

Austin Affordable Housing Corporation Meeting



**Friday, October 21, 2016
12:00 noon
at**

**Manchaca Village
3628 Manchaca
Austin, TX 78704**

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
OF THE AUSTIN AFFORDABLE HOUSING CORPORATION**

**TO BE HELD AT
Manchaca Village
3628 Manchaca, Austin, TX 78704
(512.477.4488)**

COMMENCING AT 12:00 NOON ON FRIDAY, OCTOBER 21, 2016, TO CONDUCT BUSINESS AS FOLLOWS:

**CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM**

Tyra Duncan-Hall, Chairperson

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Commissioner and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion, or action at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Texas Government Code, Texas Open Meetings Act.

CONSENT AGENDA

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on September 15, 2016

Ron Kowal
VP Housing Development/Asst
Mgmt.

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 88 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

Ron Kowal
VP Housing Development/Asst
Mgmt

- i. Facilitate the development of the ThinkEast Apartments, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin ("HACA");
- ii. Cause AAHC's wholly owned, subsidiary limited liability company, ThinkEast GP, LLC (the "General Partner") to execute an amended and restated agreement of limited partnership of ThinkEast Apartments, Ltd. (the "Partnership") and other related documents;
- iii. Cause the Partnership to enter into development financing for the Projects; and
- iv. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

ITEM 3: Presentation, Discussion, and Possible Action regarding Resolution No. 89 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

Ron Kowal
VP Housing Development/Asst
Mgmt

- i. Facilitate the development of the Pathways at Bouldin Oaks, Pathways at Manchaca II and Pathways at Coronado Hills (the "Projects"), which consist of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin ("HACA"); and
- ii. Cause AAHC's wholly owned, subsidiary limited liability companies Pathways at Bouldin Oaks, LLC, Pathways at Manchaca II, LLC and Pathways at Coronado Hills, LLC to enter into development financing for the Projects.

*The Austin Affordable Housing Corporation (AAHC) Board of Commissioners reserves the right to discuss and consider items out of order on the agenda on an as needed basis.

The Austin Affordable Housing Corporation is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Judy Paciocco or Nidia Hiroms at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on AAHC, please contact Nidia Hiroms at 512.477.4488 x 2104.

REPORTS

Update on AAHC Activities

Ron Kowal
VP Housing Development/Asst
Mgmt.

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public) Pursuant to:

- a. § 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b. §551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real property;
- c. §551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d. §551.077, Texas Gov't Code, discuss certain economic development negotiations.

OPEN SESSION

If there is an Executive Session, the Board will return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session.

ADJOURNMENT

"Pursuant to § 30.06, Penal Code, (trespass by holder of license with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to § 30.07, Penal Code (trespass by holder of license with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

"En virtud del § 30.06, Código Penal, (traspaso titular de licencia con una pistola), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en este reunión con una arma o pistola."

"En virtud del § 30.07, Código Penal (prevaricación por titular de la licencia con un arma o pistola abiertamente llevado), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con un arma o pistola que lleva abiertamente."

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

CALL TO ORDER

and

ROLL CALL

Tyra Duncan-Hall, Chairperson	_____
Isaac Robinson, Vice-Chairperson	_____
Edwina Carrington, 2nd Vice-Chairperson	_____
Charles Bailey, Commissioner	_____
Carl S. Richie, Jr., Commissioner	_____

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

CONSENT AGENDA

AGENDA ITEM NO. 1

**Presentation, Discussion, and Possible Action regarding
the Approval of Board Minutes Summary for Board
Meeting held on September 15, 2016**

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF DIRECTORS
REGULAR BOARD MEETING**

SEPTEMBER 15, 2016

SUMMARY OF MINUTES

The AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) Board of Directors Public Meeting Notice was posted for 12:00 noon on Thursday, SEPTEMBER 15, 2016, and was held at HACA Central Office, located at 1124 S. IH 35, Austin, TX

CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

The Board of Directors meeting of the AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) of SEPTEMBER 15, 2016, was called to order by Carl S. Richie, Jr., Chairperson, at 12:16 p.m. It was held at HACA Central Office, located at 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present.

