

REQUEST FOR CITY OF AUSTIN RESOLUTIONS

2018 - 4% Non-Competitive Low Income Housing Tax Credits

This sheet provides a guide for developers requesting resolutions required by the Texas Department of Housing and Community Affairs for 4% Low Income Housing Tax Credit applications.

PLEASE NOTE: If you are requesting funding from the City, please complete a Rental Housing Development Assistance (RHDA) program application. The RHDA program application can be found at: <http://austintexas.gov/page/housing-application-center>.

Resolutions. Please indicate which resolutions are being requested from the City of Austin.

- ☒ Resolution of No Objection from the Local Governing Body (will be provided to all applicants completing this form and providing all attachments)
- ☒ Twice the State Average Per Capita (will be provided to all applicants completing this form and providing all attachments)
- ☐ One-Mile/Three-Year Rule
- ☐ Limitations on Developments in Certain Census Tracts
- ☐ TEFRA Approval

Please note: All resolutions being requested are subject to approval by the Austin City Council.

For the request to be considered, the following information will be required.

- 1) Please complete the attached Project Summary Form (Excel)
- 2) A SMART Housing Certification letter
- 3) Provide a map (8 ½" x 11") indicating the property location and the distance a resident would actually have to walk on a paved surface to get to the **nearest transit stop**.
- 4) Provide a **flood plain map** generated by www.ATXFloodPro.com with the property parcel identified and the legend displayed showing the various types of FEMA Flood Plain zones, if any.
- 5) Provide information about the Developer's Experience and Development Background.

Applications for S.M.A.R.T. Housing certification go through a separate review process. For more information on the [S.M.A.R.T. Housing Program](#), email Sandra Harkins, Project Coordinator, at sandra.harkins@austintexas.gov.

Requests should be submitted to Neighborhood Housing and Community Development, 1000 East 11th Street, 2nd Floor, Austin, TX 78702 to the attention of Ellis Morgan. E-mail submissions are acceptable as long as they are within the size limit of the City's e-mail system for attachments (approximately 15MB). For more information, contact Ellis Morgan at 512-974-3121 or by e-mail at ellis.morgan@austintexas.gov.

I certify that, to the best of my knowledge the information provided is true and correct.

Authorized Representative Ana K. Spokas Date 05/15/2018



City of Austin

Neighborhood Housing and Community Development

P.O. Box 1088, Austin, TX 78767

(512) 974-3100 * Fax: (512) 974-3161 * <http://www.austintexas.gov/department/housing>

April 26, 2018

S.M.A.R.T. Housing Certification

KCG Development, LLC – Legacy Ranch @ Dessau East (Project ID 591)

TO WHOM IT MAY CONCERN:

KCG Development, LLC. (Development contact: Ina Spokas 512.689.3343(m), ina.spokas@kcgcompanies.com) is planning to develop a **232-unit multi-family** development near Dessau Road and Fish Lane. This project has received a Transit Oriented Waiver, see Attachment 1. The developer has indicated they will work with the City of Austin's Senior Transportation program to provide tenants access to transportation. The project will be subject to a minimum 5 year affordability period after issuance of a certificate of occupancy, unless funding requirements are longer.

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since **6% (14)** of the units in will serve households with incomes at or below 40% of Austin's Median Family Income level (MFI), **74% (171)** of the units in this development will serve households with incomes at or below 60% (MFI), **6% (14)** of the units in this development will serve households with incomes at or below 80% (MFI) with the remaining **14% (33) units at market rate**, the development is eligible for a waiver of 100% of the fees listed in the S.M.A.R.T. Housing Ordinance adopted by the City Council with the exception of the Capital Recovery Fees (CRF). **This development is not in accordance with the requirements under the Texas Local Government Code, Chapter 395.16(g) and 42 U.S.C. Section 12745 (A)(1) as it relates to how housing qualifies as affordable housing and therefore is not eligible to receive any CRF fee waivers under the S.M.A.R.T. Housing Ordinance due to the project not reserving 20% of the units for households at or below 50% MFI.**

Expected fee waivers include, but are not limited to, the following fees:

~~Capital Recovery Fees~~
Building Permit
Concrete Permit
Electrical Permit
Mechanical Permit

Site Plan Review
Misc. Site Plan Fee
Building Plan Review
Construction Inspection
Misc. Subdivision Fee

Zoning Verification
Parkland Dedication (*by separate ordinance*)
Land Status Determination
Plumbing Permit

Prior to issuance of building permits and starting construction, the developer must:

- ♦ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Contact Austin Energy Green Building: 512-482-5300 or greenbuilding@austinenenergy.com).
- ♦ Submit plans demonstrating compliance with accessibility standards.

