



## Legislation Text

---

**File #:** 24-2579, **Version:** 1

---

**Department:** Housing and Community Development

**Department Head/Elected Official:** Thao Costas, Executive Director

**Regular or Supplemental RCA:** Supplemental RCA

**Type of Request:** Contract - Award

**Project ID** (if applicable): N/A

**Vendor/Entity Legal Name** (if applicable): EMLI Houston Mesa TCI, LP

**MWDBE Contracted Goal** (if applicable): N/A

**MWDBE Current Participation** (if applicable): N/A

**Justification for 0% MWDBE Participation Goal:** N/A - Goal not applicable to request

### **Request Summary (Agenda Caption):**

Request by Housing and Community Development for approval to conditionally award up to \$6,000,000 of American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds to purchase the land for the EMLI at Mesa Gardens for the Harris County Housing Finance Corporation with a maximum purchase price of \$5,250,000 and to negotiate and execute a loan agreement of up to \$750,000 in ARPA State and Local Fiscal Recovery Funds for eligible development costs for the EMLI at Mesa Gardens project.

### **Background and Discussion:**

EMLI Houston Mesa TCI, LP is requesting up to \$6,000,000.00 in ARPA State and Local Fiscal Recovery Funds for the acquisition and development of a new multi-family affordable housing development called EMLI at Mesa Gardens located at 10199 Mesa Drive, Houston 77078. EMLI Houston Mesa TCI, LP was awarded 4% LIHTC Tax Credits by TDHCA in 2023. Due to increase in insurance rates, interest rates, and construction costs, this project is no longer viable without partnering with Harris County and receiving ARPA State and Local Fiscal Recovery Funds. The total development costs for EMLI at Mesa Gardens are \$60,440,460.00. The Harris County Housing Finance Corporation has agreed to enter the General Partnership of this Project and receive Equitable Title.

The EMLI at Mesa Gardens Project will create 300 new Multi-Family Affordable Housing Units. The unit mix will consist of 15 units for those making 30% or less of Area Median Income, 285 units for those making between 51%-80% Area Median Income. The Project will consist of 90 one-bedroom units, 182 two-bedroom units and 28 three bedroom units. The HCHFC will own the land and the Project will enter a 99-year ground lease, which will keep the project affordable for 99-years.

### **Expected Impact:**

The expected fiscal impact is to transfer \$5,250,000 in ARPA State and Local Fiscal Recovery Funds to the HCHFC to acquire the land for the EMLI at Mesa Gardens Project and give a conditional commitment of

\$750,00.00 in ARPA State and Local Fiscal Recovery Funds to EMLI Houston Mesa TCI, LP for eligible development cost for the EMLI at Mesa Gardens Project.

### Alternative Options:

The alternative option is that the project will not move forward.

### Alignment with Goal(s):

- ☐ Justice and Safety
- ☐ Economic Opportunity
- ☒ Housing
- ☐ Public Health
- ☐ Transportation
- ☐ Flooding
- ☐ Environment
- ☐ Governance and Customer Service

### Prior Court Action (if any):

Date	Agenda Item #	Action Taken

### Location:

Address (if applicable): 10199 Mesa Drive, Houston 77078

Precinct(s): Precinct 1

Fiscal and Personnel Summary				
Service Name	Affordable Rental Housing			
	Current Fiscal Year Cost			Annual Fiscal Cost
	Labor	Non-Labor	Total	Recurring Expenses
<b>Funding Sources</b>				
<b>Existing Budget</b>				
2651 - American Rescue Plan 2021	\$	\$6,000,000.00	\$6,000,000.00	\$
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Total Current Budget	\$	\$6,000,000.00	\$6,000,000.00	\$
<b>Additional Budget Request (Requires Fiscal Review Request Form)</b>				
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Total Additional Budget Request	\$	\$	\$	\$

<b>Total Funding Request</b>	\$	\$6,000,000.00	\$6,000,000.00	\$
<b>Personnel</b> (Fill out section only if requesting new PCNs)				
Current Position Count for Service	-	-	-	-
Additional Positions Request	-	-	-	-
<b>Total Personnel</b>	-	-	-	-

**Anticipated Court Date:** April 23, 2024

**Anticipated Implementation Date (if different from Court date):** N/A

**Emergency/Disaster Recovery Note:** COVID-19 related item

**Contact(s) name, title, department:** Sam Borders, Director, Multi-Family Housing Development, Harris County Housing and Community Development

**Attachments** (if applicable): Court Order