MEMBERS PRESENT:

Dr. Tyra Duncan-Hall, Chairperson
Isaac Robinson, Vice-Chairperson
Edwina Carrington, 2nd Vice-Chairperson
Carl S. Richie, Jr., Director
Charles Bailey, Director

MEMBER(S) ABSENT:

STAFF PRESENT:

Ann Gass, Eileen Schrandt, Judy Paciocco, Kelly Crawford, Laura Bodai, Lisa Garcia, Michael Gerber, Nidia Hiroms, Ron Kowal, Suzanne Schwertner, Sylvia Blanco and Thomas Cherian.

ALSO IN ATTENDANCE:

Jim Ewbank, Cokinos, Bosien & Young
Barry Palmer, Coats Rose
Bill Walter, Coats Rose

ITEMS WERE TAKEN OUT OF ORDER.

ACTION ITEMS

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 86 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- i. Facilitate the development of the Pathways at Georgian Manor, Pathways at Manchaca Village, Pathways at Northgate, Pathways at North Loop, Pathways at Shadowbend Ridge, which consist of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin (“HACA”);**
- ii. Cause AAHC’s wholly owned, subsidiary limited liability company, HACA Pathways I GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of HACA Pathways I, LP (the “Partnership”) and other related documents;**
- iii. Cause the Partnership to enter into development financing for the Projects; and**
- iv. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.**

Director Carrington moved to approve Resolution No. 86 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents. **Director Robinson** seconded the motion. The motion passed. (5-Ayes and 0-Nays).

CONSENT AGENDA

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on August 24, 2016

Director Bailey moved to approve the Board Minutes Summary for the Board Meeting held on August 24, 2016 as presented. **Director Robinson** seconded the motion. The motion passed. (5-Ayes and 0-Nays).

ITEMS WERE TAKEN OUT OF ORDER.

ACTION ITEMS CONT.

ITEM 3: Presentation, Discussion, and Consideration of Resolution No. 87: To purchase a tract of land on William Cannon Boulevard

Ron Kowal, VP of Housing Development, presented this item for the purchase of a 1.2 acre tract of land located on William Cannon Drive and Circle S Road directly adjacent to the Urban Oaks Development that AAHC is developing with Ryan Companies. The purpose of this purchase is to provide driveway access for the Urban Oaks Apartments to William Cannon Drive. Additionally, the property will allow AAHC to build a future facility that will provide much needed services for the Urban Oaks residents and the general population in the area. Some ideas being considered are a clinic, day care or educational center or other medical services. The site is a few blocks from the Pleasant Hill Elementary School and immediately adjacent to the Pleasant Hill Branch of the Austin Public Library. Due diligence has been conducted on the property. The site has been zoned appropriately for the above considered uses. Planning and site plan development are in progress. HACA proposes to close on this site sometime in October of 2016.

Director Carrington moved to approve Resolution 87 authorizing the purchase of a 1.2 acre tract of land located on William Cannon Drive and Circle S Road from the Pleasant Hill Baptist Church in an amount not to exceed \$550,000. **Director Robinson** seconded the motion. The motion passed. (5-Ayes and 0-Nays).

REPORTS

No other reporting.

EXECUTIVE SESSION

Recess into Executive Session Pursuant to

- a.* § 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b.* §551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real property;
- c.* §551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d.* §551.077, Texas Gov't Code, discuss certain economic development negotiations.

The Board did not recess into Executive Session.

ADJOURNMENT

Director Carrington moved to adjourn the meeting. **Director Robinson** seconded the motion. The Motion passed unanimously. The meeting adjourned at 1:07 p.m.

