



Recommendation for Action

File #: 19-1931, **Agenda Item #:** 62.

6/6/2019

Posting Language

Conduct a public hearing related to an application by Cesar Chavez Foundation, or an affiliated entity, for housing tax credits for a multi-family development that will be financed through the private activity bond program to be known as Govalle Terrace, located at or near 5225 Jain Lane; and consider a resolution that relates to the development, the application, and the allocation of housing tax credits and private activity bonds within the City and near the proposed development.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

February 9, 2017 - Council passed Resolution No. 20170209-050, approving an application to be submitted to the Texas Department of Housing and Community Affairs, indicating that Council does not object to the proposed development.

For More Information:

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

Council Committee, Boards and Commission Action:

November 3, 2016 - The Austin Housing Finance Corporation Board (the Board) approved an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$11,000,000 in private activity volume cap multi-family non-recourse bonds.

December 1, 2016 - The Board conducted a public hearing to receive public comment regarding the issuance of up to \$11,000,000 of Multi-family Housing Revenue Bonds to be issued by the Austin Housing Finance Corporation for Govalle Terrace.

December 8, 2016 - The Board authorized negotiation and execution of a loan with Govalle Affordable Housing, L.P., an affiliate of the Cesar Chavez Foundation, or an affiliated entity, in an amount not to exceed \$2,808,000 for a mixed-income multi-family rental development to be known as Govalle Terrace.

December 7, 2017 - The Board approved an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$13,000,000 in private activity volume cap multi-family non-recourse bonds.

May 9, 2019-The Board authorized a loan in the amount of \$5,158,000 to the Cesar Chavez Foundation, or an affiliated entity, for the construction of Govalle Terrace.

Additional Backup Information:

This public hearing is for an application to the Texas Department of Housing and Community Affairs (TDHCA). The Cesar Chavez Foundation seeks 4% Low Income Housing Tax Credits (LIHTC) which will be financed through the activity bond program. The property is located in District 3. The resolution relates to the proposed development. It confirms that Council: (1) received notice of the application, (2) held a public hearing on the application, (3) had sufficient opportunity to obtain responses from the applicant related to questions or concerns about the proposed development, and (4) that the Council does not object to the proposed application. Additionally, the resolution acknowledges and confirms that the City has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds, states Council's support for the proposed development, confirms that Council approves the construction of the proposed development, and authorizes an allocation of Housing Tax Credits for the proposed development.

Depending on the location of the proposed development, the resolution may do one or more of the following: (a) acknowledge that the proposed development will be located one linear mile or less from another development that serves the same type of household and received an allocation of Housing Tax Credits (or private activity bonds) within the last three years, (b) acknowledge that the proposed development is located in a census tract with more than 20% housing tax credits per total households, (c) allow the construction of the proposed development, and (d) affirm that the proposed development is consistent with the City's obligation to affirmatively further fair housing.

Project Proposal & Funding Request

Govalle Terrace is a proposed new construction, mixed-income rental housing development in the thinkEAST Planned Unit Development (PUD). The community will consist of 97 units: 4 units targeted as affordable housing for households earning less than 30% of the Austin Median Family Income (MFI), which will be Permanent Supportive Housing (PSH) units; 61 units targeted as affordable housing for households earning less than 50% MFI; and 32 units targeted as affordable housing for households earning less than 60% MFI.

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:

<https://austintexas.gov/page/current-applications>.