

City of Austin



Recommendation for Action

File #: 26-1211, Agenda Item #: 1.

3/12/2026

Posting Language

Authorize negotiation and execution of a loan agreement and related documents with FC Bloom Housing, LP, or an affiliated entity, in an amount not to exceed \$5,500,000 for a multifamily rental development to be known as The Bloom at Lamar Square, located at or near 1326 and 1328 Lamar Square Drive, Austin, Texas 78704. Funding: \$5,500,000 is available in the Fiscal Year 2025-2026 Capital Budget of the Austin Housing Finance Corporation.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Funding in the amount of \$5,500,000 is available in the Fiscal Year 2025-2026 Capital Budget of the Austin Housing Finance Corporation.

For More Information:

Deletta Dean, Treasurer, Austin Housing Finance Corporation, 512-978-1410; or Mandy DeMayo, Deputy Director, Austin Housing, 512-974-1091.

Council Committee, Boards and Commission Action:

May 8, 2025 - The Austin Housing Finance Corporation (AHFC) Board authorized negotiation and execution of a loan agreement and related documents with FC Bloom Housing, LP, or an affiliated entity, in an amount not to exceed \$5,500,000 for a multifamily rental development to be known as The Bloom at Lamar Square (The Bloom), located at or near 1326 and 1328 Lamar Square Drive, Austin, Texas 78704.

Additional Backup Information:

If approved, AHFC will be authorized to enter into a loan agreement with FC Bloom Housing, LP, or an affiliated entity, for a multifamily rental development to be located in Council District 9.

Current Funding Request: \$5,500,000 2022 General Obligation (GO) Bonds

Development Information: The AHFC Board previously approved the \$5,500,000 in funding for The Bloom, with the funding to be utilized for the following unit mix:

Median Family Income (MFI)	Units
30%	15
50%	36
60%	5
Total Units	56

Since that time, the planned total unit count for The Bloom has increased from 56 to 58 units, with the two

additional units planned to be available for rent to households earning at or below 50 percent MFI.

Additionally, two old multifamily developments adjacent to The Bloom will be demolished and replaced with a new affordable multifamily rental development. It is anticipated that when the two old buildings are demolished, 10 low-income tenants in those buildings earning at or below 60 percent MFI will be displaced. To avoid the displacement of these tenants, the developer, Foundation Communities, has requested that the unit mix for The Bloom be relaxed for the first six months it is in operation to accommodate these tenants and allow them to remain in the broader Lamar Square area, which is their home. In return for accommodating these tenants, the affordability period for The Bloom will be increased from 40 years to 41 years. AHFC has confirmed that relaxing the unit mix for the first six months the Bloom is in operation meets the requirements of the GO Bond funding.

If approved, the initial and final unit mixes for The Bloom will be as follows:

First 6 Months of 41-Year Affordability Period:

MFI	Units
30%	15
50%	28
60%	15
Total Units	58

Remainder of 41-Year Affordability Period:

MFI	Units
30%	15
50%	38
60%	5
Total Units	58

Development Application: The proposed development's application to the City may be found here: <http://www.austintexas.gov/page/current-applications>