



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 3/7/2017

District D

Item Creation Date: 2/16/2017

HCD17-16 Houston Housing Finance Corporation Multifamily  
Housing Revenue Note - Pointe at Crestmont

Agenda Item#:

### **Background:**

The Houston Housing Finance Corporation (HHFC) provides tax-exempt bond financing for developments that provide persons of low and moderate income with quality, affordable housing. LDG Development has submitted an application to HHFC for bond financing to construct the 192-unit Pointe at Crestmont development located at 5602 Selinsky Road.

Resolution No. 2016-46 approving issuance of the note was adopted by City Council on December 14, 2016. Due to delays in closing, a Resolution restating approval of the issuance and sale of the note is required by HHFC Bylaws and federal tax law. HHFC is therefore requesting that City Council restate its approval of a \$20 million note issue for this project. HHFC bonds are not backed by the full faith and credit of the City of Houston—they are non-recourse to the City.

All units will be designated as 60% AMI and below. The financing will be leveraged with tax credit equity, senior loan, CDBG funds, TIRZ funds, and deferred developer fee. The City of Houston Housing and Community Development Department (HCDD) has committed \$3,404,932 in CDBG funds and \$1,595,068 in TIRZ funds for this development.

Although the note is exempt from Federal income tax, the property itself will not be exempt from local ad valorem taxes.

The Housing and Community Development Department recommends adoption of a Resolution approving the issuance of the note.

A handwritten signature in blue ink, reading "Tom McCasland", written over a horizontal line.

Tom McCasland, Director

### **Prior Council Action:**

April 12, 2016 (O) 2016-291

December 14, 2016 (R) 2016-0046

### **Contact Information:**

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