



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/13/2016

District D

Item Creation Date: 11/16/2016

HCD16-103 Pointe at Crestmont HHFC Multifamily Housing
Revenue Bonds

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 financing to construct the 192-unit Pointe at Crestmont development located at 5602 Selinsky Road.

HHFC Bylaws and federal tax law require that City Council approve bonds issued by the corporation. HHFC is therefore requesting that City Council approve issuance of a \$20 million multifamily mortgage revenue note for this project. HHFC obligations 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 multifamily mortgage revenue note will be 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 multifamily revenue note.



Tom McCasland, Director

Prior Council Action:

2016-0291, (O) 4/12/16

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