



Austin Housing Finance Corporation



Austin Housing Public Facility Corporation

P.O. Box 1088, Austin, TX 78767-1088
(512) 974-3100 ♦ Fax (512) 974-3161

PAB.AHFC@austintexas.gov
www.cityofaustin.org/ahfc

Application for Financing Qualified Multifamily Residential Rental Project

Applicant Name: Aspire at Big Austin, LP

Project Name: Aspire at Big Austin

Project Address: 1000 E. Braker Ln., 78753

Applicant Contact: John Latham

Requested Issuer:

- Austin Housing Financing Corporation
- Austin Housing Public Facility Corporation

Please read the instructions and guidelines before completing and submitting this application. Do not complete by hand and scan.

Please submit this completed application with all required attachments electronically.

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Section A: Application Summary

Applicant Information

Company/
Developer Name: Mission Development Group, LLC

Address: 454 Soledad St., Ste. 200

San Antonio Texas 78205

Phone: 210-354-3705 Email: John@missiondg.com

Website: https://www.missiondg.com/

Point of Contact for Applicant

Full Name: John Latham - Partner - Mission Development Group, LLC

Address: 454 Soledad St., Ste. 200

San Antonio Texas 78205

Phone: 210-354-3705 Email: John@missiondg.com

Guarantor for Applicant

Full Name: Mission Development Group, LLC (affiliated individual guarantors)

Address: 454 Soledad St., Ste. 200

San Antonio Texas 78205

Phone: 210-354-3705 Email: John@missiondg.com

Financing Request

1) Amount of bond issuance requested: the greater of \$50M or 1.7% of available state ceiling

2) What type of bond financing is being requested for this development? (Check all that apply.)

Private Activity Bonds 501 (c) Tax Exempt Taxable

3) If Private Activity Bonds, which Priority Election?

1a 1b 1c 2 3

Proposed Development Narrative

Please explain the general aspects of the proposed development, including the location, the style of development, the unit mix and affordability levels, the target population, the sources and uses, the target timeline, the development team and ownership structure. Please also mention any support services you intend to provide onsite to residents.

Aspire at Big Austin will be a 368-unit, Class-A, affordable multifamily community for individuals and families located in the North Austin sub-market in close proximity to high-tech employers such as Dell and Samsung. This high-end workforce housing community will offer residents an affordable, attractive, comfortable, and engaging living experience designed to enhance quality of life through activity, interaction, wellness, and convenience. The Development is located on 6.9 acres in Urban Austin that does not require a zoning change.

As home values continue to rise and home-ownership becomes more expensive to moderate and low-income earners, the proposed development provides residents an attractive opportunity to obtain high-quality housing at an approachable price, helping to alleviate the affordability crisis in the Austin market. Aspire at Big Austin is located with a 1/2 mile of bus transit and has access to healthy food. The neighborhood also offers access to retail, recreation, medical and transit.

Aspire at Big Austin will offer 100% affordable units to qualifying households. Affordable units will be rent and income restricted, and on average will be for households earning 60% of the Area Median Income (AMI).

A mix of spacious studio, one-, two-, and three-bedroom floor plans will give residents the option to choose the unit type that best fits their individual lifestyle and preferences. With copious amenities, high-end interiors, easy access to Interstate 35, and just minutes from downtown, Aspire at Big Austin is well-positioned to become one of the premiere mixed-income residential communities in North Austin.

Project Status:

- The development has proposed a partnership with Austin HFC as General Partner and is under consideration by Alex Radtke and team at this time.
- Bond Application to the Texas Bond Review Board in October for the 2024 lottery with Austin PFC as issuer. If selected for a reservation in January 2024, the project would be slated to close financing and start construction in July 2024.
- Architectural and Site Design underway with a goal to have permits in hand by May 2024.
- City of Austin funding application to be submitted August 4, 2023 for \$7,755,000 in gap funding for soft costs/hard construction costs.
- Site will be acquired by an affiliate of Mission Development Group, LLC on August 8, 2023 utilizing an acquisition bridge loan which takes the pressure off of funding for acquisition.

The total development cost for Aspire at Big Austin is \$99M. The financing structure will include a construction to permanent FHA insured 221(d)(4) mortgage. This structure anticipates the issuance of bonds which will be outstanding during the construction period and which will be collateralized by a portion of the FHA mortgage. The Development has already received HUD Concept approval. An acquisition bridge loan will be utilized to take down the land on August 8, 2023. The remaining sources will be tax credit equity, a City of Austin RHDA request and deferred developer fee.

