

City of Austin



Recommendation for Action

File #: 25-1802, Agenda Item #:

9/11/2025

Posting Language

Approve a resolution authorizing the issuance of Austin Housing Finance Corporation multifamily housing revenue bonds in an amount up to \$25,000,000 to 5900 Pleasant Valley, LP, or an affiliated entity, to finance the development of Sycamores at Pleasant Valley, located at or near 5901 South Pleasant Valley Road, Austin, Texas 78744; make certain approvals due to recent legislation; approve related documents in substantially the form attached to the resolution; and authorize specific named representatives of the Austin Housing Finance Corporation to execute the documents relating to issuance of the bonds and closing the transaction. Funding: The tax exemption includes the City of Austin portion of property taxes, resulting in additional revenue which will aid in the development and preservation of long-term affordable housing.

Lead Department

Austin Housing Finance Department.

Fiscal Note

Funding: The tax exemption includes the City of Austin portion of property taxes, resulting in additional revenue, which will aid in the development and preservation of long-term affordable housing.

Prior Council Action:

August 28, 2025 - Austin City Council (Council) conducted a public hearing and approved a resolution related to an application by 5901 Pleasant Valley, LP, or an affiliated entity, for housing tax credits.

September 11, 2025 - Council approved a resolution approving Austin Housing Finance Corporation's (AHFC) ownership in the land and the to-be developed multifamily residential development, Sycamores at Pleasant Valley, located at or near 5901 S. Pleasant Valley Road, Austin, Texas 78744, for the purpose of the exemption of ad valorem and sales and use taxes under Section 394.905 of the Texas Local Government Code.

For More Information:

Deletta Dean, Treasurer, Austin Housing Finance Corporation, 512-974-1091

Council Committee, Boards and Commission Action:

August 28, 2025 - AHFC conducted a public hearing for the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), and related to the private activity bonds by 5900 Pleasant Valley, LP, or an affiliated entity, for up to \$25,000,000 of Multifamily Housing Revenue Bonds, for the residential development known as Sycamores at Pleasant Valley located at or near 5901 South Pleasant Valley, Road, Austin, Texas 78744.

August 28, 2025 - AHFC approved a resolution relating to the multifamily residential development, Sycamores at Pleasant Valley, located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744, acknowledging the development is and will be exempt from property taxes as it is owned by the Austin Housing Finance Corporation. This action was done in compliance of new legislation HB 21.

February 13, 2025 - AHFC authorized 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 5901 South Pleasant Valley Road, Austin, Texas 78744.

February 29, 2024 - 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 5901 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 5901 S. Pleasant Valley Road, Austin, Texas 78744; and authorizing a ground lease.

September 21, 2023 - AHFC approved an inducement resolution related to an application for private activity bond financing that authorizes an allocation of up to \$25,000,000 in private activity volume cop multifamily non-recourse bonds to Pleasant Valley LP, or an affiliated entity, for a proposed affordable multi-family development located at or near 5901 South Pleasant Valley Road, Austin, Texas 78744.

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 5901 S. Pleasant Valley Road, Austin, Texas 78744.

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 5901 South Pleasant Valley Road and 5901 Drowsy Willow Trail, in an amount not to exceed \$2,050,000, including closing costs.

Additional Backup Information:

If approved, this action authorizes AHFC to issue up to \$25,000,000 in multifamily housing non-recourse bonds to provide interim and permanent financing for the development of Sycamores at Pleasant Valley, located at 5901 South Pleasant Valley Road, Austin, Texas 78744. The property is located in Council District 2.

Proposed Development

5900 Pleasant Valley, LP plans to develop a new construction, 75-unit affordable multi-family development located at or near 5901 South Pleasant Valley Road, Austin, Texas 78744. 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. The development contains an income mix consisting of 19 units at 40 percent median family income (MFI) and 56 units at 50 percent MFI. The intended target population of the development is the General population.

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 deferred developer fee, and other third-party funding sources.

Property Tax Impact

An affiliate of Austin Housing Finance Corporation will be the owner of the land, thereby allowing for a full property tax exemption.

For more information on the proposed development, as well as socioeconomic characteristics and amenities in

the surrounding area, please see the proposed's development application here:
https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/R-OHDA/WEB%20VERSION_AHPFC%20Bond%20App_Pleasant%20Valley.pdf.