Before a Certificate of Occupancy will be granted, the development must:

- ♦ Pass a final inspection and obtain a signed Final Approval from the Green Building Program. (Separate from any other inspections required by the City of Austin or Austin Energy).
- ♦ Pass a final inspection certifying accessibility requirements have been met.

The applicant must demonstrate compliance with the reasonably-priced standard after the completion of the units, or repay the City of Austin in full the fees waived for this S.M.A.R.T. Housing certification. If the project is unsuccessful in obtaining funding through the Low Income Housing Tax Credit Program, the project will not be eligible for S.M.A.R.T. Housing certification until such time a transit route is located with ½ mile walking distance from the development.

Please contact me by phone 512.974.3128 or by email at Sandra.harkins@austintexas.gov if you need additional information.

Sincerely



Sandra Harkins, Project Coordinator
Neighborhood Housing and Community Development

Attachment – Attachment 1

Cc:	Rosa Gonzales, AE	Meredith Quick, DSD	Gina Copic, NHCD
	Ellis Morgan, NHCD	Alice Flora, AWU	Jonathan Orenstein, AWU
	Marilyn Lamensdorf, PARD	Jackie Chuter, PARD	Melanie Montez, ORS
	Mashell Smith, ORS		



**S.M.A.R.T. Housing Transit Oriented Waiver
Request**

Address of Project: NEQ of Fish Lane and Harrisglenn Blvd.

Name of Project & Applicant: Legacy Ranch @ Dessau East / Applicant KCG Development, LLC

Walking Distance from site to nearest transit route 1.5 miles

I, Ina K. Spokas, VP Development for KCG Development, LLC, formally request a waiver from the S.M.A.R.T. Housing transit-oriented requirement. My project meets one of the following criteria.

Answer the following questions and provide documentation as it pertains to the proposed project listed above:

1. Per the Kirwan Institute's Comprehensive Opportunity Map of Austin, please check the Opportunity Index your project is located in:
☐ Very High ☐ High ☐ Moderate ☒ Low ☐ Very Low
2. Provide a Letter from CAP Metro confirming a future route is documented in agency plans. N/A
3. Developer is currently applying or will apply for State or Federal Government funds, including the Low Income Housing Tax Credit Program, related to this project.

Ana K. Spokas

Authorized Representative

04/24/18

Date

*****For City Staff Use Only*****

The aforementioned project is approved to receive a waiver from the transit-oriented requirements (B)(4) of Ordinance No. 20141106-124 by meeting the criteria of: Developer applies for State or Federal Government funds, including the Low Income Housing Tax Credit program.

