URB Meeting 11/15/10

Citizen Communication

I would like to comment on agenda item 3 to discuss and possible action to the proposed development of the Marshall Arms Apartments in the 1400 block of E. 12th Street.

The City of Austin has a social responsibility to all of its citizens, in particular those who are less fortunate living in the central east Austin area. The hodge-podge of ethnic, social and economic diversity has been part of the fabric and character of this community for over 100 years. Marshall apartments have been around for over 40 years and deserve an exterior facelift and renovation to improve the quality of life for its tenants.

In addition, its makes good business sense because it meets one of the city and community primary goal for revitalizing the E.12th street corridor. It helps encourage other private investments to the area and reduces the financial burden on the city's general fund. In FY 2008-09 the city through its Dept. of Neighborhood Housing and Community Development spent approximately $3 million from the general fund for housing development (i.e. *homeless/emergency shelter, assisted housing, housing rehabilitation services, commercial and neighborhood revitalization services)*. Therefore instead of the local taxpayers footing those expenses through general fund sources (property and sales taxes, license fees, service charges, transfers, etc.) those expenses can be passed through to General Obligation bonds, for affordable housing approved by the citizens of Austin in 2006, which are sold to investors on the open market.

Furthermore, the proposal to acquire Marshall Apartments submitted by the Summit Housing Partners and Caritas partnership for approximately $10 million of which eighty percent is being finance with ***low income housing tax credits*** **(LIHTC)** through the Texas Dept. of Housing and Community Affairs and $2.5 million in rental housing assistance from the City of Austin. As a condition, 20-25% of Marshall Apartment 100 units will be set-aside as Permanent Supportive Housing units in accordance with the City of Austin's Permanent Supportive Housing Strategy designed to battle homelessness in Austin.

Please note that the Marshall Apartment units are divided with 60 units off of Salinas and Rosewood and the other 40 units off of E. 12th. I fully support the proposal and welcome any questions.

Sincerely,

Eric M. Shropshire

1218-1224 E. 12th Street and 1200-1206 Cotton Street, Austin, Texas 78702