

# **Austin Affordable Housing Corporation Meeting**



**Thursday, December 15, 2016  
12:00 noon  
at**

**HACA Central  
1124 S. IH 35  
Austin, Texas**

**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  
HACA Central  
1124 S. IH 35, Austin, Texas  
(512.477.4488)**

**COMMENCING AT 12:00 NOON ON THURSDAY, DECEMBER 15, 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 October 21, 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. 90 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other actions, that are necessary or desirable to facilitate the refinancing of the Sterling Village Apartments

**Ron Kowal**  
VP Housing Development/Asst  
Mgmt.

**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."**

\*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.

**"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 or 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**

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

**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 October 21, 2016**

**AUSTIN AFFORDABLE PFC., INC  
BOARD OF DIRECTORS  
BOARD MEETING**

**OCTOBER 21, 2016**

**SUMMARY OF MINUTES**

**The AUSTIN AFFORDABLE PFC., INC (AAPFC) Board of Directors Public Meeting Notice was posted for 12:00 noon on Friday, OCTOBER 21, 2016, and was held at Manchaca Village located at 3628 Manchaca, Austin, TX**

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

The Board of Commissioners meeting of the **AUSTIN AFFORDABLE PFC** of **OCTOBER 21, 2016**, was called to order by Carl S. Richie, Jr., Chairperson, at 12:26 p.m. It was held at Manchaca Village located at 3628 Manchaca, Austin, TX

Roll call certified a quorum was present.

**MEMBERS PRESENT:**

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

**MEMBER(S) ABSENT:**

Edwina Carrington, 2<sup>nd</sup> Vice-Chairperson

**STAFF PRESENT:**

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

**ALSO IN ATTENDANCE:**

Jim Ewbank, Cokinos, Bosien & Young

**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**

**Director Duncan-Hall** moved to approve the Board Minutes Summary for the Board Meeting held on September 15, 2016 as presented. **Director Robinson** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

**ACTION ITEMS**

**ITEM 2: Presentation, Discussion, and Possible Action of Resolution No. 28: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Governmental Note (ThinkEast Apartments) Series 2016; Authorizing the Execution and Delivery of Documents and Instruments Necessary to Carry Out the Financing of Such Multifamily Residential Rental Development; and Containing Other Provisions Relating to the Subject**

**Director Robinson** moved for the approval of Resolution No. 28: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Governmental Note (ThinkEast Apartments) Series 2016; Authorizing the Execution and Delivery of Documents and Instruments Necessary to Carry Out the Financing of Such Multifamily Residential Rental Development; and Containing Other Provisions Relating to the Subject. **Director Duncan-Hall** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

**ITEM 3: Presentation, Discussion, and Possible Action of Resolution No. 29: Declaring Intent to Issue Bonds to Provide Financing for a Multifamily Residential Rental Development for Persons of Low and Moderate Income (Gaston Place Apartments); prescribing certain Terms and Conditions of such Bonds; Authorizing the Filing of an Application for Allocation of Private Activity Bonds with the Texas Bond Review Board; and Containing Other Provisions Relating to the Subject**

**Director Duncan-Hall** moved the Approval of Resolution No. 29: Declaring Intent to Issue Bonds to Provide Financing for a Multifamily Residential Rental Development for Persons of Low and Moderate Income (Gaston Place Apartments); prescribing certain Terms and Conditions of such Bonds; Authorizing the Filing of an Application for Allocation of Private Activity Bonds with the Texas Bond Review Board; and Containing Other Provisions Relating to the Subject. **Director Robinson** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

**EXECUTIVE SESSION**

The Board of Commissioners did not recess into Executive Session.

**ADJOURNMENT**

**Director Robinson** moved to adjourn the meeting. **Director Bailey** seconded the motion. The motion passed unanimously.

The meeting adjourned at 1:46 p.m.

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Tyra Duncan-Hall, Chairperson

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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. 90 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other actions, that are necessary or desirable to facilitate the refinancing of the Sterling Village Apartments**



**AUSTIN AFFORDABLE HOUSING CORPORATION**

**BOARD ACTION REQUEST**

**RESOLUTION NO. 90**

**Austin Affordable Housing Corporation**

**MEETING DATE:** December 15, 2016

**STAFF CONTACT:** Ron Kowal, Vice President, Austin Affordable Housing Corporation

**ITEM TITLE:** Presentation, Discussion and Possible Action regarding Resolution No. 90 by the Board of Directors of Austin Affordable Housing Corporation (AAHC) authorizing AAHC to execute any and all documents, or to take any other actions that are necessary or desirable to facilitate the refinance of the Sterling Village Apartments

**BUDGETED ITEM:** N/A

**TOTAL COST:** \$5,000,000.00

**ACTION**

Motion to approve Resolution No. 90 Authorizing the Austin Affordable Housing Corporation to execute any and all documents, or to take any other actions that are necessary or desirable to facilitate the refinance of the Sterling Village Apartments.

**SUMMARY**

The Austin Affordable Housing Corporation (AAHC), a nonprofit subsidiary of the Housing Authority of the City of Austin (HACA), was created to own, webpage in or assist in the development of public housing, including but not limited to income producing projects whose proceeds are used for the benefits and use of low income public housing. The Sterling Village Apartments was purchased by Austin Affordable Housing Corporation in March of 2004. In order to take advantage of low interest rates and secure these rates for another 10 years, Austin Affordable Housing Corporation is requesting the approval of resolution 90 authorizing AAHC to execute any and all documents, or take any other actions that are necessary or desirable to facilitate the refinance of the Sterling Village Apartments in an amount not exceed \$5,000,000. AAHC is working with Bellwether Real Enterprise Real Estate Capital, LLC on this transaction.

## RESOLUTION NO. 90

**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 Sterling Village Apartments (the “Development”), 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;**
- 2. Cause AAHC to form a subsidiary limited liability company to own the Development (the “Owner”);**
- 3. Cause the Owner to enter into financing for the Development; and**
- 4. Cause AAHC and/or the Owner 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 Development;

WHEREAS, in connection with the acquisition and operation of the Development, the Owner desires to obtain site control of the land comprising the site of the Development (the “**Land**”) from the Housing Authority of the City of Austin (“**HACA**”), by entering into a ground leases (“**Ground Lease**”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a non-recourse loan with Bellwether Enterprise Real Estate Capital, LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$5,000,000 (“**Loan**”), in order to finance acquisition of the Development;

WHEREAS, the Loan will each 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**”);

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 Lease 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 Owner to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or the Owner, 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 Owner, 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 Owner, 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 Owner, 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 Owner 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 Owner is authorized to act in pursuance of these resolutions.

PASSED this 15th day of December, 2016.

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PRESIDENT

ATTEST:

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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**

**December 15, 2016  
Regular Board Meeting**