



City of Austin

Recommendation for Action

File #: 25-0097, **Agenda Item #:** 1.

2/13/2025

Posting Language

Authorize negotiation and execution of a grant agreement, and related documents, with St. David's Foundation to receive a \$750,000 grant to be the funding source of a loan to 5900 Pleasant Valley, LP, or its affiliate, for the residential development known as Sycamores at Pleasant Valley located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744. Funding: This item has no fiscal impact and there is no required match.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

This item has no fiscal impact.

For More Information:

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091

Council Committee, Boards and Commission Action:

February 29, 2024 - Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of a loan agreement and related documents with 5900 Pleasant Valley, LP, or an affiliated entity, in an amount not to exceed \$8,950,000 for the development of rental housing to be known as 5900 South Pleasant Valley located at or near 5900 S. Pleasant Valley, Austin, Texas 78744.

October 5, 2023 - AHFC approved a resolution authorizing the formation of AHFC Pleasant Valley Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation; approving its Certificate of Formation and Bylaws; appointing its board of directors and president; and authorizing AHFC Pleasant Valley Non-Profit Corporation to act as general partner, or managing member, of the entity that will own an approximately 96-unit multifamily rental development located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744; and authorizing a ground lease. District(s) Affected: District 2.

July 20, 2023 - AHFC authorized negotiation and execution of all necessary agreements and instruments with Structure Development & JCM Ventures, or other qualified applicant, to develop affordable housing on approximately 2.5 acres located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744. District(s) Affected: District 2.

August 26, 2021 - AHFC authorized the negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 5.30 acres for affordable housing purposes located at or near 5900 South Pleasant Valley Road and 5901 Drowsy Willow Trail, in an amount not to exceed \$2,050,000, including closing costs. District(s) Affected: District 2.

Additional Backup Information:

AHFC, in partnership with Structure Development and JCM Ventures, applied for a \$750,000 Housing + Health: Funding for Planning and Predevelopment Grant from the St. David's Foundation to support pre-development efforts for Sycamores at Pleasant Valley. St. David's Foundation awarded the grant in December 2024.

If approved, this action will authorize Mandy DeMayo, on behalf of AHFC, to negotiate and execute a Grant Agreement and related documents with the St. David's Foundation, and a corresponding loan agreement with 5900 Pleasant Valley, LP, or its affiliate. Once the Grant Agreement is executed and submitted, St. David's Foundation will provide AHFC with a \$750,000 loan or grant. This loan or grant will be used as the source of funds from AHFC to make a loan to 5900 Pleasant Valley, LP, or its affiliate, to pay for pre-development costs as specified in the Grant Agreement, including architecture and engineering costs, 4% housing tax credit application costs, and community engagement costs.

Development

Sycamores at Pleasant Valley is a new construction, affordable multifamily development that will provide approximately 75 rental units. The development includes a partnership between AHFC, Structure Development, and JCM Ventures, and consists of one elevator-served building with one, two, and three-bedroom units in the following income mix: (i) 19 units will be reserved for individuals with incomes at or below 40 percent medium family income (MFI), and (ii) 56 units will be reserved for individuals with incomes at or below 50 percent MFI. Financing for the development is sourced from Private Activity Bonds to be issued by AHFC, 4% Low Income Housing Tax Credits, a Rental Housing Development Assistance subordinate loan from AHFC, a construction loan, and a deferred developer fee.