Joseph. My comments are specifically related to the

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specifically related to the ending community homelessness coalition \$100,000, which I understand is de minimis. I would ask the mayor pro tem Ellis to stretch our limited dollars to help black people as you are aware, the July first, 2022 ending community homelessness report specified that black African-American Asians are over six times more likely than whites to experience homelessness in Austin. So I would just ask you to have a work session. Homeless strategy update that would include measurable outcomes, including salaries that you've allocated to echo, I would also ask you to include Lynn Meredith in downtown Austin alliance to see where the private dollars are as it relates specifically to audit findings of McKinsey, Kelly and Leslie pool are two council members asked for an audit would specify that the city alone budgeted \$179 million in three years, and the audit report found the city departments

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found the city departments lacked detail inventories of agreements and contracts showing how money is being spent. I would just ask you to be more transparent and to recognize that the audit also found that departments do not use data to improve processes. So here you have data that tells you about African Americans. But in the historic \$5.5 billion budget, you've not addressed the needs of African Americans who are languishing black men are at bus stops and you have put us in warehouses at the marshaling yard. Please do better. Mayor. This is a matter worthy of complaints. Office zero 6@hud.gov. If you have any questions, I'll gladly answer them at this time. But I don't see the outcome from echo. Thank you. Thank you. >> That concludes speakers. >> Thank you members. That concludes our speakers on the Austin housing finance corporation board of directors consent agenda. Is there a motion to adopt the first of all, is there anybody wants to pull something? Councilmember

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pull something? Councilmember harper-madison moves adoption of the consent agenda as it's been read. It is seconded by the mayor pro tem or vice chair. I tend to Luz what board meeting we're having here is there? The chair intends to take this up as a matter of lack of objection. Is there anyone wishing to abstain from a vote on the consent agenda? Anyone wishing to recuse themselves? Anyone Ann wishing to be shown voting no on the consent board member Kelly so many titles I know. >> Please reflect no vote for items two, three and four from member Kelly. Got it. >> Anybody else? All right. Without objection, then we will adopt the consent agenda of the board of directors of the Austin housing finance corporation with with board member Kelly being shown voting no on items two, three and four. >> I didn't hear who seconded. >> Seconded by pro tem. There

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>> Seconded by pro tem. There being no further business to come before the Austin housing finance corporation. Without objection, the board of directors meeting is adjourned at 11:23 A.M.