



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

**AGENDA ITEM NO.:** AHFC-2  
**AGENDA DATE:** Thu 08/04/2005  
**PAGE:** 1 of 2

**SUBJECT:** Approve the negotiation and execution of a loan agreement in an amount not to exceed \$71,000 to PARKER LANE SENIORS APARTMENTS, L.P., for the development and construction of 70 units of rental housing on a 4.45 acre tract located at the intersection of the 4000 block of Parker Lane and the 1900 block of Woodward Street.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in Housing Trust Funds in the Fiscal Year 2004-2005 Austin Housing Finance Corporation budget under the Rental Housing Development Assistance Program.

**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, Director, Neighborhood Housing and Community Development, 974-3108.

**PRIOR BOARD ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

-----  
Parker Lane Seniors Apartments, L.P., is a newly created single purpose limited partnership established by the Capital Area Housing Finance Corporation and Parker Lane Developers, L.L.C., for the development of the Parker Lane Seniors Apartments on a 4.45-acre tract of land located at the intersection of the 4000 block of Parker Lane and the 1900 block of Woodward Street.

Parker Lane Seniors Apartments will consist of 70 units of rental housing comprised of 50 one-bedroom units and 20 two-bedroom units. The 70-unit project includes two market-rate rental units and 68 affordable rental units for low-income elderly households 62 years of age or older. Of the 68 affordable units, seven units will be reserved for elderly households with yearly incomes of no more than 30 percent of the Austin area's Median Family Income (MFI-currently \$17,050 for a family of two). The other 61 units will be reserved for elderly households with yearly incomes of no more than 60 percent of MFI (currently \$34,140 for a family of two). Projected monthly rents range from \$309 to \$658 for one-bedroom units, and \$355 to \$775 for two-bedroom units. The project also includes a community room, and a fitness and laundry facility.

A minimum of seven units will be made accessible for persons with mobility disabilities, and two units will be accessible for persons with hearing or vision disabilities. All units will be developed in accordance with S.M.A.R.T. Housing™ standards.

Board approval will permit staff to make a commitment of Rental Housing Development Assistance (RHDA) program funds in an amount not to exceed \$71,000 for the development of the project. The commitment is necessary to facilitate the final approval and award of federal low-income housing tax

credits (LIHTCs) by the Texas Department of Housing and Community Affairs (TDHCA). The participation of the Capital Area Housing Finance Corporation in the project will allow the project to receive 100 percent exemption from local property taxes.

The project was received under the RHDA program that provides financial assistance for the development of affordable rental housing for low- and moderate-income families and persons with special needs. Estimated sources and uses of funds for the project are as follows:

<u>Sources:</u>		<u>Uses:</u>	
TDHCA LIHTCs	\$5,626,371	Pre-development	\$ 500,000
Private financing	1,700,000	Land acquisition	426,144
Owner equity	381,000	Construction	4,759,545
RHDA funds	71,000	Soft & carrying costs	1,045,000
		Developer fee	<u>1,047,682</u>
<b>Total</b>	<b>\$7,778,371</b>	<b>Total</b>	<b>\$7,778,371</b>

Performance measures associated with the project are as follows:

1. Develop 70 units of rental housing of which 68 units will be made affordable to elderly families 62 years of age or older with yearly household incomes of no more than 60 percent of the Austin area's MFI.
2. Reserve a minimum of seven units affordable to elderly families 62 years of age or older with yearly household incomes of no more than 30 percent of the Austin area's MFI.
3. Provide a minimum of seven units accessible for persons with mobility disabilities, and two units for persons with hearing or vision disabilities.
4. Develop the 70-unit project in accordance with S.M.A.R.T. Housing™ standards.

Following approval of this item, staff will issue a commitment for an amortized loan to be negotiated and executed in an amount not to exceed \$71,000 for the development of the project. Anticipated loan terms will be for a minimum of 20 years at a three percent rate of interest, or such other terms as may be reasonable and necessary to finance the project.

The requested funding is available in the Fiscal Year 2004-2005 Austin Housing Finance Corporation (AHFC) budget, and the request is consistent with the City of Austin's currently approved Consolidated Plan and the AHFC's strategy to provide assistance through below market rate financing for the development of affordable rental housing for low- and moderate-income households and persons with special needs.