

AGENDA



Recommendation for Board Action

AUSTIN HOUSING FINANCE CORPORATION (AHFC)

AHFC Meeting: November 9, 2017

Item Number: **AHFC002**

Consent

Conduct a public hearing and receive public comment regarding the issuance of up to \$10,000,000 of Multi-family Housing Revenue Bonds to be issued by the Austin Housing Finance Corporation to finance the development by Elysium Grand, LP, or an affiliated entity, for the new construction of an affordable multi-family development to be known as Elysium Grand, located at 3300 Oak Creek Drive.

District(s) Affected: District 7

Lead Department	Austin Housing Finance Corporation Department.
Fiscal Note	There is no anticipated fiscal impact.
For More Information	Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; David Potter, Program Manager, 512-974-3192.
Council Committee, Boards and Commission Action	October 19, 2017 - Austin Housing Finance Corporation Board authorized inducement of up to \$10,000,000 in private activity volume cap for the Elysium Grand Apartments.

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 \$10,000,000 in housing non-recourse bonds to provide interim and

permanent financing for the development of the Elysium Grand Apartments. The property is located in Council District 7.

Proposed Project

The proposed development is for 85 units to be located on Oak Creek Drive. 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 & Uses of Funds

<u>Sources:</u>		<u>Uses:</u>	
Private Activity Bonds	\$ 9,400,00	Acquisition	\$2,000,000
Tax Credits	3,644,913	Hard Costs	10,078,777
Requested AHFC Funding	3,720,000	Soft & Carrying Costs	<u>5,673,752</u>
Deferred Developer Fee	<u>967,616</u>		
TOTALS	\$17,752,529		\$17,752,529

Population Served

The development will be a mixed-income community and will include 25 Veterans Affairs Supportive Housing Project-based Vouchers and an on-site case manager.

- 12 units at 30% MFI (currently \$22,000 for a 3-person household);
- 40 units at 50% MFI (currently \$36,650 for a 3-person household);
- 20 units at 60% MFI (currently \$43,980 for a 3-person household);
- 13 units will have no income restrictions.

Project Attributes

- The approximate unit mix will include:
 - o 22 1-bedroom units; approximately 700 square feet;
 - o 45 2-bedroom units; approximately 855 square feet;
 - o 18 3-bedroom units; approximately 1,140 square feet.
- The services to be provided are based on the interests and needs of the residents. Proposed residential services are to be provided by a third party (Skillpoint Alliance), and will likely include job training, computer efficiency classes, and summer camp for children.
- On-site amenities will likely include a business center, fitness center, media room, indoor/outdoor flex space, barbecue grills, bike parking, covered picnic pavilion, a children’s playground, and a furnished community room.

Current Property Tax Status and Future Impact

The property is currently not exempt from taxation. The Travis Central Appraisal District would make a determination on any tax exemptions for which the property may qualify in the future.

Saigebrook Development, LLC (an affiliate of Elysium Grand, LP)

According to information provided by the developer, Saigebrook Development and its Principal, Lisa Stephens, have specialized in providing first-class affordable and workforce housing communities in urban core and suburban areas since 1996. Ms. Stephens has secured 18 allocations of Housing Tax Credits in Texas and has financed and closed approximately 5,000 units in the southern United States. Aria Grand will be Saigebrook Development's third development in Austin.

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-16-17-funding-applications>.