



Recommendation for Action

File #: 23-3376, **Agenda Item #:** 2.

11/30/2023

Posting Language

Authorize negotiation and execution of all agreements and instruments necessary or desirable with Industry ATX, or other qualified applicant, to develop affordable housing on approximately 2.7 acres of land located at or near 5901 Drowsy Willow Trail, Austin, Texas 78744.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

This item has no fiscal impact.

For More Information:

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

Council Committee, Boards and Commission Action:

August 26, 2021: Austin Housing Finance Corporation (AHFC) authorized the negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 5.30 acres of land, for affordable housing purposes, located at or near 5900 South Pleasant Valley Road and 5901 Drowsy Willow Trail, in an amount not to exceed \$2,050,000, including closing costs. District(s) Affected: District 2.

Additional Backup Information:

In 2021, the Austin Housing Finance Corporation (AHFC) purchased approximately 5.23 acres of land located at 5900 S. Pleasant Valley Road and 5901 Drowsy Willow Trail for the purposes of affordable housing through a private transaction funded with 2018 General Obligation Bonds. District(s) Affected: 2

Following public engagement in late 2021 and early 2023, AHFC released a Request for Qualifications (RFQ) solicitation on March 29, 2023, to identify a preferred developer to partner with AHFC to develop, own, and operate a proposed approximately 90 to 100-unit multifamily apartment on the western lot, a 2.5-acre tract of land owned by AHFC located at 5900 South Pleasant Valley Road in South Austin. AHFC awarded that development opportunity to Structure Development + JCM Ventures on July 20, 2023.

On August 25, 2023, AHFC released a separate solicitation to identify a preferred developer to partner with AHFC to develop approximately 30 to 50 units of attached and detached housing on the eastern lot, a 2.7-acre tract of land owned by AHFC located at 5901 Drowsy Willow Trail in South Austin. Once completed, these homes will be sold by AHFC to households earning at or less than 60 percent median family income (MFI) to not more than 120 percent MFI, in accordance with state law, as part of AHFC's Community Land Trust.

A panel convened by AHFC evaluated and scored the four applications received in response to the Drowsy Willow RFQ. Following initial scoring by the RFQ Evaluation Panel, AHFC published all applications for public consideration and comment. The RFQ Evaluation Panel scores and Public Evaluation results were provided to the AHFC Executive Team to help inform their recommendation to the AHFC Board of Directors. The AHFC

Executive Team recommends that the AHFC Board of Directors consider awarding the development opportunity to Industry ATX or other qualified applicant.

Following the award of the Drowsy Willow affordable ownership housing development opportunity, AHFC will enter an exclusive negotiation period with the selected applicant with the intent of finalizing and executing agreements in the spring of 2024 to develop the property.

The Drowsy Willow RFQ materials, including applications and citizen input, can be found here:

<https://www.austintexas.gov/page/request-proposals>.