

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting : February 1, 2018

Item Number: 038

Neighborhood Housing and Community Development

Approve a resolution under the State of Texas 2018 Qualified Allocation Plan, supporting an application to be submitted by Saigebrook Development, LLC, or an affiliated entity, competing for an award of Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs to help finance a proposed new construction, multi-family housing development to be called Vi Collina Apartments, located at 2431 East Oltorf Street.

District(s) Affected: District 3

Lead Department	Neighborhood Housing and Community Development.
Fiscal Note	This item has no fiscal impact.
For More Information	Rosie Truelove, Neighborhood Housing and Community Development Director, 512-974-3064; David Potter, Neighborhood Housing and Community Development Program Manager, 512-974-3192.

Additional Backup Information:

If approved, a Resolution of Support from the Austin City Council will be included with Low Income Housing Tax Credit (LIHTC) Application Number 18311 to be submitted by Saigebrook Development, LLC, or an affiliated entity, to the Texas Department of Housing and Community Affairs (TDHCA) for the proposed Vi Collina Apartments. The property is located in District 3.

For developments proposed within a municipality, an application will receive the maximum amount of scoring points in the category of "Local Government Support" if it includes a resolution from the

governing body of the municipality expressly supporting the tax credit application. An application will score fewer points if the municipality provides a resolution stating that it has “no objection” to the tax credit application.

Information about the proposed development is attached, and staff recommends approving a resolution supporting the tax credit application.

LIHTC applications are due to TDHCA on March 1, 2018.

Proposed Development

110 Units in the following mix:

- 18 1-bedroom/1 bath 700 Square feet Estimated Rents: \$458-\$916
- 56 2-bedroom/2 bath 900 Square feet Estimated Rents: \$549-\$1,099
- 36 3-bedroom/2 bath 1,100 Square feet Estimated Rents: \$635-\$1,270

Population Served

- 9 units will be reserved for persons with incomes at or below 30% Median Family Income (MFI); currently, \$17,100 for a single-person household and \$24,400 for a 4-person household;
- 34 units will be reserved for persons with incomes at or below 50% MFI; currently, \$28,500 for a single-person household and \$40,700 for a 4-person household.
- 42 units will be reserved for persons with incomes at or below 60% MFI; currently, \$34,200 for a single-person household and \$48,840 for a 4-person household.
- 25 units will be reserved for persons with incomes at or below 120% MFI; currently, \$68,400 for a single-person household and \$97,680 for a 4-person household.

Estimated Sources and Uses

<u>Sources</u>		<u>Uses</u>	
Tax Credit Equity	\$ 13,948,605.00	Acquisition	\$ 3,300,000.00
Debt Financing	\$ 6,500,000.00	Hard Costs	\$ 13,821,022.00
Proposed Bonds	\$ 2,450,000.00	Soft & Financing Costs	\$ 3,888,775.00
Deferred Dev Fee	\$ 1,069,006.00	Reserves & Developer Fee	\$ 2,957,814.00
TOTAL	\$ 23,967,611.00	TOTAL	\$ 23,967,611.00

The proposed development is located:

- **less than ½ mile** from an Imagine Austin Corridor,
- **less than ¼ mile** walking distance to high-frequency transit; and
- **less than ¾ mile** walking distance from a transit stop.

The Applicant

Saigebrook Development and its Principal, Lisa Stephens, have specialized in providing first-class affordable and workforce housing communities in urban core and suburban areas since 1996. Ms. Stephens has secured 14 allocations of Housing Tax Credits in Texas and has financed and closed approximately 5,000 units in the southern United States. Vi Collina would be Saigebrook Development’s

fifth development in Austin.