Tyra Duncan-Hall, Chairperson

Michael G. Gerber, Secretary

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

ACTION ITEM

AGENDA ITEM NO. 2

Presentation, Discussion, and Possible Action regarding Resolution No. 88 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- i. Facilitate the development of the ThinkEast Apartments, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin (“HACA”);**
- ii. Cause AAHC’s wholly owned, subsidiary limited liability company, ThinkEast GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of ThinkEast Apartments, Ltd. (the “Partnership”) and other related documents;**
- iii. Cause the Partnership to enter into development financing for the Projects; and**
- iv. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.**

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF DIRECTORS**

Resolution No. 88

MEETING DATE: October 21, 2016

STAFF CONTACT: Ron Kowal
Vice President of Housing Development/Asset Management

TITLE: Discussion, Consideration and Possible Action of Resolution No. 88: A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

1. Facilitate the development of ThinkEast Apartments, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin (“HACA”);
2. Cause AAHC’s wholly owned, subsidiary limited liability company, ThinkEast GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of ThinkEast Apartments, Ltd. (the “Partnership”) and other related documents;
3. Cause the Partnership to enter into development financing for the Project; and
4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

ACTION: **Motion to Approve Resolution No. 88:** Approval of a Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: Items 1-4 above.

SUMMARY:

The Austin Affordable Housing Corporation (AAHC), a nonprofit subsidiary of the Housing Authority of the City of Austin (HACA), was created to own, engage in or assist in the development or operation of affordable housing, including but not limited to income producing projects whose proceeds are used to further HACA’s mission of moving its stakeholders from poverty to self-sufficiency. AAHC, through one of its goals has committed through acquisition and or development a portfolio of 4040 units by the year 2020.

Austin Affordable Housing Corporation has been presented an opportunity to partner with Atlantic Pacific Corporation, to develop a certain tract of land located at 1143 Shady Lane, Austin, Texas. In September of 2015, The Board of the Austin Affordable Housing Corporation gave permission to purchase this tract of land and enter into a memorandum of understanding with Atlantic Pacific Corporation to develop the project for multi-family affordable units. The project (ThinkEast Apartments) will consist of 182 units serving tenants at or below 60% of median family income. The development will use a mixture of 4% tax credits and bonds to finance the development. The planned development will consist of 50 studio and one bath units, 65 one bedroom and one bath units, 58 two bedroom and one bath units and 9 three bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. HACA, through its Public Facility Corporation, is requesting the approval of an issuance of tax-exempt bonds in an amount not to exceed \$25,000,000. This approval will give AAHC the Board's final approval to proceed.

The project will be financed using 4% tax credits through the Texas Department of Housing and Community Affairs and tax exempt bonds issued by the Austin Affordable PFC, Inc. Resolution 88 asks the Board of Directors to allow AAHC to execute any and all documents and take any other action necessary to facilitate the closing.

Fiscal Impact:

None

Budgeted Expenditure **Name of Fund(s) or Account(s)** **Dollar Amount(s)**

Not Budgeted, Will result in expenditures indicated below:

STAFF ANALYSIS SUMMARY

PRESIDENT AND CEO:

DEPARTMENT HEAD:

FINANCE REVIEW:

RESOLUTION NO. 88

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- 1. Facilitate the development of the ThinkEast Apartments, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin;**
- 2. Cause AAHC’s wholly owned, subsidiary limited liability company, ThinkEast GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of ThinkEast Apartments, Ltd. (the “Partnership”) and other related documents;**
- 3. Cause the Partnership to enter into development financing for the Project; and**
- 4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.**

WHEREAS, AAHC is the sole member of the General Partner;

WHEREAS, the General Partner is the sole general partner of the Partnership;

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with ThinkEast Apartments, an apartment complex (the “**Project**”) under development on a parcel of land located in Austin, Travis County, Texas (the “**Land**”), and intended for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership desires to obtain site control of the Land from the Housing Authority of the City of Austin (“**HACA**”), by entering into a ground lease (“**Ground Lease**”) with HACA for the Project;

