



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/17/2019

District B

Item Creation Date: 4/26/2019

HCD19-40 Green Oaks

Agenda Item#: 18.

Summary:

ORDINANCE approving and authorizing a loan agreement between the City of Houston and **CROSSROADS HOUSING DEVELOPMENT CORPORATION**, joined by AMTEX Green Oaks Fund, LP, to provide a loan of Federal "HOME" Funds to assist with site acquisition and construction of a 177 unit affordable housing community in the vicinity of 1475 Gears Road in Houston, Texas; containing findings and other provisions relating to the foregoing subject; and declaring an emergency - **DISTRICT B - DAVIS**

Background:

The Housing and Community Development Department (HCDD) requests Council approval of an Ordinance authorizing \$6,273,113.00 in the form of HOME Investment Partnership funds to be used for the new construction of an affordable housing community for individuals and families. The City's funds will be loaned to AMTEX Green Oaks Fund, LP, through the conduit Crossroads Housing Development Corporation.

Located in Tax Reinvestment Zone 11, Green Oaks Apartments is a 177-unit affordable rental housing community containing a mix of one, two and three-bedroom units. The development will target a variety of income levels, including families earning between 50 and 60 percent of the Area Median Income.

The City of Houston loan term and affordability period will be 20 years and will commence when the construction period is completed. Loan will be non-amortizing throughout both the construction and permanent 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.

Green Oaks Apartment's development site meets the requirement of TDHCA to be classified as a High Opportunity Area, located within one mile of convenient services including a grocery store and pharmacy, schools, banks, restaurants, and other retail stores appropriate for residents. The subject site is also located within a ¼ mile of a public transportation stop.

Sources:		Uses:	
4% Housing Tax Credit Syndication Proceeds (National Equity Fund)	\$8,820,343.00	Hard Cost	\$21,434,678.00
City of Houston Request	\$6,273,113.00	Soft Cost	\$5,724,162.00
Permanent Loan (BBVA Compass)	\$16,103,055.00	Acquisition Cost	\$2,009,370.00
In-Kind Equity/ Deferred Developer Fee	\$2,779,007.00	Developer Fee	\$3,824,223.00
		Reserves	\$983,085.00
Total Source of Funds:	\$33,975,518.00	Total Project Cost:	\$33,975,518.00

No Fiscal Note is required on grant items. This item was reviewed by the Housing and Community Affairs Committee on May 22, 2019.

DocuSigned by:

Tom McCasland

Tom McCasland, Director
Housing and Community Development Department

Amount of Funding:

\$6,273,113.00 - Federal Government - Grant Fund (5000)

Contact Information:

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(832) 394-6307

ATTACHMENTS:

Description

HCD19-40 Fair Campaign Ordinance

HCD19-40 Debarment Search

HCD19-40 PNFDF

HCD19-40 SAP

HCD19-40 Debarment Search

Ordinance

Revised - Green Oaks Agreement- part 1.

Part 2

Part 3

Part 4

Part 5

Part 6

Type

Backup Material

Backup Material

Financial Information

Financial Information

Backup Material

Ordinance/Resolution/Motion

Contract/Exhibit

Contract/Exhibit

Contract/Exhibit

Contract/Exhibit

Contract/Exhibit

Contract/Exhibit