Regina Copic

Regina Copic
Project Manager

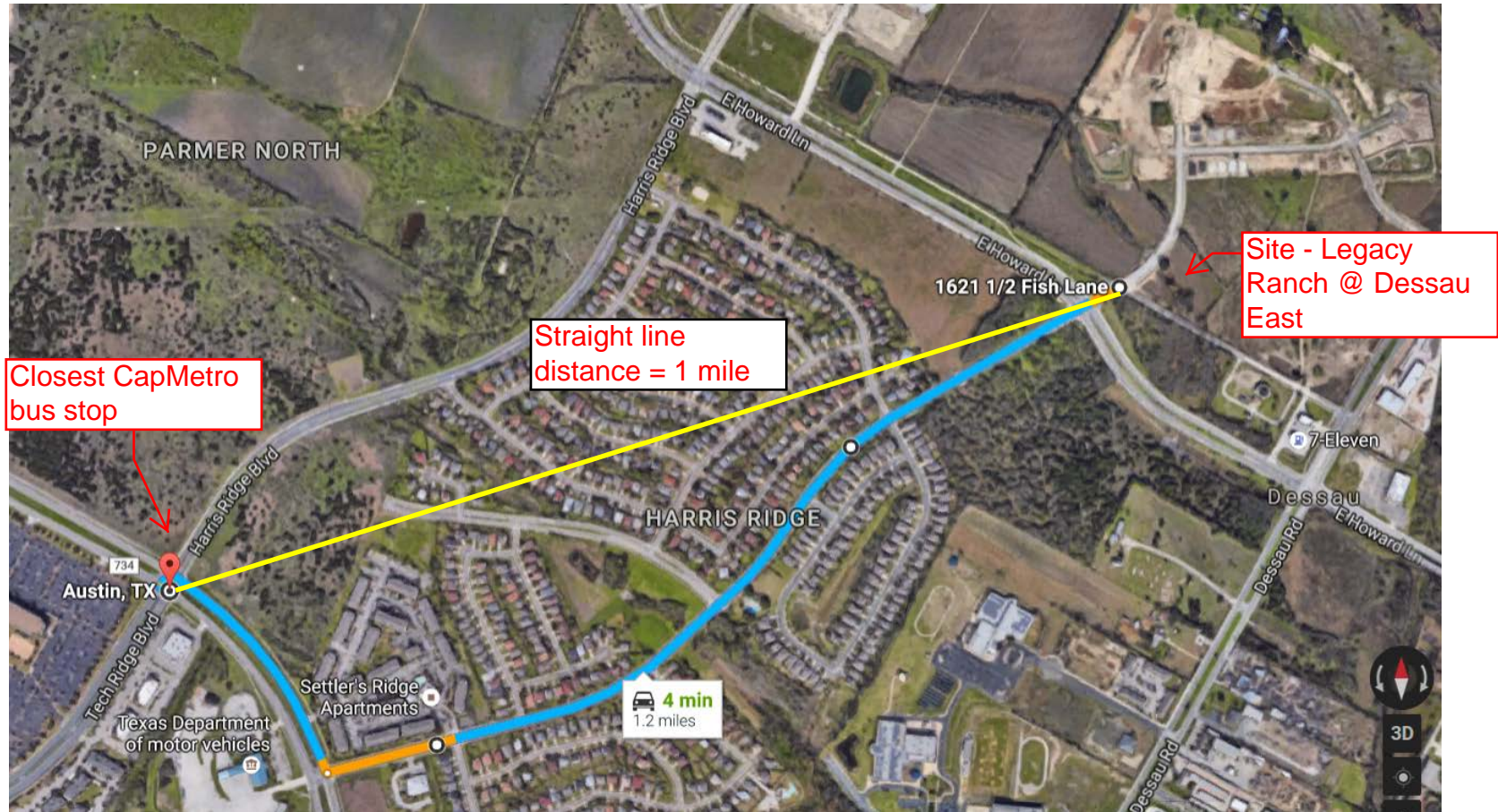
4/25/2018

Date

Director Designee for Waiver related to Ord No 20141106-124 PART 3. Subsection (E)

Legacy Ranch @ Dessau East

Transportation Map



The blue line (1.2 miles) is the paved walking route along Harrisglenn Drive and Parmer Lane to get to the CapMetro stop at the corner of Parmer Lane and Tech Ridge Boulevard.



Senior Transportation Program

Senior Transportation is part of the City of Austin Parks and Recreation Department, Senior Programs Division. Our goal is “to provide a special system of transportation to enhance the quality of life and promote independence for persons 60 years or older”.

How does it work?

- Services provided Monday through Friday, 8:00am - 5:00pm.
- Clients may make reservations 30 days in advance. Minimum 24 hour notice.
- Intake forms required.
- Drivers provide curb to curb service. Assistance provided when needed.

Who is eligible?

- Older Adults 60+
 - *Riders with cognitive impairments are advised to have a caregiver accompany them.
 - *Riders in a wheelchair must let the dispatcher/senior transportation staff know that they need a handicap accessible van/bus when scheduling a ride.

Types of Services

Regular Routes / Lunch Program: Provides reliable service from your door to congregate meal lunch locations and back home again. FREE / \$1.00 donation optional

Reserve-a-Ride: Choose when and where you want to go within Austin City limits.

Errands (non-medical): Destinations include grocery store, shopping centers, bank, hair salon, etc.) \$3.00 each way / \$6.00 round trip

Medical Appointments: Destinations include: doctor, dentist, etc. (non-emergency appointments). \$3.00 each way / \$6.00 round trip

Group Travel: Do you want to travel with friends? Whether touring the Texas Hill Country or cruising to San Antonio for the afternoon, Senior Transportation can be your chauffeur. We serve groups of 7 or more in Austin area and 10 or more for out of town trips. Depending on your destination, fees range at a rate of \$2.00 per passenger for every 10 miles.