Aspire at Big Austin will include a menu of resident-informed supportive services provided by CHR Partners and BiGAUSTIN. Services are to include:

- Basic Adult Education/GED Preparation/English as a Second Language
- Legal Assistance and Crisis Intervention
- Case Management
- Career Placement & Training
- Health Screening Services/Health and Nutritional Courses
- After School Programs/Scholastic Tutoring
- Social Events and Recreation
- Community Safety, Self-Esteem and Problem Solving
- Income Tax Seminars or Preparation
- Transportation

Aspire at Big Austin will be owned and developed by a limited partnership that includes a General Partner (proposed to be Austin HFC affiliate) and a Special Limited Partner with ownership split between Mission Development Group, LLC partners and BiGAUSTIN. Mission Development Group, LLC will have controlling interest in that Special Limited Partner. Mission Development Group, LLC will provide all guarantees for the project and will be solely responsible for the construction and delivery of the affordable housing development. Mission Development Group, LLC (Mission DG) is a real estate development specializing in mixed-use, age-restricted, historic, affordable, garden-style and urban infill projects. It is the firm's mission to build beautiful, functional, and sustainable living environments that connect people and places and enhance their quality of life. Having constructed over 2,600 units, Mission DG will bring its powerful experience and expertise to add capacity to Austin's affordable housing developer profile.

There will be a Ground Lease between AHFC Aspire Nonprofit Corporation ("AHFC") and the owner of Aspire at Big Austin (Aspire at Big Austin, LP) (the "Project Owner"). Under the Ground Lease, AHFC will lease the land on which the Aspire at Big Austin project is located to the Project Owner. The term of the Ground Lease will be for a period of approximately 55 years, commencing on the tax credit closing date, and in all events will extend for a term at least 10 years beyond the end of the TDHCA LURA. The rent will be an upfront payment paid at closing.

Section B: Applicant Information

Applicant Legal Form

1) What is the legal form of the applicant? (Please check one)

- | | |
|---|--|
| <input type="radio"/> Sole Proprietorship | <input type="radio"/> General Partnership |
| <input type="radio"/> Business Corporation | <input checked="" type="radio"/> Limited Partnership |
| <input type="radio"/> 501(c)(3) Corporation | <input type="radio"/> Limited Liability Company |

2) Is the applicant a “to be formed” entity?

- Yes No

3) If the Applicant is a Corporation or LLC, is it incorporated or authorized to transact business in Texas?

- Yes No N/A

4) If the Applicant is a Limited Partnership, does it have a current certificate on file with the Texas Secretary of State?

- Yes No N/A

Participants in the Application

5) Has the Applicant, any of its officers or directors, or any person who owns a 10% or greater interest in the Applicant ever been found in violation of any rules or regulations of HUD or of any other federal or state agency or been the subject of an investigation by HUD or of any other federal or state agency? *IF YES, please attach a full explanation in Attachment B – Professional Development Team Members.*

- Yes No

6) Does the Applicant or the Project currently have any tax liens with the City of Austin, Travis County, or any other taxing authority?

- Yes No

IF YES, please specify:

- 7) Identify who will act as Guarantor(s) for the proposed development and explain how she/he/they provide sufficient net worth to meet the expected guarantor requirements of both the lender and equity investor. Please identify recent transactions for which the individual(s) has served as guarantor(s).

Individual guarantors for the project include: Nathan Fisher, William Bruggeman, Mark Tolley and John A. Latham. Mission Development Group, LLC has constructed over 2,600 units and has a portfolio valued over \$345M. Profit and Loss statements are being sent under separate cover. Please also see the attached Company Profile in Attachment C.

- 4) If the applicant does NOT own the project site, but holds an option to contract or purchase the project site, please:
- a. Provide the expiration date of the Option or Purchase and Sale Agreement, including all allowable extensions, and the Purchase Price below:

- b. Include a copy of the Agreement with Attachment E.

Unit Mix, Facilities and Set-Asides

- 5) Please indicate the total number of units in the development and the number of units that will be rent and income restricted.

Total Units: 368

Total Income-Restricted Units: 368 - income average

- 6) Please specify the development's income restrictions:

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom Unit	Four (+) Bedroom	Total
Up to 20% MFI						
Up to 30% MFI						
Up to 40% MFI	2	22	11	2		37
Up to 50% MFI	2	22	11	2		37
Up to 60% MFI	4	40	19	4		67
Up to 70% MFI	6	97	49	8		160
Up to 80% MFI	3	36	17	3		59
Up to 120% MFI						
No Restrictions	1	3	3	1		8
Total Units	18	220	110	20		368

7) Please describe the unit features and amenities for the proposed development.

Unit Features include: Open Concept Floorplans, Studio, 1, 2 & 3 Bdrm Layouts, 10' Ceilings, Wood-Style Flooring, Large Walk-In Closets, Gourmet Eat-In Kitchens, Contemporary-Style Cabinetry, Granite Countertops, Energy-Efficient Appliances, Kitchen Pantries & Linen Closets, Built-In Microwaves, Dishwashers, In-Sink Garbage Disposals, Upgraded Pendant Lighting, Brushed Nickel Hardware, In-Unit Washers & Dryers, Private Patios/Balconies, Ceiling Fans, Curved Shower Rods, Vanities with Oversized Mirrors, 2" Wood-Style Blinds and Walk-In Showers.

