



Recommendation for Action

File #: 20-2775, **Agenda Item #:** 6.

8/27/2020

Posting Language

Authorize negotiation and execution of a loan agreement and related documents with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, in an amount not to exceed \$300,000 for an ownership housing development to be known as The Chicon, to be located at or near 1309 Chicon Street.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

Funding is available in the FY 2019-2020 Capital Budget of Austin Housing Finance Corporation. A fiscal note is attached.

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.

Additional Backup Information:

If approved, the Austin Housing Finance Corporation will be authorized to enter into a loan agreement and other documents with Chestnut Neighborhood Revitalization Corporation, or an affiliated entity, for an ownership housing development to be located in Council District 1.

Sources of Funding: 2018 General Obligation Bonds

Project Information: AHFC provided acquisition, pre-development, and construction funding for this Development from 2012 and 2017. The original Development plan consisted of a total of 45 units across three buildings. 33 of the units were affordable units and the remaining 12 were market rate units. After Chestnut Neighborhood Revitalization Corporation constructed the first two buildings, the City passed the Affordability Unlocked Ordinance. Chestnut Neighborhood Revitalization Corporation then reconfigured the design of the third building to increase the number of total units and affordable units for this Development. The Development plan now consists of a total of 77 units. 58 of the units are affordable units, and 19 units are market rate units. The funds from this loan will be used for construction cost associated with the construction of the additional 25 affordable units - a 75% increase in affordable units from the original Development plan.

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

Strategic Outcome(s):

Economic Opportunity and Affordability.