



Recommendation for Action

File #: 19-3500, **Agenda Item #:** 7.

11/14/2019

Posting Language

Approve negotiation and execution of a loan agreement and related documents with DMA Development Company, LLC, or an affiliated entity, in an amount not to exceed \$1,000,000, for a multi-family rental development to be known as Talavera Lofts, to be located at or near the southeast corner of East 5th and Navasota Streets.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

A fiscal note is not required.

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:

August 8, 2019 - AHFC Board authorized negotiation and execution of a loan agreement with DMA Development Company, LLC, or an affiliated entity, in an amount not to exceed \$2,000,000 for a multi-family rental development to be known as Talavera Lofts.

Additional Backup Information:

If approved, the Austin Housing Finance Corporation would be authorized to enter in to a loan agreement with DMA Development Company, LLC or an affiliated entity for a multifamily rental housing project to be located in Council District 3.

Project Information: Project funding is to be utilized for development costs of a multi-family rental development consisting of 92 units, of which 15 will be affordable to households with incomes at or below 30% Median Family Income (MFI). An additional 46 units will be reserved for households with incomes at or below 50% MFI. Units will be a mix of efficiency, one-bedroom, two-bedroom, and three-bedroom apartments.

Previous Funding & Proposed Funding Sources: On August 8, 2019, the developer was awarded AHFC funding in the amount of \$2,000,000, and is comprised of the following funding sources:

- \$1,202,079 - Plaza Saltillo Housing Assistance Fund
- \$797,921 - 2018 General Obligation Bonds
- \$2,000,000 - Prior Award

The current funding request is for an additional \$1,000,000, which would be funded with Plaza Saltillo funds. If approved, this action would enable AHFC to execute a loan agreement in an amount up to \$3,000,000 with the borrower, and the funding would be comprised of the following sources of funds:

- \$1,000,000 - Plaza Saltillo set-aside within the Housing Trust Fund (this action)

\$1,202,079 - Plaza Saltillo Housing Assistance Fund

\$797,921 - 2018 General Obligation Bonds

\$3,000,000 - Total Award Amount

The proposed development's application to the City, as well as socioeconomic and amenity information in the surrounding area, may be found here: <http://www.austintexas.gov/page/current-applications>.