

A G E N D A



Recommendation for Council Action

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| Austin City Council | Item ID | 68256 | Agenda Number | 62. |
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|---------------|-----------|-------------|--|
| Meeting Date: | 3/23/2017 | Department: | Neighborhood and Community Development |
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Subject

Set a public hearing to consider a resolution supporting an application to be submitted to the Texas Department of Housing and Community Affairs by TX Creekview Austin, LP, or an affiliated entity, for the new construction of an affordable multi-family development to be called Creekview Apartment Homes, to be located near the intersection of Old Manor Road and Springdale Road. (District 1) (Suggested date and time: April 6, 2017 at 4:00 p.m. at Austin City Hall, 301 W. Second Street, Austin, TX.)

Amount and Source of Funding

No funding from the City of Austin or the Austin Housing Finance Corporation is being requested.

Fiscal Note

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

Purchasing Language:

Prior Council Action:

For More Information: Rosie Truelove, NHCD Interim Director, 512-974-3064; David Potter, Program Manager, 512-974-3192.

Council Committee,
Boards and
Commission Action:

MBE / WBE:

Related Items:

Additional Backup Information

This action will set a public hearing to receive public comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2016 Uniform Multi-family Rules. The applicant must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located. The property is located in Council District 1.

Proposed Project

TX Creekview Austin, LP, is planning to construct a 264-unit (approximate) multi-family development located near the intersection of Old Manor Road and Springdale Road, which would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$46,680 for a 4-person household. The development, to be known as the Creekview Apartment Homes, is proposed to be partially funded with 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by Strategic Housing Finance Corporation, an

affiliate of the Housing Authority of Travis County. No funding from the Austin Housing Finance Corporation is being requested.

Estimated Sources of Funds

Sources:

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|------------------------|----------------------|
| Private Activity Bonds | \$ 15,167,700 |
| Tax Credit Equity | 22,800,000 |
| Debt Financing | <u>1,477,513</u> |
| Total | \$ 39,445,213 |

Uses:

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|----------------------------|----------------------|
| Acquisition Costs | \$ 2,025,000 |
| Hard Costs | 26,517,090 |
| Soft and Financing Costs | 6,153,123 |
| Reserves and Developer Fee | <u>4,750,000</u> |
| Total | \$ 39,445,213 |

Project Characteristics

- 32 studio units (approximately 550 square feet, approximate rent \$408).
- 120 one-bedroom/one-bath units (approximately 732 square feet, approximate rent \$545 to \$730).
- 76 two-bedroom/two-bath units (approximately 1,063 square feet, approximate rent \$525 to \$1,051).
- 36 three-bedroom/two-bath units (approximately 1,220 square feet, approximate rent \$607 to \$1,214).

Population Served

- 92% of units will be reserved for individuals or families with incomes at or below 60% MFI, currently \$32,700 for a single-person household and \$46,680 for a 4-person household.
- 2% of 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.
- 3% of units will be reserved for individuals or families with incomes at or below 40% MFI, currently \$21,800 for a single-person household and \$31,120 for a 4-person household.
- 3% of units will be reserved for individuals or families with incomes at or below 30% MFI, currently \$16,350 for a single-person household and \$24,300 for a 4-person household.

Current Property Tax Status and Future Impact

The property is currently 100% tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the residential use of this property will be eligible for any exemptions after the property is constructed.

TX Creekview Austin, LP

The development will be owned by TX Creekview Austin, LP, an affiliate of Rise Residential Construction. According to information provided by the developer, Rise Residential Construction and its principals have been involved in since 1997, providing construction services from start to finish on nearly 7,000 living units of which over 5,000 have been completed since 2003.

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-16-17-funding-applications>