

LULAC Oak Hill Funding Agreement Amendment

November 9, 2023

Agenda Item 9.2





Project Location: 1105 Anderson

**Provides 50
Units for
income
restricted
elderly**





Section 108 Loan

- Pre-Pandemic: Initial discussion regarding project/funding
- April 22, 2021: Council approved Section 108 loan application
 - \$2,808,000 loan – LULAC to pay principal, City to pay interest
- August 17, 2021: Approval notification from HUD
- April 11, 2022: Contract received from HUD
- February 23, 2024: Texas AG Office Approval
- October 20, 2023: Closing completed on initial Section 108 loan



Request for Additional Funding

- Initial Section 108 Amount: \$2,808,000 – LULAC Liability
- Project Rebid Post-Section 108 Approval
- Cost Increase: \$892,570
- Proposal in response to RFP: Request - \$585,675
- LULAC will contribute: \$306,895
- Cost per unit for complete complex rehab: \$90,532
 - City Liability per unit: \$34,372
- Recommended funding: Community Development Block Grant





LULAC Liability:

- Original Section 108 Loan Amount: \$2,808,000.00

Estimated City Liability over 20 Years:

- Estimated Interest Total: \$1,129,940.00
- Other Estimated Fees: \$3,000.00
- Additional Amount Requested: \$585,675.00
- Total Proposed Project Expense: \$1,718,615.00

50 Units:

- Average Total Cost Per Unit: \$90,532
- Average City Liability Per Unit: \$34,372

