



City of Austin

Recommendation for Action

File #: 26-1778, **Agenda Item #:** 70.

5/28/2026

Posting Language

Conduct a public hearing and consider a resolution related to an application by South First Affordable Partners LP, or an affiliated entity, for 4% Non-Competitive Housing Tax Credits for the rehabilitation of a scattered-site multifamily housing development to be financed through the private activity bond program and to be known as South First Affordable Apartments, located at or near 714 Turtle Creek Boulevard, Austin, TX 78745 and 5609 Cougar Drive, Austin, TX 78745. This item has no fiscal impact. Approving this resolution does not constitute any obligation of the City with respect to funding. This resolution will support the applicant's application for federal Housing Tax Credits.

Lead Department

Austin Housing.

Fiscal Note

This item has no fiscal impact. Approving this resolution does not constitute any obligation of the City with respect to funding. This resolution will support the applicant's application for federal Housing Tax Credits.

For More Information:

Deletta Dean, Director, Austin Housing, 512-978-1410.

Council Committee, Boards and Commission Action:

April 9, 2026 - The Austin Housing Finance Corporation (AHFC) authorized the negotiation and execution of a loan agreement and related documents with South First Affordable Partners LP, or an affiliated entity, in an amount not to exceed \$4,950,000 for a multifamily rental development to be known as South First Affordable Apartments, a scattered-site project, located at or near 714 Turtle Creek Boulevard, Austin, TX 78745 and 5609 Cougar Drive, Austin, TX 78745.

Additional Backup Information:

This action conducts a public hearing on an application that will be, or has been, submitted to the Texas Department of Housing and Community Affairs. The applicant, South First Affordable Partners LP, or an affiliated entity, seeks funding for the development through 4% Non-Competitive Housing Tax Credits (4% HTC) and private activity bonds. After the public hearing, Council will consider a resolution related to the proposed application. The property is located within the City in Council District 2.

Proposed Development

South First Affordable Partners LP, an affiliate of Narrow Road Group and Cornerstone Housing, is planning to rehabilitate a scattered-site multifamily housing development comprised of two existing multifamily developments. The first property, Arts at Turtle Creek, is a 101-unit multifamily development located at or near 714 Turtle Creek Boulevard, Austin, Texas 78745. The second property, Cherry Hill Lofts, is a 24-unit multifamily development located at or near 5609 Cougar Drive, Austin, Texas 78745. Both properties will be rehabilitated under a unified, scattered-site financing proposal.

The target population for the development is the general population. Upon completion, the development will include 125 units, including 19 units affordable to households earning at or below 30 percent of the Area

Median Family Income (MFI), 44 units affordable to households earning at or below 50 percent MFI, and 62 units at or below 60% MFI.

Financing for the development is proposed to come in part from 4% HTCs and tax-exempt bonds issued by the Texas Department of Housing and Community Affairs. The property has received an award of up to \$4,950,000 in AHFC Rental Housing Development Assistance gap financing.

An affiliate of Cornerstone Housing will be the general partner of the development's partnership, thereby allowing for a partial property tax exemption.

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

<https://www.austintexas.gov/page/low-income-housing-tax-credits-and-private-activity-bond-resolution-applications>