WHEREAS, AAHC, the General Partner and Partnership desire to enter into certain equity documents for the purpose of admitting an affiliate of Wells Fargo Bank, N.A. as limited partner to the Partnership, including an amended and restated agreement of limited partnership for the Partnership (the “**Partnership Agreement**”);

WHEREAS, in connection with the proceedings relating to the issuance and delivery by the Austin Affordable PFC, Inc. (the “**Governmental Lender**”) of its Multifamily Housing Governmental Note (ThinkEast Apartments) Series 2016 (the “**Governmental Note**”) in the original principal amount of \$25,000,000, pursuant to and in accordance with the terms of a Funding Loan Agreement (the “**Funding Loan Agreement**”) by and between the Governmental Lender, BOKF, NA, as fiscal agent (the “**Fiscal Agent**”), and Citibank, N.A.;

WHEREAS, in connection with the issuance of the Governmental Note, the proceeds will be loaned to the Partnership pursuant to a Borrower Loan Agreement, between the Governmental Lender and Borrower (the "**Borrower Loan Agreement**").

WHEREAS, in connection with the Borrower Loan Agreement, the Governmental Note and the Funding Loan Agreement, the Partnership desires to enter into a tax regulatory agreement, and other related certifications and documents, all upon such terms and conditions as the Partnership deems reasonable (collectively, the "**Tax-Exempt Loan Documents**");

WHEREAS, in connection with the transactions contemplated herein, the Partnership, General Partner and AAHC are required to enter into various documents which will evidence the same, including, but not limited to the Ground Lease, Partnership Agreement, Tax-Exempt Loan Documents and other security agreements, fixture filing statements, indemnity agreements, guaranties, development agreements, certificates, directions, approvals, waivers, notices, instruments and other communications as may be required by the parties (all of such documents collectively, the "**Financing Documents**");

NOW, BE IT RESOLVED, that all of the documents, instruments, or other writing executed by AAHC (both individually and in a representative capacity as identified in these resolutions), in consummation of the transactions herein described (both individually and in a representative capacity as identified in these resolutions), including, but not limited to, (i) the Financing Documents and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the "**Transaction Documents**") shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof; and it is further,

RESOLVED, that AAHC (both individually and in a representative capacity as identified in these resolutions), review, execute and approve all other documents necessary to effectuate the foregoing transactions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his/her execution and delivery thereof; and it is further

RESOLVED that the authorization of AAHC, Partnership and/or General Partner to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or General Partner and/or the Partnership, by any of the officers of AAHC of the Transaction Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

RESOLVED, that any officer of AAHC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or General Partner and/or the Partnership, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Project, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these

resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the General Partner), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or General Partner and/or Partnership, effective as of the date such action was taken; and it is further

RESOLVED, that action by any of the officers of AAHC, and any person or persons designated and authorized so to act by any such officer, to do and perform, or cause to be done and performed, in the name and on behalf of AAHC and/or General Partner and/or the Partnership, or the execution and delivery, or causing to be executed and delivered, such other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications, in the name and on behalf of AAHC or otherwise, as they, or any of them, may deem to be necessary or advisable in order to carry into effect the intent of the foregoing resolutions or to comply with the requirements of the instruments approved or authorized by the foregoing resolutions is hereby approved, ratified and confirmed; and it is further

RESOLVED, that the Board of Directors finds the actions authorized by these resolutions may reasonably be expected to directly or indirectly benefit AAHC; and it is further

RESOLVED, that the Partnership be promptly notified in writing by the Secretary or any other officer of AAHC or any change in these resolutions, and until it has actually received such notice in writing, the Partnership is authorized to act in pursuance of these resolutions.

[Remainder of page intentionally left blank for signature]

PASSED this 21st day of October, 2016.