CALL 974-1464 to make reservations or if you have any questions

*The City of Austin is committed to compliance with the Americans with Disabilities Act.
Reasonable modifications and equal access to communications will be provided upon request.*

The proposed site for the Legacy Ranch @ Dessau East is located more than ½ mile from the closest CapMetro bus stop. In order to provide tenants convenient and cost effective access to transit, we, KCG Development, LLC (“KCG”), as project sponsor will commit to coordinating with the City of Austin Senior Transportation program or a comparable ride sharing program to ensure tenants have access to cost effective transportation for medical appointments, errands, etc. In addition, KCG will commit to exploring potential transportation options for our tenants that would provide access to the Tech Ridge Park & Ride. The Tech Ridge Park & Ride is located 2.2 miles from the project site and provides service access, including a dedicated express route, along several lines. This commuter hub for north Austin provides easy access to Downtown, UT, Dell Campus, and Howard Station.

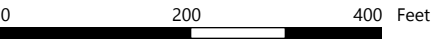
In addition to the above, KCG will commit to ongoing dialogue with S.M.A.R.T. Housing staff and CapMetro on how best to provide our tenants with convenient and cost effective transportation options.

Site is in Zone X



FEMA Floodplains

The City of Austin Watershed Protection Department produced this product for informational purposes. It is not intended for or suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative locations of property boundaries. No warranty is made by the City of Austin regarding specific accuracy or completeness. Final determination of the floodplain status for a property must be based on a topographic survey by a Texas registered professional. For regulatory purposes, 100-Year floodplain elevations must be determined from an engineering model created in accordance with the Drainage Criteria Manual and approved by the City of Austin.



Prepared: 5/15/2018

Address

Parcel

FEMA Floodplain

100 Year (Detailed-AE)

100 year (Shallow-AO)

100 Year (Approx-A)

X Protected by Levee

500 Year

Legacy Ranch @ Dessau East

Developer / Owner

KCG Development, LLC ("KCG") has partnered with Travis County HFC ("TCHFC") on this new construction development to serve the elderly.

Travis County Housing Finance Corporation

The Travis County Housing Finance Corporation was created in 1980 to assist in meeting the housing needs of low and moderate income families in Travis County. TCHFC provides single-family home ownership (including down payment assistance) to first time homebuyers who meet certain income requirements. In addition, TCHFC issues tax-exempt bonds to finance the construction or acquisition of multifamily apartments that must provide rental units to certain low and moderate income families. As appropriate, TCHFC also co-develops and assumes an ownership role on some of these projects.

To date, TCHFC has been involved in the financing, ownership and/or construction of approximately 4,600 units of workforce housing throughout Travis County, as well as the City of Austin.

TCHFC works with consultants, developers, realtors, lenders and elected officials to build relationships that benefit Travis County residents. By providing these programs and building local partnerships, TCHFC fulfills its mission of providing safe, sanitary and quality affordable housing to the residents of Travis County.

They will be the issuer of the tax exempt bonds for this development and the Inducement Resolution was approved by the Board on April 17, 2018 for \$20M.

KCG Development, LLC -- Building Better Lives Through Better Communities

Our team is comprised of motivated, seasoned real estate professionals with expertise in economic development, multifamily design, construction, and finance. KCG formed in September in 2015 with a shared set of goals and visions for the type of company we wanted to be. In just 2 ½ short years KCG was named by AHF as one of the Top 25 developers in the U.S. Our team's collective experience has produced over \$2 Billion of senior and multifamily developments in over 35 states. We have over 60 years of combined construction experience in multifamily housing.

Legacy Ranch @ Dessau East will be the third affordable/mixed-rate multifamily development in Texas by KCG. The first is a 2017 LIHTC 9% award for Vista Bella, in Lago Vista, TX (72 units, general, mixed-rate). The second is Hills at Leander is a 2018 4% LIHTC/Tax Exempt Bond development for seniors 62+ in Leander, TX (228 units, elderly preference, mixed-rate). Both will start construction mid-year 2018. KCG also has developments currently under construction in NY, Georgia, and Wisconsin.



Building Better Lives Through Better Communities

Senior and Multifamily Housing Development and Preservation



kcgcompanies.com

Positive Social Impact and Meaningful Development

KCCG Companies specializes in creating and preserving senior and multifamily housing communities. We build vibrant communities that offer all residents an enhanced quality of life and a proud place to call home.

Founded on the guiding principle that positive social impact and profitable development are not mutually exclusive, we strive to advance and redefine standards for superior-quality sustainable communities.



Our Communities



We're proud of our accomplishments and the communities we've built across the United States.

To learn more about our communities or a specific project, visit:

kcgcompanies.com/portfolio



Building Communities That Connect All Who Live and Work There.

