

CITY COUNCIL MEETING NOTES

Low Income Housing Tax Credit Project
Riverstone – 1430 Wonder World Drive
February 5, 2019

PUBLIC HEARING SPEAKERS

1. Jake Brown

- Introduced himself and stated he was available for questions.

2. Roland Saucedo

- Stated that he was in support of the affordable housing project and provided the following comments:

Speaker Discussion Topic	Applicant Commentary
Concerned about tenant requirements that requires tenants to provide a minimum of 3 previous apartment references and the effect this has on first-time renters in need of low-income housing.	<i>As I mentioned during the city council meeting, this requirement is somewhat flexible. If a prospective tenant met all the other requirements, but did not have any previous rental history, then we would likely just require them to put down an extra deposit.</i>
Requested that the Council exercise caution to ensure that the project does not turn into a student housing project.	<p><i>This project will never become a student housing project. There are affordability requirements set by TDHCA in place to prevent situations like this. We would lose our financing if we tried to turn this into a student housing project. We are not in the business of student housing, nor do we want to be.</i></p> <p><i>Also, I know there are concerns about LDG just building the project and then immediately selling the asset to someone else. That is absolutely not the case here. LDG has a “develop and hold strategy” and in the 20+ years LDG has been in this business, we have never sold a property. When we develop projects like this, we are looking to make a quality investment in the community. Since we hold the properties in our portfolio, we are extremely motivated to maintain them to very high standards. We never allow our properties to become “run down” or become an “eye sore”.</i></p>

3. Betseygail Rand

Speaker Discussion Topic	Applicant Commentary
Concerned about tenant requirements that requests that the project offer free Wi-Fi to tenants to close the digital divide.	<i>Free Wi-Fi would be available to residents in the commons areas of the apartment complex.</i>
Requests that the project include a well-maintained playground as part of the project.	<i>We fully plan to have a very well-maintained playground as part of the project. We also plan to have a fitness room, business center and a swimming pool available to all residents.</i>

4. Lisa Marie Coppoletta

Speaker Discussion Topic	Applicant Commentary
Asked if the property is in the floodplain.	<i>TDHCA prohibits developments from being in the 100 year floodplain. The property is in neither the 100 year nor 500 year floodplain.</i>
Stated that students should be allowed to live within the project.	<i>Students would only be permitting to live at this development if they have full-time employment. They would still be subject to all other requirements as well.</i>
Expressed concerns with the project developing under a Legacy District zoning (MF-24)	<i>The proposed development is permissible under the MF-24 zoning designation and we intend to abide by all zoning and code regulations.</i>

COUNCILMEMBER QUESTIONS / COMMENTS**Councilmember Derrick**

Council Discussion Topic	Applicant Commentary
Requesting postponement of item in order to further discuss request	<i>N/A</i>
Would like to potentially incorporate some items from similar projects in Austin.	<i>The project we are proposing is quite similar to our developments in Austin. I'd be happy to visit with Councilmember Derrick so see what specifically she would like to see incorporated.</i>

Councilmember Prewitt

- Requests that the item go to the Affordable Housing Subcommittee and that the Council meet with the developers on the project prior to taking action. (The next Workforce Housing Subcommittee Meeting is February 15, 2019)
- Requests that future LIHTC projects are also reviewed by the Affordable Housing Subcommittee
- Would like language added to the Affordable Housing policy regarding subcommittee review of LIHTC projects.

Councilmember Marquez

Speaker Discussion Topic	Applicant Commentary																														
Expressed concerns that tenants need 3 prior apartment references	<i>See above. If a prospective tenant did not have any previous rental history, then we would likely just require them to put down an extra deposit.</i>																														
Expressed concerns with the credit check requirement and its impact on potential residents who may not be able to qualify based on credit history.	<i>This requirement is potentially flexible. If there is a reasonable/justifiable explanation for a prospective tenant's poor credit, then we would consider waiving this requirement. We understand life happens and are willing to work with people.</i>																														
Would like to know the rent costs of the units.	<table><tr><th colspan="5">Riverstone - San Marcos, TX</th></tr><tr><th># of Br's</th><th># of Baths</th><th>% of AMI</th><th>SQFT*</th><th>Max Rent</th></tr><tr><td>1-Br</td><td>1-Ba</td><td>60%</td><td>861</td><td>\$967</td></tr><tr><td>2-Br</td><td>2-Ba</td><td>60%</td><td>1,085</td><td>\$1,161</td></tr><tr><td>3-Br</td><td>2-Ba</td><td>60%</td><td>1,257</td><td>\$1,341</td></tr><tr><td>4-Br</td><td>2-Ba</td><td>60%</td><td>1,557</td><td>\$1,497</td></tr></table> <p>*Actual SQFT may vary.</p>	Riverstone - San Marcos, TX					# of Br's	# of Baths	% of AMI	SQFT*	Max Rent	1-Br	1-Ba	60%	861	\$967	2-Br	2-Ba	60%	1,085	\$1,161	3-Br	2-Ba	60%	1,257	\$1,341	4-Br	2-Ba	60%	1,557	\$1,497
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Discussed the Capstone management and the Stonebrook Apartments. Asked how to ensure that the project continues to be low-income.	<i>See above. There are affordability requirements set by TDHCA in place to prevent it from becoming anything other than affordable housing. Additionally, we have no desire to be in the student housing business.</i>																														

Councilmember Gonzales

- Provided comments on the Multifamily-24 zoning designation and asked whether apartments can be constructed on the property with this zoning designation. Staff responded that MF-24 directs the density of proposed projects in that the density is capped at 24 units per acre. Staff stated that apartments can be constructed on the property today in accordance with MF-24 zoning regulations.

COUNCIL MOTION

Councilmember Derrick made a motion to **postpone the item**. The motion was seconded by Councilmember Prewitt. The motion passed 7-0.