Tyra Duncan-Hall, Chairperson

ATTEST:

Secretary

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

AGENDA ITEM NO. 3

Presentation, Discussion, and Possible Action regarding Resolution No. 89 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- i. Facilitate the development of the Pathways at Bouldin Oaks, Pathways at Manchaca II and Pathways at Coronado Hills (the "Projects"), which consist of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin (“HACA”); and**
- ii. Cause AAHC’s wholly owned, subsidiary limited liability companies Pathways at Bouldin Oaks, LLC, Pathways at Manchaca II, LLC and Pathways at Coronado Hills, LLC to enter into development financing for the Projects.**

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF DIRECTORS**

Resolution No. 89

MEETING DATE: October 21, 2016

STAFF CONTACT: Ron Kowal, Vice President of Housing Development/Asset Management

TITLE: Discussion, Consideration and Possible Action of Resolution No. 89: A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

1. Facilitate the development of the Pathways at Coronado Hills, Pathways at Manchaca II, and Pathways at Bouldin Oaks (the “Developments”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin (“HACA”);
2. Cause AAHC’s subsidiary limited liability companies, Pathways at Coronado Hills, LLC, Pathways at Manchaca II, LLC, and Pathways at Bouldin Oaks, LLC (the “Owners”), to own the Developments;
3. Cause the Owners to enter into acquisition and development financing for the Developments; and;
4. Cause AAHC and/or the Owners to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

ACTION: **Motion to Approve Resolution No. 89:** Approval of a Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: Items 1-4 above.

SUMMARY:

The Rental Assistance Demonstration (RAD) Program was authorized by the Consolidated and Further Continuing Appropriations Act of 2012 which provided fiscal year 2012 appropriations for HUD to support this program. RAD is a tool that enables Public Housing Authorities to convert public housing subsidies into long-term, Section 8 rental assistance subsidy. This is beneficial to PHAs because historically public housing subsidies and funding for capital projects have been unpredictable and fluctuate annually due to federal budget cuts. The project based rental assistance program provides a much more stable and predictable annual subsidy.

More importantly, the RAD tool provides PHA’s an opportunity to make substantial physical improvements to its properties, resulting in a higher quality of life for residents. Additionally, provisions with RAD ensure that existing residents are protected and enjoy more choices on where they wish to reside. The Housing Authority of the City of Austin (HACA) submitted applications and received a “Commitment to enter into a Housing Assistance Payment Contract” (CHAP) award on 9 properties and reservations to convert to RAD on the balance of its portfolio.

The conversion process to RAD will allow each property to address the needed repairs and renovations determined by a third party physical needs assessment. The three projects will be financed through a loan provided by Greystone Servicing Corporation, Inc., in an amount not to exceed \$9,000,000.00. Resolution No. 89 asks the Board of Directors to allow AAHC to execute any and all documents and take any other action necessary to facilitate the closing.

Fiscal Impact:

None

<input type="checkbox"/>	Budgeted Expenditure	Name of Fund(s) or Account(s)	Dollar Amount(s)
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Not Budgeted, Will result in expenditures indicated below:

STAFF ANALYSIS SUMMARY

PRESIDENT AND CEO:

DEPARTMENT HEAD:

FINANCE REVIEW:

RESOLUTION NO. 89

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- 1. Facilitate the acquisition of the Pathways at Coronado Hills, the Pathways at Manchaca II, and the Pathways at Bouldin Oaks (the “Developments”), which consist of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin;**
- 2. Cause AAHC’s subsidiary limited liability companies, Pathways at Coronado Hills, LLC, Pathways at Manchaca II, LLC, and Pathways at Bouldin Oaks, LLC (the “Owners”), to own the Developments;**
- 3. Cause the Owners to enter into acquisition and development financing for the Developments; and**
- 4. Cause AAHC and/or the Owners to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.**

WHEREAS, AAHC is contemplating the acquisition of the Developments;

WHEREAS, AAHC is the sole member of Owners;

WHEREAS, the Owners were formed for the purpose of owning, developing, managing, and otherwise dealing with the Developments;

