



# NEWS

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## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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### **State housing agency awards \$710,000 to improve senior rental housing in West**

(AUSTIN) — The Texas Department of Housing and Community Affairs (TDHCA) today announced a funding award to private developers making major improvements to an existing affordable rental property in West that will help preserve the property's affordable rents, ensuring continued stability in the lives of its older tenants while providing a shot in the arm to the local economy.

TDHCA will provide \$710,074 in funds to developers rehabilitating the 44-unit Cherrywood Apartments, allowing the property to continue providing affordable rental housing serving low income senior citizens. The award was made through the Department's HOME Investment Partnerships (HOME) Program for rental housing development.

"Many older residents often find that their housing choices are limited, and there is a real need for decent housing affordable to our most vulnerable neighbors," said TDHCA Executive Director Michael Gerber. "This award will provide area seniors the long-term benefits of a stable, secure home life while creating construction jobs and generating taxes and fees to the local economy, helping keep the community a vibrant one. We are proud to help contribute to an improved quality of life for residents of West."

The development team earlier this year received an allocation of \$2.4 million from TDHCA in financing through the Housing Tax Credit Exchange Program, an initiative that is part of the federal economic stimulus package passed by Congress last year designed to assist developers of affordable housing during the recession. The loan approved today will replace the property's original mortgage at a more favorable interest rate, helping keep rents down.

The U.S. Department of Housing and Urban Development (HUD) is the funding source for the HOME Program. Under HOME Program rules, Cherrywood Apartments must serve tenants earning no more than 80 percent of the area median family income. For West, this equals an annual income of \$33,200 for a two-person household.

#### **About The Texas Department of Housing and Community Affairs**

*The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$2 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need.*

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