

City of Austin



Recommendation for Action

File #: 24-3983, **Agenda Item #:** 2.

2/29/2024

Posting Language

Authorize negotiation and execution of a new or amended loan agreement and related documents with Foundation Communities, Inc., or an affiliated entity, in an amount of \$1,553,529, for a total loan amount not to exceed \$20,134,448, for the development of rental housing known as Balcones Terrace located at 10024 North Capital of Texas Highway, Austin, Texas 78759.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Funding in the amount of \$1,553,529 is available in the Fiscal Year 2023-2024 Austin Housing Finance Corporation Department's Operating Budget.

For More Information:

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091; Angela Means, Interim Deputy Director, Housing Department, 512-974-1534.

Council Committee, Boards and Commission Action:

September 1, 2022 - Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of a loan with Foundation Communities, Inc., or an affiliated entity, in an amount not to exceed \$2,449,419 for a rental development known as Balcones Terrace

August 26, 2021 - AHFC authorized negotiation and execution of a loan with Foundation Communities, Inc., or an affiliated entity, in an amount not to exceed \$16,131,500 for the acquisition of a hotel to convert to 120 units of permanent supportive housing for individuals exiting homelessness to be known as Balcones Terrace.

Additional Backup Information:

If approved, AHFC is authorized to enter into a new or amended loan agreement and related documents with Foundation Communities, Inc., or an affiliated entity, for a rental housing development located in Council District 7.

Current Funding Request: \$1,553,529 Community Development Block Grants (CDBG)

Prior Funding: \$10,347,720 2018 General Obligation Bonds & \$8,233,199 CDBG

Project Information: Project funding is utilized for rehabilitation of a hotel that will be converted into a 123- unit, permanent supportive housing development for individuals exiting homelessness. The property is owned by AHFC and operated by Foundation Communities, Inc. 31 units will be available for rent at or below 30 percent median family income (MFI), 31 units will be available for rent at or below 40 percent MFI, and 61 units will be available for rent at or below 50 percent MFI. The affordability period is 40 years.

Development Application: The proposed development's application to the City may be found here:

<http://www.austintexas.gov/page/current-applications>.