8) Please check which of the following utilities development tenants will be required to pay for on an individual basis:

- Electricity Water and wastewater Gas
 Garbage pickup Other (describe): _____

9) Please describe any common area amenities to be included in the project. For example: covered parking, laundry, community space in clubhouse, swimming pool, playground, etc.

Common area amenities include: Fitness Center with Yoga Studio, Resort-Style Pool, Sun Deck, On-Site Self Storage, Demonstration Kitchen, Clubhouse & Resident Lounge, Resident Business Center, Leasing Center, Elevators & Trash Rooms, Cornhole Pit, Mail Center & Package Lockers, Game/Arts & Crafts Room, Dog Park & Pet Stations, Gazebo & Outdoor Grilling, Limited Access Gate and Ample covered parking.

10) Please describe the intended target population, and any partnerships with local community groups or service providers to better serve that target population:

The intended target population is affordable, workforce housing for families and individuals. The Development will offer residents an attractive, comfortable, and engaging living experience designed to enhance quality of life through activity, interaction, wellness, and convenience. Supportive Service providers - CHR Partners and BiGAUSTIN - will both offer supportive services to residents of Aspire at Big Austin.

11) Please select each of the following the Applicant intends to pursue:

- Set aside 5% of the units for occupancy by the elderly
- At closing, pay the Texas Dept. of Aging a one-time fee equal to 0.10% of the total principal amount of the bond issue

Rehabilitation Proposal (if applicable)

12) Briefly describe the proposed additions and improvements. For more detailed requirements, see Attachment H.

N/A

13) Please provide the following information:

Age of Units: N/A Current Vacancy Rate: N/A

14) Will any tenants require relocation due to the expected rehabilitation? *IF YES, please briefly describe relocation plan and budget.*

- Yes No

N/A

Construction timeline and costs

15) Please indicate whether construction or rehabilitation on the project has begun:

Yes

Start date: _____

Estimated completion date: _____

No

Anticipated start date: July 15, 2024

Anticipated completion date: December 31, 2026

16) Please give the total project cost expended or incurred to date:

\$650k + upcoming land acq

Section D: Application for Bond Financing or Transfer

I, the undersigned duly authorized representative of **Aspire at Big Austin, LP** (the "Applicant") of the proposed residential development described in the attached Application for Financing Qualified Multifamily Residential Rental Project, do hereby make application to Austin Housing Public Facility Corporation (the "Austin HPFC") in accordance with the Austin's Rules and Regulations regarding the Financing of Multifamily Rental Residential Developments (the "Rules"), as amended. In connection therewith, I do hereby declare and represent as follows:

1. The applicant intends to own, construct or rehabilitate and operate a multifamily rental residential development (the "Development") to be located within the City of Austin, Texas, and desires that the Issuer issue obligations to provide financing for such residential developments in accordance with the Rules.
2. The Applicant has received a copy of the Rules, has reviewed the Rules and hereby agrees to comply with all terms and provisions of the Rules, except such provisions as may be expressly waived by the Board of Directors of the Austin HPFC. Furthermore, Applicant agrees to comply with all terms and provisions of any rules finally approved by the Board prior to approval of an inducement resolution.
3. The Applicant has submitted herewith two completed copies of the Application. To the best of the Applicant's knowledge, the information contained therein is true and correct. Additionally, the Applicant has submitted herewith:
 - If applying for a portion of the State Bond Cap, a \$5,000 check payable to the Texas Bond Review Board.
 - A \$5,000 check payable to the Austin HPFC to cover staff time for reviewing the application and to compensate Bond Counsel for preparing and filing the Texas Bond Review Board application.

If bonds are not issued, this application fee is non-refundable.

4. The Applicant will (a) pay all Development costs which are not or cannot be paid or reimbursed from the proceeds of the bonds issued to provide funds to finance the Development and (b) at all times, indemnify and hold harmless the Austin HPFC against


all losses, costs, damages, expenses, and liabilities of whatever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to this Application, the Development, or the issuance, offering, sale, or delivery of the bonds or other evidences of indebtedness issued to provide funds to finance the Development, or the design, construction, rehabilitation, installation, operation, use, occupancy, maintenance, or ownership of the Development.

Based on the foregoing, the Applicant requests that the Board of Directors of the Austin Housing Public Facility Corporation grant preliminary approval of this Application for financing in accordance with the Rules.

WITNESS MY HAND ON THIS DATE 8/4/2023



PRINTED NAME OF APPLICANT



By:



Title: