

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: December 7, 2017

Item Number: **061**

Item(s) to Set Public Hearing(s)

Set a public hearing for an application to be submitted to the Texas Department of Housing and Community Affairs by AMTEX McKinney Fund, LP, or an affiliated entity, for the new construction of an affordable multi-family development to be known as the McKinney Falls Apartments, located at 6609 McKinney Falls Parkway, in the extraterritorial jurisdiction of the City of Austin. (Suggested date and time: December 14, 2017 beginning at 4:00 p.m. at Austin City Hall, 301 W. Second Street, Austin, TX.).

Lead Department	Neighborhood Housing and Community Development Department.
For More Information	Rosie Truelove, Director, Neighborhood Housing and Community Development Department, 512-974-3064; David Potter, Program Manager, 512-974-3192.

Additional Backup Information:

This action will set a public hearing to receive public comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2017 Uniform Multi-family Rules. The applicant must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located. Since the property is located in the Austin’s Extra-Territorial Jurisdiction (ETJ), the applicant must submit resolutions from both the City of Austin and the Travis County Commissioner’s Court. On August 29, 2017, the Commissioner’s Court approved the applicant’s resolution. A copy of the resolution is included in backup.

Proposed Project

AMTEX McKinney Fund, LP, is planning to construct a 312-unit multi-family development located at 6609 McKinney Falls Parkway, which will have affordable units for households with incomes at or below 60% Median Family Income (MFI), currently \$48,840 for a 4-person household. The development, to be known as the McKinney Falls Apartments, is proposed to be partially funded with 4% Low Income Housing Tax Credits and Private Activity Bonds issued by the Travis County Housing Finance Corporation. No funding from the City of Austin or Housing Finance Corporation is being requested.

Estimated Sources and uses of Funds

<u>Sources:</u>		<u>Uses:</u>	
Tax Credit Equity	\$17,945,962	Acquisition Costs	\$1,734,000
Permanent Loan	38,915,562	Hard Costs	35,964,634
CDBG Grant/Loan	750,000	Soft and Financing Costs	10,880,147
Total	\$57,611,524	Reserves and Developer Fee	9,032,743
		Total	\$57,611,524

Project Characteristics

- § 36 one-bedroom units (approximately 715 square feet, approximate rent \$700 to \$916).
- § 153 two-bedroom units (approximately 887 square feet, approximate rent \$841 to \$1,099).
- § 93 three-bedroom units (approximately 1,070 to 1,096 square feet, approximate rent \$969 to \$1,270).
- § 30 three-bedroom units (approximately 1,349 square feet, approximate rent \$1,079 to \$1,315).

Population Served

- § Seventeen (17) units will be reserved for individuals or families with incomes at or below 50% MFI, currently \$28,500 for a single-person household and \$40,700 for a 4-person household.
- § Two hundred seventy-nine (279) units will be reserved for individuals or families with incomes at or below 60% MFI, currently \$34,200 for a single-person household and \$48,840 for a 4-person household.
- § Sixteen (16) units will have no income restrictions.

Current Property Tax Status and Future Impact

The property currently has an agricultural use exemption. The Travis Central Appraisal District will determine whether the residential use of this vacant property will be eligible for any exemptions after ownership is transferred and the property is developed.

AMTEX McKinney Fund, LP

The development will be owned by AMTEX McKinney Fund, LP, an affiliate of AMTEX Development, LLC. According to information provided the developer, since entering the Texas market, AMTEX has delivered over 300 units in the Dallas/Fort Worth and Houston areas. AMTEX has another four projects in predevelopment or construction, representing over 500 units that will be delivered in the next two years. AMTEX has partnered with Fort Worth Housing Solutions on four projects: one recently completed (Avondale Apartments) and three in predevelopment (Harmon Senior Villas, Alton Park, and Campus Apartments), each of which include Rental Assistance Demonstration (RAD) units and Section 8 Project-Based Vouchers (PBVs). AMTEX worked closely with the FWHS team through the tax credit application, design, and finance steps of each project.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Application here:

<http://austintexas.gov/page/fy-16-17-funding-applications>.