

## AGENDA



## Recommendation for Board Action

## AUSTIN HOUSING FINANCE CORPORATION (AHFC)

AHFC Meeting: May 10, 2018

Item Number: AHFC006

## Consent

Consent to the transfer of a regulatory and land use restriction agreement (dated May 1, 2000) to THF Riverside Townhomes, LP, or an affiliated entity, for the property located at 6118 Fairway Street (currently known as Fairway Village).

**District(s) Affected:** District 3

<b>Lead Department</b>	Neighborhood Housing and Community Development.
<b>Fiscal Note</b>	This item has no fiscal impact.
<b>For More Information</b>	Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

## Additional Backup Information:

On April 13, 2000, Austin Housing Finance Corporation (AHFC) approved Resolution No. AHFC 2000-0413-56, which authorized and approved the issuance, sale, and delivery of multifamily housing revenue bonds and taxable multifamily housing revenue bonds for the property located 6118 Fairway Street (currently known as Fairway Village Apartments). As part of the bond process, the property owner, Chase Bank of Texas, National Association, and AHFC entered into a Regulatory and Land Use Restriction Agreement. The bonds have been paid off and the only remaining obligation under the Regulatory and Land Use Restriction Agreement is

the affordability period.

If approved, the affordability restrictions currently in place on the property, according to the regulatory and land use restriction agreement, would be assumed by THF Riverside Townhomes, LP, or an affiliated entity, and would enable the rehabilitation of the multi-family affordable housing community. The proposed activity will be located in Council District 3.

### **Proposed Project**

THF Riverside Townhomes, LP, is planning to rehabilitate a 128-unit multi-family development located at 6118 Fairway Street, which would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$48,840 for a 4-person household. The development, to be known as the Riverside Townhomes, is proposed to be partially funded with 4% Low Income Housing Tax Credits and Private Activity Bonds issued by Texas Department of Housing and Community Affairs (TDHCA). No funding from the Austin Housing Finance Corporation is being requested.

### **Estimated Sources of Funds**

<u>Sources</u>		<u>Uses</u>	
Tax Credit Equity	\$ 9,985,398.00	Acquisition Costs	\$ 14,300,000.00
Private Activity Bonds	\$ 19,000,000.00	Hard Costs	\$ 7,223,040.00
Deferred Developer Fee	\$ 116,127.00	Soft Financing Costs	\$ 3,375,524.00
<b>TOTAL</b>	<b>\$ 29,101,525.00</b>	Reserves and Developer Fee	\$ 4,202,961.00
		<b>TOTAL</b>	<b>\$ 29,101,525.00</b>

### **Project Characteristics**

- 16 one-bedroom units (approximately 525 square feet).
- 48 two-bedroom units (approximately 675 square feet).
- 48 three-bedroom units (approximately 875 square feet).
- 16 four-bedroom units (approximately 1,040 square feet).

### **Population Served**

- 100% of units will be reserved for individuals or families with incomes at or below 60% MFI, currently \$34,200 for a single-person household and \$48,840 for a 4-person household.

### **Current Property Tax Status and Future Impact**

The property is not currently tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the use of this property will be eligible for any exemptions after the property is rehabilitated.

### **THF Riverside Townhomes, LP**

The development will be owned by THF Riverside Townhomes, LP, an affiliate of Texas Housing Foundation (THF), a non-profit Texas Regional Housing Authority. The THF was created to provide a tool to create, develop, administer, manage, and provide services to affordable housing projects through

related business entities and for the residents and communities in which they are located. Through 2013, over \$140M has been financed to develop over 1,400 units.

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-17-18-funding-applications>](http://austintexas.gov/page/fy-17-18-funding-applications).