



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/17/2020

District D

Item Creation Date: 10/12/2020

HCD20-126 Regency Lofts

Agenda Item#: 23.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing \$14,000,000.00 of Community Development Block Grant - Disaster Recovery 2017 (CDBG-DR17) funds, for a Contract between the City of Houston (City) and William A. Lawson Institute for Peace & Prosperity (WALIPP), a nonprofit partner of DWR Development Group (Borrower). The loan will be used towards the land acquisition and new development of Regency Lofts, to be located at 3232 Dixie Rd. Houston, TX 77021.

Regency Lofts will be a 120-unit podium style affordable rental development serving families. The property will provide a mix of one, two, and three-bedroom units serving low- to moderate-income households at 30%, 50% 60% and 80% of the Area Median Income. The development will also include a stand-alone quality prekindergarten center available to residents and open to the neighborhood.

This project is funded by CDBG-DR17 program funds awarded by the United States Department of Housing and Urban Development, through the Texas General Land Office to provide affordable rental units for low to moderate income households, in accordance with the City's Harvey Multifamily Program Guidelines, implemented by the HCDD.

The loan and affordability period will be 40 years and will commence when the construction period is completed. Loan will be non-amortizing throughout both the construction and affordability period. Following project completion, the outstanding principal balance of the note shall accrue at 1% interest. Borrower will pay an annual installment of interest from available cash flow.

Sources & Uses			
Sources:		Uses:	
City of Houston (CDBG-DR 17)	\$14,000,000.00	Acquisition	\$5,510,000.00
LIHTC Syndication Proceeds	\$14,098,590.00	Hard Costs	\$22,239,959.00
Conventional Loan	\$5,900,000.00	Soft Costs	\$2,943,167.00
In-Kind Equity/ Def. Developer Fee	\$1,006,940.00	Other Development Costs	\$610,571.00
		Developer Fee	\$3,701,833.00
Total Source of Funds:	\$35,005,530.00	Total Project Cost:	\$35,005,530.00

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 15, 2020.

Tom McLasland

 Tom McLasland, Director

Amount of Funding:

\$14,000,000.00 Federal Government - Grant Funded (5030)

Contact Information:

Roxanne Lawson
 (832) 394-6307

ATTACHMENTS:

Description

Type

Coversheet

Signed Cover sheet