



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/13/2020

District D

Item Creation Date: 9/11/2020

HCD20-132 Gala at MacGregor Amendment

Agenda Item#: 5.

Summary:

NOT A REAL CAPTION

ORDINANCE authorizing an amendment to the loan agreement between the City of Houston and Gala at MacGregor, LP approved pursuant to Ordinance No. 2020-326 to partially finance the new construction of Gala at MacGregor with Hurricane Harvey Community Development Block Grant Disaster Recovery funds and related loan documents

Background:

The Housing and Community Development Department (HCDD) requests Council approval of an Ordinance authorizing an amendment to the loan agreement and related loan documents approved pursuant to Ordinance No. 2020-326 ("Loan Agreement") between the City of Houston and Gala at MacGregor, LP ("Borrower") to partially finance the new construction of Gala at MacGregor with Hurricane Harvey Community Development Block Grant Disaster Recovery (CDBG-DR17) funds. No new funds are being provided by the City of Houston.

On April 15, 2020, Council approved Ordinance 2020-326 authorizing a Loan Agreement not to exceed \$9,400,000 ("City of Houston Loan") funded from CDBG-DR17 program funds to Borrower for the purpose of financing a portion of the costs for the acquisition and new construction of an affordable housing community for seniors located in the vicinity of 102 Carson Ct, Houston, Texas.

HCDD desires to amend the Loan Agreement and related loan documents, as applicable, to include certain requirements for the recordation of the re-plat of the property, modify the description of the permanent Senior Loan (as defined in the Loan Agreement) and other minor corrections, which requires Council approval. All other terms and conditions the Loan Agreement and related documents, including the City of Houston Loan and Senior Loan amounts, remain unchanged.

Sources:		Uses:	
LIHTC Equity (CITI)	\$13,428,431.00	Hard Cost	\$15,928,065.00
City of Houston Request	\$9,400,000.00	Soft Cost	\$4,703,112.00
Conventional Loan (CitiBank)	\$3,766,000.00	Acquisition Cost	\$4,395,598.00
In-Kind Equity/ Deferred Developer Fee		Developer Fee	\$1,138,656.00
		Reserves	\$429,000.00
Total Source of Funds:	\$26,594,431.00	Total Project Cost:	\$26,594,431.00

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Tom McCasland

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Tom McCasland, Director

Prior Council Action:

04/15/2020, (O) 2020-326

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