Docusign Envelope ID: EE69C5F2-6109-4CDE-966E-2021F4E1B117

CITY OF HOUSTON - CITY COUNCIL
Meeting Date: 1/22/2025
District J
Item Creation Date: 7/3/2024

HCD24-66 Boulevard 61

Agenda Item#: 1.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Texas State Affordable Housing Corporation, joined by Houston DMA Housing III, LLC providing a loan of $2,500,000.00 in HOME Investment Partnerships Program (HOME) funds to assist with the development costs of a new, affordable, multifamily apartment complex, known as Boulevard 61, to be located at 6101 Richmond Avenue, Houston, TX 77057.

Boulevard 61 will be a new construction project consisting of 100 mixed-income apartment units targeting low-to moderate-income families. The site comprises approximately 2.79 acres in West Houston, located on Richmond Avenue, west of Fountain View Drive. This prime location offers walkable access to parks, shopping, grocery stores, banks, restaurants, a library, a community center, and medical services.

Situated less than two miles from the Galleria, the site is well-connected to job opportunities and public transit, with access to State Highways 69 and 610. Boulevard 61 will be affordable to a range of incomes, with 38 units rent-restricted to households with incomes at or below 30% Area Median Income (AMI), eight units restricted to tenants with incomes at or below 50% AMI, and 40 units for tenants with incomes at or below 60% of the AMI. There will also be four units reserved for households at or below 80% AMI. Boulevard 61 will offer 10 market-rate units, as well.

The loan and affordability periods will be 20 years and will commence when the construction period is completed. The loan will be non-amortizing throughout both the construction and affordability periods. Following project completion, the outstanding principal balance of the note shall accrue at 1% interest. The borrower will pay an annual installment of interest from the available cash flow.

Sources	Amount	Uses	Amount
City of Houston Request (HCDD Source)	$ 2,500,000.00	**Hard Cost**	$19,438,114.00
Conventional Loan	$ 9,000,000.00	**Soft Cost**	$ 4,584,415.00
LIHTC Syndication Proceeds	$14,661,034.00	**Acquisition Cost**	$ 8,151,656.00
TDHCA	$ 7,100,000.00	**Developer Fee**	$ 1,935,000.00
In-Kind Equity/ Deferred Developer Fee	$ 1,540,151.00	**Reserves**	$ 692,000.00
Total Source of Funds:	$ 34,801,185.00	**Total Project Cost:**	$ 34,801,185.00

Fiscal Note:
No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on August 26, 2024.

DocuSigned by:
Michael Nichols
Z28A193EDE024CE...
Michael Nichols, Director

Amount and Source of Funding:

$2,500,000.00 Federal Government - Grant Funded (5000)

Contact Information:

Roxanne Lawson
(832) 394-6307

ATTACHMENTS:

Docusign Envelope ID: EE69C5F2-6109-4CDE-966E-2021F4E1B117

ATTACHMENTS:

Description	Type
Tax Report	Backup Material
Ownership Form	Backup Material