

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	67490	Agenda Number	1.
Meeting Date:	2/16/2017		Department:	Neighborhood and Community Development
Subject				
<p>Approve two resolutions authorizing the issuance of Austin Housing Finance Corporation Multi-family Housing Revenue Bonds, in two series (2017-A and 2017-B), in an aggregate principal amount not to exceed \$20,000,000; approving related documents, in substantially the form attached to the resolutions, to provide financing for the development of the Villages at Fiskville Apartments, located at 10017 Middle Fiskville Road; and authorizing specific named representatives of the Austin Housing Finance Corporation to execute the documents relating to issuance of the bonds and closing the transactions. (District 4).</p>				
Amount and Source of Funding				
<p>No Austin Housing Finance Corporation or City of Austin funding is being requested. All bond issuance fees will be paid by the Applicant, Villages at Fiskville, LP, or an affiliated entity.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Rosie Truelove, NHCD Interim Director, 512-974-3064; David Potter, NHCD Program Manager, 512-974-3192			
Boards and Commission Action:	<p>August 4, 2016 – AHFC Board authorized inducement of up to \$20,000,000 in private activity volume cap for the Villages at Fiskville Apartments.</p> <p>September 1, 2016 – AHFC Board conducted a public hearing as required by IRS rules regarding the issuance of \$20,000,000 in private activity bonds for the Villages at Fiskville Apartments.</p>			
MBE / WBE:				
Related Items:				
Additional Backup Information				

If approved, this action would authorize the Austin Housing Finance Corporation (AHFC) to issue up to \$20,000,000 in multi-family housing non-recourse bonds to provide interim and permanent financing for the development of the Villages at Fiskville Apartments. The property is located in Council District 4.

Proposed Project

The development will be located at 10017 Middle Fiskville Road and would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$32,700 for a 1-person household. The development is proposed to be partially funded with non-competitive 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by Austin Housing Finance Corporation.

Estimated Sources of Funds

<u>Sources</u>		<u>Uses</u>	
Private Activity Bonds	\$15,365,000	Acquisition	\$ 1,139,268
Tax Credit Equity	9,931,816	Construction Cost	18,990,363
Deferred Developer Fee	850,887	Soft & Carrying	2,223,957
Total	\$26,147,703	Reserves & Developer Fee	<u>3,794,115</u>
		Total	\$26,147,703

Project Attributes

- No AHFC funding is being requested.
- The project will be 100% affordable to households with incomes at or below 60% MFI.
- All units reserved for seniors 55 and older.
- Amenities will include a pool, clubhouse, gazebo, computer lab, and garden area.
- The unit mix will include:
 - 58 1-bed/1-bath units, approximately 734 square feet;
 - 114 2-bed/1-bath units, approximately 969 square feet.

AHFC as Bond Issuer

- Since 1982, AHFC has issued 28 series of multi-family housing revenue bonds totaling \$287,000,000. These multi-family bonds have financed 36 multi-family properties, creating approximately 7,200 low- and moderate-income rental units.
- The issuance of \$16 million in revenue bonds will generate an issuer's fee and a closing fee to AHFC of approximately \$100,000 (a total of 1/2 of 1 percent of the amount of bonds issued).
- AHFC received a \$5,000 application fee from the Applicant.
- AHFC will receive an annual monitoring fee over the life of the bonds. The fee is calculated as the greater of .0003 times the amount of bonds outstanding on January 1 of each year, or \$12 per unit, or a flat \$1,200 fee.

Current Property Tax Status and Future Impact

The property is currently fully taxed and has no property tax exemption, according to Travis Central Appraisal District (TCAD). To determine if the future use will qualify for some type of exemption after completion, the Owner will need to apply directly to TCAD.

LDG Development

LDG Development, the developer for Villages at Fiskville, LP, is a multi-family housing developer based in Louisville, Kentucky, with offices in Austin and has a focus on affordable housing. LDG has developed over 4,000 units and numerous commercial properties in 12 states including Kentucky, Indiana, Louisiana, Texas and Kansas.

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>.