

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: May 10, 2018

Item Number: **022**

Neighborhood Housing and Community Development

Approve a resolution declaring a need for Texas Housing Foundation, a regional housing authority, to operate an affordable multi-family development to be known as the Oaks on Lamar, located at 8071 North Lamar Boulevard (currently known as Santa Maria Village) within the city limits of Austin, Texas, and authorizing a cooperation agreement between the City and Texas Housing Foundation.

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, Director, Neighborhood Housing and Community Development, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

Additional Backup Information:

If approved, a cooperation agreement will be entered into between the City of Austin and the Texas Housing Foundation (THF), and will allow the regional housing authority to rehabilitate and operate the Oaks on Lamar.

Proposed Project

THF Oaks on Lamar, LP, is planning to rehabilitate a 176-unit multi-family development located

at 8071 North Lamar Boulevard, 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 Oaks on Lamar, 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	\$ 9,336,750.00	Acquisition Costs	\$ 13,000,000.00
Private Activity Bonds	\$ 16,000,000.00	Hard Costs	\$ 7,724,640.00
Deferred Developer Fee	\$ 1,955,812.00	Soft Financing Costs	\$ 2,763,137.00
TOTAL	\$27,292,562.00	Reserves and Developer Fee	\$ 3,804,785.00
		TOTAL	\$ 27,292,562.00

Project Characteristics

- 28 one-bedroom units (approximately 630 square feet).
- 102 two-bedroom units (approximately 730 square feet).
- 46 three-bedroom units (approximately 860 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 Oaks on Lamar, LP

The development will be owned by THF Oaks on Lamar, LP, an affiliate of Texas Housing Foundation, a non-profit Texas Regional Housing Authority. 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. Over \$140M has been financed to develop over 1400 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>.