



**RBA
AUSTIN HOUSING FINANCE CORPORATION
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO.: AHFC-2
AGENDA DATE: Thu 01/15/2004
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SUBJECT: Conduct a public hearing for the purpose of receiving public comment regarding the issuance of up to \$7,000,000 of multi-family non-recourse refunding bonds to refinance the Stassney Woods Apartments at 1800 East Stassney Lane, Austin Texas, to be owned and operated by MID-AMERICA APARTMENT COMMUNITIES, INC.

AMOUNT & SOURCE OF FUNDING: Paid from requestor and bond funds.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Housing Finance
DEPARTMENT: Corporation

DIRECTOR'S
AUTHORIZATION: Paul Hilgers

FOR MORE INFORMATION CONTACT: Paul Hilgers, Community Development Officer, Neighborhood Housing and Community Development, 974-3108.

PRIOR BOARD ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

In August 1984, the Austin Housing Finance Corporation (AHFC) issued \$13 million in tax-exempt multi-family bonds to finance the acquisition and construction of the Stassney Woods Apartments, a 288-unit apartment complex at 1800 East Stassney Lane. In August 1994, AHFC issued \$5,160,000 in refunding tax-exempt multi-family bonds to refinance the Stassney Woods Apartments.

This public hearing will meet the Tax Equity Financial Responsibility Act (TEFRA) hearing requirements and allow the AHFC to receive public input for the issuance of up to \$7,000,000 in refunding tax-exempt multi-family bonds to refinance the Stassney Woods Apartments and retire the remaining balance on the 1994 bonds.

The Stassney Woods Apartments consists of 288 units, of which 120 are one-bedroom, one-bath units; and 168 are two-bedroom, two-bath units. The rents currently range from \$529 to \$679, with 90 percent of the units reserved for families making less than 80 percent of Median Family Income (MFI). Ten percent of the units are unrestricted.

The bonds to be issued are tax-exempt refunding multi-family non-recourse bonds guaranteed by Fannie Mae, rated AAA, repayable only from rents generated by the apartment complex and for which the full faith and credit of the City of Austin or the Austin Housing Finance Corporation is not pledged.

The primary purpose of this financing will be to preserve the supply of reasonably priced rental housing meeting the needs of families with incomes below 80 percent of MFI (\$56,500 for a family of four). Following the public hearing, to meet the TEFRA requirements, the AHFC bond team will structure the transaction and bring it back to the Board for consideration and approval of the issuance of up to \$7,000,000 of refunding multi-family non-recourse bonds in time to close the transaction before March 1, 2004.