

<b>Recommendation for Board Action</b>								
Austin Housing Finance Corporation	Item ID	60161	Agenda Number	2.				
Meeting Date:	8/4/2016		Department:	Neighborhood and Community Development				
Subject								
Approve the negotiation and execution of a loan agreement with Accessible Housing Austin!, or an affiliated entity, in an amount not to exceed \$2,192,000, for an affordable, multi-family rental development to be located at 1920 Gaston Place Drive (District 1).								
Amount and Source of Funding								
Funding is available in the Fiscal Year 2016-2017 Operating Budget of the Austin Housing Finance Corporation.								
Fiscal Note								
There is no unanticipated fiscal impact. A fiscal note is not required.								
Purchasing Language:								
Prior Council Action:								
For More Information:	David Potter, Program Manager, 512-974-3192.							
Boards and Commission Action:								
MBE / WBE:								
Related Items:								
Additional Backup Information								
If approved, the Austin Housing Finance Corporation (AHFC) would be authorized to enter into a loan agreement with Accessible Housing Austin!, or an affiliated entity, to develop 27 units of multi-family rental housing in the University Hills/Windsor Park Neighborhood Plan area. The proposed development is located in Council District 1.								
<b><u>Funding Request</u></b>								
<ul style="list-style-type: none"> <li>▪ If approved, the funding will be used to assist with the development of the property.</li> <li>▪ Estimated Sources and Uses for the project are as follows:</li> </ul>								
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"><b><u>Sources:</u></b></td> <td style="width: 50%;"><b><u>Uses:</u></b></td> </tr> <tr> <td>Owner Equity                      \$    200,000</td> <td>Pre-Development                      \$    189,476</td> </tr> </table>					<b><u>Sources:</u></b>	<b><u>Uses:</u></b>	Owner Equity                      \$    200,000	Pre-Development                      \$    189,476
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Federal Home Loan Bank	189,000	Hard Costs	3,500,089
TDHCA Funding	1,050,000	Soft & Carrying Costs	799,700
Private Foundations	335,000	Other Costs	<u>2,100</u>
Deferred Developer Fee	276,050	<b>Total</b>	<b>\$ 4,491,365</b>
Other Funding	249,315		
RHDA Funds	<u>2,192,000</u>		
<b>Total</b>	<b>\$ 4,491,365</b>		

### **Project Characteristics**

- Twenty-seven (27) units to be built on property located at 1920 Gaston Place Drive in Northeast Austin.
- All units will be affordable to individuals or families with incomes at or below 50% MFI.
- The property is located within a quarter mile of a transit stop.
- The development will have six (6) Permanent Supportive Housing (PSH) units.
- 25% or 7 units will be dedicated to persons with disabilities.
- 50% or 14 units will be made accessible for persons with mobility disabilities, with the remainder of the units being made adaptable to persons with mobility disabilities.
- 1 unit will be made accessible for persons with hearing and sight disabilities.
- AHA! Has applied to TDHCA for HUD Section 811 funding that will provide rental subsidies to extremely low-income persons with disabilities (6 units).
- Unit mix:

15 one-bedroom/one-bath units	Rent: approximately \$283-\$571	638 square feet
12 two-bedroom/two-bath units	Rent: approximately \$333-\$679	875 square feet

### **Population Served**

- Three (3) units will be reserved for individuals with incomes at or below 30% of the Median Family Income (MFI), currently \$16,350 for a single-person household.
- Twenty-four (24) units will be reserved for individuals or families with incomes at or below 50% MFI, currently \$27,250 for a single-person household and \$38,900 for a 4-person household.

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

AHA! has obtained a ninety-nine (99) year ground lease on the property, which is currently 100% exempt from property taxation because it is owned by the Austin Affordable Housing Corporation, an affiliate of the Housing Authority of the City of Austin. The Travis Central Appraisal District will determine whether the residential use of this currently vacant property will continue to be eligible for the 100% exemption in the future.

### **Accessible Housing Austin! (AHA!)**

According to the funding application submitted, Accessible Housing Austin! was founded in 2005 by disability rights advocates who recognize that the scarcity of housing was a critical issue for people with disabilities. AHA! is the only housing non-profit in Austin led by members of the disability community whose mission is to provide affordable, accessible, integrated housing for low-income people with disabilities. AHA! serves a diverse range of Austinites with disabilities, including adults and children with mobility impairments, visual impairment, chronic illness, and other physical and emotional disabilities.

In 2010, AHA! entered into a partnership with the Texas State Affordable Housing Corporation to rehabilitate and manage seven previously foreclosed homes. To date, AHA! has provided housing for over forty low-income individuals with disabilities.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Information Packet here: <http://austintexas.gov/page/fy-15-16-funding-applications>.