

City of Austin



Recommendation for Action

File #: 25-0989, **Agenda Item #:** 2.

6/5/2025

Posting Language

Approve payment of \$467,405.41 to Milestone Community Builders for construction within the Grove Planned Unit Development of 32 affordable rental units for households whose incomes are at or below 60 percent of the median family income and of 4 affordable rental units for households whose incomes are at or below 80 percent of the median family income. Funding: Funding in the amount of \$467,405.41 is available in the Fiscal Year 2024-2025 Operating Budget of the Housing Department through the Housing Trust Fund.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Funding in the amount of \$467,405.41 is available in the Fiscal Year 2024-2025 Operating Budget of the Housing Department through the Housing Trust Fund.

Prior Council Action:

December 15, 2016 - The Austin City Council (Council) approved negotiation and execution of an Affordable Housing Agreement with ARG Bull Creek LTD, for the Grove Planned Unit Development (PUD).

December 15, 2016 - Council approved Ordinance No. 20161215-075 amending City Code Title 25 by rezoning property locally known as 4205 Bull Creek Road (Shoal Creek Watershed) from unzoned (UNZ) district zoning to planned unit development (PUD) district zoning (the "Grove PUD").

For More Information:

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

Council Committee, Boards and Commission Action:

January 27, 2022 - The Austin Housing Finance Corporation (AHFC) Board of Directors (Board) approved a payment of \$3,587,337 to Milestone Community Builders for construction within the Grove PUD of 44 affordable rental units for households whose incomes are at or below 60 percent of the median family income and of six affordable rental units for households whose incomes are at or below 80 percent of the median family income.

June 10, 2021 - The AHFC Board approved a payment of \$3,200,000 to Milestone Community Builders for the construction of 12 affordable ownership units within the Grove PUD for households whose incomes are at or below 80 percent of the median family income.

Additional Backup Information:

If approved, AHFC will be authorized to make a payment to Milestone Community Builders for 36 newly constructed affordable rental units in the Grove PUD.

Source of Funding: Housing Trust Fund

Project information: The Grove PUD Ordinance and Affordable Housing Agreement (collectively, the “Affordable Housing Requirements”) require the developer to construct, under certain conditions, affordable housing units within the Grove PUD. Pursuant to the Affordable Housing Requirements, the City of Austin (the City), through AHFC, makes incentive payments associated with the construction of the affordable rental units. Upon receipt of a valid payment request, AHFC has 60 days to make the payment. A request for this third incentive payment was submitted to the City on April 25, 2025, and is due June 24, 2025.