WHEREAS, in connection with the acquisition and operation of the Developments, the Owners desire to obtain site control of the land comprising the sites of the Developments (collectively, the “**Land**”) from the Housing Authority of the City of Austin (“**HACA**”), by entering into ground leases (“**Ground Leases**”) with HACA for the Developments;

WHEREAS, the Owners desire to enter into loans with Greystone Servicing Corporation (or an affiliate thereof), whereby each of the Owners will borrow a sum not to exceed \$9,000,000 (“**Loans**”), in order to finance acquisition of the Developments;

WHEREAS, each of the Loans will be made pursuant to a promissory note to be secured, *inter alia*, by a deed of trust, UCC financing statements, certificates, affidavits, directions, amendments, indemnifications, notices, requests, demands, waivers, and any other assurances, instruments, or other communications executed in the name of and on behalf of the Owner as may be deemed to be necessary or advisable in order to carry into effect or to comply with the requirements of the instruments approved or authorized by these resolutions in connection with the Loans (“**Loan Documents**”);

WHEREAS, HACA has submitted an application with the United States Department of Housing and Urban Development (“**HUD**”) for approval under the Rental Assistance Demonstration (“**RAD**”) Program to designate certain units within the Developments as RAD units, and with the receipt of HUD approval, HACA and the Owners desire to implement the RAD units pursuant to certain documents (“**RAD Documents**”) by and among HACA, HUD, and the Owners;

NOW, BE IT RESOLVED, that all of the documents, instruments, or other writing executed by AAHC (both individually and in a representative capacity as identified in these resolutions), in consummation of the transactions herein described (both individually and in a representative capacity as identified in these resolutions), including, but not limited to, (i) the Ground Leases, RAD Documents and Loan Documents and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the "**Transaction Documents**") shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof; and it is further,

RESOLVED, that AAHC (both individually and in a representative capacity as identified in these resolutions), review, execute and approve all other documents necessary to effectuate the foregoing transactions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his/her execution and delivery thereof; and it is further

RESOLVED that the authorization of AAHC and/or each of the Owners to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or each of the Owners, by any of the officers of AAHC of the Transaction Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

RESOLVED, that any officer of AAHC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or the Owners, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Developments, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer, executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or Owners, effective as of the date such action was taken; and it is further

RESOLVED, that action by any of the officers of AAHC, and any person or persons designated and authorized so to act by any such officer, to do and perform, or cause to be done and performed, in the name and on behalf of AAHC and/or the Owners, or the execution and delivery, or causing to be executed and delivered, such other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications, in the name and on behalf of AAHC or otherwise, as they, or any of them, may deem to be necessary or advisable in order to carry into effect the intent of the foregoing resolutions or to comply with the requirements of the instruments approved or authorized by the foregoing resolutions is hereby approved, ratified and confirmed; and it is further

RESOLVED, that the Board of Directors finds the actions authorized by these resolutions may reasonably be expected to directly or indirectly benefit AAHC; and it is further

RESOLVED, that the Owners be promptly notified in writing by the Secretary or any other officer of AAHC or any change in these resolutions, and until it has actually received such notice in writing, the Owners are authorized to act in pursuance of these resolutions.

[Remainder of page intentionally left blank for signature]

PASSED this 21st day of October, 2016.

Tyra Duncan-Hall, Chairperson

ATTEST:

Secretary

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

EXECUTIVE SESSION

Recess into Executive Session Pursuant to

- a) § 551.071, Texas Gov't Code, consultations with Attorney regarding pending or contemplated litigation; or a settlement offer**
- b) §551.072, Texas Gov't Code, deliberation about the purchase, exchange, lease or value of real property**
- c) §551.074, Texas Gov't Code, deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee**
- d) §551.077, Texas Gov't Code, discuss certain economic development negotiations.**

Return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

Adjournment

October 21, 2016
Regular Board Meeting