Our unique approach combines a clearly defined vision with an unwavering commitment to deliver on our promises. Through the development and operation of each community, we focus on maximizing the environmental, social, and financial returns for our residents and partners.

We cultivate strong partnerships with local governments, non-profit organizations, and development professionals throughout the country to build exceptional mixed use and multifamily communities.



Setting the Standard for Excellence in Multifamily Housing

We rely on our combined expertise and experience to create unique delivery solutions for each project. Rather than take a “one-size-fits-all” approach to development, we engage and collaborate with community stakeholders to build sustainable, active communities.



KCG Development

Our disciplined approach to development is the cornerstone of KCG’s success. We believe that in order to deliver superior quality communities for our residents, we must be relentless in our commitment to excellence, beginning with the initial concept all the way through completion. As such, we are constantly evolving and refining our approach to develop best practices and exceed expectations.

The KCG team carefully evaluates each development and acquisition opportunity. We have significant experience executing complex transactions and deal structures, and strong relationships with local communities and long-term financial partners who share our vision for building exceptional communities.



KCG Construction

Our construction team is involved from day 1 in the development process, and empowers clients to make decisions which balance cost savings and a desired outcome without compromising quality. We believe construction professionals must be keenly involved in the development process and invested in the unique vision for each development in order to complete construction on time and within budget.

With over 60 years of combined construction experience in multifamily, mixed-use, student housing, military housing, and commercial construction, KCG Construction is one of the most versatile and experienced in the industry.

Our Collective Experience

\$2 Billion

of senior and multifamily development

35+ States

with active or completed communities

60+ Years

of construction experience in multifamily housing

“KCG Development strives to set the standard for excellence.”

— CONSTRUCTION TODAY

EXPERTISE MEETS EXPERIENCE

Our team is comprised of motivated, seasoned real estate professionals with expertise in economic development, multifamily design, construction, and finance.

The KCG team has successfully planned, developed, rehabilitated, built and / or managed many different types of communities including mixed-use, mixed-income, transit-oriented, green building, historic rehabilitations, military housing, senior, and both market-rate and work-force housing.



Our Core Values

Accountable

Take responsibility of choices and behaviors, and act with integrity when dealing with stakeholders and team members.

Collaborative

Our approach to development emphasizes collaboration with local communities and stakeholders.

Entrepreneurial

Embrace challenges and opportunities with the mindset, resources and passion to create something great.

Ownership Mindset

Drive, initiative and autonomy to make appropriate decisions for the good of the company and our communities.

Service Leadership

Focus on the growth and well-being of the people and communities we serve.

Transparent

Proactively share relevant information and be open regarding important decisions that impact our work.



Ready to Start the Conversation?

Call us at **(317) 708-6519**



R.J. Pasquesi, CFA

President

Contact

(317) 708-6519 Office
(317) 797-4400 Mobile

rj.pasquesi@kcgcompanies.com

9333 N. Meridian Street
Suite 230
Indianapolis, IN 46260

kcgcompanies.com

R.J. Pasquesi is the Founder and President of KCG Companies. He is responsible for providing both the strategic direction and for leading the day-to-day operational activities of the firm. R.J.'s work at KCG also encompasses taking the lead on equity and lender relationships, project specific financing issues, and growing the portfolio through the acquisition and development of apartment communities. Prior to forming KCG, R.J. was a senior executive at Herman & Kittle Properties where he led the development and finance areas and helped double the size of the firm over his tenure. During his time there, R.J. was involved in the development, acquisition and / or financing of over 7,500 apartment homes totaling more than \$600 million in investments and over 630,000 square feet of self-storage totaling more than \$45 million in investments.

R.J. began his real estate career working for Affinity Real Estate, LLC, a boutique real estate investment firm. R.J. also worked at Bank of America in both Investment Banking and Portfolio Management. While in the Investment Banking Group, he was responsible for developing corporate finance models to analyze capital structures, acquisitions / divestitures, and corporate valuations. While in the Portfolio Management Group, R.J. assisted in the negotiation and structuring of senior bank debt facilities.

R.J. earned his Bachelor of Science from the Kelly School of Business at Indiana University. He has also obtained his Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute and the CFA Society of Indianapolis. R.J. currently lives in the Indianapolis area with his wife and three daughters.



kcgcompanies.com

About KCG Companies

KCG Companies specializes in creating and preserving senior and multifamily housing communities. Founded on the guiding principle that positive social impact and profitable development are not mutually exclusive, we strive to advance and redefine standards for superior-quality sustainable communities.