

## AGENDA



## Recommendation for Board Action

## AUSTIN HOUSING FINANCE CORPORATION (AHFC)

AHFC Meeting: October 19, 2017

Item Number: AHFC006

## Consent

Conduct a public hearing and receive public comment regarding the issuance of up to \$13,000,000 dollars of Multi-family Housing Revenue Bonds to be issued by the Austin Housing Finance Corporation to finance the development of the Housing First Oak Springs by Housing First Oak Springs, LP, or an affiliated entity, for a proposed Permanent Supportive Housing development to be located at 3000 Oak Springs Drive.

**District(s) Affected:** District 1

<b>Lead Department</b>	Neighborhood Housing and Community Development Department.
<b>Fiscal Note</b>	There is no fiscal impact. A fiscal note is not required.
<b>Prior Council Action</b>	May 5, 2016 - Council approved resolution No. 20160505-036 to be submitted with the Low Income Housing Tax Credit application to be submitted for the Housing First Oak Springs Apartments.
<b>For More Information</b>	Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; David Potter, Program Manager, Neighborhood Housing and Community Department, 512-974-3192.
<b>Council Committee, Boards and Commission Action</b>	December 11, 2014 - The Austin Housing Finance Corporation Board of Directors authorized negotiation and execution of a loan agreement with ATCIC in the amount of \$3,000,000 for this development. June 23, 2016 - Austin Housing Finance Corporation Board authorized inducement of up to \$13,000,000 in private activity volume cap for the Housing First Oak Springs Apartments.

August 4, 2016 - Austin Housing Finance Corporation Board conducted a public hearing that satisfied the requirements of the Tax Equity and Fiscal Responsibility Act (TEFRA)

March 23, 2017 - Austin Housing Finance Corporation Board authorized an increase of \$888,112 for a total loan amount not to exceed \$3,888,112.

**Below Line Language:**

This public hearing meets the Tax Equity Financial Responsibility Act (TEFRA) hearing requirements and allows the Austin Housing Finance Corporation (AHFC) to receive public input for the issuance of up to \$13,000,000 in housing non-recourse bonds to provide interim and permanent financing for the development of the Housing First Oak Springs Apartments. The property is located in District 1.

A public hearing was conducted for this proposed bond issuance on August 4, 2016. However, TEFRA rules require the public be notified and another hearing conducted if more than one year has elapsed without the bonds being issued.

**Proposed Project**

Austin Travis County Integral Care (ATCIC) responded to a 2014 Request for Proposals issued by the Austin Housing Finance Corporation and was selected to develop 50-units of "Housing First" Permanent Supportive Housing. The development is located at 3000 Oak Springs Drive and would be 100% affordable to households with incomes at or below 50% Median Family Income (MFI), currently \$28,500 for a 1-person household. The development, to be known as the Housing First Oak Springs, is proposed to be partially funded with 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by Austin Housing Finance Corporation.

**Estimated Sources and Uses of Funds**

**Sources**

**Uses**

Private Activity Bonds	\$ 12,254,314	Land	\$ 676,500
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Department of State Health Services	3,695,000	Construction Cost	
	15,597,091		

Austin Housing Finance Corporation	3,888,112	Financing	
	1,394,320		

Tax Credit Equity	<u>1,000,000</u>	Reserves & Developer Fee	
	<u>3,169,515</u>		

Total	\$ 20,837,426	Total	\$ 20,837,426
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	<p><u>Project Attributes</u></p> <ul style="list-style-type: none"> <li>· The target population will be individuals with incomes at or below 30% of the Median Family Income (MFI), currently \$17,100 for a 1-person household, but will be restricted to persons with incomes no greater than 50% MFI.</li> <li>· All units will be Permanent Supportive Housing (PSH) units, and will be operated under the Housing First model, which serves individuals who have experienced chronic homelessness and have one or more barriers to maintaining housing.</li> <li>· ATCIC currently owns the property.</li> <li>· All 50 units will be 1-bed/1-bath efficiency units.</li> <li>· Tenants will have access to a range of support services including person-centered services based on individual needs, ongoing case management, and access to mainstream services.</li> <li>· This development will help to achieve the city-wide four-year goal of 400 Permanent Supportive Housing (PSH) units, to include 200 Housing First PSH units, by the year 2019.</li> </ul> <p><u>Current Property Tax Status and Future Impact</u></p> <p>The property is currently 100% exempt from property taxation according to Travis Central Appraisal District and is owned by Austin Travis County Integral Care (ATCIC).</p> <p><u>Austin Travis County Integral Care (ATCIC)</u></p> <p>Austin Travis County Integral Care (ATCIC) has developed 31 properties including 13 apartment complexes and 8 community living facilities, and currently operates 44 facilities. In the past ten years ATCIC has acquired and rehabilitated 5 buildings, and continued to manage 15 additional properties during this time. Three of these properties were Permanent Supportive Housing (PSH) communities, with two of these communities serving individuals under the Housing First model.</p> <p>ATCIC was established in 1967 and provides community-based mental health, and substance abuse services to adults and children who are the most severely disabled and who are most in need of services. These services include psychiatric evaluations, 24-hour crisis interventions, medication treatment, inpatient treatment, employment and vocational services, service coordination, family support and respite care, housing, information and referral, supported living and residential services.</p> <p>For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area,</p>
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	please see the project's Development Information Packet here: < <a href="http://austintexas.gov/page/fy-15-16-funding-applications">http://austintexas.gov/page/fy-15-16-funding-applications</a> >
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