

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	53985	Agenda Number	6.
Meeting Date:	1/28/2016		Department:	Neighborhood and Community Development
Subject				
<p>Conduct a public hearing to receive input on the issuance of up to \$8 million of private activity volume cap multi-family housing non-recourse bonds to finance the acquisition and rehabilitation of the Timbers Apartments, located at 1034 Clayton Lane, to be owned and operated by Timbers Clayton 104 Apartments, L.P., an affiliate of the Cesar Chavez Foundation, Los Angeles, California. (District 4)</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:	December 11, 2014 – City Council conducted a public hearing to receive input on the project and approved a resolution of “no objection” required by the Texas Department of Housing and Community Affairs for to apply for low income housing tax credit financing.			
For More Information:	Betsy Spencer, AHFC Treasurer, 512-974-3182; David Potter, Neighborhood Development Program Manager; 512-974-3192			
Boards and Commission Action:	<p>October 14, 2014 – The Community Development Commission passed a resolution in support of the proposed project.</p> <p>November 20, 2014 – AHFC Board authorized negotiation and execution of an agreement relating to the proposed project; AHFC Board authorized formation of the AHFC 1034 Clayton Lane Non-Profit Corporation.</p> <p>December 11, 2014 – AHFC Board approved an inducement resolution for the issuance of up to \$8 million in Private Activity Bonds; AHFC Board conducted the public hearing required by the Tax Equity and Fiscal Responsibility Act (TEFRA).</p>			
MBE / WBE:				
Related Items:				
Additional Backup Information				

This public hearing meets Tax Equity Financial Responsibility Act (TEFRA) requirements and allows the Austin Housing Finance Corporation (AHFC) to receive public input for the issuance of up to \$8,000,000 million in private activity volume cap multi-family housing non-recourse bonds through its Multi-Family Bond program. Proceeds from the proposed sale of bonds will be used to provide interim and permanent financing for the acquisition and rehabilitation of the Timbers Apartments at 1034 Clayton Lane. This property is located in District 4.

On December 11, 2014, the AHFC Board conducted a public hearing for the Timbers Apartments on December 11, 2014, and the Mayor's Certificate confirming the hearing was held was dated December 19, 2014 per the attached Exhibit A. According to U.S. Treasury Regulations; 26 CFR Section 5f.103-2(f), if more than 12 months has passed between the date of the Mayor's Certificate and the closing of the bond transaction, the public must be re-notified and another TEFRA hearing conducted.

Part of the financing for the development will come from Private Activity Bonds issued by the Austin Housing Finance Corporation and equity from non-competitive Low Income Housing Tax Credits (from TDHCA).

Background

AHFC was approached by the Cesar Chavez Foundation (CCF) in 2014 to form a partnership that would own and operate the Timbers Apartments. The ownership structure will be similar to other partnerships in which an AHFC-affiliated non-profit organization serves as General Partner for a single property, holds title to the land, and leases it back to the development. Those examples are Primrose at Shadow Creek in 2002, Villas on Sixth in 2004, Retreat at North Bluff in 2009, and Aldrich 51 in 2015. CCF is not requesting funding from AHFC for this project; however, AHFC's ownership of the property will make it 100% tax exempt.

Project Characteristics

- Timbers Apartments is a multi-family rental property consisting of 104 units at 1034 Clayton Lane and lies within the boundaries of the Windsor Park Neighborhood Association.
- The apartments were constructed in 1998 and consist of one, two, and three-bedroom units.
- The property is 100 percent occupied.
- The Applicant has committed to a 55-year affordability period
- No relocation of tenants will be necessary during renovations which are expected to be complete by April 2016. The renovations will include:
 - Exteriors – Modify landscaping, ADA compliance and fencing to secure property
 - Interiors - new cabinets, countertops, plumbing and electrical fixtures, flooring and paint.

Population Served

- 24 units will be reserved for households with incomes at or below 50% MFI. (\$38,400 for a 4-person household)
- 80 units will be reserved for families with incomes at or below 60% MFI. (\$46,080 for a 4-person household).
- Of the total 104 units, 5 units will be reserved for families needing Permanent Supportive Housing as the Timbers has only 2-, 3-, and 4-bedroom units.

The Developer

The Cesar Chavez Foundation (CCF) has worked for more than 40 years at meeting essential human, cultural, and community needs. The CCF Housing and Economic Development Fund focuses on developing high-quality, service-enhanced affordable housing for working families and seniors. CCF has

completed construction of more than 4,000 affordable multifamily units at more than 32 sites in California, Arizona, New Mexico, and Texas. The Foundation's housing team boasts a comprehensive approach to affordable housing that embraces constructing or extensively renovating each of its communities as well as managing the portfolio professionally, with a management and compliance supervisor in Texas. This comprehensive approach is accomplished by maintaining facilities that are safe, clean, efficient and aesthetically pleasing, with extensive amenities that include playgrounds, swimming pools, computer labs and special accommodations to address disabilities, language and cultural diversity, and transportation needs. CCF also takes pride in providing services such as after-school programs for children in the communities where its properties are located.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Information Packet here:

<http://austintexas.gov/page/fy-15-16-funding-applications>.