

# The Palms at Morris

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Type B Affordable Housing Funding



Type B Board  
March 17, 2025



# Prospera Overview

- **Founded in 1993**
- **Affordable Housing Development**
  - Acquisition/Rehabilitation Projects
  - New Construction Projects
- **Resident Services Programs**
  - Referral Services
  - On-site Food Pantries
  - Health Screenings
  - Resident Activities
- **Prospera Property Management (PPM)**
  - Manages fifty-two (52) properties with a total of 4,739 units in Texas
  - Currently operate 16 multifamily communities with 1,281 affordable units in the City of Corpus Christi
  - Most recent project in Corpus Christi is the Palms at Blucher





# Former Lamar Elementary School Neighborhood Revitalization Initiative





# Palms at Morris

**72 affordable senior units: 56 one-bedroom and 16 two-bedroom**

Area Median Income (AMI): \$75,300	30% AMI (\$23,700)		50% AMI (\$39,500)		60% AMI (\$47,400)	
Bedrooms	Units	Rents	Units	Rents	Units	Rents
1 (656 sqft)	6	\$374	12	\$670	38	\$818
2 (899 sqft)	2	\$448	4	\$803	10	\$981
<b>Total 72</b>	<b>8</b>		<b>16</b>		<b>48</b>	



# Planned Amenities

- Leasing office with on-site property management
- Spacious living areas with ceiling fans
- Central heat/air
- Community center
- Business center with computers, Wi-Fi, and printers
- Washer/dryer connections and on-site laundry room
- Building access gate and surface parking



BUILDING 1

BUILDING 2





# Project Costs

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Request for Type B Affordable Housing Funding to Address

- Windstorm and construction cost escalations
- Build America Buy America cost increases
- Rising insurance costs

Funding Uses	Project Costs
Land	\$10
Construction Costs	\$13,043,283
Soft Costs	\$4,076,154
Fees and Reserves	\$2,260,000
<b>TOTAL</b>	<b>\$19,379,447</b>



# Funding Sources

Funding Source	Project Funding
Tax Credit Equity	\$15,152,085
Permanent Loan – Wells Fargo	\$1,100,000
City of Corpus Christi HOME Loan	\$587,531
City of Corpus Christi Fee Waivers	\$500
Prospera Capital Magnet Funding	\$1,000,000
Deferred Developer Fee	\$379,231
<b>SUBTOTAL</b>	<b>\$18,219,347</b>
<b>FUNDING GAP</b>	<b>(\$1,160,100)</b>
<b>City of Corpus Christi Type B (pending approval)</b>	<b>\$1,160,100</b>
<b>TOTAL</b>	<b>19,379,447</b>



# Recommendation

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Staff recommends approval of \$1,160,100 in Type B Affordable Housing Funds to support development of 72 affordable senior housing units at the Palms at Morris.

- Funds to be distributed at loan closing
- 40-year loan will be:
  - 3% interest rate
  - subordinate debt