



RBA
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO 2
AGENDA DATE 5/24/07
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SUBJECT Approve an inducement resolution to finance the acquisition and rehabilitation of a multi-family housing project known as Runnymede Apartments located at 1101 Rutland Road, Austin TX, to be owned and operated by a single purpose Texas limited partnership affiliated with San Antonio Alternative Housing Corporation, a Texas workforce housing non profit developer, in an amount not to exceed \$12,000 000 and to authorize the Corporation to submit an application to the Texas Bond Review Board for an allocation of private activity volume cap multi family non recourse bonds for the project

AMOUNT & SOURCE OF FUNDING Paid from requestor and bond funds

FISCAL NOTE There is no unanticipated fiscal impact

REQUESTING
DEPARTMENT Austin Housing Finance Corporation

DIRECTOR'S
AUTHORIZATION _____

FOR MORE INFORMATION CONTACT Paul Hilgers, Executive Director, Austin Housing Finance Corporation, 974-3108

PRIOR BOARD ACTION

PRIOR COUNCIL ACTION

The Austin Housing Finance Corporation (AHFC) Board will consider passage of an inducement resolution for the issuance of up to \$12,000 000 of private activity volume cap multi-family non recourse bonds to finance the acquisition and rehabilitation of the Runnymede Apartments at 1101 Rutland Road Austin, to be owned and operated by a single purpose limited partnership affiliated with San Antonio Alternative Housing Corporation a Texas workforce housing non profit developer

Approval will permit the AHFC and bond financing team to file an application with the Texas Bond Review Board to place the project on the waiting list for projects requesting private activity volume cap authority to issue the bonds Upon receipt of an allocation, the AHFC board will hold a public hearing to meet the Tax Equity Financial Responsibility Act (TEFRA) and to receive public input The project will be submitted to Texas Department of Housing and Community Affairs for an allocation of 4% Low Income Housing Tax Credit authority The financing team will then structure the bond issue for presentation for approval of the sale of the bonds by the AHFC Board

The Runnymede Apartments consists of 252 units of which 108 are one bedroom one bath units, and 84 are two bedroom-two bath units and 60 are three bedroom two bath units. The rents currently range from \$599 to \$808 with 20% of the units reserved for families making less than 50 percent of Median Family Income (MFI), 70% reserved for families with incomes below 80% of MFI, and 10 % of the units rents are unrestricted.

Total project costs are estimated at \$16,493,324. The financing will consist of private activity volume cap multifamily bonds and 4% Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs. The bonds are multi-family non-recourse bonds repayable only from rents generated by the apartment complex and for which the full faith and credit of the City or the Austin Housing Finance Corporation is not pledged.

The primary public purpose of this financing will be to preserve the supply of reasonably priced rental housing meeting the needs of families with incomes below 80 percent of Median Family Income (\$56,900) for a family of four.