

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	51402	Agenda Number	7.
Meeting Date:	10/15/2015	Department:	Neighborhood and Community Development	
Subject				
<p>Approve an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$25,000,000 in private activity volume cap multi-family non-recourse bonds for the development of the Austin Colorado Creek Apartments, by AUSTIN COLORADO CREEK APARTMENTS, LP, or an affiliated entity, for a proposed affordable multi-family development to be located within the northwest quadrant of the intersection of U.S. Highway 71 and State Highway 130. (Council District 2)</p>				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	October 8, 2015 – Conducted a public hearing and approved a resolution of no objection for the tax credit application to be submitted to the Texas Department of Housing and Community Affairs for the Austin Colorado Creek Apartments.			
For More Information:	Betsy Spencer, Treasurer, Austin Housing Finance Corporation, 512-974-3182; David Potter, Neighborhood Development Program Manager, Neighborhood Housing and Community Development, 512-974-3192.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>Approval of this inducement resolution will permit staff to submit an application to the Texas Bond Review Board (BRB) requesting consideration to authorize the Austin Housing Finance Corporation (AHFC) to issue multi-family housing revenue bonds in an amount up to \$25 million to assist with the development of the Austin Colorado Creek Apartments by Austin Colorado Creek Apartments, LP, or an affiliated entity.</p> <p>Regulations governing the issuance of revenue bonds for the purpose of financing affordable housing specify that the bonds are non-recourse, and the full faith and credit of the AHFC or the City of Austin is not pledged to repay the bonds.</p> <p><u>Proposed Project</u></p> <p>The developer is planning a 240-unit new construction development on 13.5 acres near the intersection of U.S. Highway 71 and State Highway 130. The development would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$46,080 for a 4-person household. The development, to be known as Austin Colorado Creek Apartments is proposed to be partially funded with 4% Low Income Housing Tax</p>				

Credits, and private activity bonds proposed to be issued by the Austin Housing Finance Corporation.

Proposed Sources and Uses

<u>Sources</u>		<u>Uses</u>	
Private Activity Bonds		Acquisition	\$ 1,815,000
& Private Lender Loan	\$20,600,000	Construction & Related	24,979,761
Tax Credit Equity	10,395,398	Soft and Carrying Costs	4,076,350
Other Financing	<u>4,450,000</u>	Reserves and Developer Fee	<u>4,574,287</u>
Total	\$35,445,398	Total	\$35,445,398

Project Attributes

- Austin Colorado Creek Apartments will have 1, 2, 3, and 4-bedroom units. All 2, 3, and 4-bedroom units will have two baths.
- Unit sizes will range from 730 square feet to 1,336 square feet.
- Rents are expected to range from \$657 to \$1,216, depending on unit size.
- Amenities will include a club house with fitness center, a business center with computers and internet access, and community room. Two swimming pools, sport courts, and barbecue/picnic areas are also planned.
- The developer anticipates providing a mix of the following services, depending on resident needs and interests: student achievement reading programs, adult education, homebuyer education, counseling services, credit education classes, health and nutritional courses, and other appropriate programs.
- The location is near to SH-130 and minutes away from Austin-Bergstrom International Airport.

Population Served

Twenty percent of units will be reserved for households with incomes at or below 50% MFI, (currently \$38,400 for a 4-person household). The remaining units will be reserved for households at or below 60% MFI (\$46,080 for a 4-person household). The developer plans to make a "significant percentage" of affordable units to veterans and their families participating in the Wounded Warrior Project and in need of an accessible unit.

The Developer

Goveia Commercial Real Estate develops, acquires and manages commercial real estate. Based in Dana Point, California, Goveia and its partners have successfully developed and acquired over 3.5 million square feet of retail, office, medical and residential space. Presently, Goveia owns and manages over one million square feet and operates in California and Texas. Goveia has a primary focus on developments within master planned communities and currently professionally manages all of its assets in-house.