

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	60868	Agenda Number	47.
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Meeting Date:	9/1/2016	Department:	Neighborhood and Community Development
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Subject

Conduct a public hearing and consider a resolution supporting an application to be submitted to the Texas Department of Housing and Community Affairs by thinkEAST Apartments, Ltd., or an affiliated entity, for the new construction of an affordable multi-family development to be located at 1143 Shady Lane. (District 3)

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Prior Council Action:

For More Information: Rosie Truelove, NHCD Interim Director, 512-974-3182; David Potter, NHCD Program Manager, 512-974-3192

Council Committee, Boards and Commission Action:

MBE / WBE:

Related Items:

Additional Backup Information

This action will conduct a public hearing and consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2016 Uniform Multi-family Rules. The applicant, thinkEAST Apartments, Ltd., or an affiliated entity, must submit to TDHCA a resolution of no objection from the applicable governing body in which the development is located. This proposed development is located in District 3.

Proposed Project
 thinkEAST Apartments, Ltd., is planning to construct a 182-unit development located at 1143 Shady Lane, which would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$46,680 for a 4-person household. The development, to be known as the thinkEAST Apartments, is proposed to be partially funded with 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by Austin Affordable PFC, Inc. No funding from the Austin Housing Finance

Corporation is being requested.

Estimated Sources of Funds

<u>Sources</u>		<u>Uses</u>	
Debt Financing	\$ 16,700,000	Acquisition Cost	\$ 2,000,000
Tax Credit Equity	11,332,429	Construction Cost	18,626,735
Other Financing	<u>518,955</u>	Soft and Financing Cost	4,370,680
Total	\$ 28,551,384	Reserves and Developer Fee	<u>3,553,969</u>
		Total	\$ 28,551,384

Project Attributes

- The project will be 100% affordable to households with incomes at or below 60% MFI.
- The unit mix will include:
 - 50 studio units, approximately 583 square feet;
 - 65 1-bedroom units, approximately 687 square feet;
 - 58 2-bedroom units, approximately 1,062 square feet;
 - 9 3-bedroom units, approximately 1,265 square feet.
- On-site amenities will include a business center, pool, club room, and a gym.

Current Property Tax Status and Future Impact

The property 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. Once ownership passes to thinkEAST Apartments, Ltd., it will be up to the Travis Central Appraisal District to determine whether or not the property continues to qualify for the 100% exemption.

thinkEAST Apartments, Ltd.

The development will be owned by thinkEAST Apartments, Ltd., an affiliate of Austin Affordable Housing Corporation (AAHC), a non-profit subsidiary of the Housing Authority of the City of Austin (HACA). AAHC was created in 2003 to preserve and increase the stock of affordable housing for low to moderate-income families in Austin as well as provide financial literacy and homeownership opportunities. AAHC's real estate portfolio consists of office buildings, a shopping center, single-family houses and multi-family rental developments.

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>.