

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting : February 1, 2018

Item Number: 015

Neighborhood Housing and Community Development

Approve a resolution under the State of Texas 2018 Qualified Allocation Plan, supporting an application to be submitted by DMA Development Company, LLC, or an affiliated entity, competing for an award of Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs to help finance a proposed new construction, multi-family housing development to be call Travis Flats, located at 5325 - 5335 Airport Boulevard.

District(s) Affected: District 4

Lead Department	Neighborhood Housing and Community Development.
Fiscal Note	This item has no fiscal impact.
For More Information	Rosie Truelove, Neighborhood Housing and Community Development Director, 512-974-3064; David Potter, Neighborhood Housing and Community Development Program Manager, 512-974-3192.

Additional Backup Information:

If Council approves this Resolution of Support, the Resolution will be included with Low Income Housing Tax Credit (LIHTC) Application Number 18335 to be submitted by DMA Development Company, LLC, or an affiliated entity, to the Texas Department of Housing and Community Affairs (TDHCA) for the proposed Travis Flats Apartments located at 5325-5335 Airport Boulevard. The property is located in District 4.

For developments proposed within a municipality, an application will receive the maximum amount of

scoring points in the category of “Local Government Support” if it includes a resolution from the governing body of the municipality expressly supporting the tax credit application. An application will score fewer points if the municipality provides a resolution stating that it has “no objection” to the tax credit application.

Information about the proposed development is attached, and staff recommends approving a resolution supporting the tax credit application.

LIHTC applications are due to TDHCA on March 1, 2018.

Proposed Development

146 Units in the following mix:

- 24 efficiency units 560-590 Square feet Estimated Rents: \$382-\$667
- 81 1-bedroom 685-900 Square feet Estimated Rents: \$405-\$1,250
- 33 2-bedroom/1 & 2 bath 885-1,104 Square feet Estimated Rents: \$661-\$1,750
- 8 3-bedroom/2 bath 1,219 Square feet Estimated Rents: \$965-\$2,100

Population Served

- 4 units will be reserved for persons with incomes at or below 30% Median Family Income (MFI); currently, \$17,100 for a single-person household and \$24,400 for a 4-person household;
- 29 units will be reserved for persons with incomes at or below 50% MFI; currently, \$28,500 for a single-person household and \$40,700 for a 4-person household.
- 92 units will be reserved for persons with incomes at or below 60% MFI; currently, \$34,200 for a single-person household and \$48,840 for a 4-person household.
- 21 units will be reserved for persons with incomes at or below 120% MFI; currently, \$68,400 for a single-person household and \$97,680 for a 4-person household.

Estimated Sources and Uses

<u>Sources</u>		<u>Uses</u>	
Tax Credit Equity	\$ 13,498,650.00	Acquisitions	\$ 100,000.00
Third Party Equity	\$ 2,859,948.00	Hard Costs	\$ 19,252,878.00
Conventional Loan	\$ 6,125,000.00	Soft & Financing Costs	\$ 3,945,638.00
Local Government Loan	\$ 3,000,000.00	Reserves & Developer Fee	\$ 3,087,033.00
Deferred Developer Fee	\$ 150,701.00	TOTAL	\$ 26,385,549.00
Fee Waivers	\$ 751,250.00		
TOTAL	\$ 26,385,549.00		

The proposed development is located:

- **less than ½ mile** from an Imagine Austin Corridor,
- **less than ¼ mile** walking distance to high-frequency transit; and
- **less than ¾ mile** walking distance from a transit stop.

The Applicant

DMA Housing II, LLC is an affiliate of the DMA Development Company, LLC which was formed in 1999 by Diana McIver for the purpose of developing and owning affordable and market-rate properties. DDC has successfully developed 25 properties since 2000 which include workforce housing, senior housing, and supportive housing properties. The Austin Housing Finance Corporation was one of the lenders on DDC's Wildflower Terrace, a highly successful 201-unit mixed-income senior community in the Robert Mueller Municipal Airport re-development site. In November 2017, work was completed on a joint venture with AHFC known as Aldrich 51 Apartments, 240 units at the Robert Mueller Municipal Airport Redevelopment area.