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Recommendation for Board Action

Austin Housing Finance Corporation	Item ID	63815	Agenda Number	2.
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Meeting Date:	12/1/2016	Department:	Neighborhood and Community Development
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Subject

Conduct a public hearing regarding the issuance of up to \$11,000,000 of Multi-family Housing Revenue Bonds to be issued by the Austin Housing Finance Corporation to finance the development by Govalle Affordable Housing, L.P., an affiliate of the Cesar Chavez Foundation, for a proposed affordable housing development to be located near Shady Lane and Jain Lane within the thinkEAST Planned Unit Development. (Council District 3)

Amount and Source of Funding

Up to \$11,000,000 of Private Activity Bonds may be issued by the Austin Housing Finance Corporation (AHFC) for this project. These bonds are not obligations of the City of Austin or of AHFC, and the full faith and credit of the City is not pledged to repay these bonds.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Rosie Truelove, AHFC Treasurer, 512-974-3064; David Potter, Program Manager, 512-974-3192.
Boards and Commission Action:	November 3, 2016 – AHFC Board authorized inducement of up to \$11,000,000 in private activity volume cap for the Govalle Terrace Apartments.
MBE / WBE:	
Related Items:	

Additional Backup Information

This public hearing meets the Tax Equity Financial Responsibility Act (TEFRA) hearing requirements and allows the Austin Housing Finance Corporation (AHFC) to receive public input for the issuance of up to \$11,000,000 in housing non-recourse bonds to provide interim and permanent financing for the development of the Govalle Terrace Apartments. The property is located in Council District 3.

Proposed Project
 The proposed development is for 97 units to be located on Shady Lane near Jain Lane in the thinkEAST Planned Unit Development (PUD). Financing for the development is proposed to come from non-competitive 4% Low Income Housing Tax Credits, the Private Activity Bonds issued by AHFC, and Rental Housing Development Assistance (RHDA) funding from AHFC.

Estimated Sources of Funds

Sources:		Uses:	
Private Activity Bonds	\$ 6,932,000	Acquisition	\$ 1,600,000
Tax Credits	4,599,962	Pre-Development	650,000

AHFC funding	3,380,000	Construction/Hard Costs	10,215,759
Deferred Developer Fee	<u>1,069,922</u>	Soft & Carrying Costs	<u>3,516,125</u>
Total	\$ 15,981,844	Total	\$ 15,981,844

Project Characteristics

- 97 units to be built on property in the thinkEAST PUD.
- Unit mix: 10 studio/one-bath units (approximately 500 square feet, approximate rent \$320 to \$900).
- 35 one-bedroom/one-bath units (approximately 600 square feet, approximate rent \$634 to \$1,000).
- 38 two-bedroom/two-bath units (approximately 800 square feet, approximate rent \$758 to \$1,223).
- 14 three-bedroom/two-bath units (approximately 1,000 square feet, approximate rent \$871 to \$1,425).
- Ten units will be made accessible for persons with mobility disabilities, and at least 2 units will be made accessible for persons with hearing and sight disabilities.

Population Served

- CCF has obtained a written agreement from LifeWorks to provide 4 PSH units to Youth Aging out of Foster Care. These four (4) units will be reserved for individuals with incomes at or below 30% of the Median Family Income (MFI), currently \$16,350 for a single-person household.
- Thirty-one (31) units will be reserved for individuals or families with incomes at or below 50% MFI, currently \$27,250 for a single-person household and \$38,900 for a 4-person household.
- Forty-two (42) units will be reserved for individuals and families with income at or below 60% MFI, currently \$32,700 for a single-person household and \$46,680 for a 4-person household.
- Nineteen (19) units will have no income restrictions.
- One (1) unit will be reserved for the property manager.

Current Property Tax Status and Future Impact

The property currently has no property tax exemptions. The Travis Central Appraisal District will determine whether the residential use of this vacant property will be eligible for any exemptions after the property is developed.

The Cesar Chavez Foundation (CCF)

CCF, is a California 501(c)(3) nonprofit corporation, was founded in 1966 by César E. Chávez who envisioned an organization that would provide social services, alongside the work being done by the United Farm Workers, for the farm workers laboring in the fields. Since its inception, the Foundation's emphasis on housing integrated with social services has been crucial to the enrichment of the communities they serve.

CCF serves tens of thousands of individuals through affordable housing development, educational programming, and broadcast communications and through our conference center in Keene, CA. The organization has expanded its reach from primarily serving farm workers to addressing quality of life issues for individuals, families and communities throughout the Southwest.

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

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