



## Recommendation for Action

**File #:** 20-2764, **Agenda Item #:** 86.

8/27/2020

### **Posting Language**

Conduct a public hearing related to an application by MHP City Heights, Ltd., 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 City Heights, located at or near 4400 Nuckols Crossing Road, Austin, Texas, 78744, within the City, and consider a resolution related to the proposed development, the application, and the allocation of housing tax credits and private activity bonds.

### **Lead Department**

Neighborhood Housing and Community Development.

### **Fiscal Note**

No funding from the City of Austin or the Austin Housing Finance Corporation is being requested. This item has no fiscal note.

### **Prior Council Action:**

February 6, 2020 - Council approved a resolution of support for City Heights to the Texas Department of Housing and Community Affairs' 2020 9% Low Income Housing Tax Credit (LIHTC) round. Having not secured a 9% LIHTC award, City Heights will now pursue a 4% LIHTC award.

July 29, 2020 - City Council set a public hearing for August 27, 2020 regarding an application by MHP City Heights, Ltd., for housing tax credits for a multi-family development that will be financed through the private activity bond program.

### **For More Information:**

Rosie Truelove, Director, Neighborhood Housing and Community Development, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091.

### **Council Committee, Boards and Commission Action:**

November 14, 2019: Austin Housing Finance Corporation (AHFC) Board approved negotiation and execution of a loan agreement with McDowell Housing Partners, LLC, or an affiliated entity in an amount not to exceed \$4,000,000 for a multifamily rental development to be known as City Heights.

June 11, 2020: AHFC Board approved an inducement resolution for an allocation of up to \$22,000,000 in private activity volume cap multifamily non-recourse bonds to MHP City Heights, Ltd., or an affiliated entity, for a proposed affordable multifamily development to be known as City Heights.

### **Additional Backup Information:**

This action conducts a public hearing to receive public comment on an application that will be (or has been) submitted to the Texas Department of Housing and Community Affairs (TDHCA). The Applicant, MHP City Heights, Ltd., or an affiliated entity, seeks funding for the Development through 4% Low Income Housing Tax

Credits (LIHTC) and private activity bonds. The property is located within the City.

After the public hearing, Council will consider a resolution about the proposed development, the application, and, if necessary, the allocation of housing tax credits and private activity bonds.

**Proposed Development**

MHP City Heights, Ltd., which is an affiliate of McDowell Housing Partners, LLC, plans to develop a 179 unit multi-family development to be located at 4400 Nuckols Crossing Road, Austin, Texas, 78744. The community will be affordable to households earning at or below 80% of the Austin Median Family Income (MFI). The development is proposed to be partially funded with 4% Low Income Housing Tax Credits and tax-exempt bonds issued by the Austin Housing Finance Corporation. The development was recently awarded a \$4,000,000 loan from AHFC.

The proposed development's application to the City, as well as socioeconomic characteristics and amenities in the surrounding area, may be found at

<https://austintexas.gov/departments/low-income-housing-tax-credit-4-percent-applications>.